

## KnowTheChain 2023 Food & Beverage Benchmark

### Additional Disclosure

Company Name: Wilmar International

Date: April 2023

Guidance:

- Please add any additional information you wish to provide under the relevant indicator elements below.
- We welcome examples of leading practices.
- Unless you are sharing leading practices, please limit the information to indicators for which KnowTheChain could not yet identify sufficient information on your website.
- Note **KnowTheChain has already undertaken a review of your website**. Should you wish to include links to existing disclosure, please specify the page number / section you are referring to.

#### INDICATOR 1: SUPPLIER CODE OF CONDUCT AND CAPACITY BUILDING

1.1 has a supplier code of conduct that requires suppliers to respect the ILO core labour standards, which include the elimination of forced labour; and requires suppliers to cascade/implement standards that are in line with the company's supplier code of conduct; and

**Wilmar feedback:** No further comment

1.2 engages in capacity building to enable its suppliers to cascade its supply chain policies that address forced labour to their own supply chains and/or trains suppliers below the first tier on such policies, and measures the effectiveness of capacity building.

**Wilmar feedback:** Points should be met [100 points]

1. The Company trains suppliers on its human rights commitment, as part of enforcing NDPE compliance throughout its supply chain. The NDPE Policy applies to Wilmar's suppliers in addition to its own operations. [\[No Deforestation, No Peat and No Exploitation \(NDPE\) Policy, Pg 1,9-10\]](#)
2. "We also work hard to cascade human rights issues via capacity building to our suppliers, as well as developing supporting tools and guidelines to assist our suppliers in better understanding and implementing human rights." [\[Wilmar Sustainability Report 2021, page 103\]](#)
3. "A series of workshops – attended by 190 participants – was also organised in 2020 to build capacity and guide Wilmar's suppliers towards a better understanding of child protection within their operations." [\[Wilmar Sustainability Report 2021, page 111\]](#)
4. "We provide suppliers with regular human rights training as a crucial component of our commitment to human rights. Suppliers are able to demonstrate compliance with our NDPE Policy, specifically our No Exploitation commitments." [\[Wilmar Sustainability Report 2021, page 113\]](#)
5. "In 2021, two training programmes were held for our Malaysian suppliers on forced labour and ethical recruitment. In Indonesia, our suppliers were provided training on implementing Wilmar's NDPE Policy. In total, we have conducted 29 training sessions with our suppliers since 2015, covering topics such as implementing our Child Protection Policy, improving labour

practices in the palm oil industry and labour standards for specific regions (for example, Johor, Pahang and Sabah)." [Wilmar Sustainability Report 2021, page 113]

6. "Ongoing engagement with suppliers is critical to ensure all suppliers adhere to our NDPE policy commitments.. In 2021, we continued to...roll out supplier training sessions.." [Palm NDPE Implementation Annual Report 2021, page 13]
7. "SRT is used to assess suppliers for environmental and social risks and forms a key part of our Human Rights Due Diligence (HRDD) process. Through this assessment, mills that are categorised with higher levels of risk or 'high-priority' mills, undergo direct engagement to bridge gaps identified. In 2021, Wilmar was able to engage 67.7% of suppliers assessed as high priority mills (i.e. 48 suppliers). "[Palm NDPE Implementation Annual Report 2021, pages 11-13]

#### Sources:

- No Deforestation, No Peat and No Exploitation (NDPE) Policy, Pg. 1, 9-10, [wilmar-ndpe-policy---2019.pdf \(wilmar-international.com\)](#)
- Wilmar Sustainability Report 2021 pages 103, 111, 113, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23\\_10](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23_10)
- Palm NDPE Implementation Annual Report 2021 pages 11-13, 15 – 17, 29, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518\\_18](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518_18)
- Wilmar webpage, Joint Statement with Wilmar, AidEnvironment Asia, Unilever and Mondelez International - Creating a Deforestation-free Palm Oil Supply Chain, page 2, <https://www.wilmar-international.com/sustainability/wp-content/uploads/2018/12/JOINT-STATEMENT-FINAL-07122018-with-Signatures-v3.pdf>

#### INDICATOR 2: MANAGEMENT AND ACCOUNTABILITY

2.1 has a committee, team, program, or officer responsible for the implementation of its supply chain policies that address forced labour; and discloses how incentives for staff (e.g. bonuses, part of employee performance reviews) are tied to improvements in working conditions in supply chains;

#### Wilmar feedback: Points should be met [100 points]

1. The Board Sustainability Committee (BSC), comprising of majority independent board directors, oversees the Company's sustainability/ESG strategy, trends, and performance, which include human rights. As part of the annual formal assessment of Board performance, the BSC is assessed to determine the effectiveness of the committee against its objectives on ESG matters, including human rights. On a broader level, the FY2021 assessment of the Board and its Directors introduced a section on sustainability, upholding the Wilmar's group-wide high-level commitment to sustainability. [Wilmar Annual Report 2021, pages 64, 66-67 & 75]
2. The Group's remuneration philosophy is aimed at attracting, retaining and motivating Executive Directors and key management personnel of the highest calibre through a framework which aligns rewards with the performance and the achievement of strategic objectives. The framework consists of a fixed and a variable component. The variable component includes an annual bonus tied to the performance of the individual and the Company, as well as short and long-term incentives in the form of share options designed to strengthen the pay-for-performance framework which serves to reward and recognise key executives' contributions to the growth of the Company. The RC seeks to ensure that key criteria, namely, company

profitability, competitiveness, reasonableness, and linkage to performance are satisfied for the executives' remuneration package. In the Company's continuous efforts to create sustainable value for stakeholders, the Company has taken into consideration relevant key ESG targets in the annual performance review of its Executive Directors and key management personnel. The key ESG targets which were incorporated in the performance review for FY2022 include Climate Change, Responsible Sourcing and Supply, Health and Safety, Business Ethics and Compliance as well as Talent Retention. These ESG targets form part of a larger set of ESG topics that have been identified as being material to the Group. The performance of each senior management member was appraised with reference to the key targets, along with external factors such as changing business environment and industry trends, to determine the executives' remuneration package. [Wilmar Annual Report 2022, pages 76-77]

3. The Chief Sustainability Officer, General Manager – Group Sustainability, and relevant staff in the Sustainability Department, are held accountable for sustainability performance (including human rights topics), which are captured within their performance appraisals that is linked to remuneration and/or promotion. [Wilmar Webpage: Sustainability Governance Structure & Wilmar Sustainability Report 2021, pages 26-27]

#### Sources:

- Wilmar Annual Report 2022, pages 76-77, [https://media-wilmar.todayir.com/20230329084206349978152\\_en.pdf](https://media-wilmar.todayir.com/20230329084206349978152_en.pdf)
- Wilmar Annual Report 2021, pages 64, 66-67 & 75, [https://media-wilmar.todayir.com/20220330100549312919595\\_en.pdf](https://media-wilmar.todayir.com/20220330100549312919595_en.pdf)
- Wilmar webpage, Sustainability Dashboard - Sustainability Governance Structure, <https://www.wilmar-international.com/sustainability/policies/sustainability-governance-structure>
- Wilmar Sustainability Report 2021, pages 26-27, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23\\_10](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23_10)

2.2 discloses how it trains relevant decision-makers within the company on risks and policies that address forced labour; and

#### Wilmar feedback: Points should be met [100 points]

1. We provide regular training for our internal Sustainability Team to help them stay abreast of new developments in the palm oil sector. Topics discussed include Free Prior Informed Consent (FPIC), ethical recruitment audits and managing forced labour risks. [Wilmar Sustainability Report 2021, page 113]
2. The NDPE Policy is communicated to all employees as part of onboarding, and is communicated in the employee intranet. [Wilmar Annual Report 2021, page.31]
3. As part of procurement, a due diligence process is undertaken for all new suppliers before they are eligible to enter our supply chain: "A thorough due diligence process is undertaken for 100% of our potential supplying mills before it is eligible to enter Wilmar's supply chain. " Wilmar staff in charge of this due diligence process sits in the Sustainability Team and are trained on human rights topics. (See point (1) above.) [Wilmar Sustainability Report 2019, published in 2020, page 43]. It is important to note that the due diligence process is carried out by the Sustainability Team, which has been trained on various topics related to NDPE as stipulated in our various reporting. Specifically on due diligence process.

