



Ismael Roig  
Chief Sustainability Officer

Archer Daniels Midland Company  
77 W. Wacker Drive, Suite 4600  
Chicago, IL 60601 USA

November 4, 2016

Seema Joshi  
Head of Business and Human Rights  
Amnesty International  
1 Easton Street  
London, WC1X 0DW  
United Kingdom

Dear Mr. Joshi:

This responds to your letter dated 19 October 2016.

Your letter states that you have spent time reviewing ADM's human rights and supply chain policies that are designed to address some of the concerns highlighted in your letter. As such, we will not restate those policies here except where it is important to adequately answer the questions you have posed.

As a threshold matter, we would like to reiterate the importance that we ascribe to these issues. We believe that although governments have the primary duty to protect and ensure fulfillment of human rights, we have a responsibility to respect human rights and can play a positive role in the communities where we operate. While we generally are not growers, ADM's scale, reach and vast supplier network give us the opportunity to help improve the conditions under which crops are grown, transported and marketed around the world, as well as the lives of those who grow them and of other workers and communities along the supply chain.

#### ADM's Human Rights Policy

In 2014, ADM published Our Commitment to Respect for Human Rights Policy. The policy was developed after years of dialog and collaboration with the Inter-faith Center for Corporate Responsibility (ICCR). The policy applies on a global basis to all ADM employees, officers, directors, contract workers, agents and affiliates. ADM expects that, when working on our behalf, our suppliers, business partners, agents and consultants will uphold the policy's principles.

Since the policy's creation, ADM has been implementing assessments and training using a risk-based approach. Using the United Nations Human Development Index (HDI), ADM has identified "high-risk" countries within its global reach. Initially, we will focus our efforts in these countries. We are at the beginning stages of implementation and we will keep our stakeholders abreast of our progress at our website: [www.adm.com/progresstraker](http://www.adm.com/progresstraker). As training is completed in "high-risk" countries where ADM has a commercial presence, we will collect metrics related to the observations of potential human rights abuses. ADM intends to reveal metrics and KPIs based on this work on its progress tracker. Similar to the transformation philosophy that is foundational within our No Deforestation work, ADM will remove from

its supply chain any supplier that refuses to remediate any human rights abuses in violation of ADM's Respect for Human Rights Policy.

#### ADM's No Deforestation Policy

In 2015, ADM became a member of The Forest Trust and completed its No Deforestation, No Peat, and No Exploitation (No DPE) Policy. The policy is intended to create transformation within ADM's palm oil supply chain. Using 2014 transactional data as a baseline, ADM has identified its suppliers and has begun supplier outreach to ensure alignment of values related to deforestation and human rights. Our palm oil progress reports reveal the status of our work, mill lists and traceability calculations. It is important to note that ADM does not purchase directly from any of the mills on the list. ADM is currently identifying the most strategic opportunities for transformation work with suppliers.

As we outreach to our suppliers and inform them of ADM values, we are in discussions with them to establish relationships conducive to implementing transformation within the supply chain. Consistent with the transformation philosophy, efforts will be made to support suppliers in identifying areas of non-compliance and transform their operations in order to meet ADM's No DPE policy. If they are not interested in engagement or coming into compliance, then ADM will work to discontinue future contracts and/or remove them from the supply chain.

Earlier this year, evidence surfaced that two suppliers (Korindo and IOI) were not in compliance with the ADM No Deforestation Policy. Based upon widely accepted evidence within the palm oil industry, ADM decided to take steps to remove Korindo and IOI from our palm oil supply chain. As an important element of the transformational philosophy, ADM is willing to work with non-compliant suppliers if they show progress in adopting No DPE principles. Conversely, as this example demonstrates, ADM is willing to remove non-compliant suppliers who are found in our supply chain and do not make progress in adopting No DPE principles. The ADM Issues and Resolutions public web page ([www.adm.com/progresstracker](http://www.adm.com/progresstracker)) will provide information on the on-going monitoring of No DPE issues and the outcomes of subsequent investigations. It is anticipated that ADM's Issues and Resolutions page will be operational by EOY 2016. It is important to understand that the systematic decoupling of complex and dynamic supply chains is a process that often includes transactional data analysis, internal procedures, routine monitoring, remote sensing technology, and industry stakeholder input.

As identified within our quarterly progress reports, ADM is involved with a small-holder palm plantation in the state of Para, Brazil. The plantation has not yet produced its first fresh fruit bunch. Assessments performed by the TFT/ADM No DPE team showed that the plantation was managed well. TFT and ADM are planning for more in-depth assessments as described in our progress reports.

### ADM Palm Oil Products

ADM refines and/or re-processes palm oil for use in a wide variety of products with both industrial and food applications. In the industrial space it is used for fatty acid splitting. It is used in a wide variety of personal care products. It is also broadly used in the food space for shortenings, baked goods, confectionary items, and snack foods. As you can imagine, our customer's formulations are regarded as trade secrets. As such, we are constrained in our ability to provide you with any greater detail on who we supply and for what purpose.

Over the past few years, ADM has purchased millions of tons of palm oil and related palm products and derivatives from many suppliers. Wilmar supplies ADM with palm oil in North America as well as in the European Union. As part of ADM's efforts towards traceability, the Wilmar mills from which we source, as well as the mills owned by other suppliers, can be found at [www.adm.com/progresstracker](http://www.adm.com/progresstracker). Today, Wilmar is regarded as a leader on No DPE in the palm oil industry. For more information, please contact Wilmar.

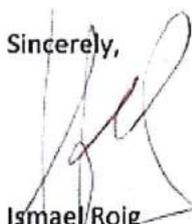
As it stands today, ADM is a minority owner (23%) of Wilmar. For more information, please refer to our SEC filings and annual reports.

### Olenex

At present, Olenex is a marketing and sales organization without its own assets. However, later this month it is expected that Olenex will close on the purchase of four palm oil processing assets in the Netherlands and Germany. Olenex will continue to do some marketing and selling on behalf of ADM, as well as market and sell its own products. Olenex will be a fully-functioning joint venture, but will leverage services from each parent. Existing ADM and Wilmar sourcing will be combined into one trading/sourcing desk for Olenex. Please refer to the Olenex website (<http://www olenex.com/sustainability.php>) for more information on the mills from which they are currently sourcing. This is not expected to change significantly in the near future.

I hope that the information provided herein helps you to understand ADM's No DPE and Human Rights policies, as well as the relationship we have with Wilmar and Olenex. If there is anything that you would like to discuss further, please let me know.

Sincerely,



Ismael Roig  
Chief Sustainability Officer



Ismael Roig  
Chief Sustainability Officer

Archer Daniels Midland Company  
77 W. Wacker Drive, Suite 4600  
Chicago, IL 60601 USA

November 15, 2016

**VIA ELECTRONIC MAIL**

Ms. Seema Joshi  
Head of Business and Human Rights  
Amnesty International  
1 Easton Street  
London, WC1X 0DW  
United Kingdom

Dear Ms. Joshi:

This responds to your letter dated 11 November 2016. It was a pleasure to speak yesterday with Meghna Abraham and Lauren Armistead. We thank them again for their time.

We regret not having more time to more thoroughly respond to your letter. As we expressed yesterday, we would like the opportunity to convince you how seriously we consider these issues, how concerted our efforts have been, and how much we would like to partner with you to bring about meaningful change on a timetable that is both satisfying and realistic. This is an incredibly complex issue and our position is made more challenging by the fact that we mostly purchase palm oil on an indirect basis. And, although we conduct a large amount of business with Wilmar on a global basis, we are nonetheless two separate and distinct companies.

Your most recent letter to us posed 3 discrete and specific questions. We would like to take this opportunity to, at the very least, respond to those questions to the best of our present ability.

We do not source palm oil directly from either the Abdi Budi Mulia or Sarana Prima Multi Niaga mills. Palm oil from these mills is in our supply chain but indirectly through a number of different suppliers, not just Wilmar.

Coroli<sup>1</sup>, Oilio and Novalipid are broad product categories. Sometimes these products can contain palm oil but sometimes they do not. ADM does not sell small consumer-size packs containing palm under these names.

Finally, as we expressed during our call with your colleagues, as part of the on-going implementation of our human rights policy, our initial focus was ensuring compliance at the company-owned locations over which we have direct control and we prioritized our efforts at the locations where the risk was perceived

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<sup>1</sup> Your letter refers to "croli" but we assume you meant to say "coroli." If this assumption is incorrect, please let us know. We are not familiar with "croli."

to be the greatest (Paraguay, South Africa and India). As we expressed, we are in the midst of executing against this plan. In addition, ADM embarked on a supplier outreach program. Since Wilmar is an ADM supplier, Wilmar was included as part of this outreach initiative. Given that Wilmar has its own policies, which such policies are closely aligned with our own, and in light of the transparent nature with which Wilmar is working to address these issues, we were provided with a measure of confidence in their approach, progress and handling. Indeed, Wilmar is doing more than many within the palm oil industry to address the human rights abuse issues.

I hope that we can continue to dialog on these issues in a way that is productive, collaborative and most helpful to the people who could be or have been at risk for abuse. Please let me know if you would like to discuss further your draft report, your plans for publication, and/or the possibility of further collaboration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ismael Roig', written over a light blue horizontal line.

Ismael Roig  
Chief Sustainability Officer

Dear Seema Joshi,

Nowadays Wilmar is one of our suppliers of crude palm oil and various fractions.

With regards to your request, we regret to inform you that it is not possible to provide detailed data on purchases, volumes and prices due to our internal policy. We trust you will understand this is sensitive and confidential information.

However, we would like to show that we practice a responsible operating and we get involved with these aspects in an internal and external sense. As a result we request our suppliers information about their employees working conditions and their implication with sustainable development. This information is provided to us and contrasted by audit.

Therefore, Wilmar is committed to inform concerning their current policies. Below you could find most important points we have contrasted related with these policies:

- Wilmar develop a labour programme to identify labour best practices and prevent exploitative practices, in collaboration with Business for Social Responsibility (BSR), a global non-profit organisation dedicated to sustainability.
- Wilmar established collaborations with BSR (Business for Social Responsibility) to benchmark human rights and labour issues in the Indonesian palm oil industry.
- Wilmar has as a non-negotiable requirement for their suppliers to implement the abolition of child labour. As well as putting up signage on prohibition of child labour, regular patrols on the ground by estate supervisors and managers are conducted to monitor child labour in the plantations.
- Wilmar has a strict No Burning policy, and does not tolerate the use of fire in land preparation and development. They have joined with other forestry and agriculture companies to establish the Fire-Free Alliance (FFA) which is a voluntary, multi-stakeholder platform that works to find a solution to land and forest fires in Indonesia.

We hope this information could be of help for your investigation. Do not hesitate to contact us in case you need any clarification.

Yours sincerely,



Manuel Sierra  
CEO



COLGATE-PALMOLIVE COMPANY A Delaware Corporation

300 Park Avenue  
New York, NY 10022-7499  
Telephone 212-310-2000

October 26, 2016

Seema Joshi  
Head of Business and Human Rights  
1 Easton Street  
London, WC1X 0DW  
United Kingdom

Via email -

Re: PALM OIL IN YOUR US AND GLOBAL OPERATIONS

Dear Ms. Joshi:

Thank you for your inquiry dated October 18, 2016 regarding Colgate-Palmolive's relationship with Wilmar International and Colgate's policies and commitment for responsible sourcing of palm oil. We are grateful that you have brought this matter to our attention and welcome the opportunity to provide you with more detail about our human rights and labor rights policies and practices throughout our palm oil supply chain.

At Colgate, we take our commitment to human rights and labor practices very seriously. With respect to palm oil, the foundation of this commitment is our Policy on Responsible and Sustainable Sourcing of Palm Oils, which provides as follows with respect to human and labor rights:

***Human and Labor Rights***

*Guided by the UN Declaration on Human Rights, under a policy of no exploitation, Colgate requires its suppliers at all tiers to commit to: no child or forced/bonded labor; no unethical recruitment practices; and no discrimination or harassment in its supply chain. Suppliers will be compliant with all relevant laws and regulations and additionally commit to working conditions, health and safety, hours and wages that are in accordance with International Labour Organization standards. Written contracts, where required by law, will be provided to all workers in a language that they understand that detail the*

*nature of the work, rate of pay and pay arrangements, working hours, vacation and other leave, and other benefits of employment. Freedom of association and right to collective bargaining will also be guaranteed.*

<http://www.colgate.com/app/Colgate/US/Corp/LivingOurValues/Sustainability/Palm-Oils-Policy.cvsp>

Building on this foundation, working with AIM-Progress, we conduct regular reviews of our suppliers through our Supplier Responsible Sourcing Assessment (SRSA) Program. While not exclusive to palm oil, Colgate's SRSA Program follows the SEDEX Members Ethical Trade Audit protocol. Through this Program we have reviewed over 450 facilities -- this includes our own facilities, contract manufacturers, warehouse operations and suppliers in at-risk geographies. We have also begun to include palm oil refineries in this Program and have plans to continue to expand coverage. As part of the SRSA Program, when we become aware of unacceptable practices (including but not limited to human rights or labor practices), we take immediate steps to work with our suppliers to remediate the findings. If the findings are not, or cannot, be remediated, we will terminate our relationship with such suppliers and have done so.

