

Wilmar International

Conservation Initiatives

March 2017

Our Aspiration: A Sustainable Palm Oil Industry

Wilmar is the world's largest processor and merchandiser of palm and lauric oils, with oil palm plantations in Indonesia, Malaysia, and West Africa. We recognize we have the responsibility and ability to steer the industry towards more responsible and sustainable practices, in order to maintain the competitiveness of palm oil.

In December 2013, we made a commitment to drive sustainable practices and accelerate transformation in the



palm oil industry, by announcing our No Deforestation, No Peat, No Exploitation Policy (Integrated Policy). This Integrated Policy extends across Wilmar's entire supply chain, including our joint ventures and third-party suppliers, differentiating it from commitments that have been made by other companies. Its objective is to delink our entire supply chain from deforestation and exploitation.



Message from our Chief Sustainability Officer

Wilmar has had a history of investing in conservation, by looking at High Conservation Value (HCV) assessments even at the beginning of the concept in 2005 to 2007. Since then, our investment into conservation has been expanded to include High Carbon Stock (HCS) areas which are enshrined in our No Deforestation, No Peat, No Exploitation (NDPE) Policy.

Over the years, our conservation areas have become sanctuaries for many threatened and endangered species, as regular patrols and monitoring are incorporated as part of the management plans for these areas. We are the first oil palm plantation that has government appointed Honorary Wildlife Rangers and Wildlife Wardens in both Sabah and Sarawak. These Honorary Rangers are empowered to stop any illegal activities related to wildlife happening in our conservation areas. These include regular patrolling and monitoring of our HCV areas, setting up roadblocks at key roads in our plantations and confiscating illegal weapons or wildlife parts which would then be handed over to the respective Wildlife Department for prosecution.

Our conservation initiatives have also been strengthened through the various partnerships we have started with research institutes both internationally and at local levels. In particular, Wilmar's partnership with Kalaweit Foundation may result in the first successful Siamang re-introduction programme in the world, which demonstrates the value of having a well-protected HCV area within our plantations. This could potentially serve as a good example of how well-managed HCV areas can be enhanced with the re- introduction of a species that had disappeared from the area and function to provide a safe haven for the species to be conserved within the landscape.

Recognising that a landscape of mixed landuse types i.e. agriculture, settlements, towns and forests will be the form that exist in the future, Wilmar has also invested in making sure that we are part of discussions related to the protection and management of the endangered species at the landscape level through our participation in the Palm Oil and NGO (PONGO) Alliance. Apart from just looking into the protection of endangered species within our conservation areas, we are also collaborating with other industry players and NGOs to look into the protection of these species in Sumatra and Borneo as well.

This booklet aims to provide an insight into some of our initiatives, both internally and through partnerships, towards the larger objective of conserving the landscape in which we operate.

I am proud of the progress our team has achieved thus far, and grateful to all our partners from government, civil society, academia and industry. Real and lasting change on the ground can only be achieved through a multi-stakeholder effort, and I look forward to continued collaboration and partnership in the years ahead.

Jeremy Goon Chief Sustainability Officer Wilmar International

High Conservation Values

High Conservation Values (HCVs) are biological, ecological, social or cultural values which are considered outstandingly significant or critically important, at the national, regional or global level.



HCV 1	Concentrations of biological diversity including endemic species, and rare, threatened or endangered species, that are significant at global, regional or national levels.
HCV 2	Intact forest landscapes and large landscape-level ecosystems and ecosystem mosaics that are significant at global, regional or national levels, and that contain viable populations of the great majority of the naturally occurring species in natural patterns of distribution and abundance.
HCV 3	Rare, threatened, or endangered ecosystems, habitats or refugia.
HCV 4	Basic ecosystem services in critical situations, including protection of water catchments and control of erosion of vulnerable soils and slopes.
HCV 5	Sites and resources fundamental for satisfying the basic necessities of local communities or indigenous peoples (for livelihoods, health, nutrition, water, etc), identified through engagement with these communities or indigenous peoples.
HCV 6	Sites, resources, habitats and landscapes of global or national cultural, archaeological or historical significance, and/or of critical cultural, ecological, economic or religious/sacred importance for the traditional cultures of local communities or indigenous peoples, identified through engagement with these local communities or indigenous peoples.

Identification and Management of High Conservation Value Areas

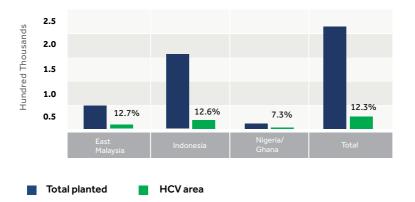
Wilmar is committed to the protection and conservationofHCVareas.Comprehensive and robust HCV assessments are conducted by independent experts and peer-reviewed by the HCV Resource Network before any land clearing or new plantation development commences.

If HCVs are present in our sites, we implement the following measures:

• Formulate management plans to manage and protect the high conservation values that have been identified in the HCV assessments

- Inclusive in the management plans are also periodical monitoring plans. For areas identified as having HCV 1-4, our monitoring includes survey of wildlife populations and protection from illegal activities such as poaching and fires.
- In areas where there has been historical degradation, restoration activities are undertaken to enhance the conservation values identified.