4. In addition to the Whistleblowing Policy and the Securities Trading Policy, the Company has in place other compliance-related policies such as the Code of Conduct, Code of Ethics, Anti-Bribery and Corruption Policy and Anti-Fraud Policy, which set out the principles and standards of behaviour that are expected of employees of the Group when dealing with customers, suppliers, business associates and colleagues as well as how the Group deals with fraud incidents. To ensure compliance with these policies, compulsory refresher sessions on compliance-related topics are organised for employees on a regular basis via an e-learning application developed by the Company's HR Department. [Wilmar Annual Report 2021 page. 85]
5. The Board of Directors is encouraged to participate in training programmes that are relevant to their role i.e SGX Sustainability Reporting Review 2021 and The Institute of Policy Studies (IPS) Women's Conference [Wilmar Annual Report 2021, page 69].
6. The majority of Wilmar's Board of Directors have business experience and expertise related to at least one of Wilmar's 16 material sustainability topics which may be found in Wilmar's latest Sustainability Report. To ensure that our Board is equipped with the knowledge and skills to effectively contribute in their roles as Directors, we provide various trainings and briefings. On an ongoing basis, Directors are provided with opportunities to develop and refresh their skills and knowledge. In 2022, our Directors attended SGX-ST's prescribed mandatory sustainability training course(s) for board of directors. Directors are also encouraged to participate in seminars, conferences and training programmes which are relevant to their roles as directors and in 2022, specifically related to sustainability, our Board of Directors, as well as some members of our KMT, attended the following training sessions conducted by our Sustainability department: • ESG analysis and reporting • Climate change and greenhouse gas emissions [Wilmar Annual Report 2022, page 71].
7. Training is also provided for different stakeholders, including our management: Wilmar is working together with Verite in tackling the root cause of labour issues in oil palm plantation. The approach includes consolidated high-level issues identified by Verité who then provided training to different stakeholders, such as our management. Prior to the pandemic, the training focused on raising labour standards in our palm oil operations in Indonesia. Moving forward, we plan to conduct training for our high-level management to roll out our programme across all our Indonesian operations [Wilmar Sustainability Report 2021, page 104]

#### Sources:

- Wilmar Sustainability Report 2021 pages 113, 104, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23\\_10](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23_10)
- Wilmar Annual Report 2022, page 71, [https://media-wilmar.todayir.com/20230329084206349978152\\_en.pdf](https://media-wilmar.todayir.com/20230329084206349978152_en.pdf)
- Wilmar Annual Report 2021, pages 31, 85, 69, [https://media-wilmar.todayir.com/20220330100549312919595\\_en.pdf](https://media-wilmar.todayir.com/20220330100549312919595_en.pdf)
- Wilmar Sustainability Report 2019, page 43 [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/wilmar-sustainability-report-2019.pdf?sfvrsn=f801a895\\_2](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/wilmar-sustainability-report-2019.pdf?sfvrsn=f801a895_2)

2.3 has tasked a board member or board committee with oversight of its supply chain policies that address forced labour, and describes how the experiences of affected workers or relevant

stakeholders (such as civil society, unions, and workers or their representatives) informed board discussions.

**Wilmar feedback:** We acknowledge the score given on this indicator

### INDICATOR 3: TRACEABILITY AND SUPPLY CHAIN TRANSPARENCY

3.1 the names and addresses of first-tier suppliers;

**Wilmar feedback:** Points should be met.

- Please see attachment together with this email on Wilmar's Sugar Suppliers List



Wilmar Sugar  
Suppliers List.pdf

3.2 the names and locations of below-first-tier suppliers (this does not include raw material suppliers); and

**Wilmar feedback:** Points should be met

1. Wilmar also publicly discloses names and location below first tier suppliers in its mills list within the supply chain section under section– **List of supplying mills (indirect)\*\*\***. Example please see [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/supply-chain/traceability-report-q3'-2021---q2'-2022/indonesia/mna-kuala-tanjung\\_221028.pdf?sfvrsn=9e925e2\\_4](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/supply-chain/traceability-report-q3'-2021---q2'-2022/indonesia/mna-kuala-tanjung_221028.pdf?sfvrsn=9e925e2_4) on page 4.
2. Further, since 2015, Wilmar has maintained 100% traceability to plantation for all Wilmar-owned mills (including publishing names and locations of below-first tier suppliers) across our global operations and our-owned concession maps are publicly available on the [Roundtable on Sustainable Palm Oil \(RSPO\) map platform](#) and [Global Forest Watch \(GFW\) map platform](#). [Palm NDPE Implementation Annual Report 2021, page 8 ]
3. To date, we have made tremendous inroads in ramping up our TtP efforts by engaging with our suppliers to gather information based on their sourcing. This includes voluntary disclosure of concession maps by our direct third-party suppliers, engaging relevant stakeholders to identify deforestation risks for smallholder's FFB supplies and requesting for information from direct third-party mills, refiners, traders, and bulkers through self-assessment tools where we buy directly.
4. For RSPO certified (Segregation (SG)/Mass Balance (MB)) volumes, concession maps of certified plantations are publicly available on the Roundtable on Sustainable Palm Oil (RSPO) map platform. For non-certified concessions which includes volumes from MB sources in addition to conventional, the legality of sharing concession maps is unclear. Noting the sensitivities in countries where we operate, we are unable to share concession maps with any party
5. Wilmar, however, has published TtP percentages on a per-refinery basis, including percentage on a per mill on our [Wilmar Webpage, Sustainability Dashboard – Traceability](#).
6. As of end June 2022, approximately 70% of our global supply chain is traceable to plantation level based on our traceability criteria. [2022-2023 Update on Timebound Action Plan, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/supply-chain/wilmar-timebound-action-plan-2022--2023.pdf?sfvrsn=377e34bb\\_2](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/supply-chain/wilmar-timebound-action-plan-2022--2023.pdf?sfvrsn=377e34bb_2)]

#### Sources:

- Palm NDPE Implementation Annual Report 2021, page 8, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518\\_18](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518_18)
- Wilmar Webpage, Sustainability Dashboard- Traceability – supply chain map, <https://www.wilmar-international.com/sustainability/supply-chain-transformation/traceability>
- Example of names and locations of below-first tier suppliers, page 4, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/supply-chain/traceability-report-q3'-2021---q2'-2022/indonesia/mna-kuala-tanjung\\_221028.pdf?sfvrsn=9e925e2\\_4](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/supply-chain/traceability-report-q3'-2021---q2'-2022/indonesia/mna-kuala-tanjung_221028.pdf?sfvrsn=9e925e2_4)
- Wilmar Webpage, Sustainability Dashboard -Traceability criteria, names and locations of below-first tier suppliers for TtP, <https://www.wilmar-international.com/sustainability/supply-chain-transformation/traceability/traceability-back-to-plantation>
- Roundtable on Sustainable Palm Oil (RSPO) map platform, <https://rspo.org/members/2-0017-05-000-00/>
- Global Forest Watch (GFW) map platform, <https://www.globalforestwatch.org/map/>
- 2022-2023 Update on Timebound Action Plan, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/supply-chain/wilmar-timebound-action-plan-2022--2023.pdf?sfvrsn=377e34bb\\_2](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/supply-chain/wilmar-timebound-action-plan-2022--2023.pdf?sfvrsn=377e34bb_2)

### 3.3 the sourcing countries of at least three raw materials at high risk of forced labour.

#### Wilmar feedback: Points should be met [75 points]

1. Full disclosure for palm and sugar sourcing are made available on the public domain.
2. Please see our feedback in 3.2
3. **Palm oil:** 53% of FFB supply for our palm oil mills are from third-party suppliers in Indonesia, Malaysia, Ghana and Nigeria. 90% of CPO and PKO supply managed by our refineries are from third-party suppliers in Indonesia, Malaysia, Ghana and Nigeria. Our interactive [supply chain map](#) shows all our suppliers by country and refinery, providing further details such as name of the facility/company, location, percentage traceability to mill and progress on sustainability. [Wilmar Sustainability Report 2021, page 194]
4. For percentages (%) palm oil traceability to mill by country please see our [Palm NDPE Implementation Annual Report 2021, page 7](#)
5. **For sugarcane:** 97% of our sugarcane processed in our Australia, Myanmar and India sugar mills comes from third-party farmers and smallholders in their countries. 96% of our third-party raw sugar comes from major traders in Brazil, Thailand and Australia (the remainder are from India, South Africa and Latin American countries). We disclosed % of raw sugar traded or refined in our refineries by country of source (Central America – 4.2%, Brazil-60.9%, India 10.7%, Thailand – 9.1% and Australia-15.1%) [Wilmar Sustainability Report 2021 page 195]

#### Sources:

- Wilmar Sustainability Report 2021 pages 194, 195, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23\\_10](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23_10)
- Palm NDPE Implementation Annual Report 2021 page 7, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/supply-chain/wilmar-timebound-action-plan-2022--2023.pdf?sfvrsn=377e34bb\\_2](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/supply-chain/wilmar-timebound-action-plan-2022--2023.pdf?sfvrsn=377e34bb_2)



[library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518\\_18](https://www.wilmar-international.com/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518_18)

- Wilmar Webpage, Sustainability Dashboard - Supply Chain Map, <https://www.wilmar-international.com/sustainability/supply-chain-transformation/traceability/traceability-back-to-plantation>

#### INDICATOR 4: RISK ASSESSMENT

4.1 details on how it conducts human rights supply chain risk or impact assessments that include forced labour risks or assessments that focus specifically on forced labour risks, including through engaging with relevant stakeholders (such as civil society, unions, and workers or their representatives) in countries in which its suppliers operate;

##### **Wilmar feedback: Points should be met**

1. In 2017, Wilmar developed and launched the Supplier Reporting Tool (SRT), an online self-reporting tool hosted on the OnConnect system, to better assess our suppliers' progress and their implementation of our NDPE policy. SRT is used to assess suppliers for environmental and social risks and forms a key part of our Human Rights Due Diligence (HRDD) process. [\[Palm NDPE Implementation Report 2021, pages 11-14\]](#)
2. Wilmar's [Human Rights Defender Policy](#), which was developed in collaboration with Proforest, was initiated following the stakeholder consultations that were held before the publication of our No Exploitation Protocol in September 2020. Please see [Wilmar's Sustainability Factsheet](#) dated December 2021 - Human Rights Defenders Policy our website.
3. Based on feedback and input from stakeholders we have developed the [No Exploitation Protocol](#) to complement our Grievance Procedure. To strengthen the protocol development process, the [Consortium of Resource Experts \(CORE\)](#) has supported Wilmar to work alongside a technical working group consisting of labour rights and land rights specialist, [Verité](#), [Landesa](#), and [Earthworm Foundation](#). The development of the protocol involved two rounds of multi-stakeholder consultations, which involved local and international NGOs and human rights experts. Please see our website, on [NDPE Policy- Complaint and Grievance section](#)
4. Further, we recognise the important role unions play in improving worker-management engagement and to ensure healthy industrial relations. We also recognise that unions serve as effective mechanisms for raising grievances, as well as providing input on how to solve issues relevant to workers. We respect the right of employees to collective bargaining and the right to form and join trade unions of their choice. In the absence of a proper collective agreement or association, workers are free to join any other unions. As at end December 2021, 97% of our eligible employees worldwide are covered by collective bargaining agreements. The forms of collective bargaining differ from country-to-country depending on local situations and legislation. [\[Wilmar Sustainability Report 21, page 108\]](#)
5. In addition, our stakeholders include persons or groups whom our operations have a significant impact on, those with a vested interest in our sustainability or environmental, social and governance (ESG) performance, and those in public positions who influence our activities. They include certification bodies, civil society organisations (CSOs), customers, employees, financial institutions, governments, industry bodies, shareholders and the investing public, smallholders and local communities, suppliers, and sustainability collaborators. Please refer to the table on [Wilmar webpage on Stakeholder Engagement](#), which details the interests and key concerns, engagement methods employed, and key engagement outcomes for the respective stakeholder groups.