We recognise that the SRSA Program does not currently reach beyond facilities audited. To address this opportunity, we are beginning to explore solutions that focus on worker voice to increase our coverage. That said, through the SRSA Program to date, we have improved the lives of over 29,000 workers in our supply chain.

As relates to palm oil specifically, today Colgate procures 100% RSPO certified oils. While this represents important sustainability progress for us, the job of meeting all our sustainability goals remains incomplete inasmuch as RSPO certification does not yet fully address labor and human rights issues, particularly given the complexity of the supply chains in which we operate. We consider procurement of certified oils a step in the journey and would support the strengthening of the RPSO certification program.

We would be pleased to meet with Amnesty International to review our SRSA Program and understand your specific findings with respect to Wilmar International and its suppliers. In addition, we plan to meet with Wilmar to specifically review and understand how they plan to address the issues raised in your letter. We will hold them accountable to promptly address any issues.

We have provided responses to your more detailed questions in an attachment to this letter and look forward to receiving any further details from you that would inform our own investigation and action. Should you have any further questions, feel free to reach out to me at

Regards,

A handwritten signature in cursive script that reads "Lori Michelin".

Lori Michelin  
Vice-President Sustainability & EHS

cc: Ian Cook

## **Attachment 1. Amnesty International Q&A**

### **1) *Can you please provide us with more information on Colgate-Palmolive's relationship with Wilmar as a customer:***

Colgate is a customer of Wilmar and our sourcing relationship has been in place for more than five years. We purchase palm oil from Wilmar for our Oral Care, Personal Care and Home Care products. Colgate does receive Wilmar palm oil shipments from Indonesia. We do not purchase segregated palm oil from Wilmar.

Regarding traceability, in addition to the information Wilmar publically discloses on its website, Wilmar has provided traceability data to the mill for the palm oil and palm kernel oil supplied to Colgate. Traceability data to the mill for palm oil derivatives has also been requested and is expected to be received shortly.

For Wilmar, and all other suppliers, we plan to expand our traceability to the plantation level in partnership with The Forest Trust. Our traceability efforts include Indonesia and other regions.

Wilmar has also completed The Forest Trust's Policy Implementation Plan (PIP) to help us understand if their policies and practices align with our Policy on Responsible and Sustainable Sourcing of Palm Oils in the areas of: sourcing policy, traceability, grievance mechanism and non-compliant supplier process, approaches to changing practices in the supply chain and transparency.

Individual meetings have been conducted with our suppliers, including Wilmar, in partnership with The Forest Trust to ensure they understand our expectations and the seriousness of our commitment to both the human and labor rights and environmental aspects of our policy.

### **2) *Please provide us with the details of the trade routes that Colgate-Palmolive uses to source palm oil from Wilmar.***

Indonesia is the world's largest palm oil producer and Wilmar is one of the largest suppliers of palm oil in the world. As you might expect, Colgate-Palmolive receives shipments of Indonesian palm oil from Wilmar.

- 3) *Colgate-Palmolive's materials state that its suppliers are expected to conduct their operations in a manner that confirms with international human rights laws and standards. Please provide details.*

As described in more detail in our letter, we have a comprehensive Supplier Responsible Sourcing Assessment Program that utilizes the Sedex Members Ethical Trade Audit protocol. We are including selected palm oil refineries in this program.

Additionally, Colgate palm oil suppliers, including Wilmar, complete the Forest Trust's Policy Implementation Plan. As part of this plan, suppliers are expected to establish a grievance mechanism and process for dealing with noncompliant suppliers. As part of this process, Wilmar has shared independent third party assessments completed by The Forest Trust.

- 4) *Please advise of the steps that the company will take, or has already taken, to remediate human rights abuses found to exist in the supply chain. Please provide examples specific to Wilmar, describing the abuses you discovered and the corrective action taken.*

In addition to our own SRSA Program, Colgate has reviewed risk assessments mentioned above. Based on these assessments, Colgate is supporting an Aggregator/Refiner Transformation (ART) Plan as part of our palm oil partnership with The Forest Trust. The ART Plan takes a proactive approach to drive transformation across a supply chain. Areas of opportunity are identified by sampling of priority mills. We supported development of training materials and conduct of workshops in the Indonesia refinery supply chain. Workshop participants completed a self-assessment and develop corrective action plans.

As mentioned in our letter, we are also exploring solutions that focus on "worker voice" to increase our reach and understanding of issues in our upstream supply chain. These types of solutions are generally commodity based; we plan to start with palm oil.

- 5) *Please advise if: Colgate-Palmolive has carried out any independent monitoring of working conditions on plantations, beyond assessments undertaken from the RSPO and Wilmar's own progress reports?*

Colgate has not carried out independent monitoring of working conditions on plantations related to Wilmar supply chain. However, Colgate has conducted

independent investigations when specific concerns (such as those outlined in your letter) are brought to our attention. As a result of these investigations, corrective actions have been taken and in certain situations supply agreements have been terminated due to human rights and labor violations.



November 11, 2016

Seema Joshi  
Head of Business and Human Rights  
1 Easton Street  
London, WC1X 0DW  
United Kingdom

Via email -

Re: AMNESTY INTERNATIONAL'S INVESTIGATION INTO LABOUR RIGHTS  
ABUSES IN THE PALM OIL SECTOR

Dear Ms. Joshi:

Thank you for your follow up letter dated November 4, 2016. We appreciate Amnesty International sharing the detailed findings of your investigation of Wilmar, as well as your assessment of Colgate-Palmolive's due diligence process.

Wilmar

We reiterate that we take our commitment to human rights and labor practices in our supply chain very seriously. We have made our expectations very clear to Wilmar and are committed to continue to drive transformation. Having now had the benefit of reviewing your specific findings relating to Wilmar, we will be addressing them directly with Wilmar as part of our ongoing efforts. Consistent with our global policy, continued supply will be contingent on Wilmar systematically addressing the human rights issues detailed in Wilmar's public report entitled Making Progress on No Exploitation Commitments, and proactively addressing any findings that arise as a result of the review of current labor practices in the palm oil sector in Indonesia being conducted by Business for Social Responsibility.

Colgate Due Diligence

We believe your findings about Colgate's due diligence process are both inaccurate and misleading. Simply put, it is irresponsible for Amnesty International to render

conclusions about Colgate's due diligence process based solely on your review of the information in our letter dated October 26th. In that letter we offered to meet with you to provide more details regarding our Supplier Responsible Sourcing Assessment Program, both generally and as it relates to Wilmar, as well as our other efforts to source palm oil and palm oil derivatives responsibly.

We renew that offer again and hope you will consider meeting with us so that we can present our SRSA Program and other efforts to you and learn from you the ways in which you believe our program and efforts can best be improved as relates to palm oil. Such discussions would include a review of the substantial resources and efforts we have dedicated to our SRSA Program, which has included an audit of one of the Wilmar refineries listed in your letter. This audit included coverage of labor practices, human rights, health and safety, and environmental management of the facility. The audit resulted in a number of findings and all of the findings were remediated by Wilmar.

In addition, Wilmar has gone beyond the refinery level and engaged The Forest Trust to perform assessments of mills that supply this audited refinery. Based on these assessments, Colgate has sponsored training sessions for mill owners to educate and engage them on making improvements in social and environmental management of their facilities.

#### Questions

In response to your specific questions, Colgate sources certain palm oil derivatives from Wilmar. Today, we are not able to trace palm oil derivatives to the *plantation* in Indonesia. Given that, we have a number of mitigating efforts in place, such as our purchase of 100% RSPO certified oils, to help to ensure responsible sourcing.

We have only limited traceability of the palm oil derivatives bought from Wilmar back to the *refinery*. We have been able to trace certain palm oil derivatives purchased from Wilmar to the PT Multimas Nabati Asahan refinery in Kaula Tanjung, and have established that none of these derivatives are contained in the Colgate products listed in your letter. In addition, given limited traceability and the short time frame you have provided for us to review our records, we have no information indicating that any of the other listed refineries supply palm oil derivatives contained in the Colgate products listed in your letter.

Again, we would be very pleased to meet with Amnesty International to understand your recommendations on how we together with others can contribute to positive

transformation. We believe we share a common goal in this that can be best achieved by meaningful collaboration.

Should you have any further questions, feel free to reach out to me at

Regards,



Lauren Richardson  
Vice President, Chief Procurement Officer

cc: Ian Cook

Anthony Parnell  
2501 Davey Road  
Woodridge, IL 60517 USA

[www.elevance.com](http://www.elevance.com)



October 26, 2016

**By E-mail Attachment to**

Seema Joshi  
Head of Business and Human Rights  
AMNESTY INTERNATIONAL  
1 Easton Street  
London, WC1X 0DW  
United Kingdom

Dear Seema,

I appreciate the opportunity to respond to your letter of October 18, 2016 and to clarify some information about our company and our commitment to sustainability.

Elevance Renewable Sciences, Inc. is a specialty chemicals company, headquartered in Woodridge, Illinois, USA. The company develops and markets novel, renewable, bio-based chemicals — for use in personal care products, detergents and cleaners, engineered polymers, and other specialty chemicals markets. Elevance is committed to leading the transformation of the chemical industry from fossil-based to renewable chemicals.

Elevance products are made from a variety of natural oil feedstocks, including palm oil. Elevance and Wilmar International Limited have a joint venture, which operates dedicated processing equipment to transform natural oils into these proprietary chemicals. The joint venture equipment is located in Gresik, Indonesia, within a larger Wilmar facility, and does utilize palm oil as one of its feedstocks. This joint venture, however, is not involved in growing or harvesting any natural oils.

Elevance is committed to the use of sustainable feedstocks. In 2013, Elevance joined the Roundtable on Sustainable Palm Oil (RSPO), an organization that promotes the growth and use of sustainable palm oil products through credible global standards and engagement of stakeholders. The RSPO is the only multi-stakeholder organization with a global reach that is exclusively focused on making sustainable palm oil the norm. As of March 2016, the Wilmar Gresik facility, including the joint venture processing equipment, was found to be in compliance with RSPO Supply Chain Certification Systems, including all provisions falling under "Principle 6: Responsible Consideration of Employees and of Individuals and Communities Affected by Growers and Millers."

Seema Joshi  
October 26, 2016  
p. 2

As a small company, with limited resources, Elevance relies on the independent certification and standards of the RSPO organization. In addition, we follow Wilmar's compliance as described in its published documents, such as its annual Sustainability Reports. We have also received and reviewed a copy of Wilmar's October 17, 2016 response to your letter of October 6, 2016 on behalf of Amnesty International.

We at Elevance are committed to sustainable, natural oil feedstock sourcing and look forward to reading the details of your report.

Sincerely,



Anthony Parnell  
Chief Executive Officer



26 October 2016

Dear Ms. Joshi,

Thank you for your letter dated 18 October 2016 regarding human rights concerns and palm oil in Kellogg's global supply chain, in particular related to Wilmar International. As a company founded on the values of respect and integrity, we believe in protecting and advancing the cause of human rights in our operations and value chain. We are committed to respecting human rights in accordance with international standards like the International Labour Organization, U.N. Guiding Principles and the Universal Declaration of Human Rights. Our commitments and policies address risks of human rights, social accountability and the environment.

Palm oil continues to be an ingredient of particular focus for Kellogg Company in our responsible sourcing efforts. Although we use a very small amount of palm oil globally, we have been working since 2009 to improve the sustainability and responsible sourcing of our palm oil to improve both environmental and social impacts.

Kellogg is committed to working with our global palm oil suppliers to source fully traceable palm oil to known and certified sources that are environmentally appropriate, socially beneficial and economically viable (see our [Global Supplier Code of Conduct](#) and its supporting Resource Guide for additional details on our expectations). As we are doing with all palm oil suppliers, we have, and continue to, engage with Wilmar to ensure they understand our commitments, and assess their compliance as well as risks present in the supply chain.

#### **Kellogg Relationship with Wilmar & Trade Routes**

Kellogg has a joint venture with Wilmar in China called Yihai Kerry. While the terms of our joint venture are confidential, no supply of ingredients was designated as part of the joint venture contractual provisions with Wilmar. However, the joint venture business purchases a very small amount of palm oil for its operations from Wilmar as a supplier. This volume represents less than 1 percent of the total volumes of palm oil Kellogg purchases globally. As a supplier, Wilmar has signed, and is expected to adhere to, Kellogg's Global Supplier Code of Conduct.

Kellogg receives palm oil shipments in China through Shanghai Oils & Grains Industries Co, Ltd in China and does not currently purchase any RSPO Segregated palm oil for this facility.

