

RESPONSIBLE OPERATIONS AND EQUAL OPPORTUNITY EMPLOYER

Wilmar's Continued Commitment to Sustainable Palm Oil Production in Nigeria

Wilmar International (Wilmar) continues to be a responsible and equal opportunity employer, as enshrined within our policies. We are steadfast in upholding this commitment throughout our operations globally, which includes West Africa where we have a significant footprint, especially in Nigeria. Further to that, we take pride in establishing and providing our employees and their families access to well-resourced clinics, schools as well as free water and electricity. Wilmar has also constructed 20 boreholes to date for local communities, which we also help to maintain, to ensure that these communities have access to water.

Our women employees are provided with fair and equal opportunities to gain employment in all layers within the company, with equal footing and opportunities to rise up the ranks. In our Calaro and Kwa Fall Estates, we are proud to have women filling the positions of Assistant Estate Managers and hope they serve as role models and encourage other women within Wilmar to have similar, if not higher, aspirations.

We continue to also place emphasis on engagement with our workers as well as local communities where we operate. We established over 4,000 direct and permanent employment opportunities for the local communities, out of which 30 percent comprise of women. We also helped pave the way for many local businesses to sprout and flourish, through direct as well as indirect relationships with our operations. This includes our vendors, transporters, buyers as well as, among many others, sellers of various goods and services to our employees.

Local farmers have also benefitted by our operations, which renewed their interest in their previously abandoned oil palm farms and its rotting fruit. Upon completing the construction of our palm oil mill, farmers began restoring their oil palm farms, realizing that they now had the market access for their Fresh Fruit Bunches (FFB).

Subsequently, Wilmar initiated the Outgrower Programme, in partnership with the Central Bank of Nigeria, in an effort to build capacity, increase knowledge and empower local farmers so they can apply best practices and benefit from optimal yields. We aim to support at least 2,000 farmers in Nigeria through the Outgrower Programme over the next 4 years, while ensuring that 50 percent of the beneficiaries are women.

Wilmar established its Calaro and Ibiae estates in Nigeria through the acquisition of long-standing and derelict plantations belonging to the Cross River State Government. Lands for these estates were acquired by the government between the 1950s and 1960s to be developed into oil palm plantations. However, prior to divesting their interests in these plantations to Biase Plantation Limited (BPL), a subsidiary of Wilmar, the government conducted extensive engagements with the local communities, which included representatives from the Traditional Council, women and youth groups, among others. This then led to the development of the Fundamental Terms Agreement, which BPL has dutifully fulfilled.

Similarly, BPL had also directly engaged these local communities at the time to foster and strengthen ties. We ensure that we maintain good relationships with the local communities through continuous engagement, which include organizing regular meetings where women and youth representatives are fully represented.

BPL continues to also provide surrounding local communities with access to medical care, aside from our annual medical outreach programmes where we provide free medical examinations and medication, where possible and relevant, to the all twenty local communities. Taking into account current circumstances, we have also established robust Standard Operating Procedures in our operations to enable us to continue ensuring that the well-being of our employees remains our priority, which also helps to protect the local communities from the risk of the pandemic spreading.

Environmental Impact of Establishing Our Operations

As mentioned, Wilmar acquired and restored aging oil palm plantations in the Local Government Areas (LGA) of Akampa and Biase. This brownfield expansion exercise therefore ensured that there was absolutely no conversion of natural forests in the area into oil palm plantations. To date, there have also not been any incidences of soil disturbances or erosion in our operations while we continue to strictly comply with regulations and requirements in Nigeria in relation to buffer zones. We only apply agrochemicals as a last resort and if required, we only use agrochemicals approved for use in Nigeria and in moderate amounts¹. As of June 2020, Wilmar has not discharged any effluent into the environment.

Continued Engagement with Stakeholders

Wilmar continues to be the focus of unfounded and false allegations in Nigeria by local advocacy groups. The most recent campaign alleges that, among others, Wilmar only employs women as labourers, that women are not involved in the process of land allocation and that women from the local communities have lost their income due to Wilmar taking over their lands. They also claim that we do not provide access to education, healthcare and free utilities (e.g. electricity and water supply) to our workers.

Further allegations falsely claim that Wilmar did not engage communities through a Free, Prior and Informed Consent (FPIC) process prior to our land acquisition and that the development of our oil palm plantations have resulted in negative environmental impact and land degradation.

We place significant importance in engagement with all our stakeholders, including civil society and advocacy groups. We therefore welcome engagement efforts and opportunities for us to better understand possible concerns while allowing us to provide the necessary clarification and evidence. This includes being invited to meetings, forums and conferences organized by these stakeholders that provides us with the opportunity to listen to the concerns raised and subsequently, either take the required measures to address them or to be allowed to respond to them accordingly. To date, Wilmar as well as the local community leaders and the women's group leaders have yet to be invited to participate in any of these events.

We firmly believe that constructive engagement and working together to develop solutions will result in positive outcomes that will be beneficial to all parties and stakeholders, especially our workers and the local communities.

For further information or clarification, please contact Wilmar Sustainability via csr@wilmar.com.sg.

¹ Page 80, Optimising Chemical Use, [Wilmar 2019 Sustainability Report](#)