6. Wilmar have many successful stories on how we've worked with unions to resolve issues. Separately, please refer to some Sustainability Briefs on how indicators of forced labour were managed successfully (eg. [passport retention](#) and [working with unions](#))

**Sources:**

- Palm NDPE Implementation Annual Report 2021, pages 11-14, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518\\_18](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518_18)
- Wilmar, Sustainability Report 2021, page 108, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23\\_10](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23_10)
- Wilmar webpage, Sustainability Dashboard - Stakeholder Engagement: <https://www.wilmar-international.com/sustainability/policies/stakeholder-engagement>
- Wilmar webpage, Sustainability Brief on a case study working with unions to make positive impact in labour improvements: <https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/collective-action-with-cnv-hukatan-kbsi-makes-positive-impact-in-labour-final.pdf>
- Wilmar webpage, Sustainability Brief on improving worker's rights by returning passport to our workers: <https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/sustainability-brief-providing-a-safe-place-for-workers--passports.pdf>
- Wilmar webpage, Sustainability Factsheet dated December 2021 on Human Rights Defenders Policy: [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/factsheet---wilmar-hrd-policy.pdf?sfvrsn=17d782c1\\_2](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/factsheet---wilmar-hrd-policy.pdf?sfvrsn=17d782c1_2)
- NDPE Policy- Complaint and Grievance : <https://www.wilmar-international.com/sustainability/policies#ndpe-policy>
- No Exploitation Protocol, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/wilmar-no-exploitation-protocol.pdf?sfvrsn=e2b8c921\\_2](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/wilmar-no-exploitation-protocol.pdf?sfvrsn=e2b8c921_2)
- Consortium of Resource Experts (CORE), <https://www.proforest.net/what-we-do/projects/procedures-to-remediate-serious-human-rights-issues-13746/>
- Verité, <https://verite.org/>
- Landesa, <https://www.landesa.org/>
- Earthworm Foundation, <https://www.earthworm.org/>

4.2 details on forced labour risks identified in different tiers of its supply chains; and

**Wilmar feedback:** We acknowledge the score given on this indicator. No further comment

4.3 how it has consulted with relevant stakeholders (such as civil society, unions, and workers or their representatives) in steps taken to address the risks identified.

**Wilmar feedback:** **Points should be met [100 points]**

1. Wilmar conducted a Group-wide materiality assessment to identify and prioritise salient ESG risks in 2020. A wide range of stakeholders provided input into the assessment, i.e. employees,



academia, banks/lenders, certification bodies, customers, government/regulators, industry bodies, investors/shareholders, labour unions, local communities, media, multi-stakeholder organisations, civil society organisation (CSOs), non-profit organisations, retailers, smallholders, suppliers, sustainability consultants/collaborators, third-party auditors. This would hence encompass affected stakeholders of the various ESG issues, including human rights issues.

[\[Wilmar Sustainability Report 2020, page 171\]](#)

2. For 2021, we reviewed our material sustainability topics internally with our consultants, taking into account stakeholder feedback, new sectoral trends, experts' views and our own business objectives. Our priorities remain the same. [\[Wilmar Sustainability Report 2021, page 210\]](#)
3. Refer to <https://www.wilmar-international.com/sustainability/policies/stakeholder-engagement> for specific stakeholder engagements with regards to sustainability matters and issues.
4. How the engagement with stakeholders was undertaken and executed in FY2021 is described in [Wilmar's Annual Report 2021, see Principle 13: Engagement with Stakeholder pages. 88-91](#)
5. The Company works with stakeholders, such as customers, suppliers, non-profits, etc to review and support the NDPE policy and its implementation: "We call upon NGOs together with other downstream industry players to accelerate pressure on these non-compliant suppliers to commit to and implement NDPE policies." [\[Joint Statement with Wilmar, Aidenvironment Asia, Unilever and Mondelez International - Creating a Deforestation-free Palm Oil Supply Chain, page 4\]](#)
6. We collaborate and communicates with other stakeholders (such as local communities, governments and NGOs) on our human rights commitments in our Human Rights Framework, Human Rights Policy and NDPE Policy: "In collaboration with other industry players, consumer goods companies and non-governmental organisations (NGOs), we are working to ensure our supply chain is geared towards the sustainable production and sourcing of palm oil, in line with our No Deforestation, No Peat, No Exploitation (NDPE) policy." [\[Wilmar Sustainability Report 2021, page 113\]](#)
7. Stakeholder consultation was also carried out for the development of our revised Grievance Procedure, "In June 2019, we published an updated version of Wilmar's Grievance Procedure, which was first introduced in January 2015, after a process of consultation with NGOs and subject experts. Apart from streamlining the document, the grievance mechanism now more succinctly addresses NDPE non-compliances. We have communicated this updated procedure to all our suppliers. The updated Grievance Procedure is also available in Bahasa Indonesia for our Indonesian stakeholders." [\[Wilmar Sustainability Report 2019, page 46\]](#)
8. Wilmar's [Human Rights Defender Policy](#), which was developed in collaboration with Proforest, was initiated following the stakeholder consultations that were held before the publication of our No Exploitation Protocol in September 2020. Please see Wilmar's Sustainability Factsheet dated December 2021 on our [website](#).
9. Based on feedback and input from stakeholders we have developed the [No Exploitation Protocol](#) to complement our Grievance Procedure. To strengthen the protocol development process, the [Consortium of Resource Experts \(CORE\)](#) has supported Wilmar to work alongside a technical working group consisting of labour rights and land rights specialist, [Verité](#), [Landesa](#), and [Earthworm Foundation](#). The development of the protocol involved two rounds of multi-stakeholder consultations, which involved local and international NGOs and human rights experts. Please see our website, Sustainability Dashboard on [NDPE Policy- Complaint and Grievance section](#)

#### Sources:

- Wilmar Sustainability Report 2019, page 46, <https://www.wilmar-international.com/docs/default-source/default-document->

[library/sustainability/resource/wilmar-sustainability-reports/wilmar-sustainability-report-2019.pdf?sfvrsn=f801a895\\_2](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/wilmar-sustainability-report-2019.pdf?sfvrsn=f801a895_2)

- Wilmar Sustainability Report 2020, page 171, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/wilmar-sr2020.pdf?sfvrsn=28c7b4f9\\_4](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/wilmar-sr2020.pdf?sfvrsn=28c7b4f9_4)
- Wilmar Sustainability Report 2021, pages 113 & 210, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23\\_10](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23_10)
- Wilmar webpage, Joint Statement with Wilmar, AidEnvironment Asia, Unilever and Mondelez International - Creating a Deforestation-free Palm Oil Supply Chain, page 4, <https://www.wilmar-international.com/sustainability/wp-content/uploads/2018/12/JOINT-STATEMENT-FINAL-07122018-with-Signatures-v3.pdf>
- Wilmar webpage, Sustainability Dashboard - Stakeholder Engagement: <https://www.wilmar-international.com/sustainability/policies/stakeholder-engagement>
- Wilmar Annual Report 2021, pages 88-91, [https://media-wilmar.todayir.com/20220330100549312919595\\_en.pdf](https://media-wilmar.todayir.com/20220330100549312919595_en.pdf)
- Wilmar webpage, Sustainability Factsheet dated December 2021 on Human Rights Defenders Policy: [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/factsheet---wilmar-hrd-policy.pdf?sfvrsn=17d782c1\\_2](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/factsheet---wilmar-hrd-policy.pdf?sfvrsn=17d782c1_2)
- NDPE Policy- Complaint and Grievance : <https://www.wilmar-international.com/sustainability/policies#ndpe-policy>

#### INDICATOR 5: DATA ON SUPPLY CHAIN RISKS

5.1 the percentage or number of supply chain workers who are women;

**Wilmar feedback:** We acknowledge the score given on this indicator. No further comment

5.2 the percentage or number of supply chain workers who are migrant workers' and

**Wilmar feedback:** We acknowledge the score given on this indicator. No further comment

5.3 the percentage or number of supply chain workers that are being paid a living wage.