Kellogg began purchasing palm oil from Wilmar in 2014. As noted above, while purchases from Wilmar represent less than 1 percent of the total palm oil volume, meaning the volumes are extremely small. Kellogg has purchased similar volumes of palm oil from Wilmar in China in 2014, 2015 and 2016. Kellogg did purchase smaller volumes of palm oil from Wilmar in 2014 and 2015 for a co-manufacturing operation in Malaysia. However, we are no longer sourcing from Wilmar for that location.

The facility in China using palm oil makes Pringles® for distribution in China. Flavors include: Cheese, Tomato, Hot & Spicy, Ranch, Seaweed Wasabi, BBQ, and Sour Cream & Onion.

When entering a joint venture or acquisition, Kellogg follows a comprehensive due diligence process for all partners. The Kellogg Merger & Acquisition Process includes assessing potential risks associated with business, environment, health, safety, sustainability and reputation. Sustainability considerations take into account reporting (both voluntary and required), internal and external performance improvement commitments, ingredient sourcing strategies & supply chain reliability risks, social and ethical concerns, local infrastructure conditions and dependability, incoming water supply and general watershed risks.

### **Kellogg Actions to Identify and Remediate Human Rights Abuses**

If we find, or are made aware of, any supply chain violations of our global palm oil principles, we work with the supplier to understand corrective actions. If the concerns are not adequately addressed, we take action to remove them from our supply chain.

For example, in late 2015 Kellogg was made aware of human rights and deforestation violations in the supply chain of IOI Group, meaning that our supplier Loders Croklaan was no longer in compliance with Kellogg's palm oil policy and commitments. In January 2016, Kellogg began the process of removing this supplier from our supply chain. Subsequently, in March RSPO suspended IOI Group due to these violations. Nearly all Loders Croklaan volume has been transitioned to other suppliers in compliance with our policy. Although RSPO has lifted the Loders Croklaan suspension, continued risks are being identified by non-government organizations. Loders Croklaan will not be reintegrated into the Kellogg supply chain until substantial progress has been documented to address the challenges.

### **Independent Monitoring and Certification**

In 2015, Kellogg signed agreements with KnownSources (FoodReg) to use their traceability tools for our palm oil supplier sourcing from Indonesia and Malaysia. Global traceability documents for Wilmar mills and refineries are available on the Wilmar supply chain map [website](#). Kellogg currently only sources from Shanghai Oils & Grains in China. As of March 2016, The Forest Trust has determined that almost 60 percent of palm oil from this facility is traceable to mill. We continue our efforts for traceability from this mill to plantation for increased visibility to environmental and social risks, including human rights risks.

Going forward, Kellogg will be engaging with ProForest, a leading non-governmental organization, to assess traceability, determine risk and support the development of plans. This third party assessment will work with existing supplier-led auditing and will perform independent reviews.

In addition, through our global procurement team, we have also begun to implement a comprehensive third party audit program, using the SEDEX SMETA tools, designed to target supplier facilities that are in high risk categories and/or high risk regions. The goal is to increase our monitoring of supplier performance through independently verified assessments and ensure that our suppliers are upholding and promoting labor and human rights commitments and requirements as stated in our Global Supplier Code of Conduct, and in accordance with international and national law and expectations. Both the category of palm oil, and Wilmar as a supplier, are in scope for the program for 2017.

While we recognize there are limitations to the Roundtable on Sustainable Palm Oil (RSPO), we value its global role, and since 2011 Kellogg has been using a combination of certifications to cover 100 percent of our global palm oil purchases. As of year-end 2015, all of the palm oil we use is sourced through a combination of RSPO Certified Segregated supply (7 percent), Mass Balance supply (69 percent), or covered by the purchase of GreenPalm certificates (24percent). Ninety two percent of palm oil purchased was traceable to mill and 23 percent traceable to plantation.

Additional information on our principles, our requirement for our suppliers to trace palm oil to plantations with action plans to close the gaps, and our milestones are available in our [Sustainable Palm Oil Policy](#) on [our website](#).

Kellogg Company thanks you for your work championing human rights in our industry and others. We appreciate the opportunity to review your findings and continue the dialogue about our work in the area of palm oil and the advancement of human rights throughout our supply chain.

We would be happy to discuss this further and address any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Diane B. Holdorf". The signature is written in a cursive, flowing style.

Diane B. Holdorf

Vice President, Chief Sustainability Officer

Kellogg Company



10 November 2016

Dear Ms. Joshi,

Thank you for your letter dated 4 November 2016 following up on our response to your original request, which we submitted on 26 October 2016, regarding human rights concerns and palm oil in Kellogg's global supply chain, in particular related to Wilmar International.

As stated in our prior response, Kellogg is a company founded on the values of respect and integrity, we believe in protecting and advancing the cause of human rights in our operations and value chain. We are committed to respecting human rights in accordance with international standards like the International Labour Organization, U.N. Guiding Principles and the Universal Declaration of Human Rights. Our commitments and policies address risks of human rights, social accountability and the environment.

Following are responses to the questions you asked in your recent letter:

1. According to Wilmar's publicly available transparency dashboard, Kerry Shanghai Oils/Wilmar does not source from the refineries listed by Amnesty International in your letter, and instead sources from the following refineries:

- BEO, Bintulu
- SEO, Sandakan
- TSHW, Kunak
- MNA, Kuala Tanjung
- MNS, Bitung
- WINA, Dumai
- WINA, Gresik

Kellogg is waiting on additional confirmation from Wilmar on which specific refinery(/ies) from this list are providing the Kellogg joint venture plant in China.

2. Many of the products listed in your letter do contain small amounts of palm oil, but none of them use palm oil purchased by Kellogg from Wilmar in Indonesia. Crunchy Nut Cornflakes and Special K cereal do not contain palm oil.

3. As noted in our prior response, Kellogg only has a direct trading relationship with Wilmar for palm oil used in the Yihai joint venture operations and is used in Pringles products sold in China. Kellogg has purchased approximately 710 MT of palm oil from Wilmar in China in 2016, 1100 MT in China in 2015, and 855 MT in China in 2014. This volume from Wilmar represents less than one percent of the global palm oil volume procured by Kellogg. Kellogg does not purchase palm oil from Wilmar for any other locations or products in our global operations.

Additional information on our principles, our requirement for our suppliers to trace palm oil to plantations with action plans to close the gaps, and our milestones are available in our [Sustainable Palm Oil Policy](#) on [our website](#).

Kellogg Company thanks you for your work championing human rights in our industry and others. We appreciate the opportunity to review your findings and continue the dialogue about our work in the area of palm oil and the advancement of human rights throughout our supply chain.

We would be happy to discuss this further and address any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Diane B. Holdorf". The signature is fluid and cursive, with the first name "Diane" being the most prominent.

Diane B. Holdorf

Vice President, Chief Sustainability Officer

Kellogg Company

October 31, 2016

Ms. Seema Joshi  
Head of Business and Human Rights  
Amnesty International  
1 Easton Street  
London, WC1X 0DW  
United Kingdom

Dear Ms. Joshi,

I would like to thank you for your letter dated October 18, 2016.

As there was a week-long delay in our receipt of the letter, we appreciate your understanding as to why it has taken us a few additional days to respond.

We share your interest in advancing respect for human rights, including in the palm oil sector in Southeast Asia. We thank you for your fact-finding that helps shed light on the challenges we all face in this work. As described below, our work to strengthen the traceability of our palm oil supply chain is ongoing. In response to your letter, Wilmar has confirmed that they are not currently supplying us with palm oil from Indonesia.

We recognize that we all face continued challenges in ensuring the sustainability of the palm oil industry, given the complexity and deeply-rooted nature of many of the issues. We are strongly committed to taking action on these challenges through our own policies and programs and through significant collaboration with other companies, our suppliers, non-governmental organizations, and governments, all of which are vital to enable more rapid progress.

We would welcome further dialogue, mutual learning, and collaboration with Amnesty International to identify ways that we can solve these pressing challenges together. In the meantime, we are pleased to share with you the following information about our policies and practices related to human rights, with a focus on our palm oil supply chain. We hope that these responses help progress our shared goals.

### **Our Approach to Human Rights**

Mars, Incorporated is a privately-owned global manufacturer that produces confectionary, food and drink and pet food products. The Mars Five Principles of Quality, Responsibility, Mutuality, Efficiency and Freedom have guided our approach to business for more than 100 years.

We are committed to promoting and respecting human rights across our value chain. Our global Human Rights Policy, adopted in December 2014, draws on the U.N. Guiding Principles on Business and Human Rights and relevant global standards. Our human rights action areas include ensuring respect for rights in our own workplaces; setting forth requirements of our tier-one suppliers in our Supplier Code of Conduct; and collaborating with our suppliers,

governments, communities, and workers to advance respect for human rights in our extended supply chains.

Given the complexity of commodity supply chains, we are often several steps removed from the plantations and farms where human rights and environmental challenges may be found. Our direct influence and visibility can be limited, making it even more vital that we work with others to address these challenges. We believe that we have a role to play in our extended supply chains, including by understanding relevant human rights issues, urging action by accountable parties, and mobilizing coalitions across sectors with the goal of ensuring that these complex issues are addressed and remediated. This is also consistent with our commitment to the U.N. Guiding Principles on Business and Human Rights.

Through our framework for human rights, we develop action plans to best contribute to the advancement of human rights in collaboration with other stakeholders. We have analyzed the human rights risks present in the supply chains of our key global raw materials to ensure that we are taking action in the areas of highest priority. We regularly review human rights risk information by country and commodity, and are seeking to better understand the supply chains of our commodities.

We also play a leadership role in a number of global industry coalitions focused on human rights. For example, we are currently serving as Co-Chair of the Consumer Goods Forum's global task force on forced labor, which is focused on driving individual company and collective industry action toward the elimination of modern slavery. The Consumer Goods Forum includes more than 400 of the world's largest manufacturing and retail companies and has the capacity to mobilize large-scale change.

### **Our Palm Oil Sourcing Approach**

As a food manufacturer, we use small amounts of palm oil in a number of our products. In 2015, we purchased 82,456 metric tons of palm oil globally, representing approximately 0.1% of global palm oil production. Through our work on traceability, we have determined that the palm oil we buy came from 13 countries in 2015, including the world's major producers – Indonesia and Malaysia. We source from a number of palm oil suppliers, including Wilmar International Ltd. ("Wilmar"). We have been working toward a sustainable palm oil supply chain for a number of years, as illustrated by the following actions:

- In 2013, we began sourcing 100% of our palm oil as Roundtable on Sustainable Palm Oil (RSPO) certified via the "mass balance" approach.
- In 2014, we issued a public commitment to seek a traceable and sustainable palm oil supply chain in which workers' and communities' rights are respected.
- In 2015, we received confirmation from all of our palm oil suppliers that they either have equivalent commitments in place or have plans in place to do so soon. We do not source from palm oil suppliers that will not make equivalent commitments.
- In 2015, we achieved 90% traceability of our palm oil supply chain to the geographic areas in which mills are located through our partnership with The Forest Trust ("TFT") and its collaborations with our suppliers.

- We issue public updates bi-annually on our progress, and we engage with a wide range of stakeholders across sectors. Our next update will be forthcoming in November 2016.

Although progress is being made, we recognize the significant complexities associated with driving change on these deeply rooted challenges. Today, we are focused on actively engaging with our suppliers as they implement their own supply chain policies. This year, we began to embed our sustainable palm oil expectations into our global palm oil tender for the first time in order to drive a commercially-focused dialogue about the critical importance of supplier action on social and environmental issues.

As noted above, we expect our palm oil suppliers to have commitments to social and environmental sustainability in their supply chains that are as robust as our own. We expect them to demonstrate that commitment through continuous improvement and demonstration of results, and will consider ending our relationships with them if they fail to do so. This spring, we learned that RSPO temporarily suspended the RSPO license of one of our palm oil suppliers belonging to IOI group. In order to stay true to our commitments, Mars has discontinued sourcing palm oil from IOI while the suspension is in place. If suppliers are unable, in our view, to show a genuine commitment to making progress to meet our sustainability goals, Mars will phase them out.

We believe that strong certification systems can help drive broad-based change and standardization of good practices across industries such as palm oil. We have supported RSPO for a number of years and believe that strengthening it is an important way to drive systemic change across the palm oil industry. We recognize the challenges that RSPO has faced in ensuring that its standard is upheld. For this reason, we are engaging with RSPO and other interested stakeholders to strengthen its human rights standards, monitoring and compliance approaches, and remediation and grievance mechanisms.

We are also supporting efforts that we believe are a strong complement to current RSPO processes. For example, we are providing support for TFT's ongoing programmatic work on human rights, including work with several mills in Wilmar's supply chain. The program's premise is that it is possible to create change through a deep and long-term engagement with mill and plantation management. The program increasingly focuses on not only understanding the labor challenges in the palm oil supply chain, but also providing capacity building that helps mills and plantations address and remediate any identified problems. This is a pilot program that, if successful, could be replicated more broadly to help address labor challenges in the palm oil supply chain.

