

# Wilmar International Ltd.

**TICKER**  
SGX:F34

**MARKET CAPITALIZATION**  
US\$15 billion

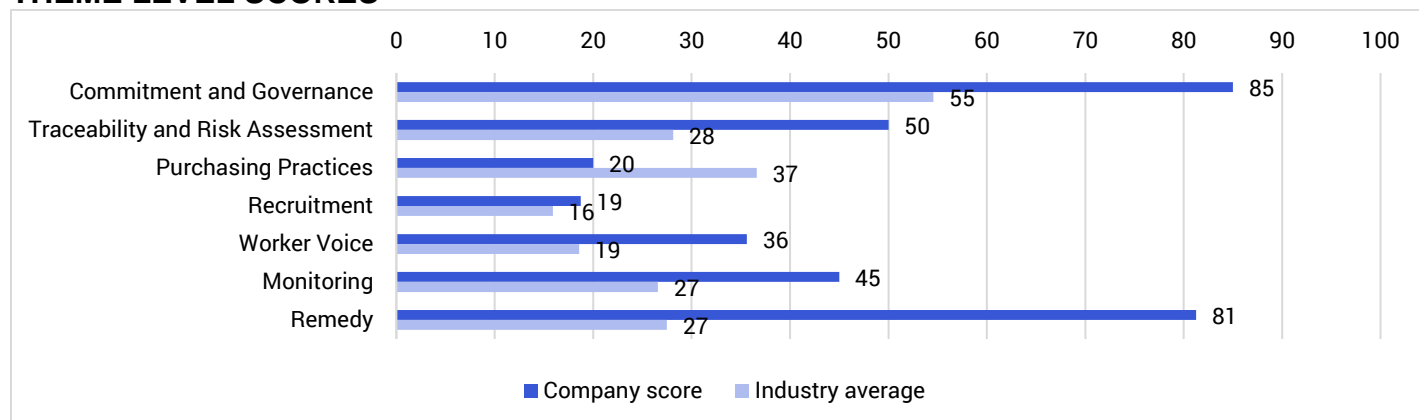
**HEADQUARTERS**  
Singapore

**COMPLIANCE**
**UK Modern Slavery Act:** [Disclosure available, but not compliant](#)
**California Transparency in Supply Chains Act:** [Not applicable](#)
**COMMITMENTS**
[Yes](#)
**OVERALL RANKING**
**8 out of 38**

(2016: 5 out of 20)

**OVERALL SCORE**
**48 out of 100**
**SUMMARY**

Wilmar International Ltd. (Wilmar), a Singapore-based agribusiness involved in oils, grains, and sugar, ranks eighth out of 38 companies, disclosing more information on its forced labor policies and practices than its peers on all themes except purchasing practices. Compared to 2016, the company improved its score by eight points by disclosing supplier training, collaborations with peer companies to address forced labor, a list of names and addresses of its sugar suppliers, engagement with unions regarding labor rights in its supply chains, and details on its audit process. Notably, Wilmar achieves the highest score on the theme of remedy. KnowTheChain identified one allegation of forced labor in the company's palm oil supply chains. The company discloses a process to respond to grievances and a response to the allegation, and it is the only company in the benchmark that discloses remedy outcomes for workers. The company does not disclose whether the remedy provided is satisfactory to the victims. Additional steps the company could take to address forced labor risks in its supply chains include strengthening its disclosure and practices on the themes of purchasing practices, recruitment, and worker voice.

**THEME LEVEL SCORES**

 Research conducted through March 2018, or through June 2018 where companies provided additional disclosure or links. For more information, see the full dataset [here](#).

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## LEADING PRACTICES

**Stakeholder Engagement:** Wilmar discloses that it is a member of the RSPO Human Rights Working Group and that it is actively participating in its "Labour Taskforce," which is addressing the rights of plantation workers and vulnerable groups such as migrant workers and casual workers. It discloses that it is supporting the development of an RSPO decent living wage definition and methodology. The company also discloses it has been working on a "Pre-Competitive Platform to Seek Long-Term Solutions for Labour Improvement" together with other palm producers to improve the protection of human and labor rights of workers in the Indonesian agriculture sector.