Graph 1: Wilmar's total HCV area vs total planted area - 2015

Some Species Found in Wilmar's Conservation Areas



Borneo Elephant Elephas maximus

Conservation status: Endangered

Malayan Sunbear Helarctos malayanus

Conservation status: Protected



Borneo Orangutan Pongo pygmaeus

Conservation status: Endangered



Proboscis Monkey Nasalis larvatus

Conservation status: Endangered

Some Species Found in Wilmar's Conservation Areas



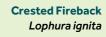


Banteng Bos javanicus

Conservation status: Endangered

Marbled Cat Pardofelis marmorata

Conservation status: Protected



Conservation status: Near Threatened



Leopard Cat Prionailurus bengalensis

> Conservation status: Protected

P.O.N.G.O. Alliance

Palm Oil and NGO (PONGO) Alliance Partners:



Global collaboration between NGO and palm oil companies



Objective

• To serve as a collaborative platform that supports managing orangutans and other wildlife within plantations

- Developing strategies for managing orangutans in oil palm plantation landscapes
- Identifying spatial overlaps between oil palm plantations and recommendations for management





Conservation of Orangutan Habitats, Central Kalimantan

Tripartite partnership with the provincial government of Central Kalimantan and the Borneo Orangutan Survival Foundation (BOSF)

Objective

• To conserve and protect HCV areas with orangutan habitat in our Central Kalimantan estate by implementing best management practices of orangutans in an oil palm landscape.

- Completed a community participative mapping exercise for five of the villages adjacent to Wilmar's PT Mentaya Sawit Mas (PT MSM). This mapping exercise provided the basis for joint agreements between village communities, the provincial government, BOSF and Wilmar to manage and conserve the 3,979 ha of HCV orangutan habitat in Wilmar's concessions.
- Best management practices for orangutan conservation were also developed for the estate and used as a guide for stakeholders.
- Tripartite partnership extended until 2017 to continue work on the ground.



Siamang Re-introduction

In partnership with the Kalaweit Foundation, an NGO specialising in the conservation and rehabilitation of gibbons and siamangs

Objective

 To rehabilitate rescued Siamangs (from exotic pet trade) for release into the wild

- A total of six pairs of siamangs were released into the HCV area in Wilmar's plantation in March 2015. Unfortunately, the three initial pairs had to be replaced as they were not able to adapt to their surroundings.
- Subsequent replacement pairs were introduced with infants, to encourage them to establish their territories and protect their young.
- One of the pairs were found to be successful in establishing their territory as they have reproduced.
- Kalaweit Foundation intends to extend the collaboration to re-introduce another four more pairs into a different section of the HCV area.
- If successful, this would be the first siamang re- introduction programme in the world.





Riparian Rehabilitation Project, Sabah

Working partnership with the Sabah Forestry Department

Objective

 To enrich and enlarge riparian areas in state and company land, and restore habitats for the population of endangered Proboscis Monkeys and Silvered Langurs.

Progress

In collaboration with the Sabah Forestry Department:

- Conservation and expansion (from 20 m to 50m) of riparian area along the Segama river
- Over 55,000 trees planted along 47km stretch of riparian area to increase the availability and variety of food for proboscis monkeys, coupled with natural regeneration of trees
- Partnership has been extended to include a new 110 ha site, the Sapi-Sapapayau riparian project, since 2015. Over 13,000 tress have been planted since the beginning of the Sapi-Sapapayau project.







Research Partnership with SEARRP, Sabah

In partnership with Royal Society's South East Asia Rainforest Research Partnerhsip

Objective

 To research the impacts of oil palm plantation development on forest biodiversity, and the value of keeping conservation areas in a palm oil plantation.

- Since 2011, Wilmar has been working with SEARRP in studying our conservation areas especially in our plantations in Sabah, particularly in the Telupid and Lahad Datu districts.
- SEARRP's findings, together with recommendations on integrating them into plantation management, were presented to a workshop of producers, consumers, NGOs and academics in June 2015, at the side-lines of the RSPO RT in Europe.
- An MOU has been signed for the research partnership to be extended for another 5 years, to initiate more projects related to the sustainable management of oil palm plantations and their embedded forest patches and riparian reserves.







Research Partnership with UNIMAS, Sarawak

In partnership with the University Malaysia Sarawak (UNIMAS)

Objective

 To gather baseline data on the diversity and abundance of the flora and fauna species found in the HCV areas within Wilmar's Sarawak plantations.

- Partnership started in 2014, and the MoU was extended in 2016
- Over 20 undergraduate students studying the different taxa, and a total of three MSc students have conducted their research in our area. Two of the MSc students were from UK universities and one was from UNIMAS.
- The state of the HCV area is considered good, with several records of rare, threatened and endangered species. The tree species are also found to be comparatively diverse and healthy with good regeneration.







Wildlife Ranger Programme, Sarawak



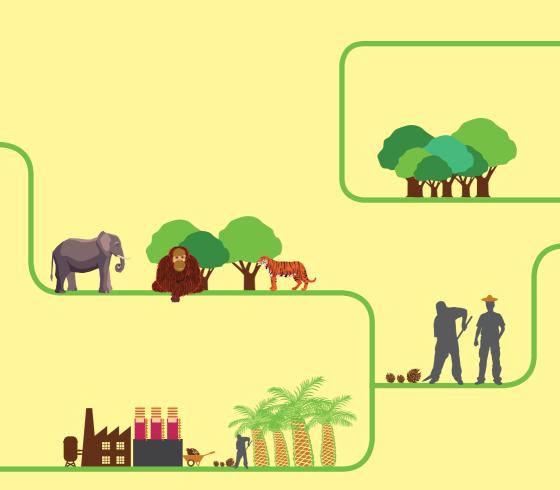
Our Wildlife Rangers undergo extensive classroom and field trainings, and are empowered to act against illegal activities in our conservation areas, such as logging and poaching

Objective

• To build internal capacity to manage our conservation resources in our plantation.

- In March 2015, 40 of our managers, staff and community representatives were appointed "Honorary Wildlife Rangers" by the Sarawak government.
- This appointment is the first for a palm oil company, in support of protecting Sarawak's rare, threatened and endangered species.
- We have a similar programme in place in Sabah, which contributes to the protection of iconic species such as Orangutans and the Sumatran Rhinoceros.





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