Going forward, we will continue to urge Wilmar to expand this effort in the context of its "no exploitation and no deforestation" commitments, to take the necessary steps to comply with its own policies, and to build the capacity of its suppliers to comply. We will also support TFT as they share best practices and lessons-learned with the expectation that this will drive broader change across the industry.

Thank you again for raising this important topic – we would welcome the opportunity to meet with you and look forward to continuing this dialogue.

Sincerely,

Pascal Baltussen  
Vice President  
Global Procurement, Mars Chocolate



Mondelez International  
Three Parkway North  
Deerfield, IL 60015

Seema Joshi  
Head of Business and Human Rights  
Amnesty International  
1 Easton Street  
London  
WC1X 0DW  
United Kingdom

26 October 2016

Dear Ms Joshi

Thank you for your recent letter.

We have been aware, and actively engaged in addressing, sustainability challenges in the palm oil sector for a number of years.

In palm oil, challenges are complex and some are systemic. We address challenges within our supply chains, while helping to catalyze systemic change in origin countries and the global consumer industry through broader engagement.

While much of the initial focus on the palm oil sector related to deforestation and land rights issues, more recent attention has focused on labor practices - involving plantations and smallholders, as well as certified and non-certified operations. We are grateful for work by various experts to raise these issues.

Our published [position](#) and palm oil [action plan](#) lay out the steps we have taken, including:

- While we recognize its limitations, we support the Roundtable for Sustainable Palm Oil and achieved 100% coverage for our palm oil use in 2013.
- Recognizing the need to go further, we published an action plan in 2014 that requires suppliers to implement our principles, including respect for land and labor rights.
- As a first step, we required our suppliers to publish policy addressing all our sustainability principles. In 2015, more than 90% did so and we acted against suppliers that failed to comply.
- Beyond this we are engaging our suppliers to demonstrate real progress against key indicators and, since palm is widely traded, to engage third-party suppliers to embed respect for human rights into their operations.

We're seeking a shift in mind-set away from purely compliance-led approaches to a culture of continuous improvement that drives and demonstrates real progress on the ground. By the end of the year, we'll update our palm oil action plan to reflect these priorities.

.../

We engage in a structured process with key suppliers, including review of their published policies against our principles; scheduled meetings to review how suppliers implement their policies and the third-party verification they use; and analysis of suppliers' public reports and confidential commercial data, such as traceability. Despite these efforts, if there is an allegation against a supplier, we promptly seek input from them to understand the facts and, if true, we expect our supplier to remediate it.

To support wider sector transformation, we co-chair the Consumer Goods Forum's Palm Oil Working Group – which published palm oil sourcing guidelines for members during 2015 – and we serve on the Roundtable for Sustainable Palm Oil (RSPO) Board of Governors. In addition, we support efforts to establish a sector-wide transparency platform for key traceability and sustainability data.

We also support the United Nations Development Programme (UNDP), the Government of Indonesia, and other partners to develop the [Indonesia Palm Oil Platform](#) (InPOP). The initiative aims to develop national capacity to promote and scale up sustainable palm oil by strengthening smallholder farmers, supporting national policy reform and reducing deforestation through public-private partnerships.

In our experience in other sectors, such as cocoa, public-private collaboration is particularly important to achieve progress on the ground to protect labor rights. Supply chain approaches need to complement the responsibilities of public authorities to protect rights and enforce laws.

Through these approaches, we are working to achieve a more sustainable palm oil sector.

Yours sincerely

Walter Nobles  
Vice President Procurement  
Global Raw Materials



Mondelez International  
Three Parkway North  
Deerfield, IL 60015

Seema Joshi  
Head of Business and Human Rights  
Amnesty International  
1 Easton Street  
London  
WC1X 0DW  
United Kingdom

11 November 2016

Dear Ms Joshi

Thank you for your further recent letter. I am pleased to confirm that, earlier this week, we published a scheduled update to our Palm Oil Action Plan.

The update advances our goal to make sustainable palm oil the mainstream option, based on the principles that production should be on legally held land; not lead to deforestation or loss of peat land; respect human rights, including land rights; and not use forced or child labor.

The new plan builds on progress made since June 2014. As such, at the end of 2015, 90 percent of the palm oil sourced by the company was traceable to the mill and 91 percent was purchased from suppliers with published policies that are aligned with Mondelez International's principles.

Mondelez International was the first multinational consumer goods company to require suppliers to track oil sourced from third-party suppliers as well as their own plantations, and believes this was a critical step in catalyzing systemic change in sustainable palm oil.

We recognize that more work is needed to drive real progress on the ground, so we're asking suppliers to improve practices across their entire operations and engage their third-party suppliers - who supply much of the oil they trade - to implement the same practices.

Provisions in the updated plan require suppliers to:

- Map and assess the risk for all supplying mills on Global Forest Watch
- Provide assurance that no deforestation occurs on their own concessions and exclude third-party suppliers who do not immediately cease deforestation
- Work with recognized third-party experts to protect labor rights.

We observe that certain statements regarding MDLZ made in your letter dated November 5, 2016 are incorrect. As an example, we have not commented on whether Wilmar is a direct supplier or if we contacted them post receiving your first letter; some of the products mentioned in the letter do not belong to MDLZ. While we are not commenting on every single aspect of the letter, we will appreciate that you do not construe any statement made in

the letter as being admitted by us unless we have specifically confirmed the same to you. We are pleased to confirm however, that we label ingredients in our products according to legislation and where the legislation requires disclosure of use of palm oil in our products, we have been fully compliant.

Yours sincerely

Walter Nobles  
Vice President Procurement  
Global Raw Materials



**Contact:** Valerie Moens

## **Mondelēz International Updates its Sustainable Palm Oil Action Plan**

- **Builds on progress made since 2014 by requiring suppliers to improve practices across entire operations**
- **Increased focus on risk assessment and engagement of third-party suppliers to drive accountability for traded oil**

DEERFIELD, Ill. – Nov. 10, 2016 – Mondelēz International today laid out new milestones and requirements for suppliers to work toward a sustainable supply of palm oil as part of its updated Palm Oil Action Plan. The update advances the company's goal to make sustainable palm oil the mainstream option, based on the principles that production should be on legally held land; not lead to deforestation or loss of peat land; respect human rights, including land rights; and not use forced or child labor.

The new plan builds on progress made since June 2014. As such, at the end of 2015, 90 percent of the palm oil sourced by the company was traceable to the mill, and 91 percent was purchased from suppliers with published policies that are aligned with Mondelēz International's principles.

Mondelēz International was the first multinational consumer goods company to require suppliers to track oil sourced from third-party suppliers as well as their own farms, and believes this was a critical step in catalyzing systemic change in sustainable palm oil.

"Our suppliers have done great work to align their policies and make their palm oil more traceable," said Walter Nobles, Vice President, Global Raw Materials. "But more is needed to drive real progress on the ground, so we're asking them to improve practices across their entire operations and engage their third-party suppliers – who supply much of the oil they trade – to implement the same practices.

"We'll exclude suppliers who don't immediately cease deforestation in their own concessions or exclude deforestation in their third-party supply."

Key new provisions in the updated plan require suppliers to:

- Map and assess the risk for all supplying mills on Global Forest Watch
- Provide assurance that no deforestation occurs on their own concessions and exclude third-party suppliers who do not immediately cease deforestation
- Work with recognized third-party experts to protect labor rights

The updated palm oil action plan complements Mondelez International's wider commitment to sustainably source key agricultural commodities. In 2013, the company achieved RSPO coverage for 100 percent of the palm oil it bought, two years ahead of its commitment.

### **About Mondelez International**

Mondelez International, Inc. (NASDAQ: MDLZ) is a global snacking powerhouse, with 2015 net revenues of approximately \$30 billion. Creating delicious moments of joy in 165 countries, Mondelez International is a world leader in biscuits, chocolate, gum, candy and powdered beverages, with billion-dollar brands such as *Oreo*, *LU* and *Nabisco* biscuits; *Cadbury*, *Cadbury Dairy Milk* and *Milka* chocolate; and *Trident* gum. Mondelez International is a proud member of the Standard and Poor's 500, NASDAQ 100 and Dow Jones Sustainability Index. Visit [www.mondelezinternational.com](http://www.mondelezinternational.com) or follow us on Twitter at [www.twitter.com/MDLZ](https://www.twitter.com/MDLZ).





## Mondelēz International Palm Oil Action Plan Update November, 2016

### Background:

In 2014 we published our [Palm Oil Action Plan](#), a long-term roadmap to achieve a sustainable palm oil supply, launched after achieving our milestone of 100% RSPO Palm coverage in 2013. The [Palm Oil Action Plan](#) laid out our position and principles for palm oil sustainability, focusing on supplier expectations, government and sector engagement in key origins and global industry advocacy towards sector transformation. It set out initial 2015 milestones, to start the process of delivering against our principles.

In 2015 our suppliers made good progress against key milestones in our action plan, including:

Goal	Results
<b>100% of suppliers' policies, principles aligned with Mondelēz</b>	91% was from suppliers with published policies aligned with ours
<b>100% suppliers' inbound oil traceable to mill</b>	90% was traceable to the palm oil mill
Actions	
<b>Supplier engagement</b>	Engaged with Suppliers whose principles were not completely aligned with ours or whose traceability to mill did not meet our expectation. Suppliers who have taken remedial action will continue and the others will be phased out.
<b>Engagement and advocacy</b>	We co-chair the Consumer Goods Forum's Palm Oil Working Group – which published <a href="#">palm oil sourcing guidelines</a> for members during 2015 – serve on the Roundtable for Sustainable Palm Oil (RSPO) Board of Governors; support the United Nations Development Programme (UNDP), the Government of Indonesia, and other partners to develop the Indonesia Palm Oil Platform; and continued to engage a wide range of stakeholders bilaterally and through industry platforms

### Why are we updating our Palm Oil Action Plan now?

We are pleased with progress against our initial milestones across a complex supply chain. This update sets out new milestones for more concrete actions, based on learnings gained since 2014.

Our Palm Oil Action Plan remains the foundation to engage more deeply and broadly with our suppliers and stakeholders. We are updating our Palm Oil Action Plan with our learnings, further focusing our efforts on the areas of highest impact and meaningful change, within our supply base and across the palm oil sector.

The progress we achieved as of 2015 is our baseline and we will maintain 100% RSPO coverage for our palm oil. While published supplier policies in alignment with our principles and traceability to the mill were important first steps that we continue to expect all our suppliers to maintain, more work is needed to translate these tools into real progress on the ground, leading to a physical supply of sustainable palm oil.

### **Mondelēz Palm Oil Action Plan Update**

#### **1. Physical supply of sustainable palm oil:**

We were the first multinational consumer goods company to state publicly that suppliers should track all of their inbound oil, not just what was supplied to us. This entailed our suppliers tracking oil in all their operations as well as oil sourced from third-party suppliers. We believe this was a critical step in catalyzing systemic change in sustainable palm oil. Going forward, we ask our suppliers to go beyond traceability of third-party supplies by engaging their suppliers to improve practices across their entire operations.

#### **2. New focus areas and supplier expectations for action and reporting on sustainable palm oil and palm kernel oil:**

We expect our suppliers to engage in prevention, mitigation, and where appropriate, remediation across the entire spectrum of environmental and social risks, encouraging sector-wide collaboration to effectively address systemic issues. We will track the following key indicators and where performance is lagging, engage suppliers to mitigate environmental and labor risks while continuing to benefit smallholders and local communities. We will exclude suppliers who do not immediately cease deforestation in their own concessions or exclude deforestation in their third party supply.