**Wilmar feedback:** Points should be met [100 points]

1. Through our NDPE Policy Commitments on working conditions apply to suppliers as well where we "expects similar standards from our suppliers", "Commitment to best practices in terms of fair working conditions, including the payment of wages that meet or exceed legal requirements, taking into account reasonable production targets and working hours." and " Wages - the company and its suppliers/contractors shall ensure all workers are paid a wage equal to or exceeding the legal minimum wage " [NDPE Policy, page. 8]
2. We also assessed our suppliers on to determine if they pay their workers living wages via our SRT. In 2021, we included new questions related to living wages in our SRT [Palm NDPE Implementation Annual Report 2021, page 26]

#### Sources:

- Palm NDPE Implementation Annual Report 2021, page 26, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518\\_18](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518_18)
- NDPE Policy, page 8, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/wilmar-ndpe-policy---2019.pdf?sfvrsn=7870af13\\_2](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/wilmar-ndpe-policy---2019.pdf?sfvrsn=7870af13_2)

### INDICATOR 6: PURCHASING PRACTICES

6.1 commits to responsible buying practices in its contracts with suppliers;

**Wilmar feedback:** Points should be met

**Indicator 6.1:** Yes, we are committed to responsible buying practices in our contracts with suppliers. Please refer to Wilmar's [No Exploitation Protocol](#) on section "2.2 Implementation of Corrective Action, Remediation and Systemic Change" on [pages 7-15](#) and section "3. Suspension of Third-party Suppliers" on [pages 16-17](#). These sections provide disclosures on Wilmar's contractual requirements which includes elements on human rights. Please also refer to [Grievance Procedure](#) on section 5 "Suspension & Re-engagement of Third-Party Party Suppliers" on [pages 9-10](#)

#### Sources:

- No Exploitation Protocol, pages 7-15 & 16 – 17, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/wilmar-no-exploitation-protocol.pdf?sfvrsn=e2b8c921\\_2](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/wilmar-no-exploitation-protocol.pdf?sfvrsn=e2b8c921_2)
- Grievance Procedure, pages 9 -10, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/grievance/grievance-sop/grievance-procedure\\_final.pdf?sfvrsn=7670cea2\\_4](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/grievance/grievance-sop/grievance-procedure_final.pdf?sfvrsn=7670cea2_4)

6.2 describes how it has adopted responsible purchasing practices in the first tier of its supply chains, which includes planning and forecasting, and how it ring-fences labour costs; and

**Wilmar feedback:** Points should be met

**Indicator 6.2:** Please refer to our [NDPE Implementation Annual Report 2021](#), on section "Implementation of "No Deforestation and "No Peat" on [pages 18 – 23](#) and section "Implementation of "No Exploitation" on [page 24](#) on our responsible purchasing practices in the first tier of our supply chains.

#### Source:

- Palm NDPE Implementation Annual Report 2021, pages 18 – 23, 24 [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518\\_18](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518_18)

6.3 discloses two quantitative data points demonstrating that it has responsible purchasing practices in place that address the risk of forced labour.

**Wilmar feedback:** Points should be met

**Indicator 6.3:** Please see “The Grievance Process” in the [Palm NDPE Implementation Annual Report 2021](#) on page 16 for one set of quantitative data point on the fact that grievances are received and dealt with. Due to Anti Competition Law concerns, we are unable to publish directly those that have been suspended, but this can be determined through reading the grievance listing on our dashboard <https://www.wilmar-international.com/sustainability/grievance-procedure> to counter check with the figures provided on “cases closed” as reported in the Palm NDPE Implementation Report. Separately we are also measuring compliance to NDPE through the third-party verified Implementation Reporting Framework (IRF) system [see Palm [NDPE Implementation Annual Report 2021, page 19](#)]. We also disclose that we assess all our suppliers and contractors directly on payment of living wages [see [Wilmar Sustainability Report 2021, page 106](#)]

**Sources:**

- Palm NDPE Implementation Annual Report 2021, pages 16, 19, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518\\_18](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518_18)
- Wilmar Sustainability Report, Pg. 106, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23\\_10](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23_10)

**INDICATOR 7: RECRUITMENT-RELATED FEES**

7.1 requires that no worker in its supply chains should pay for a job—the costs of recruitment-related fees should be borne not by the worker but by the employer (“Employer Pays Principle”);

**Wilmar feedback:** [Points should be met \[100 points\]](#)

1. Our NDPE Policy disclosed: 'The following requirements are central to successful implementation of this policy: “...Ensuring ethical recruitment such that workers do not incur any recruitment fees at any stage of the recruitment process'. [[NDPE Policy, page 5](#)]
2. The expectation of repayment has already been communicated in our No Exploitation Protocol, “Payment of money owed to victims (e.g. back pay, overtime pay, recruitment fee, repatriation cost) with workers confirming that they have been repaid and damages remediated.” [[No Exploitation Protocol, page 9](#)]
3. We are committed to fully reimbursing if they have paid: In the 2021 Sustainability Report, page 107 discloses: 'All recruitment fees and related costs are also borne by us. Wilmar has made a commitment to ethical recruitment and zero recruitment fee since the launch of the first iteration of our NDPE Policy in 2013. This commitment minimises the risk of forced labour occurring through contract misrepresentation and debt bondage brought about by excessive recruitment fees charged by agents – a common problem in the agricultural sector, especially when hiring foreign workers are involved.' Also, We conduct recruitments directly ourself to prevent this issue from happening, that recruitment fees and related cost are borne on them, and that third parties are only contracted for support and documentation processes. [[Wilmar Sustainability Report 2021, Direct Recruitment, page 107](#)]

**Sources:**

- NDPE Policy, page 5, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/wilmar-ndpe-policy---2019.pdf?sfvrsn=7870af13\\_2](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/wilmar-ndpe-policy---2019.pdf?sfvrsn=7870af13_2)

- No Exploitation Protocol, page.9, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/wilmar-no-exploitation-protocol.pdf?sfvrsn=e2b8c921\\_2](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/wilmar-no-exploitation-protocol.pdf?sfvrsn=e2b8c921_2)
- Wilmar Sustainability Report, page 107, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23\\_10](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23_10)

7.2 provides detail on the implementation of the Employer Pays Principle in its supply chains by demonstrating how it works to prevent the charging of fees to supply chain workers in different supply chain contexts; and

**Wilmar feedback: Points should be met [100 points]**

1. In Wilmar's SRT programme with suppliers, we also assess if the suppliers required their workers to pay recruitment fees . Please visit our [webpage](#) at the Supply Chain Transformation section for details on Supplier Reporting Tool (SRT)
2. Wilmar also conducts training with suppliers on forced labour and ethical recruitment. [[Wilmar Sustainability Report 2021, page 113](#)]
3. Wilmar is also member of the Palm Oil Collaboration Group's (POCG) Social Issues Working Group (SIWG) focusing on initiatives includes the Human Due Diligence (HRDD) in Management System, Responsible recruitment in Malaysia and also the Indigenous People and Local Communities (ILPC) rights. [[Palm NDPE Implementation Annual Report 2021, page. 26](#)]
4. The expectation of repayment has already been communicated in our No Exploitation Protocol, "Payment of money owed to victims (e.g. back pay, overtime pay, recruitment fee, repatriation cost) with workers confirming that they have been repaid and damages remediated." [[No Exploitation Protocol, page 9](#)]
5. Wilmar [No Exploitation Protocol](#) for Our Third-Party Suppliers supports our [Grievance Procedure](#) in addressing breaches related to the ' no exploitation' component of our NDPE Policy.

**Sources:**

- Wilmar webpage, Supply Chain Transformation section- Supplier Reporting Tool (SRT), <https://www.wilmar-international.com/sustainability/supply-chain-transformation>
- Wilmar Sustainability Report, pages 113 & 107, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23\\_10](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23_10)
- Palm NDPE Implementation Annual Report 2021, page. 26, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518\\_18](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518_18)
- No Exploitation Protocol, page 9, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/wilmar-no-exploitation-protocol.pdf?sfvrsn=e2b8c921\\_2](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/wilmar-no-exploitation-protocol.pdf?sfvrsn=e2b8c921_2)
- Grievance Procedure, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/grievance/grievance-sop/grievance-procedure\\_final.pdf?sfvrsn=7670cea2\\_4](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/grievance/grievance-sop/grievance-procedure_final.pdf?sfvrsn=7670cea2_4)

7.3 in the event that it discovers that fees have been paid by workers in its supply chains, provides evidence of re-payment of recruitment-related fees to workers. The company describes how it engages with affected workers in the remediation process.

**Wilmar feedback:** Points should be met [100 points]

1. Wilmar is committed to transparency for all grievance cases raised, including cases on forced labour and unethical recruitment fees: "All grievances logged under the Grievance Procedure shall be dealt with in a timely manner, and all investigations and findings will be reported transparently with full public disclosure." [[Grievance Procedure, page. 1](#)]. Please also see our [No Exploitation Protocol](#)
2. All (100%) cases are published on the webpage, Wilmar Grievance List. Of which, there are zero pending cases for forced labour and unethical recruitment fees. [[Grievance list, Wilmar Webpage](#)].
3. Please refer to our [grievance listing](#) on the case of Sime Darby Plantation Berhad (SDP)-  
**"Reimbursement of recruitment fees:** Following calculations by an independent third party, SDP's Board approved a provision of RM 82.02 million in reimbursements to its current and past foreign workers. Workers will receive their monies on 17 February 2022 and have access to various channels of communication to raise concerns. SDP has also set up a Sinking Fund Governance Committee (SFGC) to oversee the reimbursement process and is engaging law firms in each country of origin to management the disbursement of funds." Excerpt from our Grievance list on the webpage:

Company	Received	Grievance Report	Stakeholders	Subject Matter and Progress
Sime Darby Plantation Berhad	06 Jul 2020	Report can be found <a href="#">here</a>	Liberty Shared	<p><b>Status: Case closed</b></p> <p>Alleged labour rights violation in Sime Darby Plantation Berhad's operation</p> <p><b>Progress Update</b></p> <p>On 6 July 2020, Liberty Shared (LS) published a <a href="#">summary of their petition</a> to the United States Customs and Border Protection (US CBP) to "exclude palm oil and palm oil products produced wholly or in part by forced labour and child labour by Sime Darby Plantation Berhad (SDP) owned and affiliated companies." The petition was submitted to the US CBP on 20 April 2020.</p> <p>SDP clarified that the petition was submitted to US CBP without solicitation of feedback from the organization, and that it had access only to the petition summary, which does not contain details of issues raised by LS. SDP has since engaged with Duncan Jepson, the author of the petition, to better understand and expeditiously resolve the concerns raised. SDP has published the following statements in response to LS based on the limited information that was available to it. The statements reiterate SDP's commitment to uphold human rights and good labour practices, as well as implement appropriate corrective actions to eradicate any human rights violations.</p> <ol style="list-style-type: none"> <li>1. <a href="#">First statement dated 8 July 2020</a></li> <li>2. <a href="#">Second statement dated 10 July 2020</a></li> <li>3. <a href="#">Third statement dated 7 August 2020</a></li> </ol> <p>On 15 February, SDP <a href="#">announced</a> improvements to its governance structures, policies and procedures. This includes the following:</p> <ul style="list-style-type: none"> <li>• <b>Reimbursement of recruitment fees:</b> Following calculations by an independent third party, SDP's Board approved a provision of Rm82.02 million in reimbursements to its current and past foreign workers. Workers will receive their monies on 17 February 2022 and have access to various channels of communication to raise concerns. SDP has also set up a Sinking Fund Governance Committee (SFGC) to oversee the reimbursement process and is engaging law firms in each country of origin to management the disbursement of funds.</li> <li>• <b>Ethical recruitment:</b> SDP launched its Responsible Recruitment Procedure (RRP) in August 2021, which emphasises the appointment of suitable recruitment agents in ensuring non-exploitation of workers. SDP is committing to conducting regular due diligence on appointed recruitment agents and monitor their performance to ensure compliance to SDP's recruitment standards. Agents who are in breach will have their contracts terminated.</li> <li>• <b>Worker welfare:</b> SDP has rolled out various communication platforms to enable workers to raise concerns and grievances. Existing grievance and whistleblowing changes have also been improved, following the establishment of a centralised Grievance unit at Headquarters. All workers have also been provided with personal lockers to store their passports.</li> <li>• <b>Structural changes:</b> SDP's Board has approved an ESG scorecard across its Upstream Malaysia operations and established a new Social Welfare &amp; Services (SWS) department. The various initiatives are overseen by SDP's Board Sustainability Committee, and supported by a two-tier management team which meets regularly.</li> </ul> <p>On 3 February 2023, the US CBP has modified its forced labor findings against SDP effective immediately, the US CBP will now permit the importation of palm oil from SDP into the United States and has recognized the comprehensive process undertaken by SDP in the last two years to review, revise and upgrade its protocols for recruiting, managing and working with its workers. SDP has also released a <a href="#">press statement</a> to further brief on actions taken.</p>

**Sources:**



- Grievance Procedure, page. 1, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/grievance/grievance-sop/grievance-procedure\\_final.pdf?sfvrsn=7670cea2\\_4](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/grievance/grievance-sop/grievance-procedure_final.pdf?sfvrsn=7670cea2_4)
- Wilmar Webpage, Grievance list <https://www.wilmar-international.com/sustainability/grievance-procedure#wilmar-grievance-list>
- No Exploitation Protocol, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/wilmar-no-exploitation-protocol.pdf?sfvrsn=e2b8c921\\_2](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/wilmar-no-exploitation-protocol.pdf?sfvrsn=e2b8c921_2)

#### INDICATOR 8: RESPONSIBLE RECRUITMENT

8.1 discloses information on the recruitment agencies used by its suppliers; and

**Wilmar feedback:** We acknowledge the score given on this indicator. We do not disclose this for business confidentiality purposes.

8.2 provides details of how it supports responsible recruitment in its supply chains (e.g. by collaborating with relevant stakeholders to engage policy makers to strengthen recruitment standards).

**Wilmar feedback:** Points should be met [100 points]

1. Wilmar is a member of the Palm Oil Collaboration Group's (POCG) Social Issues Working Group (SIWG) focusing on initiatives such as the Human Due Diligence (HRDD) in Management System, Responsible recruitment in Malaysia and also the Indigenous People and Local Communities (ILPC) rights. [Palm NDPE Implementation Annual Report 2021, page 26]
2. Wilmar has also formalised collaborations with industry stakeholders to find viable long-term solutions to labour challenges in the palm oil industry. [Wilmar webpage – Labour Relations](#). This includes:
  - a. Formation of Decent Rural Living Initiatives (DRLI) See our [press release](#)
  - b. Partnership Verite to develop robust and sustainable solutions to address recurring and systemic labour issues towards improving labour practices in the Indonesian palm oil industry. See our [Joint Statement](#), [Program Update](#) and [Case Study Report by Verite](#). We also provided insight to the [Toolkit for Palm Oil Producers on Labor Rights](#) by Verite through our own work on the ground and the initiatives we have taken to improve the working conditions of our suppliers.
  - c. Wilmar is actively participating in the RSPO Human Rights Working Group ([HRWG](#)) [Labour Taskforce](#), addressing the rights of plantation workers and vulnerable groups such as migrant workers and casual workers, as well as issues including the promotion of living wages, health and safety conditions at plantations and freedom of association.
  - d. [Wilmar collaborated with Business Social Responsibility \(BSR\)](#), has conducted a series of supplier workshops in the major palm oil producing regions in Sumatra and Kalimantan. Tailored for the medium and small suppliers, the workshops were designed to heighten awareness on wages, employment contract status and grievance mechanisms.

#### Sources:

- Palm NDPE Implementation Annual Report 2021, page 26, [https://www.wilmar-international.com/docs/default-source/default-document-](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/wilmar-no-exploitation-protocol.pdf?sfvrsn=e2b8c921_2)

[library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518\\_18](#)

- Wilmar webpage, Labour Relation, <https://www.wilmar-international.com/sustainability/responsible-operations/labour-relations>
- Press release on DRLI, <https://www.wilmar-international.com/sustainability/wp-content/uploads/2018/03/Sustainability-Joint-Statement-FINAL-2-050318.pdf>
- Verite Joint Statement, [https://www.wilmar-international.com/docs/default-source/default-document-library/highlights/sustainability/latest-updates/joint-statement-wilmar-verite-collaboration-final.pdf?sfvrsn=e472a867\\_4](https://www.wilmar-international.com/docs/default-source/default-document-library/highlights/sustainability/latest-updates/joint-statement-wilmar-verite-collaboration-final.pdf?sfvrsn=e472a867_4)
- Program Update, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/wilmar-veritee-programme-update.pdf?sfvrsn=9ad714f2\\_0](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/wilmar-veritee-programme-update.pdf?sfvrsn=9ad714f2_0)
- Case Study Report by Verite, <https://verite.org/wp-content/uploads/2020/09/Improving-Management-of-HR-Risk-in-Palm-Oil-Supply-Chain.pdf>
- Toolkit for Palm Oil Producers on Labour Rights, <https://verite.org/wp-content/uploads/2021/04/Verite-Palm-oil-toolkit-English.pdf>
- RSPO Human Rights Working Group (HRWG) Labour Taskforce, <https://rspo.org/who-we-are/governance/working-groups/human-rights-working-group/>
- Collaboration with BSR, <https://www.wilmar-international.com/sustainability/wp-content/uploads/2017/11/News-Release-15-Nov-17-Collective-Action-to-improve-Labour-Conditions.pdf>

#### INDICATOR 9: FREEDOM OF ASSOCIATION

9.1 works with independent local or global trade unions and/or other legitimate worker representatives to improve freedom of association in its supply chains;

9.2 discloses that it is party to a global framework agreement that covers its supply chains and/or an enforceable supply chain labour rights agreement with trade unions or worker organisations; and

**Wilmar feedback:** 9.1, 9.2 Points should be met [100 points]

1. We recognise the important role unions play in improving worker-management engagement and to ensure healthy industrial relations. We also recognise that unions serve as effective mechanisms for raising grievances, as well as providing input on how to solve issues relevant to workers. We respect the right of employees to collective bargaining and the right to form and join trade unions of their choice. In the absence of a proper collective agreement or association, workers are free to join any other unions. As at end December 2021, 97% of our eligible employees worldwide are covered by collective bargaining agreements.”, Please see our [website](#) on Collective Bargaining & Working with Unions section.
2. We have continued our proactive approach in working with labour unions in the Indonesia, particularly the Christian Trade Unions (CNV) of the Netherlands and Hukatan-KSBSI, which is an Indonesian union affiliated to CNV, as well as Serbundo. Our engagement with unions facilitates our aim to continuously strengthen labour practices in our operations. Please see the [Strengthening Labour Practices – Union Engagement, pages 8 - 9](#)
3. Wilmar also has been active in partnerships and collaborations to achieve transformation at the landscape level addressing environmental and social constraints including labour issues. [Wilmar Webpage - Partnerships and Collaboration](#). This includes being a part of the ‘Decent Rural Living Initiative’ (DRLI). See our [press release](#) and [workshop summary output](#).