**Grievance Mechanism:** Wilmar discloses it has a grievance mechanism in place which allows external stakeholders to raise grievances regarding Wilmar or its suppliers on the implementation of its policies. The company describes that the mechanism has been developed in cooperation with "a range of stakeholders" and it will continue to integrate feedback further. Wilmar publishes a regularly updated list of grievances filed through the mechanism, which includes involved stakeholders, the date the grievance was received, the type of grievance (including those related to labor issues), and a summary of progress. It further provides a list of complaints against the company that are currently handled under the RSPO complaints mechanism.

**Process for Responding to Grievances:** Wilmar discloses a process for responding to grievances, including details on responsibilities, steps taken, engagements with affected rights holders, and timelines. Wilmar's "grievance procedure process flow" includes: identification of a potential grievance, initial engagement (internal and with the grievance raiser), developing an approach for handling the specific grievance, preparing an action plan to resolve the grievance, and monitoring the implementation of the action plan. It discloses details on the duties and responsibilities of the grievance unit at Wilmar's head office, the grievance committee, and the verification team, as well as the availability of an appeals process.

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## NOTABLE FINDINGS

**Traceability:** Wilmar publishes a list of the names and addresses of its sugar suppliers, as well as an interactive map of its direct palm oil suppliers.

**Migrant Worker Rights:** Based on its learnings from an initiative at its own mills, the company reached out to suppliers in Malaysia and encouraged them to give migrant workers full control of their passports by providing passport lockers. Wilmar reports that one major supplier implemented this step in 2017.

**Freedom of Association:** Wilmar discloses that it has increasingly been working with unions in Indonesia in order to help workers understand their rights. Whereas these activities have, so far, focused on workers in the company's own operations, it has also started to spread these learnings into its supplier network by involving unions in training workshops "so they can engage directly with our third-party suppliers in improving their labour practices." It reports that, in 2018, it has organized several capacity-building sessions on labor rights in Indonesia, which were facilitated by BSR, and attended by union representatives as well as by representatives of 74 suppliers.

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## OPPORTUNITIES FOR IMPROVEMENT

**Purchasing Practices:** While the company discloses that potential suppliers are required to show that they can meet its requirements, the company is encouraged to demonstrate that it assesses risks of forced labor at potential suppliers before entering into contracts with them. To ensure that labor rights are respected across its supply chains, the company may consider requiring that its first-tier suppliers ensure that their own suppliers implement standards that are in-line with the company's standards.

**Recruitment:** The company may consider developing and disclosing a policy that requires direct employment in its supply chains. In addition, the company may consider requiring recruitment agencies—and, where relevant, employment agencies—in its supply chains to uphold workers' fundamental rights and freedoms. While the company discloses it monitors its suppliers' recruitment practices and use of third-party

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contractors, the company is encouraged to ensure that employment and/or recruitment agencies used in its supply chains are audited, and to provide details of how it supports ethical recruitment in its supply chains (for example, by using ethical recruitment agencies or supporting the development of ethical recruitment schemes).

**Worker Voice:** The company is encouraged to work with its suppliers to improve their practices in relation to freedom of association and collective bargaining. Where there are regulatory constraints on freedom of association, the company may consider ensuring workplace environments in which workers in its supply chains are able to pursue alternative forms of organizing. Further, the company is encouraged to build on its existing efforts of collaborating with unions and to work with relevant stakeholders to engage with and educate workers in its supply chains on their labor rights. To ensure scalability and effectiveness, the company may consider ensuring that there are worker-to-worker education initiatives on labor rights in its supply chains and that it is measuring and disclosing evidence of the positive impact of worker engagement in its supply chains.

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## COMPANY PROVIDED ADDITIONAL DISCLOSURE

[Yes.](#)