<b>Focus areas</b>	<b>Objectives</b>	<b>2017 Milestones</b>
<b>Governance</b>	Accountability and accelerated progress toward implementing Mondelēz policies and principles	<ol style="list-style-type: none"> <li>1. Published group wide policies signed by chief executive or board of directors</li> <li>2. Governance and due diligence in place/active at senior levels of company</li> <li>3. Roadmap, milestones and progress tracking for own and third-party supplier sustainability</li> <li>4. Grievance and due diligence procedure in place and tracked publicly</li> <li>5. Reporting on community consultation and FPIC (Free, Prior Informed Consent) where relevant</li> <li>6. Immediate alert to Mondelēz regarding any outstanding grievance, risks found and alerts, regular reporting on mitigation and where appropriate, remediation measures</li> <li>7. Focus areas verified by independent third-party expert</li> </ol>

<sup>1</sup> Concession maps to be published where legally permitted

<b>Environment</b>	Develop a risk-based approach to tracking and eliminating deforestation and peatland loss, leveraging mapping technology to prioritize traceability and remediation.	<ol style="list-style-type: none"> <li>1. Provide ongoing assurance that no deforestation occurs on own concessions.</li> <li>2. Map and risk assess all own mills and concessions<sup>1</sup> on Global Forest Watch (GFW), publish environmental assessments, including High Conservation Value (HCV), High Carbon Stock (HCS), Peat and RSPO New Planting Procedures (NPP)</li> <li>3. Develop a mitigation plan for high-risk mills and concessions, track and report progress, consequences.</li> <li>4. Develop a roadmap with milestones to engage third-party suppliers to conduct the same mapping<sup>1</sup>, risk assessment and mitigation in the same manner.</li> <li>5. Exclude suppliers who do not immediately cease deforestation.</li> </ol>
<b>Labor</b>	Assure protection of the rights of all workers, including migrant workers in their own operations and engage third-party suppliers to do the same	<ol style="list-style-type: none"> <li>1. Provide annual assurance, verified by a recognized third-party labor rights expert, of continuous improvement in labor rights performance in own operations.</li> <li>2. Develop a roadmap with milestones to engage third-party suppliers to provide assurance of their labor rights performance in the same manner.</li> </ol>
<b>Smallholders</b>	Continue to engage smallholders in palm oil sustainability	<ol style="list-style-type: none"> <li>1. Know the proportion of smallholders in own supply base and the proportion of smallholders engaged in sustainability programs and the progress, outcomes of these programs.</li> <li>2. Encourage third-party suppliers to know and report in the same manner.</li> </ol>

### 3. Timeline

June 2017: All Mondelēz suppliers meet milestones identified in section 2

June 2018: All Mondelēz suppliers report on continued progress with third-party supplier engagement against the milestones identified in section 2

### 4. Engagement and Advocacy

Mondelēz continues to engage CGF's Palm Oil Working Group, the RSPO and UNDP as we have done to date. We are now also partnering with Global Forest Watch and engaging CGF's Social Sustainability Working Group to step up industry efforts in addressing environmental and labor risks impacting palm oil sustainability.

We also continue to maintain our engagement with various stakeholders in the palm oil sector to ensure we learn and contribute toward our common goal of achieving palm oil sustainability.

### 5. Reporting

We will continue to report our progress annually, including progress versus our supplier expectations in this update.

<sup>1</sup> Concession maps to be published where legally permitted

NESTLÉ S.A.

MAGDI BATATO  
EXECUTIVE VICE PRESIDENT

Ms Seema Joshi  
Head of Business and Human Rights  
Amnesty International  
International Secretariat  
1 Easton Street WC1X 0DW  
United Kingdom

Vevey, 26 October 2016

Dear Ms Joshi,

Many thanks for your letter of 20<sup>th</sup> October to Nestlé's CEO Paul Bulcke regarding palm oil and its use in our operations. Please allow me to respond on his behalf.

As a company that uses palm oil in a range of products, we take the issues of labour rights and working conditions in the palm oil supply chain extremely seriously and we are committed to engaging our suppliers to drive positive change. To date, we have made significant progress in improving traceability and in driving awareness amongst our suppliers of expected labour rights, standards and practices. There is still much to do, but the measures we are taking will, we believe, achieve significant progress over time.

Nestlé is not just acting alone in this endeavour, actively participating with like-minded companies through the Consumer Goods Forum. We are also collaborating with The Forest Trust (TFT) and others to assess behaviours and identify areas for remediation. Through collective action, we have a greater ability to influence major suppliers and deliver improvements in practices. For all of our suppliers, we regularly assess practices to ensure they reflect the requirements in our Nestlé Supplier Code and Responsible Sourcing Guideline.

Regarding the points raised in your letter regarding Wilmar International, I can confirm that Nestlé has been sourcing palm oil from this company – among a number of other suppliers – for more than 10 years.

Wilmar is part of our responsible sourcing programme, and in common with many of our other suppliers, it has made significant progress in improving traceability. We do not purchase segregated palm oil from Wilmar. However, 83% of the volume we purchase from them is traceable to mill, and around 11% is traceable back to individual plantations. For the volume traceable to mill, Wilmar is providing us with information on the name of the mill, the name of the parent company, the location of the mills and their RSPO certification status.

For palm oil traceable to plantation, the following information is required to meet our requirements:

- Estate (>25Ha under one management system in Indonesia):
  - Estate name
  - Parent company name
  - Certification status
  - GPS point
- Dealers/collectors (any entity that aggregates and supplies FFB from various growers):
  - Dealer names
  - % of overall FFB tonnage that mill receives from dealer (annually)
  - Estate name they buy from (as above)
  - Smallholders (as below)
- Smallholders (<25 Ha under one management system in Indonesia):
  - Number of smallholders
  - % of overall fresh fruit bunch tonnage that mill receives from smallholders (annually)

Our approach to Responsible Sourcing includes tracing palm oil ingredients back to plantations and assessing practices in these plantations against Nestlé's requirements, including those related to no deforestation and human rights<sup>1</sup>. Where standards fall below those required, we work with our suppliers to improve them. We do so together with our partner TFT, which is supporting our Nestlé buyers in establishing full supply chain mapping, as well as verifying practices on the ground at mill and plantation levels.

In the case of Wilmar, during a period between 2010 and 2012, we stopped sourcing some of our supply from the company due to evidence that the origins of a proportion of the palm oil provided were not in alignment with our Responsible Sourcing Guideline (RSG). However, following extensive engagement we received assurances that it would change its practices, and our full commercial relationship restarted.

Wilmar does not currently comply with all of Nestlé's RSG requirements yet. However, as you mention in your letter, the company has made a policy commitment, with a time bound Aggregator Refinery Transformation (ART) plan. It is implementing this according to specific milestones, addressing issues such as the protection of high conservation value (HCV) forests, the health & safety of workers and working and living conditions. This is also helping to improve transparency and mapping of third party purchasing. We are closely monitoring their progress against the ART, along with progress against their Policy Implementation Plan.

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Overall, 90% of our supply of palm oil (from all sources) is now traceable at least to the mill of origin, with 47% classified as responsibly sourced, meaning that suppliers are either compliant with or have in place an action plan to become compliant with our RSG. Our ambition is that by the end of 2017, this figure will reach 70%. Improved traceability allows us to gain greater insights into practices on the ground, and to identify areas for improvement. Further to your request, you will find attached a copy of the Traceability Declaration Document for suppliers that Nestlé has developed with TFT. We would be happy to discuss this in a meeting or phone call.

To assess the progress made by our suppliers, our partner TFT is verifying their practices. TFT is also providing technical assistance for the smallholders in our supply chain through the Rurality initiative (<http://rurality.org>).

Regarding certification, instead of stating that our use of palm oil is '100% sustainable', in 2013 we decided to adopt a policy of improving traceability and investing in remediation activities with our suppliers, and phasing out the purchase of GreenPalm certificates where it did not improve practices. This work continues. Nestlé remains a member of the RSPO and we continue to support cross industry efforts to improve practices associated with palm oil production.

We would take this opportunity to clarify with you the scope, methodology, and objective of your investigation, as well as the way that you engage with companies as part of your overall work on business & human rights. I remain at your disposal should this be of interest.

In addition, we look forward to reviewing and responding to the findings of the report you are working on, per to the commitment set out in your letter.

I look forward to hearing from you in the near future.

Yours sincerely,



Magdi Batato  
Executive Vice President, Operations  
Nestlé SA

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<sup>1</sup> Please see Nestlé's [Supplier Code](#) and [Responsible Sourcing Guideline](#) for further information



NESTLÉ S.A.

Ms Seema Joshi  
Head of Business and Human Rights  
Amnesty International  
International Secretariat  
1 Easton Street WC1X 0DW  
United Kingdom

Vevey, 11 November 2016

Dear Ms Joshi,

We acknowledge receipt of your letter of 4<sup>th</sup> November. We are pleased to provide detailed responses to the three additional questions you shared with us regarding palm oil and its use in our operations.

Based on our supply chain mapping process operated jointly with The Forest Trust (TFT), our NGO partner, we confirm that we source, indirectly, palm oil from all refineries mentioned in your letter, with the exception of PT Wilmar Nabati Indonesia in Bagendang, which we do not source from at all.

All these refineries that we indirectly source from have been visited and assessed by TFT as part of our Responsible Sourcing Programme in the course of 2014-2015. Under these activities, together with TFT, we map our palm oil supply chain back to the plantation level to identify where it originally comes from. Traceability and transparency are essential in enabling us to assess whether our sub-tier suppliers, with whom we do not have a direct commercial relationship, are meeting the requirements of our Nestlé Supplier Code on human rights, safety & healthy, environmental sustainability and business integrity.

All palm oil suppliers of Nestlé are required to [meet these Responsible Sourcing requirements](#)<sup>1</sup>. However, we recognize that supply chain transformation cannot be achieved overnight. This is why we support suppliers, who are not able to meet them immediately but are committed to eliminating non-conformities over time, through for example Wilmar's Aggregator/Refinery Transformation (ART) plan. [Progress against this plan is monitored and regularly publicly reported](#)<sup>2</sup>.

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<sup>1</sup> <http://storage.nestle.com/nestle-society-full-2015/index.html#128>

<sup>2</sup> <http://www.wilmar-international.com/sustainability/progress/aggregator-refinery-transformation-art/art-overarching-reports/>



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During the period 2010-2013, our efforts on palm oil initially focused on deforestation, which at the time was identified as the most salient issue in palm oil sourcing countries. However, we can confirm that we were also gathering information on human rights issues during this period. As we started gathering the results and findings from our assessments and began understanding the scale of human rights issues, we put more emphasis on these concerns as part of our assessment protocols, with TFT also developing its own in-house capabilities to uncover them.

We support greater transparency in this regard, and encouraged Wilmar to [disclose the results of their assessments on a regular basis](#)<sup>3</sup>.

As of today, 83.01% (38,184 tones) of the palm oil that we buy directly or indirectly from Wilmar is traceable back to the mill level and 10.68% (4,912 tones) back to the plantation level. 100% of the total volume (46,000 tones) is covered by Wilmar's No Deforestation, No Peat, No Exploitation Policy Implementation Plan and 56.06% (25,587 tones) is being monitored through our Responsible Sourcing Action Plan.

We confirm that all the products contained in the document attached to your letter do indeed contain palm oil. They do not however contain palm oil that is sourced from Wilmar.

With regards to the reasons why we stopped sourcing some of the supply from Wilmar during a period between 2010 and 2012, this was related to environmental practices, and more precisely the lack of protection of peatlands and High Conservation Values by Sinar Mas, one of Wilmar's direct suppliers.

Before re-starting our full commercial relationship with Wilmar, we engaged them in a process whereby they formally committed to the implementation of a new No Deforestation, No Peat, No Exploitation Policy (including specificities on tools, processes and deadlines to respect), which today covers 100% of the palm oil we buy.

As a result of this engagement, Wilmar stopped sourcing from 3<sup>rd</sup> party suppliers not willing to implement Wilmar's Policy or our own Responsible Sourcing Programme. In addition to Wilmar's actions to monitor compliance with their Policy, TFT visited Wilmar's upstream supply chain locations to assess the effectiveness of the implementation of this Policy on the ground, as well as non-conformities against our own Supplier Code.

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<sup>3</sup> <http://www.wilmar-international.com/wp-content/uploads/2016/01/Sabah-Overarching-Report.pdf>



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We believe that our due diligence system, based upon the various steps noted above (risk assessment, supply chain transparency, on the ground assessments and action plans with suppliers, backed by suspending suppliers who are unwilling to improve) is a strong one. The scale of the challenge is substantial as millions of people are involved in the palm oil supply chain. While we have undertaken thousands of assessments to date, we recognize that the scope and the complexity of the issues that we have to deal with in countries where we source palm oil and other raw materials require time and the active collaboration of key stakeholders, including governments, to be effectively assessed and addressed.

In fact, whilst we are constantly assessing the risks based upon our own findings and the insights from other organizations, we are aware that we may not uncover all issues, so we welcome insights and findings from NGOs and civil society organizations and will always investigate any evidence and cooperate to achieve change on the ground.

As we continue to roll out our Responsible Sourcing Programme, we urge you to share with us any evidence or insights that you have collected as part of your investigation so that we can take action and accelerate our journey in this area.

A handwritten signature in black ink, appearing to read "M. Batato", enclosed within a simple rectangular border.

Magdi Batato  
Executive Vice President, Operations  
Nestlé SA

## **Amnesty Phone Call with P&G 31 October 2016**

*Present:*

*Amnesty International*

*Representative from P&G*

<http://www.pgchemicals.com/>

**P&G:** P&G use oleo chemicals in surfactants and cleaning products. They are used in laundry care, homecare (e.g. Fairy) and beauty care (e.g. shampoo)

P&G don't use a lot of palm oil, but it is a big player in palm kernel oil (PKO).

