



## News Release

### Wilmar Seeks Collaboration for Labour Transformation in Palm Oil

**Singapore, 29 November 2016** - Wilmar recognises and respects the rights of all workers, including contract, temporary and migrant workers. This tenet of sustainability is included in Wilmar's No Deforestation, No Peat and No Exploitation (NDPE) policy, which was launched in December 2013, as one of our core commitments.

We are aware that Amnesty International will be focusing on labour rights issues in the palm oil industry in their coming report. We welcome this report, as it helps highlight labour issues within the wider palm oil industry and in Indonesia specifically. Wilmar has put a lot of effort and systems in place to deal with labour and social issues in our operations and supply chain. We acknowledge that there are ongoing labour issues in the palm oil industry, and these issues could affect any palm company operating in Indonesia. The focus on Wilmar, as the largest processor and merchandiser of palm and lauric oils worldwide, is often used to draw attention to problems in the wider palm oil industry.

Wilmar was first contacted on [5 October 2016](#) in writing by Amnesty International pertaining to allegations of labour rights violations at unspecified Wilmar's operations and third-party suppliers. We were further contacted on [4 November 2016](#) again in writing, this time naming two of Wilmar's estates in North Sumatra, two third-party mills and a third-party refinery supplier. We were also aware that Amnesty International had reached out to our customers during the same timeframe. In [Wilmar's responses](#) to Amnesty International, we have outlined internal investigations that have been taking place since August 2016, which related to the allegations that Amnesty International raised with regard to two of our operations - PT Daya Labuhan Indah and PT Perkebunan Milano - in North Sumatra. In order to maintain Wilmar's transparency and accountability, these issues and Wilmar's internal actions have already been voluntarily reported publicly on our website through our [grievance procedure](#). The internal assessment report is available at this [link](#).

Many of the issues mentioned by Amnesty International have also been raised by other civil society organisations. For Wilmar's refinery suppliers, these are assessed and identified within the [Aggregator Refinery Transformation \(ART\)](#) approach in partnership with The Forest Trust (TFT). Results of assessments carried out on our refinery suppliers are included, along with recommendations on improvements within ["Overarching Reports"](#), which are specific to geographic regions supplying Wilmar's refineries. These reports are publicly available, and are also shared with our suppliers. TFT Director, Mr Boris Saraber said, "The ART framework is a highly effective mechanism for reaching out to a large number of suppliers on a broad range of issues within a short time frame. The target outcome is to provide guidance, tools and support to enable all companies to implement responsible practice. This approach facilitates collaborative responses and peer-to-peer exchange between suppliers to encourage them to take ownership of their own journey to implement responsible practices as soon as possible across their own supply chains using capacity building and training." Wilmar had also identified the need to further improve on a systematic approach to monitoring and

enforcing the labour related commitments in our NDPE policy, as noted in our [Sustainability Report 2015](#), which will continue to be refined in 2016 and beyond.

Ms Perpetua George, Assistant General Manager for Wilmar Group Sustainability, said, “Many of these highlighted issues need a bigger platform than sustainable certification to resolve; they require collaborations between governments, companies, and civil society organisations like Amnesty International. Much like the large steps taken in the implementation of no deforestation commitments, it takes more than just companies to help overcome these issues that affect the lives of plantation workers. We are aware that Amnesty International has already taken steps to engage the Indonesian government on these issues, and this is a big step. We have reached out to Amnesty International to work more collaboratively with the industry and we hope that this can be a reality.”

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#### Notes to Editor:

- Wilmar's action updates on allegations pertaining to PT Daya Labuhan Indah and PT Perkebunan Milano:

Date	Action	Location
10 August 2016	Received information on labour-related issues	PT Daya Labuhan Indah (DLI), PT Perkebunan Milano (PM)
12 August – 2 September 2016	Initial assessment and consultations by internal Wilmar team. Report available <a href="#">here</a>	PT DLI, PT PM
September 2016	Assess with HR, the existing wage structure and payments	Wilmar head office and regional office
November 2016	2nd assessment by internal Wilmar team	PT DLI, PT PM
December 2016	3rd assessments, with 3rd party	PT PM, PT DLI

- Wilmar is also separately working with Golden Agri-Resources, and Business for Social Responsibility (BSR) - a global non-profit organisation that works to build a just and sustainable world by developing sustainable business strategies and solutions - to conduct a review of current labour practices in the palm oil sector in Indonesia. More information about our collaboration with BSR can be found [here](#).
- More information about Wilmar's ongoing work to address labour issues in our supply chain can be found [here](#).

## **ABOUT WILMAR'S SUSTAINABILITY**

As a leading agribusiness group, Wilmar recognises we have a fundamental role to play in developing quality products required by the world while ensuring a responsible and sustainable manner of production. We adopt a holistic approach to sustainability that is fully integrated with our business model. Guided by the philosophy that our business must enhance stakeholder value while minimising our environmental footprint, our business practices are aligned with universally acceptable social and environmental standards. Wilmar's [No Deforestation, No Peat and No Exploitation policy](#) underpins our aspiration to make a positive impact and drive transformation across the palm oil industry.

For more information, go to [www.wilmar-international.com/sustainability](http://www.wilmar-international.com/sustainability).

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