



News Release

Palm Oil Buyers and Producers take Collective Action to improve Labour Conditions

Singapore, 15 November 2017 - A group of palm oil buyers comprising of Colgate-Palmolive, Kellogg's, Nestlé, Unilever and Wilmar International Limited (Wilmar), in collaboration with BSR (Business for Social Responsibility), is taking collective action to improve working conditions and livelihoods of workers across the wider palm oil supply chain in Indonesia.

Commencing in November 2017, BSR will conduct 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 are designed to heighten awareness on wages, employment contract status and grievance mechanisms. Representatives from the government and union organizations are also involved so that key actors in the supply chain have a voice in this initiative.

"Besides raising awareness, we hope these workshops will create a shared understanding of the key issues around working conditions and livelihoods and more importantly, identify opportunities for real action to happen. We have always said that collective action is needed to change systemic and entrenched issues and we are excited to have several of our key partner brands onboard. The objective of these workshops is to engage the entire value chain from producers (Wilmar and our suppliers) to buyers so that the wider oil palm community takes ownership of driving change and real impact on the ground", commented Ms Perpetua George, General Manager of Group Sustainability at Wilmar.

"BSR welcomes this series of workshops as an important initial step in helping to improve supplier awareness, and eventually implementation, of responsible labour practices across Indonesia. We look forward to identifying further areas for collaboration with Wilmar, partner brands and other stakeholders to continue to drive change forward in the industry in a transparent manner," said Mr Jeremy Prepscius, Vice President, Asia Pacific at BSR.

This collaboration is an extension of an <u>earlier initiative</u> implemented in November 2016 where Neste Corporation, a leading producer of renewable diesel, and BSR worked with Wilmar to review labour practices in three Wilmar-owned plantations located in two core palm oil producing regions in Indonesia. The outcome was positive engagement and a deeper understanding of salient labour issues. With growing support from additional partner brands, Wilmar is set on a unified approach towards improving labour practices.

ABOUT WILMAR'S SUSTAINABILITY

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

ABOUT BSR

BSR is a global non-profit organisation that works with its network of more than 250 member companies and other partners to build a just and sustainable world. From its offices in Asia, Europe, and North America, BSR develops sustainable business strategies and solutions through consulting, research, and cross-sector collaboration. www.bsr.org/en/

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