We have a JV with FELDA (Federal Land Development Authority), "the Malaysian government agency that oversees the use and application of rural land in the country. FELDA is the world's largest plantation operator and owner, and is a 50:50 joint venture partner with P&G Chemicals in the FPG Oleochemicals operations located in Kuantan, Malaysia." (from website)

P&G are a small player with Wilmar, we represent a decimal point quantity of their business. Palm oil is used primarily in foods, so P&G have a small amount of influence.

We developed our deforestation policy for palm oil in 2014. It is a three pronged approach to palm oil sustainability. The first part entails supplier engagement. We trace the palm oil back to the mill and the kernel oil back to the kernel crushing point. This was completed in 2015. We have to get this data manually. The data is confidential. I would need to check with suppliers if we can give out their info. Wilmar told P&G that Amnesty should engage with them.

We engage with palm oil, palm kernel oil and palm oil derivatives suppliers. Suppliers need to understand how to trace back to the plantations.

Each supplier undergoes a quarterly review of their progress. If any issue is raised we expect the supplier to come back within 30 days with details of the investigation they are carrying out, and an action plan. If their response isn't satisfactory, P&G may escalate it and we may terminate the supplier relationship – this is what we did with IOI and a couple of Chinese suppliers.

We are big players in the smallholder programme in Malaysia – 30% of their palm kernel oil for their JV comes from smallholders. We work with WWF and we're part of the long-term fertilisation programme.

P&G work with industry to drive change. We're part of the Traceability Working Group, which is part of the RSPO programme. Through this working group on 3<sup>rd</sup> party verification, customers will know whether their suppliers, e.g. Wilmar's 3<sup>rd</sup> party suppliers, are complying. The programme aims to coordinate audits and share data amongst customers. All the big players, including Wilmar, are part of this group. Coordinating 3<sup>rd</sup> party audits is the most efficient way.

We're also part of the independent smallholders programme and the Consumer Goods Forum – one of our directors sits on the palm oil board.

In July 2015, a Wall St Journal article highlighted issues in the FELDA supply chain. It was then picked up by Rainforest Action Network (RAN). P&G worked with RAN to get up-to-date data and FELDA have done a lot of work to fix the problems in their supply chain. We brought RAN and FELDA together, so that RAN had a clear dialogue with the supplier, not through the customer – “this is the best way to work”, I encourage you to work this way.

We have contacted Wilmar. Wilmar have sent P&G the response that they sent to Amnesty and told us that they haven't been able to speak to Amnesty. [We told him that we have said we're happy to meet them]. I urge you to go to the RSPO meeting in Thailand. Instead of meeting all the companies separately, everyone you want to talk to will be there.

**Amnesty:** *explained the research and findings and that we found abuses at Wilmar's subsidiaries, not just 3<sup>rd</sup> party suppliers.*

**P&G:** FELDA example – they had 72 mills in their supply chain, 56 were certified. FELDA decided to pull all the certifications back, as labour rights violations had been identified on some of the plantations. They decided to go back and re-check all their mills and re-certify them.

I suggest you work with Wilmar directly and work with P&G. P&G working with RAN has had impact, I suggest you do the same.

**Amnesty:** Going back to our first question in the letter, how much palm oil do you buy?

**P&G:** I'm not at liberty to give you the exact amount of palm kernel oil bought.

P&G buy about 30-50,000 tonnes of palm oil, not just from Wilmar. 30-50,000 tonnes of palm oil derivatives and Wilmar will be a big part of that, as they are a big player.

The palm kernel oil comes from the JV. They buy 400,000 tonnes of palm kernel oil. In total, P&G buy 500,000-550,000 tonnes of palm related products.

**Amnesty:** Why is the information confidential?

**P&G:** Suppliers don't want to divulge who their customers are. People can figure out your cost structure from where you source and it is the cost structure, which gives us a competitive edge.

Wilmar supplies us with oil and tells us where it comes, e.g. it comes from these 10 mills. This tank comes from these 5 mills. We don't know what percentage comes from which mill, because the palm oil is mass balance and Wilmar mix it.

For instance, we buy a 100,000 tonne shipment, which comes from 15 mills. The supplier tell P&G the number of mills, but not a percentage breakdown.

P&G say we need the palm oil to be delivered to a certain location, we create a purchase order of so many tonnes that we want delivered to a certain plant. Wilmar delivers to the plant, Wilmar is the consignee. Suppliers deliver to the door.

When we receive an order, we get a certificate analysis, which tells them the chemical make-up and

from which plant it comes from. P&G have a confidentiality agreement with Wilmar, so we can't share that info. Wilmar said Amnesty should talk to them. Wilmar want to keep it confidential, they don't want people to know where the palm oil is going.

If everything is certified then it should be clean. If you find issues at plantation levels, you should focus on that. Why are you focusing on what happens at P&G?

You can't say this packet of detergent came from this mill.

No deforestation policy is first point of contact with suppliers. P&G will now go back to Wilmar to ask them about these issues. We'll ask them what they've found and what they are going to do about it. We'll ask them to share it and encourage them to share it with Amnesty.

Proforest runs the 3<sup>rd</sup> party verification scheme. Data is supplied by World Research Institute. Proforest has created a template of the things you need to look for. This data will be put in a database that can be shared, so each customer doesn't have to carry out independent audits. The objective is to avoid duplicating work and to create an efficient system.

**Amnesty:** Does it cover labour?

**P&G:** Think it's both.

The working group on third party verification is going to meet and I'll ask if they can share the plan with Amnesty.

TFT is independent. They create systems for companies based on their policies. For instance, they could create a system that puts P&G's no deforestation plan into a programme and then goes and verifies that with suppliers. Suppliers verify through TFT, so P&G don't have to do it.

**Amnesty:** Are there any current inspections?

**P&G:** P&G rely on Wilmar to share their no deforestation plan.

100% of their palm oil and palm oil derivatives are RSPO certified, most is mass balance.

Wilmar are expected to share info with us in their quarterly reviews. If they don't do it satisfactorily, P&G ask for a third party audit and ask for independent verification.

**Amnesty:** Have P&G done any third party inspections of labour issues on Wilmar plantations?

**P&G:** No, Amnesty is the first NGO and Wilmar have never shared any info on labour rights issues, so we will go back to them. If what Amnesty say is correct, they aren't meeting P&G's commitments. Wilmar want to understand the data, so they can create an action plan.

The implementation of P&G's policies relies on customers sharing their info with us and highlighting issues. It is a 2 pronged approach. We regularly engage with suppliers, they share their info and info from organisations like Amnesty.

In Malaysia we found issues through Wild Asia. P&G were the mediator.

There is a policy and it is implemented by the purchasing team. They ensure policies in terms of no deforestation, no child labour, no forced labour are clear to the supplier and that they comply.

I work with the purchasing team, environmental stewards and the ethics committee, who help us understand. The ethics committee are the policy makers, they train the purchasing team and ensure they are put into practice.

P&G don't undertake independent efforts at third party audits, beyond what the RSPO does. P&G want to do it through the third party verification programme through Proforest. We will share with Amnesty how much labour issues will be part of the audit.

**Amnesty:** Are P&G concerned that this palm oil is being marketed as certified given the limitations of the RSPO?

**P&G:** All of P&G's commitments are on use of oil, there is not enough certified palm kernel oil in the world.

I go back to the example of Wall Street Journal article – P&G worked with the supplier. The supplier withdrew from certification, so that palm kernel oil is no longer certified, but they'll be in a much stronger position in terms of human rights in 5 years. We'll do the same with Wilmar.

The majority of their palm oil products come from Malaysia. P&G are working with FELDA to fix the issues we find, engaging through FELDA, as a big supplier. P&G are a big player in the smallholder arena to fix issues we find.

The data that I've given you is global including the US.

P&G confirmed that P&G would not provide a written response to our letter sent. He said that this was the purpose of the call

26<sup>th</sup> October 2016

Dear Seema Joshi,

Thank you for your letter and for bringing these concerns to our attention.

We take our commitment to zero deforestation, zero degradation of peat and zero exploitation in our palm oil supply chain seriously and you will have seen our public commitments, sourcing requirements and approach to compliance monitoring on our website and in our Sustainability Report ([reports/website](#)). Below we set out additional detail in response to your specific questions.

Wilmar International are a supplier of palm oil, specifically soap noodles, to RB. Due to commercial sensitivity, we are unable to provide exact palm oil volumes that are supplied to us by Wilmar. Our annual palm oil volume in 2015 was 125,843 tonnes and Wilmar are one of our top 5 suppliers of palm oil. The palm oil we use from Wilmar goes into making bar soap in Indonesia, China, UAE, Egypt, South Africa, Nigeria, Sri Lanka, Bangladesh and India, and we also use a small amount, less than 4% of total volume, in the USA as cooking oil. RB does not purchase segregated or mass balance RSPO certified palm oil from Wilmar or from any other supplier. Instead, our focus is to work with each supplier in our supply chain to trace volumes we buy, assess compliance with our requirements, monitor corrective action and help improve standards.

In 2014 we initiated our palm oil traceability programme in partnership with The Forest Trust (TFT). As part of this programme we engaged with all our suppliers, including Wilmar, to trace the palm oil we use back through the supply chain. Given RB purchases palm derivatives (predominantly in the form of soap noodles), our palm supply chain is particularly complex and traceability requires engaging with suppliers several tiers deep. Nonetheless, working with TFT and engaging with suppliers we achieved our goal of tracing the palm oil RB procured back to the refinery for all our suppliers (excluding surfactants) by the end of 2014. For Wilmar, we confirmed that our palm oil came from 2 refineries.

Building on this, our next priority was to trace our palm oil back to mills and we achieved this for 70% of our total volume (excluding surfactants) by the end of 2015\*. We achieved full traceability to mill for our Wilmar supply. Using the results of the mill mapping exercise, TFT were able to complete a desktop risk assessment which formed part of their Mill Prioritisation Process (MPP), which identifies those mills at greatest risk of non-compliance with RB's requirements. This process generated a report to identify mills that are classed as a high priority ([Link](#)). More information on the MPP methodology can be found [here](#).

Working with Wilmar and TFT, the next step in the process was to review high risk mills (and associated plantation) compliance with RB's requirements. To achieve this for our Wilmar supplies, RB supported TFT's Aggregator Refinery Transformation ([ART](#)) programme for both Wilmar refineries supplying RB, which included "on the ground" assessments.

*\*We learned over the past two years that palm oil traceability in India is complex, making traceability to origin difficult. To address this, we partnered with TFT in the hosting of a palm oil traceability workshop in India. The event brought together palm oil suppliers, distributors and other TFT Brand members to discuss the challenges of palm oil traceability and how they could be overcome*

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This programme provides a collaborative framework of solutions and shared best practices to common issues for mills and growers within a region. Mills, along with their estate, small holder and small growers are prioritised, with high priority ones receiving an assessment and the rest engaged with at a broader level. For example, for the Wilmar Pasir Gudang Edible Oils (PGEO) refinery, 8 mills were selected as high priority from a total of 82 supplying mills, using the MPP, a detailed “on the ground” compliance assessment was undertaken. The specific areas included in the compliance assessment were:

- Environmental Impact Assessment, including chemical and waste management and open burning
- Respect of Human Rights, including:
  - Ethical recruitment and deduction of wages
  - Forced labour, bonded labour, abuse etc
  - Child labour
  - Employment contracts
  - Wages and pay slips
  - Working hours
  - Freedom for workers to form or join unions
  - Document retention
  - Harassment and abuse
  - Complaints and grievances mechanism in the company
  - Occupational safety and health management, implementation and monitoring system

The issues found and recommendations are detailed in the [Overarching Report](#).

Following the ART assessment, the mill, estate, small holder and small growers are each given their own individual entity report, which details the findings, recommendations and actions for improvement. As part of the deep engagement process, they are revisited to discuss together the implementation of the proposed actions and to establish practical action plans for ongoing monitoring. The scope of the assessments, recommendations and actions for improvement include third party mills & plantations, in addition to those directly owned by Wilmar.

The other mills and growers in the Wilmar refinery supply base that were not visited, will be engaged as part of a broader TFT & Wilmar led engagement programme. They will be issued with the Overarching Report and the common findings across the visits explained, together with actions to be taken to resolve commonly found issues. Training and workshops will be provided to address these common issues. We will continue to monitor the roll out of these programmes with the help of TFT.

RB is also contributing to the new TFT Grassroots pilot initiative which provides independent ‘Verification’ of company commitments to ‘No Exploitation and No Deforestation’ principles. This is a “blind” fund that provides financial support for independent, 3rd party monitoring and verification by independent civil society organisations (NGOs) for the delivery, or violations of, company commitments. The information in the Grassroots database will then be shared with RB to help identify problems and improvements within our supply chain. This new programme is currently being piloted in selected regions and will be launched on a wider level in 2017.

RB recognises the importance of smallholder farmers within the palm oil supply chain and are supporting TFT’s new small holder farmer programme called Rurality ([Link](#)). Our palm oil rurality programme was identified through the ART plan ([Link](#)) and involves working with a supplier to Wilmar.