#### Sources:

- Wilmar Webpage, Collective Bargaining & Working with Unions section, <https://www.wilmar-international.com/sustainability/responsible-operations/labour-relations>
- Strengthening Labour Practices – Union Engagement, pages 8 – 9, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/wilmar-2-year-progress-update-in-strengthening-labour-practices---final-final-final.pdf?sfvrsn=a56b5de8\\_0](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/wilmar-2-year-progress-update-in-strengthening-labour-practices---final-final-final.pdf?sfvrsn=a56b5de8_0)
- Wilmar webpage, Partnership and Collaboration, <https://www.wilmar-international.com/sustainability/partnerships-collaborations>
- Press release on DRLI, <https://www.wilmar-international.com/sustainability/wp-content/uploads/2018/03/Sustainability-Joint-Statement-FINAL-2-050318.pdf>
- DRLI workshop summary output, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/drli-multistakeholder-consultation-summary.pdf?sfvrsn=807f12f7\\_2](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/drli-multistakeholder-consultation-summary.pdf?sfvrsn=807f12f7_2)

9.3 discloses the percentage of supply chains covered by collective bargaining agreements.

**Wilmar feedback:** We acknowledge the score given on this indicator. Wilmar only discloses the % total direct operations covered by collective CB agreements [Wilmar Sustainability Report 2021 page 108]. Our workforce figures are at 100,000 individuals globally [Wilmar Sustainability Report 2021, page 18].

#### Source:

- Wilmar Sustainability Report 2021, pages 18 & 108, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23\\_10](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23_10)

#### INDICATOR 10: GRIEVANCE MECHANISM

10.1 takes steps to ensure a formal mechanism to report a grievance to an impartial entity regarding labour conditions in the company's supply chains is available to its suppliers' workers and their legitimate representatives across supply chain tiers; and

**Wilmar feedback:** Points should be met [100 points]

Our NDPE Policy and Grievance Procedure's scope cover our entire supply chain, including our direct supplier's supply chain, which is below the first tier of our company's supply chains. For example, please refer to our [grievance case of PT Runding Putra Persada](#), where issues related to our supplier's supply chain will be duly investigated and reported as well. Although the example of PT Runding Putra Persada is not related to labour, but the scope and approach of NDPE Policy and Grievance Procedure is exactly the same, where it is also available to workers below the first tier of the company's supply chains.

#### Source:

- Wilmar webpage, Grievance case of PT Runding Putra Persada, <https://www.wilmar-international.com/sustainability/grievance-procedure#wilmar-grievance-list>

10.2 discloses data about the practical operation of the mechanism, such as the number of grievances filed, addressed, and resolved; and

**Wilmar feedback: Points should be met [100 points]**

1. Our grievance mechanism does cover our supplier's supply chain, however there has been no cases raised on labour related issues. As of 2021, total of 82 grievance cases raised, 12 cases in progress and 70 cases closed. Breakdown by case type and its status were also disclosed in our NDPE Implementation Report. [[Palm NDPE Implementation Report 2021, Pg. 16](#)].
2. We also updated our grievance list on an ongoing basis and is available on our [Sustainability Dashboard Webpage](#).

**Sources:**

- Palm NDPE Implementation Annual Report, page 16, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518\\_18](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518_18)
- Wilmar webpage, Sustainability Dashboard - Grievance list, <https://www.wilmar-international.com/sustainability/grievance-procedure#wilmar-grievance-list>

10.3 takes steps to ensure that its suppliers' workers or their legitimate representatives are involved in the design and/or performance of the mechanism, to ensure that the workers trust the mechanism.

**Wilmar feedback: Points should be met [50 points]**

1. "Wilmar's Grievance Procedure was reviewed by a panel of civil society organisations (CSO). The CSO provide feedback to the preliminary draft to ensure its alignment with the United Nations Guiding Principles (UNGPs) on Business and Human Rights criteria for effective grievance mechanisms... In 2019, we updated our Grievance Procedure to better support the implementation of our NDPE policy, in consultation with non-governmental organisations (NGOs) and subject experts." [[Palm NDPE Implementation Annual Report 2021, page 14](#)].
2. No Exploitation Protocol –
  - a. "This protocol was developed through a stakeholder consultation process engaging Indonesian, Malaysian, and global organisations that specialise in human, labour, land and community rights. While the principles and approaches of this protocol are relevant globally, the design and development of this protocol is based mainly on stakeholder consultations in Indonesia and Malaysia where Wilmar's impact footprint is the largest and where most of the grievances have been filed to date. Similar consultations with relevant stakeholders in other sourcing regions may be held in the future." [[No Exploitation Protocol, page 2](#)]
  - b. "To develop the protocol, the Consortium of Resource Experts (CORE) facilitated a technical working group consisting of labour rights, land and communities rights specialists, Verité, Landesa, and Earthworm Foundation. The development of the protocol involved two rounds of multi-stakeholder consultations, with local and international NGOs and human rights experts." [[Palm NDPE Implementation Annual Report 2021, page 24](#)]
3. Human Rights Defenders (HRDs) Policy- "The policy was developed in collaboration with Proforest"... "Proforest led two independent socialisation and engagement webinars in 2021

with Malaysian and Indonesian NGOs to socialise the policy with those working on human rights and HRDs before finalising it.”... “For more information on the process for developing this policy, refer to our [Factsheet](#).” [Palm NDPE Implementation Annual Report 2021, page 25]

4. Please also refer to <https://www.wilmar-international.com/sustainability/policies/stakeholder-engagement> for specific stakeholder engagements with regard to sustainability matters and issues. This was also disclosed in Wilmar’s Annual Report 2021 page 91 – Principle 13 – Engagement with stakeholder for the list of stakeholders engaged, topic of concerns and methods of engagement and in 2021.

#### Sources:

- Palm NDPE Implementation Annual Report 2021, pages 14, 24 & 25 [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518\\_18](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518_18)
- Factsheet on Human Rights Defenders Policy development, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/factsheet---wilmar-hrd-policy.pdf?sfvrsn=17d782c1\\_2](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/factsheet---wilmar-hrd-policy.pdf?sfvrsn=17d782c1_2)
- No Exploitation Protocol, page 2, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/wilmar-no-exploitation-protocol.pdf?sfvrsn=e2b8c921\\_2](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/wilmar-no-exploitation-protocol.pdf?sfvrsn=e2b8c921_2)
- Wilmar webpage, Sustainability Dashboard - Stakeholder Engagement, <https://www.wilmar-international.com/sustainability/policies/stakeholder-engagement>
- Wilmar Annual Report 2021, page 91, [https://media-wilmar.todayir.com/20220330100549312919595\\_en.pdf](https://media-wilmar.todayir.com/20220330100549312919595_en.pdf)

### INDICATOR 11: MONITORING

11.1 its methodology for monitoring the implementation of its supply chain policies addressing forced labour;

#### Wilmar feedback: Points should be met [100 points]

1. Worker’s interview is a norm during assessment and grievance investigation, one of the example is the case on PT. Abdi Budi Mulia (PT ABM) recorded on our [grievance listing](#) : “Direct interviews have been conducted with 45 workers or 5% of PT. ABM’s labour force (monthly and freelance daily workers), 9 sub-contracted workers, 3 board members of the Workers Union, 15 members on the board of Petani Plasma Cooperative which is part of PT. ABM’s supply chain, 1 Village Head and 1 School Vice Principal”. Please see the report [Understanding worker’s rights In Wilmar’s supply at chain, page 2](#) .

Abdi Budi Mulia (ABM)	30 Nov 2016	Report can be found <a href="#">here</a>	Wilmar	<b>Status: Case closed</b>  Alleged involvement in labour rights issues by Abdi Budi Mulia (ABM)
<b>Progress Update</b> Together with The Forest Trust (TFT), Wilmar conducted a field visit to PT ABM from 13 - 17 December 2016. PT ABM was cooperative in providing documentation for review and setting up all the interviews that were requested. Interviews were conducted with 45 workers (5% of PT ABM’s labour force made up of monthly and freelance daily workers), nine sub-contracted workers, three board members of the workers’ union, 15 members on the board of the Petani Plasma Cooperative (part of PT ABM’s supply chain), the village head and a school vice-principal. The Executive Summary is available <a href="#">here</a> .  A meeting was further held with PT ABM on 17 March 2017, where Wilmar and TFT discussed the findings and action plan with PT ABM. PT ABM is also participating in Wilmar’s Support for Transformation Programme (SFT), where a detailed labour practices improvement workplan is developed by Wilmar and TFT for PT ABM.  Four site visits over a year-long period are planned in this labour programme. More information about the programme is available <a href="#">here</a> . In November 2017, PT ABM was invited to speak at Wilmar’s <a href="#">BSR Capacity Building workshop</a> to provide supplier testimonial on PT ABM’s process and journey in improving their labour practices. More than 60 participants from over 30 companies attended the workshop.  Wilmar’s last purchase from this supplier was in September 2020. For more details, please refer to our grievance listing on Gerbang Benua Raya.				

2. See the [Case Study on Improving Management of Human Rights Risk in the Extended Palm Oil Supply Chain Report, page 10](#): “Assessments conducted in the follow-up field visits found that recommendations and changes suggested by Wilmar had been taken on board, policies had been developed, and a more standardized and systematic approach to managing workers had been implemented. Although suppliers progressed at different speeds, Verité and Wilmar observed improvements in areas such as formalizing recruitment procedures, implementing written contracts for workers, upgrades to living conditions, and reduction in working hours. Interviews with workers (about 90 in all) indicated an increased level of satisfaction with their working conditions.”.

**Sources:**

- Wilmar Webpage, Sustainability Dashboard - Grievance list: PT Abdi Budi Mulia, <https://www.wilmar-international.com/sustainability/grievance-procedure#wilmar-grievance-list>
- Understanding Worker’s Rights in Wilmar’s Supply at Chain Report, page.2, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/grievance/wilmar\\_execsum\\_final\\_20170302\\_english-revised\\_clean.pdf?sfvrsn=3e0e213d\\_2](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/grievance/wilmar_execsum_final_20170302_english-revised_clean.pdf?sfvrsn=3e0e213d_2)
- Case Study on Improving Management of Human Rights Risk in the Extended Palm Oil Supply Chain Report, Pg.10, <https://verite.org/wp-content/uploads/2020/09/Improving-Management-of-HR-Risk-in-Palm-Oil-Supply-Chain.pdf>

11.2 the findings of monitoring reports, including details regarding any violations revealed in relation to forced labour and indicators of forced labour, across supply chain tiers; and

11.3 the use of worker-driven monitoring (i.e., monitoring undertaken by independent organisations that includes worker participation and is guided by workers’ rights and priorities).

