

5 April 2017

Wilmar's Full Response to Czech TV on PT WINA

We refer to a recent inquiry from Czech TV regarding alleged burning sighted in one of Wilmar's subsidiaries, PT Wilmar Nabati Indonesia (WINA). Wilmar has zero-tolerance for land-burning; we immediately conduct investigations when the issues were brought to our attention on 28 March 2017. These include field checks as well as reviews of satellite data and imageries from two external sources, namely NASA and Global Forest Watch (GFW), all of which confirmed that the alleged fires occurred outside of PT WINA's boundaries.

We append below our full response to Czech TV on 5 April 2017:

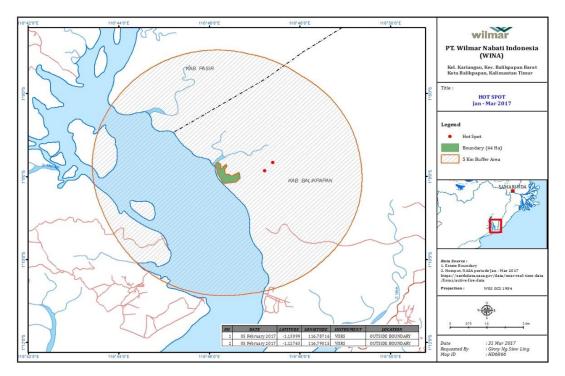
Thank you for your email in which you shared with us a video purportedly taken on 15 March 2017 in Balikpapan Bay. Wilmar took immediate steps to investigate the alleged fire in PT Wilmar Nabati Indonesia (PT WINA) as soon as we received your email.

PT WINA is a subsidiary of Wilmar International Ltd (Wilmar) engaging in edible oils refining in Indonesia. In Balikpapan, PT WINA operates a bulking terminal.

No fire incidences in or within 5-km radius of PT WINA

Satellite data and imagery obtained from NASA for the period from January to March 2017 (http://earthdata.nasa.gov/data/near-real-time-data/firms/active-fire-data) show that two hotspots, both some three kilometres away and outside the boundary of PT WINA, were detected on 5 February 2017.

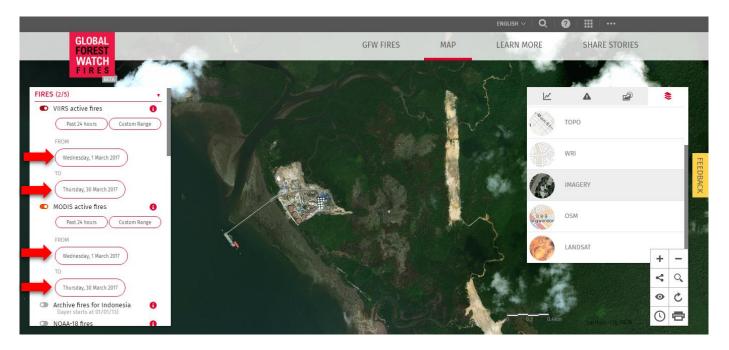
Apart from these, there were no other fire incidences in or within a 5-km radius of PT WINA from January to March 2017.



Left: Satellite data and imagery from NASA show two hotspots some three kilometres from the PT WINA were detected on 5 February 2017.

We cross-checked our finding against imagery from the publicly accessible <u>Global Forest Watch</u>, a platform developed and managed by the international think-tank World Resource Institute, which show that there was no fire incidence in March 2017 or burnt scars within the boundary of PT WINA. Please refer to Appendix 2.

This evidence shows that there was no fire occurring within the PT WINA land area in Balikpapan in March 2017.



Above: Imagery from Global Forest Watch shows there is no fire incidence in March 2017 in or near PT WINA in Balikpapan during the period of 1 – 30 March.

Wilmar does not tolerate burning

Wilmar adheres strictly to a No Burn policy. In and around our plantation concessions, we have a 24/7 fire monitoring system and a well-established fire prevention and suppression programme to minimise the incidence of fire. Our concessions are equipped with fire-fighting infrastructure and equipment, and staffed with an on-site brigade. Personnel on the ground are trained to be vigilant and proficiently capable of responding to fire incidences. We also deploy drones to monitor fire incidences in our High Conservation Value (HCV) areas.

All our suppliers are aware that any deliberate breach of our No Burn policy will result in an immediate termination of business relations.

Fire prevention efforts

We recognise that forest fires are an issue involving the wider rural farming sector in Indonesia, and that companies like Wilmar can help contribute to resolving this problem. Working with communities is the key to reducing the use of fires in Indonesia. Wilmar is a founding member of the Fire Free Alliance(FFA) which was launched in February 2016. The FFA is a voluntary multi-stakeholder group focussing on fire prevention through community engagement.

As a FFA member, Wilmar is committed to collaborating and sharing knowledge, information and resources to roll out fire prevention initiatives based on the Fire Free Village Programme (FFVP) and also to enhance fire monitoring, detection and suppression.

The FFVP is a community-focused programme, and is implemented at the point of our plantations. The programme seeks to prevent the fires rather than fighting or suppressing them after they have already started. By working with villagers in Indonesia, the programme enables, empowers and incentivises villagers to cease land burning practices. Wilmar has initiated the FFVP in three estates each in Central Kalimantan and South Sumatra.