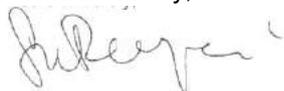
In partnership with TFT, we are in the process of completing the Rural Dynamics Diagnostic (RDD) Phase which started in August 2016. This will provide an in-depth understanding of the farmers' situation and challenges and enable a tailored action plan to be identified and implemented to both improve their living and working conditions (including chemical and waste management, open burning and occupational safety and health management) of permanent and temporary workers and ensure compliance with requirements for zero deforestation and zero degradation of peat.

In addition to the programmes above, Wilmar's manufacturing sites are included in our Human Rights and Responsible Business compliance programme and consequently have completed a Self-Assessment Questionnaire (SAQ) on the ethical data sharing platform, Sedex. Through the SAQ, Wilmar disclosed information on the policies and practices they have in place within each of their facilities concerning labour standards, health & safety, environment and business integrity. Using the Sedex risk assessment tool, which considers management proficiency through the facilities self-assessment responses and the inherent risk associated with their country of operation, product area, sector profile and site function, each facility was assigned a risk rating. Through this process all Wilmar manufacturing sites supplying RB were identified as medium risk. However, given the supply chain risks associated with palm sourcing (particularly beyond first tier suppliers), all our palm oil suppliers including Wilmar are included in our palm traceability and compliance assessment programme with TFT (as has been detailed above).

It is a contractual requirement for our palm suppliers, including Wilmar, to comply with RB's requirements and we take supplier (direct and third party) non-conformance (which includes human rights and labour standards) very seriously. If we are made aware of any grievances we raise these formally through TFT on their [HUB](#). As part of this process we will ensure that each grievance is investigated. We also have a supplier delist procedure which enables RB to formally delist suppliers should this be necessary. Our approach however, is to engage with these suppliers to try to remedy non-conformance and promote industry-wide transformation in the first instance, rather than simply switching supplier which does not impact positive change. We are also aware that Wilmar have their own grievance process on their [website](#) and are committed to ensuring non-compliances are remediated. This process provides the platform for any party to identify an issue, which is shown transparently on the Grievance [List](#) with Progress Updates, the issue investigated, addressed and monitored.

We recognise that this programme is a journey and that we need to continue to work with all our suppliers to ensure that we continue to improve traceability and drive change. We are committed to identifying and addressing non-compliances in our supply chain and would welcome further details from you on the nature of the issues identified in your investigations so that we can follow up on these directly and without delay.

Yours sincerely,



Marija Rompani  
Director of Environment and Human Rights

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11<sup>th</sup> November 2016

Ms Seema Joshi  
Amnesty International  
1 Easton Street  
London, WC1X 0DW  
UK

Dear Seema Joshi,

Further to your letter dated 4 November, we are greatly concerned by the allegations you have highlighted, both relating to Wilmar's supply chain and RB's due diligence processes.

RB is committed to respect human rights and we are working with our palm suppliers and The Forest Trust (TFT) to trace and transform the industry. We share Amnesty International's objectives to ensure immediate action is taken to address human rights and environmental breaches in Wilmar's, or any other supply chain. There is no doubt of the complexity and nature of the global palm supply chain, and associated social and environmental risks. We welcome Amnesty International's input into this process.

In the details below, we provide further clarification on RB's proactive due diligence approach in addition to the specific action being taken in relation to Wilmar. We kindly request Amnesty International to share further details on the issues identified within RB's and Wilmar's supply chain. This will enable us to investigate and implement corrective actions.

**In response to your specific questions:**

1. Confirm the source of palm oil and palm related derivatives directly or indirectly sourced from specific refineries.

Wilmar International are a supplier of palm oil, specifically soap noodles, to RB. The palm oil used in our soap noodles supplied by Wilmar International comes directly from Pasir Gudang Edible Oils (Malaysia) and PT Wilmar Nabati (Indonesia Gresik). This information was provided to us by Wilmar and verified by our partner, The Forest Trust.

We procure less than 42% of our total annual soap noodle volume from Wilmar International, its subsidiaries and joint ventures. The small amount of palm oil used as cooking oil in the US does not come from Indonesia. In addition, we purchase a small but increasing volume of soap noodles from a Joint Venture between Wilmar and Adani in India. We are working with them to gain traceability back through the supply chain as a priority. As mentioned in our first letter, palm oil traceability in India is complex due to trading intricacies in the country, characterised by many traders making the supply chain multiple tiers deep, and traceability to origin difficult, and we are working on this issues with TFT in India.

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2. You ask us to confirm which brands from the list you provided contain palm oil.

French's (mustard) and Frank's Red Hot (hot sauce) do not contain palm oil.

The remaining brands listed in your letter contain surfactants, fatty acids or glycerine. These feedstocks can be from palm derivatives but can also be from other sources e.g. coconut derivatives, rapeseed oil or tallow. RB does purchase a very small amount of these commodities through Wilmar or a subsidiary of Wilmar (less than 4% of total volume globally).

In view of the complexities of these supply chains (including the depth of the supply chain and large number of suppliers involved), we have established a partnership with Clariant, one of our surfactant suppliers, to complete a traceability pilot for a surfactant back through the supply chain so that we can better understand the sourcing of these materials and compliance with our policies. While we have made progress, we recognise that there is more to be done for our surfactant supply chain regardless of the fact that this contributes to <12% of our palm volumes. We have now started to engage with our largest suppliers to replicate the approach we have taken with Clariant.

3. You ask us to disclose which two Wilmar refineries we source our palm oil from.

We confirm that the palm oil used in our soap noodles supplied by Wilmar International comes from Pasir Gudang Edible Oils (Malaysia) and PT Wilmar Nabati (Indonesia Gresik). The small amount of palm oil used as cooking oil in the US does not come from Indonesia. In addition, we do also procure soap noodles from Adani Wilmar in India.

4. You ask us to clarify the statement that RB does not purchase segregated or mass balance RSPO certified palm oil.

We recognise that simply purchasing RSPO certified palm oil is not enough to implement our own policy or to help address industry wide issues.

For this reason we decided to focus our efforts on tracing the palm oil we use back to mills, completing independent risk assessments (through TFT) to identify high priority mills (and associated plantations), and are collaboratively working with suppliers and TFT to roll out our transformation programmes. We have chosen to follow this approach rather than work with suppliers to source segregated or mass balance RSPO certified palm oil as we believe it essential to take action in our own supply chain and implement programmes to help ensure our requirements are being met. We recognise this is a journey that takes time. It is possible that mills and plantations in our supply chain are RSPO certified but we do not take this into account when carrying out our risk assessment and transformation plans for the reasons given above. Instead, we focus on identifying risks through the completion of the mill prioritisation process ([MMP](#)) for each of our suppliers.

#### **In response to Wilmar:**

RB takes these allegations extremely seriously and we kindly request Amnesty International to provide us with:

- The name(s) of the mill and/or plantations under investigation and the specific concerns noted; and
- The location of those mills or plantations concerned.

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This information is essential for us to be able to respond appropriately. TFT have mobilised their rapid response team to urgently investigate the issues raised by Amnesty International. We are focused on understanding and responding to this issue but we do need more precise information. We would welcome continued engagement with Amnesty International on this matter to do so.

### **In response to the points you made regarding RB:**

A number of the points made in your letter do not seem wholly applicable to RB's approach to its palm oil supply chain. In particular, we would like to further clarify the following:

- We have not marketed our products as containing some form of RSPO certified palm oil (such as mass balance or segregated) and have no plans to do so.
- We do not rely on membership and certification to the RSPO as proof of adequate due diligence regarding compliance with our requirements, either in the work we are doing or in our public statements.

Regarding our due diligence processes with Wilmar:

- *Supply chain risk mapping and targeted efforts at implementation and monitoring of compliance with Amnesty International requirements*

In partnership with TFT, we have been working with all our soap noodle suppliers to trace the palm oil we procure back through the supply chain, including Wilmar. Given the inherent environmental and social risks in the global palm oil supply chain and consistent with UN Guiding Principles guidance on due diligence, all of our soap noodle suppliers are flagged as 'high risk' and consequently are prioritised to ensure targeted traceability, compliance assessment and implementation of appropriate actions through all stages of the supply chain. We are currently focussing on transformation at a landscape level in order to drive scalable change through the ART programme.

We started this process back in 2013 originally focusing on gaining traceability to refinery by the end of 2014 and then to mill by the end of 2015. We have traced our volumes back through the supply chain by working with each individual supplier requesting they complete a palm oil traceability declaration document for the palm oil they supply to RB. This document requests each supplier to provide information such as refinery and mill names, coordinates, volumes and oil type.

For both of the refineries from which the palm oil used in our soap noodles supplied by Wilmar comes, we have completed risk assessments which formed part of their Mill Prioritisation Process (MPP - [Link](#) to methodology) to identify mills at greatest risk of non-compliance with RB's requirements.

Working with Wilmar and TFT, RB supported TFT's Aggregator Refinery Transformation ([ART](#)) programme for both Wilmar refineries supplying RB, which included "on the ground" compliance assessments. These reports are publically available [here](#). These assessments were carried out by TFT local field teams with the support of Wilmar.

Working with Wilmar and TFT it became clear from the assessments that many of the issues identified are common across the palm oil industry. We took the view that we should prioritise action on these common issues across high risk mills to drive transformation at scale. We do recognise that we also need to consider the issues identified at specific locations.

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As a result and as part of the ART process on common issues, RB is looking into additional ways to help develop solutions that will be scalable in such complex supply chains. The three areas of work we are currently leading on are:

1. Supplier engagement –TFT & Wilmar will introduce and drive the Aggregator/Refinery Transformation (ART) plan with the other suppliers (who were not assessed) in Wilmar Gresik Refinery catchment. This activity will give an opportunity for the mills to discuss common issues, challenges they are facing, and identify and implement solutions.
2. Supplier training programme – Working with TFT, a training programme is to be rolled out for suppliers in the Wilmar Gresik Refinery catchment to raise awareness of issues and ensure suppliers take appropriate, timely action to address these. Following a ‘train the trainer model’ suppliers will be expected to transfer the knowledge to their supply base.
3. FFB Dealer Initiative in Peninsular Malaysia - We know that FFB dealers have an important role to play in ensuring compliance with our requirements. To better understand the dynamics, context and challenges faced by FFB dealers with supporting our policy and NDPE commitments we are launching a pilot initiative with TFT to engage with FFB dealers to understand their challenges and identify action that can be taken to drive compliance, which will start early in 2017

Furthermore, we recognise the importance of smallholder farmers within the palm oil supply chain and are supporting TFT’s new small holder farmer programme called Rurality ([Link](#)). Our palm oil rurality programme was identified through the ART plan ([Link](#)) and involves working with one of Wilmar’s suppliers. In partnership with TFT, we are in the process of completing the Rural Dynamics Diagnostic (RDD) Phase which started in August 2016. This will provide an in-depth understanding of the farmers’ situation and challenges and enable a tailored action plan to be identified and implemented to improve living and working conditions (including chemical and waste management, open burning and occupational safety and health management) of permanent and temporary workers. It will also help ensure compliance with requirements for zero deforestation and zero degradation of peat.

We trust the above provides clarity on our processes – confirming we conduct supply chain risk mapping, that our soap noodle suppliers are identified as high risk and that working with TFT and our suppliers, we have targeted action plans in place to help address specific and industry-wide environmental and social issues in Indonesia and Malaysia.

- *Proactive approach to monitoring, identifying and remediating issues*

As outlined above, we are proactively seeking to trace our palm oil supply chain, identify non-compliances with our policy and ensure timely, appropriate remediation.

We also encourage identification of issues from other sources. This is why RB is supporting TFT’s new Grassroots pilot initiative which provides independent ‘Verification’ of supplier commitments to ‘No Exploitation and No Deforestation’ principles. This is a “blind” fund that provides financial support for independent, 3rd party monitoring and verification by independent civil society organisations (NGOs) for the delivery, or violations of, company commitments. All allegations and issues identified through this initiative are fed into TFT’s formal grievance process to ensure appropriate and timely investigation, action and remediation as necessary. The information in the Grassroots database will also be shared

with RB to help identify problems and improvements within our supply chain. This new programme is currently being piloted in selected regions in Indonesia and will be scaled up throughout 2017.

Once Amnesty International have provided the details on the Wilmar allegations (including the suppliers and locations and detailed allegations), we will investigate without delay and work with TFT and with Wilmar to identify and advocate for appropriate, and swift action in respect of problems identified.

- *Disclosure on RB's Wilmar supply chain*

In your letter you request that we provide information related to trade routes, ports and volumes. This information is not easily gathered due to complexities of the palm oil derivatives and surfactants purchased by RB. Our priority is to ensure that we take action in our supply chain to identify and address issues. We have confirmed that we purchase palm oil come from two refineries (which can subsequently be mapped to mill and then plantation level), we believe we are providing the necessary traceability of our supply chain without the delays that would be incurred in mapping complex and changing supply routes characterised by the downstream palm derivative supply chain (i.e. each stage from the refinery to final end user), which can be several tiers deep.