**Wilmar feedback:** 11.2, 11.3 Points should be met

1. “Site assessments are carried out with the help of a digital mobile audit tool called Nimble. This tool generates automated reports with time-bound action plans for the mills and plantations assessed, and ensures that our suppliers receive assessment results and feedback with minimal lag time.” [Palm NDPE Implementation Annual Report, page 12]
2. We reported on number and percentage of supplier engagement conducted in 2021 for low and high risk/priority mills. 67.6% of the engagement was with high priority mills where they received field verification or received action plans from Wilmar. [Palm NDPE Implementation Annual Report 2021, page 13]
3. We also have publicly put out all of the supply chain’s risk findings in the various Aggregator Refinery Transformation (ART) Overarching Reports. Please see our Webpage - Supply Chain Transformation on ART Overarching Reports to access these findings at <https://www.wilmar-international.com/sustainability/supply-chain-transformation>
4. “We are working alongside The Centre for Child Rights and Business on pilots in Indonesia, and Earthworm Foundation in Malaysia. The pilots are scheduled to be completed in 2022 and will include a baseline assessment, on-site assessments and reporting of findings.” [Sustainability Report 2021, page. 111]
5. The Grievance Procedure has been established for Wilmar to address grievances from parties, including individuals, government organizations and non-governmental organizations concerning



the implementation of Wilmar's No Deforestation, No Peat, No Exploitation (NDPE) Policy. We recognise that providing this feedback mechanism for stakeholders is important because it helps in the monitoring of compliance with Wilmar's NDPE policy throughout our operations and supply chain. [Wilmar webpage, Sustainability Dashboard - Grievance Procedure]

#### Sources:

- Palm NDPE Implementation Annual Report 2021, pages 12 & 13, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518\\_18](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518_18)
- Wilmar webpage, Supply Chain Transformation on ART Overarching Reports, at <https://www.wilmar-international.com/sustainability/supply-chain-transformation>
- Wilmar Sustainability Report 2021, page 111, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23\\_10](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23_10)
- Wilmar webpage, Sustainability Dashboard - Grievance Procedure, <https://www.wilmar-international.com/sustainability/grievance-procedure>

#### INDICATOR 12: REMEDY AND RESPONSE TO ALLEGATIONS

A(1) a process for responding to potential complaints and/or reported violations of policies that address forced labour and how it engages affected stakeholders as part of this process; and

**Wilmar feedback:** We acknowledge the score given on this indicator. No further comment

A(2) at least two examples of outcomes of its remedy process in practice, covering different supply chain contexts, for its suppliers' workers.

**Wilmar feedback:** Points should be met [100 points]

1. **Example 1:** Please refer to the [Grievance Case for Sime Darby Plantation Berhad: Alleged labour rights violation in Sime Darby Plantation Berhad's operation](#). "On 15 February, SDP announced improvements to its governance structures, policies and procedures. This includes the following- Reimbursement of recruitment fees: Following calculations by an independent third party, SDP's Board approved a provision of RM82.02 million in reimbursements to its current and past foreign workers. Workers will receive their monies on 17 February 2022 and have access to various channels of communication to raise concerns. SDP has also set up a Sinking Fund Governance Committee (SFGC) to oversee the reimbursement process and is engaging law firms in each country of origin to management the disbursement of funds."

Company	Received	Grievance Report	Stakeholders	Subject Matter and Progress
Sime Darby Plantation Berhad	06 Jul 2020	Report can be found <a href="#">here</a>	Liberty Shared	<p><b>Status: Case closed</b></p> <p>Alleged labour rights violation in Sime Darby Plantation Berhad's operation</p> <p><b>Progress Update</b></p> <p>On 6 July 2020, Liberty Shared (LS) published a <a href="#">summary of their petition</a> to the United States Customs and Border Protection (US CBP) to "exclude palm oil and palm oil products produced wholly or in part by forced labour and child labour by Sime Darby Plantation Berhad (SDP) owned and affiliated companies." The petition was submitted to the US CBP on 20 April 2020.</p> <p>SDP clarified that the petition was submitted to US CBP without solicitation of feedback from the organization, and that it had access only to the petition summary, which does not contain details of issues raised by LS. SDP has since engaged with Duncan Jepson, the author of the petition, to better understand and expeditiously resolve the concerns raised. SDP has published the following statements in response to LS based on the limited information that was available to it. The statements reiterate SDP's commitment to uphold human rights and good labour practices, as well as implement appropriate corrective actions to eradicate any human rights violations.</p> <ol style="list-style-type: none"> <li>1. <a href="#">First statement dated 8 July 2020</a></li> <li>2. <a href="#">Second statement dated 10 July 2020</a></li> <li>3. <a href="#">Third statement dated 7 August 2020</a></li> </ol> <p>On 15 February, SDP <a href="#">announced</a> improvements to its governance structures, policies and procedures. This includes the following:</p> <ul style="list-style-type: none"> <li>• <b>Reimbursement of recruitment fees:</b> Following calculations by an independent third party, SDP's Board approved a provision of Rm82.02 million in reimbursements to its current and past foreign workers. Workers will receive their monies on 17 February 2022 and have access to various channels of communication to raise concerns. SDP has also set up a Sinking Fund Governance Committee (SFGC) to oversee the reimbursement process and is engaging law firms in each country of origin to management the disbursement of funds.</li> <li>• <b>Ethical recruitment:</b> SDP launched its Responsible Recruitment Procedure (RRP) in August 2021, which emphasises the appointment of suitable recruitment agents in ensuring non-exploitation of workers. SDP is committing to conducting regular due diligence on appointed recruitment agents and monitor their performance to ensure compliance to SDP's recruitment standards. Agents who are in breach will have their contracts terminated.</li> <li>• <b>Worker welfare:</b> SDP has rolled out various communication platforms to enable workers to raise concerns and grievances. Existing grievance and whistleblowing changes have also been improved, following the establishment of a centralised Grievance unit at Headquarters. All workers have also been provided with personal lockers to store their passports.</li> <li>• <b>Structural changes:</b> SDP's Board has approved an ESG scorecard across its Upstream Malaysia operations and established a new Social Welfare &amp; Services (SWS) department. The various initiatives are overseen by SDP's Board Sustainability Committee, and supported by a two-tier management team which meets regularly.</li> </ul> <p>On 3 February 2023, the US CBP has modified its forced labor findings against SDP effective immediately, the US CBP will now permit the importation of palm oil from SDP into the United States and has recognized the comprehensive process undertaken by SDP in the last two years to review, revise and upgrade its protocols for recruiting, managing and working with its workers. SDP has also released a <a href="#">press statement</a> to further brief on actions taken.</p>

2. **Example 2:** Please see [Grievance Case for Artha Prigel, a subsidiary of Bukit Barisan Indah Prima \(BBIP\): Alleged land conflict by Artha Prigel, a subsidiary of Bukit Barisan Indah Prima, which has resulted the death of two community members, "In May 2022, BBIP has fulfilled the re-entry requirements, as stipulated in Wilmar's No Exploitation Protocol for Third-Party Suppliers. This includes engagement and dialogue as well as settlement with head of KRASS, the NGO which a police report had been lodged against; review of the company's human rights related policies and SOPs; and human rights trainings conducted for internal staff to raise awareness on human rights principles, including on the protection of the rights of Human Rights Defenders \(HRDs\). Based on the detailed review of documentation, continued engagement with BBIP, as well as BBIP's commitment to undertake corrective measures and remediation at Group level, the Wilmar Suspension Committee has given due consideration of this progress and lifted the suspension of BBIP in May 2022."](#)

