

Jakarta, 26 June 2018

Dear Kuok Khoon Hong,

Deforestation and Wilmar's supply chain

I am writing to follow up on our investigation into deforestation by Gama, a company run by senior executives at Wilmar and members of their family. I am deeply troubled by what we found, not least as this is just the latest case that Greenpeace has had to bring to your team's attention.

We welcome your recognition in your reply to us last week that Wilmar failed to carry out adequate due diligence on Gama. However, I want to emphasize that this is not just about Gama. This is about the failure of Wilmar to reform its supply chain and deliver a traceable supply of verifiably deforestation-free palm oil to your customers.

Your decision that Wilmar should adopt a 'no deforestation, no peat, no exploitation' (NDPE) policy in December 2013 was a bold one, and an important breakthrough moment for the palm oil industry. Central to this was your ambitious commitment that Wilmar's supply chain would be deforestation-free by 31 December 2015.

However, while that policy was groundbreaking, your team and those working with them have unfortunately fallen short when it comes to implementation across the supply chain. As our investigations make clear, Wilmar has continued to trade palm oil from producers it should have known were destroying rainforests or exploiting local communities. Wilmar has failed to establish robust systems to monitor its suppliers and ensure they comply with its policy, almost five years after you promised to act.

Central to this issue is the failure to gather necessary data about your third-party suppliers' operations. It's impossible to be sure your suppliers are not destroying rainforests without a list of their holdings and maps of their concessions, including those from which you are not (yet) sourcing. If these data are not public, your customers cannot have confidence that the palm oil you supply them is not coming from producer groups still clearing rainforests.

Wilmar was the first palm oil trader to adopt a NDPE policy, a move other companies quickly followed. Whilst we recognise that these issues also apply to other palm oil traders, your size and influence means Wilmar has to take a lead if these issues are to be resolved. We therefore strongly encourage you to make a clear public commitment to only source from producer groups that disclose their holdings and publish maps of their concessions.

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Looking to the future, we very much hope that Wilmar can be the first palm oil trader to confirm that by 2020, it will only source palm oil from producers whose entire operations have been independently verified as compliant with its NDPE policy.

Until we see that level of ambition we can see little benefit to continuing any engagement with your sustainability team at the current time. Due to the seriousness of these issues we will also need to advise your customers to suspend trade with Wilmar unless it clearly demonstrates that its palm oil suppliers are not involved in rainforest destruction.

I look forward to hearing from you.

Best wishes

A handwritten signature in black ink, appearing to be 'Kiki Taufik', with a horizontal line underneath.

Kiki Taufik
Global Head, Indonesia forests campaign
Greenpeace Southeast Asia