



## Wilmar Reaffirms Commitment to Human Rights and Engages Proactively with Supplier to Address Supply Chain Issues

Singapore, 15 June 2016 -- Wilmar International Limited (Wilmar) is committed to respecting human rights, a critical component of its [No Deforestation, No Peat and No Exploitation \(NDPE\) Policy](#) which it adopted in December 2013 with the objective to help accelerate the market transformation for responsible palm oil.

With about 1,000 suppliers from Indonesia, Malaysia and Latin America, Wilmar, in the course of its policy implementation, recognises that many lack the resources and knowledge to adequately conform to higher sustainability requirements. To help suppliers overcome this challenge, we have focused significant effort over the past two years in engagement to ensure that all suppliers are aware of our key policy requirements, and to provide geographically-specific advice and feedback to support them towards compliance.

As part of our supply chain risk management, we have also set up the [Grievance Procedure](#) where stakeholders are encouraged to raise issues about Wilmar or our suppliers via this channel; and progress on actions taken to address these grievances can be tracked on our website.

Wilmar's Grievance Procedure has registered the case of [Reforestadora de Palmas del Petén, S.A. \(REPSA\)](#), a palm oil supplier in Guatemala, on its grievance list. In November 2015, a coalition of civil society organizations officially raised complaints about REPSA to Wilmar, pointing to a range of allegations about REPSA.

Wilmar had initiated dialogues with REPSA's management about compliance with its NDPE Policy even prior to receiving these concerns. Our NDPE Policy requires suppliers to respect human rights, and we have no tolerance for intimidation or violence in its supply chain.

Furthermore, Wilmar requires that complaints and conflicts in its supply chain be resolved through an open, transparent and consultative process. The path forward must be one that ensures a strong commitment to stakeholder engagement and peaceful and non-violent conflict resolution by REPSA. Our collaborative partner, The Forest Trust, conducted an assessment of the REPSA mill and a representation of the mill's supply base from 16 –21 November 2015, and a subsequent visit took place in April 2016 to meet with the REPSA management to discuss the development of an action plan to address the issues identified in the field visit.

Wilmar requires REPSA to implement a robust action plan that includes the following elements:

1. Develop and communicate a corporate policy on zero-tolerance on intimidation and violence in compliance with all relevant laws and regulations;
2. Develop comprehensive sustainability policies on responsible production that should incorporate principles of No Deforestation, No Peat Development and No Exploitation;
3. Strengthen engagement and improve transparency with its stakeholders, especially with local communities and civil society organisations;

4. Develop and implement a grievance mechanism to address conflicts and issues raised by local communities and other stakeholders.

REPSA has already submitted to Wilmar a time-bound action plan, as well as draft policies on zero-tolerance on violence and intimidation and responsible palm oil production which are currently under review. We will feedback to REPSA accordingly in due course for their deliberation and implementation.

Wilmar is tracking and monitoring REPSA's progress and will update developments of the case on the Grievance Procedure platform.