Company	Received	Grievance Report	Stakeholders	Subject Matter and Progress
Artha Prigel, a subsidiary of Bukit Barisan Indah Prima	23 Mar 2020	Report can be found <a href="#">here</a> .	Wilmar	<p><b>Status: Case closed</b></p> <p>Alleged land conflict by Artha Prigel, a subsidiary of Bukit Barisan Indah Prima, which has resulted the death of two community members.</p> <p><b>Progress Update</b></p> <p>We began our engagement with Bukit Barisan Indah Prima (BBIP) on 26 March 2020 to seek clarification on land conflict issues detected through our regular media monitoring. BBIP responded by sharing a detailed chronology of the case, minutes of their meeting with communities, supporting documents on their past engagements with communities, as well as their internal SOP on addressing social conflicts. A teleconference was held with BBIP's management on 23 April 2020 to further discuss the case.</p> <p>Based on our investigations, we understand that since the takeover of BBIP by the current shareholding group in 2011, there were no land claims or social conflicts at PT Artha Prigel (AP) with communities from Pagar Batu, until 2018. The community in 2018 were involved in a demonstration, in which they requested for the Government to refrain from renewing PT AP's Hak Guna Usaha (HGU) or land use permit. This contestation continued in 2019, when PT AP completed its replanting programme and prepared for harvesting.</p> <p>Following this, in 2019, a mediation meeting was held between PT AP and various stakeholders, including the Tim Terpadu, a joint task force comprising government representatives from Lahat Regency, and South Sumatra, the police, the National Land Agency and other related governmental agencies. On-the-ground verification of the contested area of approximately 180 ha was carried out by Tim Terpadu, who confirmed that the said area is within PT AP's legal permit, as per their HGU. The land conflict was not triggered by the COVID-19 situation.</p> <p>On 17 March 2021, Wilmar was alerted that community members had received various police summons linked to a police report lodged by PT AP's staff. Wilmar immediately contacted PT AP to seek clarification on the police report. PT AP claimed it was part of their efforts to resolve the social conflict via a legal avenue.</p> <p>In April 2021, Wilmar was further alerted that a report had also been lodged against an NGO, associated with Komite Reforma Agraria Sumsel (KRASS). An event held by a coalition of local activists on 25 April 2021 also revealed that the police report implicated the Chairman of KRASS.</p> <p>Wilmar has then ceased purchase, where our last purchase from BBIP was on 26 April 2021, while we continue to guide them towards the resolution of the case and re-entry into Wilmar's supply chain.</p> <p>In May 2022, BBIP has fulfilled the re-entry requirements, as stipulated in Wilmar's No Exploitation Protocol for Third-Party Suppliers. This includes engagement and dialogue as well as settlement with head of KRASS, the NGO which a police report had been lodged against; review of the company's human rights related policies and SOPs; and human rights trainings conducted for internal staff to raise awareness on human rights principles, including on the protection of the rights of Human Rights Defenders (HRDs). Based on the detailed review of documentation, continued engagement with BBIP, as well as BBIP's commitment to undertake corrective measures and remediation at Group level, the Wilmar Suspension Committee has given due consideration of this progress and lifted the suspension of BBIP in May 2022.</p> <p>Wilmar continues to engage with BBIP and guide them towards improving their practices, in line with Wilmar's NDPE commitments.</p>

#### Source:

- [Wilmar webpage, Sustainability Dashboard - Grievance list for both cases can be found at https://www.wilmar-international.com/sustainability/grievance-procedure](https://www.wilmar-international.com/sustainability/grievance-procedure)

In addition, where an allegation is identified in a company's supply chains:

- B.1.1 that it engages in a dialogue with the stakeholders reportedly affected in the allegation(s)
- B.1.2 outcomes of the remedy process in the case of the allegation(s); and
- B.1.3 evidence that remedy(ies) are satisfactory to the victims or groups representing the victims.

**Wilmar feedback:** No further comment

Where an allegation is identified in the company's supply chains, but is denied by the company:

- B.2.1 a description of what actions it would take to prevent and remediate the alleged impacts; and
- B.2.2 as part of this process, it would engage with affected stakeholders and their representatives.

**Wilmar feedback:** No further comment

## NON-SCORED RESEARCH

### Reporting Legislations

UK Modern Slavery Act: Where applicable, the company discloses at least one statement under the UK Modern Slavery Act.

Yes/No. Please provide link to a publicly available statement.

California Transparency in Supply Chains Act: Where applicable, the company has a disclosure under the California Transparency in Supply Chains Act.

Yes/No. Please provide link to a publicly available statement.

Australia Modern Slavery Act: Where applicable, the company discloses at least one statement under the Australia Modern Slavery Act.

Yes/No. Please provide link to a publicly available statement.

### High Risk Sourcing

*Please indicate whether your company sources any of the below high-risk commodities. Note where a company does not provide this information, KnowTheChain will review the company's website as well as third party sources to identify relevant information.*

- Beans (green, soy, yellow)
- Brazil Nuts/Chestnuts
- Cattle
- Chile Peppers
- Cocoa
- Coffee
- Corn
- Fish
- Oil (palm)
- Peanuts
- Rice
- Sesame
- Shrimp
- Sugarcane
- Tomatoes
- Wheat

## KTC Additional Questions for Company

- 1) We would welcome a disclosure on what percentage of all first-tier suppliers to Wilmar are covered by the two NDPE policies on palm oil and sugar (either by number of suppliers, spend, revenue, or any other measure that may be convenient). Is our understanding correct that the two policies apply to suppliers of all types as long as they are involved in the palm oil or sugar supply chain? On pages 34-37 of the 2021 Annual Report, it appears that palm oil and sugar are parts of all 3 segments and we would welcome a clarification on how we could calculate the percentage of Wilmar's first-tier suppliers covered under those two policies.

### **Wilmar:**

- Please refer to our Palm NDPE Implementation Annual Report 2021, page 13 for the figures and percentage (%) of suppliers engaged in 2021. As for sugar- we are still piloting our NDPE Sugar programme [Wilmar Sustainability Report 2021, page 198].
- Yes, the two policies apply to suppliers of all types as long as they are involved in the palm oil or sugar supply chain

### **Source:**

- Palm NDPE Implementation Annual Report 2021, page 13, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518\\_18](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/ndpe-report.pdf?sfvrsn=15b8518_18)
- Wilmar Sustainability Report 2021, page 198, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23\\_10](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23_10)

- 2) We would welcome clarification on whether the ART programme applies only to palm oil and sugar supply chains or also other commodities/types of suppliers Wilmar may be involved with.

**Wilmar:** The ART programme only focuses on Wilmar's palm oil supply chain.

- 3) 9.1 and other: As disclosures older than July 2019 are now unfortunately out of scope for the present benchmark, we would welcome disclosures on more recent examples of engagement with unions (or alternative worker representation mechanisms) to guarantee freedom of association at the supply chain level or engage on e.g. addressing grievances.

**Wilmar:** Please refer to Wilmar's participation in West Kalimantan with the Union Federation CNV for the project on [Palm Oil Collective Bargaining Agreement \(CBA\) Pilot, Mapping in West Kalimantan, Indonesia](#). The activities started in February 2020 and continued through July 2020. As a member of the Decent Rural Living Initiative, Wilmar are invited to play a role in this project [Pg. 4]. "...the companies..are committed to the project and have joined forces in this data collection phase [pg.6]". Under the Best Practice section of the report on page 10 mentioned that: "At present, Serbundo has succeeded in developing 7 CBAs at Wilmar plantations in Sumatra. The first two CBAs were signed on December 2015 for two plantations: PT. Milano Sei Daun in South Labuhanbatu and PT. Daya Labuhan Indah in Labuhan Batu Induk. The negotiations took one month."

### **Source:**

<https://www.cnvinternationaal.nl/Resources/Persistent/8/0/a/c/80acae785f139758d8b4d7a42b361fbdaae9958/CNVI-0299%20Palm%20Oil%20Research%20Kalimantan%20Indonesia.pdf>

- 4) 1.2: As disclosures older than July 2019 are now unfortunately out of scope for the present benchmark, we would welcome disclosures on more recent examples of either
- a. building first-tier suppliers' capacity to cascade standards related to forced labour in their own supply chains;
  - b. building the capacity/training of suppliers below the first tier on forced labour risks and policies.

**Wilmar:** Please see our feedback on item [1.2](#) in the KTC Additional Disclosure Template document.

- 5) 10.1: Could you clarify whether the grievance procedure outlined in the Grievance Procedure for the Implementation of Wilmar's No Deforestation, No Peat, No Exploitation (NDPE) Policy applies to all grievances made via the mechanism or only those relating to the palm oil supply chain?

**Wilmar:** We have never closed non-palm issues.

- 6) 10.2: Could you clarify whether the database of grievances made public on your website covers only those grievances made within your palm oil operations/supply chain (made with reference to the palm oil NDPE policy) or whether it covers all grievances received regarding all your business segments/commodities?

**Wilmar:** We have never closed grievance cases to non-palm issues.

- 7) 10.2: In the Grievance Procedure, it is stated that site-specific grievance procedures, available to workers, have a separate resolution process. Is the procedure(s) for those grievances publicly available somewhere on the Wilmar's website? Are the grievances made via these procedures also publicly disclosed somewhere?

**Wilmar:** No. We don't disclose this publicly.

- 8) A.2: As we are unfortunately unable to review all documentation for over 80 grievances disclosed online, would you be able to point us to at least 2 examples of remedy outcomes for workers in particular cases related to labour rights? These can be any examples, incl. where only broader policy changes were made by the supplier without more specific remedies, but we are particularly interested in seeing

- a. more specific remedies that go beyond policy changes (such as e.g. repayment of fees to workers who have been charged),
- b. an example relating to suppliers in second tier or beyond,
- c. indication that Wilmar has supported a supplier in providing remedy (materially, knowledge-wise or with capacity-building etc.).

**Wilmar:** Please see our feedback on indicator 12.A (2) above for the two examples of remedy outcomes

- 9) 5.3: We would welcome any additional information on the outcomes of the living wage audit conducted via RSPO.

**Wilmar:**

- "To date we have assessed 100% of our employees and contractors to ensure that they are paid living wage. We base our calculations on available living wage frameworks for the



countries we operate in, including the Global Living Wage Coalition, Wage Indicator Foundation, MIT Living Wage Calculator and RSPO Living Wage Benchmark.” [Wilmar Sustainability Report 2021, page 106].

- “For our suppliers, we have also conducted assessments to determine that they are also paying their workers a living wage using our Supplier Reporting Tool (SRT).” [Wilmar Sustainability Report 2021, page 106].
- There is no living wage audit conducted via RSPO. To further clarify, “Wilmar is an active member of the RSPO Labour Task Force and a key contributor to the RSPO Guidance for Implementing a Decent Living Wage (DLW) – a guidance document for the palm oil industry regarding the payment of a DLW for workers and their families to enjoy a decent standard of living.” [Wilmar Sustainability Report 2021, page 106]

**Source:** Wilmar Sustainability Report 2021, page. 106, [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23\\_10](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-sustainability-reports/sustainability-report.pdf?sfvrsn=792d0a23_10)