That said, we recognise that we can improve our public disclosures on our supply chain and due diligence processes and are currently considering this issue in partnership with TFT.

- *RB's other commitments*

RB is committed to respecting human rights, as expressed in the International Bill of Human Rights and the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work.

RB is a member of AIM-Progress, which is a forum of leading FMCG companies that enable and promote responsible sourcing practices and sustainability supply chains. Through this forum we seek to improve our capabilities to implement robust responsible sourcing programmes, effectively assure compliance within our supply chains and strive to go beyond compliance. Our Human Rights programme includes risk assessment, some auditing, non-compliance close out, supplier training and capability building.

We acknowledge the growing importance and complexity of human rights issues, and are committed to continuously improve our approach to identifying and addressing these issues using the UN Guiding Principles for Business and Human Rights as guidance.

## **Concluding remarks**

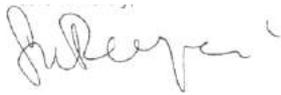
We welcome Amnesty International highlighting concerns so that we can investigate and ensure appropriate remediation as necessary. As you are aware, the global palm oil supply chain is complex and vast. As a result, the more organisations that are working together to identify and resolve issues the better so that together we can achieve our common objectives of industry transformation.

We know that more needs to be done by all relevant stakeholders to tackle the endemic issues affecting palm oil industry. We are planning the following additional individual and collective actions as a priority:

- Working with our partners, we will aim to ensure compliance assessments are completed for all mills that have been identified as high risk within the Gresik refinery catchment by 2018. We will also increase our level of engagement with Wilmar and key suppliers with the aim to identify issues within the supply chain more efficiently. We will continue to work with our suppliers to ensure clear time bound action plans are put in place for the issues identified.
- We would like to take a collaborative approach with our peers, NGOs and palm oil suppliers with the aim of targeting a specific regional challenge (from those identified through TFT's assessments and other NGO research and investigations. With a combined approach, we could better identify solutions and develop time bound action plans to close out the issue. The benefit we see with this approach is to create a replicable model that will enable effective and swift resolution to the issue across the region / industry

We look forward to meeting with Amnesty International in person week commencing 14<sup>th</sup> November to discuss ways in which we can continue to strengthen our due diligence and palm oil traceability programme.

Yours sincerely,



Marija Rompani  
Director of Environment and Human Rights

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# TSH Resources Berhad

Ref: AI/SPMN/01

<b>PT / Co:</b>	PT SPMN
<b>Issues Raised:</b>	<p>a. Who holds the remaining 10% non-controlling interest in PT SPMN</p> <p>b. Information about joint venture with Wilmar and whether SPMN providing and Palm Oil to the joint venture</p> <p>c. Does SPMN provide any Palm Oil to the above joint venture</p>
<b>Issues Raised By:</b>	Amnesty International
<b>Date reported:</b>	1st Nov 2016
<b>Website/ Publication:</b>	Letter ref: TCASA21/2016.015
<b>Explanation:</b>	<p>a. <i>GARIBALDI THOHIR - 3,000 shares(10%)</i></p> <p>b. <i>TSH has a 50-50 joint venture with Wilmar for a single refining plant (CPO refining and kernel crushing) which is located at Kunak Jaya, Sabah , Malaysia.</i></p> <p>c. <i>SPMN does not supply CPO or Kernel or any other derivatives to the TSH/Wilmar join venture refinery located in Sabah.</i></p>
<b>Evidence</b>	<p><i>PT SPMN article of Association</i></p> <p><i>TSH website - Joint venture refinery with Wilmar</i></p> <p><i>SPMN CPO and PK sales records</i></p>
<b>Status</b>	<i>Information sufficient for Question 1 &amp; 6</i>
<b>Verified By</b>	<p><i>Company Secretary Jenny Chow,</i></p> <p><i>Mill Manager PT SPMN Siew Chee Siong</i></p>

# TSH Resources Berhad

Ref: AI/SPMN/02

<b>PT / Co:</b>	PT SPMN
<b>Issues Raised:</b>	a. What volume of Palm Oil and any other linked derivatives does SPMN supplies to Wilmar on annual basis b. Does SPMN supplies to other Companies? Provide volumes supplied to these Companies.
<b>Issues Raised By:</b>	Amnesty International
<b>Date reported:</b>	1st Nov 2016
<b>Website/ Publication:</b>	Letter ref: TCASA21/2016.015
<b>Explanation:</b>	<i>Records between Nov 2015 to Oct 2016:</i>  <i>1. To Wilmar:</i> <i>a. CPO 18,143,910kg</i> <i>b. PK 2,020,270kg</i>  <i>2. Sukajadi Sawit Mekar:</i> <i>a. CPO 8,726,860kg</i> <i>b. PK 4,749,520kg</i>
<b>Evidence</b>	<i>PT SPMN sales records from SPMN Mill</i>
<b>Status</b>	<i>Information for Question 5</i>
<b>Verified By</b>	<i>Mill Manager PT SPMN Siew Chee Siong</i>

# TSH Resources Berhad

Ref: AI/SPMN/03a

<b>PT / Co:</b>	PT SPMN
<b>Issues Raised:</b>	a. Did SPMN carry out ant assessment on whether and how long workers could work outdoor after the forest fires which led to hazardous level of pollution in Central Kalimantan? Did it assess what type of safety equipment would be required? Please provide us with details and evidence of the assessments undertaken and the safety measures that were put in place
<b>Issues Raised By:</b>	Amnesty International
<b>Date reported:</b>	1st Nov 2016
<b>Website/ Publication:</b>	Letter ref: TCASA21/2016.015
<b>Explanation:</b>	<p><i>PSI real-time index available from Jan 2016 (Jakarta Air Pollution: Real Time Air Quality Index AQI). Please be informed that the on time PSI (Pollution Standard Index) information was not available back in 2015. Apart from this, we do carryout ambient and emission test twice a year (carried out by an accredited environmental consultant), compliant to Department of Environment</i></p> <p><i>For haze purposes the standard recommended facemask is the 'respirator N95'. I couldn't find a standard for Indonesia but this is recommended standard in Malaysia and Singapore. The haze situation in 2015 was unexpected and the local suppliers didn't have sufficient N95 stocks. Part of the workers could have been issued with non N95 respirator mask.</i></p> <p><i>Memos were issued and workers and residence were briefed during the 2015 haze. Field workers must use facemask and field supervisors must ensure ready stocks are available. Workers with respiratory problem must stay indoor. Workers were advised to reduce or refrain from smoking. In house clinic Doctor to monitor the respiratory illness etc. However, the monitoring report for reparatory illness 2015 and 2016 does not seem to be significantly different. This is despite having Haze free for 2016 (till date).</i></p>
<b>Evidence</b>	<p><i>PPE records</i></p> <p><i>SOP Tanggap Darurat Kabut Asap.</i></p> <p><i>2015/2016 health monitoring report</i></p>
<b>Status</b>	<i>Information for Question 4, part 1</i>
<b>Verified By</b>	<p><i>Indonesia group Safety &amp; Health Manager: Pak Ady Putra (Ahli K3 umum, SMK3)</i></p> <p><i>PT SPMN Safety and Health Officer: Pak Aurudy (Ahli K3 umum, SMK3)</i></p> <p><i>Medical Doctor PT SPMN: Dr Irwan Rudianto</i></p>

# TSH Resources Berhad

Ref: AI/SPMN/03b

<b>PT / Co:</b>	PT SPMN
<b>Issues Raised:</b>	a. Please provide us with details and evidence of the assessments undertaken and the safety measures that were put in place
<b>Issues Raised By:</b>	Amnesty International
<b>Date reported:</b>	1st Nov 2016
<b>Website/ Publication:</b>	Letter ref: TCASA21/2016.015
<b>Explanation:</b>	<p><i>Type of assessment, training and monitoring carried of for Safety and health:</i></p> <p>a. <i>HIRAC (Hazard Identification and Risk Assessment and Control), carried out and Document available</i></p> <p>b. <i>Internal audit and assessment covering areas of S&amp;H carried out annually, documents available</i></p> <p>c. <i>Medical check-up twice a year for employees exposed to high risk i.e. handling pesticide, fertiliser, chemical etc, records are available and verified by internal and external audit. All Medical checks as per HIPERKES standard.</i></p> <p>d. <i>Training for Pesticide handlers carried out and certified by DISBUN (Agriculture Ministry), training records and certificates available</i></p> <p>e. <i>PPE provided as per standard recommended by Indonesian Ministry of Labour (Permenaker No8, thn 2010). Pesticide workers issued with Goggles, Respirator (active carbon cartridge), aprons, gloves and rubber boots. Washing and storage area for PPE is also available. SOP S&amp;H with required PPE available at site. Records of PPE issued to employee are also available at site</i></p> <p>f. <i>Only premixed chemicals are used in field.</i></p> <p>g. <i>Ambient &amp; Emission and water quality test (for domestic consumption) carried out twice a year. Report of all test submitted to DOE and local regents office</i></p> <p>h. <i>Triwulan report to Disnaker (Labour department) every 3 months. Report covers manpower information, Safety &amp; Health related information, accident reports etc</i></p> <p>i. <i>Safety &amp; Health committee meeting and activity records available. Committee represented by workers and staff.</i></p> <p>j. <i>Trained and certified ERT team available</i></p> <p>k. <i>Fire fighting team trained and certified. Fire fighting equipment audited and certified by Balai Diklat</i></p>
<b>Evidence</b>	<p><i>PPE records, pesticide training certificates, P2K3 records, Accident investigation reports, Fire training records</i></p> <p><i>Triwulan report, RPL RKL report, 2015/2016 health monitoring report, S&amp;H committee report</i></p> <p><i>Certificate Ahli K3, Accredited Medical Doctor, Safety &amp; Health SOP, HIRAC documents, Internal Audit Clinic , Ambulance at site</i></p>
<b>Status</b>	<i>Information for question 4 (Part 2)</i>
<b>Verified By</b>	<p><i>Indonesia group Safety &amp; Health Manager: Pak Ady Putra (Ahli K3 umum, SMK3)</i></p> <p><i>PT SPMN Safety and Health Officer: Pak Aurudy (Ahli K3 umum, SMK3)</i></p> <p><i>Medical Doctor PT SPMN: Dr Irwan Rudianto</i></p>

# TSH Resources Berhad

Ref: AI/SPMN/04

<b>PT / Co:</b>	PT SPMN
<b>Issues Raised:</b>	<p>a. Please provide number of casual daily labourers who are currently employed by SPMN and how many of these are women.</p> <p>b. Number of casual daily labourers who have been made permanent since 2011 and how many of these are women</p>
<b>Issues Raised By:</b>	Amnesty International
<b>Date reported:</b>	1st Nov 2016
<b>Website/ Publication:</b>	Letter ref: TCASA21/2016.015
<b>Explanation:</b>	<p>1. <i>Casual workers current status in SPMN (as of Oct 2016)</i></p> <p>a. <i>Total permanent worker 1,011 (Female 219 and Male 792)</i></p> <p>b. <i>Total Contract workers (PKWT- pekerja waktu tertentu / workers with specified contract period) 235 (Female 25 and Male 210)</i></p> <p>2. <i>There were no contract workers prior to March 2015.</i></p> <p>3. <i>As of to date no record of contract workers (since March 2015) has been made permanent</i></p> <p>4. <i>Contract workers were employed accordance to local laws and was done in discussion with DISNAKER (Labour Act No.13, 2003, article 59 subsection 4 &amp; 5).</i></p> <p>5. <i>Contract workers are entitle to same benefits as the permanent workers i.e housing, medical etc</i></p> <p>6. <i>No records of permanent worker(s) has/have been converted to Contract worker or given temporary employment.</i></p>
<b>Evidence</b>	<p><i>Employment register and records,</i></p> <p><i>Employment Employment contracts</i></p>
<b>Status</b>	<i>Information for question 2. Unsubstantiated claim- No further action required</i>
<b>Verified By</b>	<p><i>Indonesia group Safety &amp; Health Manager: Pak Ady Putra (Ahli K3 umum, SMK3)</i></p> <p><i>PT SPMN Safety and Health Officer: Pak Aurudy (Ahli K3 umum, SMK3)</i></p> <p><i>Medical Doctor PT SPMN: Dr Irwan Rudianto</i></p>

# TSH Resources Berhad

Ref: AI/SPMN/05

<b>PT / Co:</b>	PT SPMN
<b>Issues Raised:</b>	<p>a. Why SPMN move to piece rate system and how he sets rates of pay (harvesters &amp; plant maintenance)</p> <p>b. What safeguards in place to ensure that these targets do not result in people being paid below minimum wage or working in excess of working hours limit</p>
<b>Issues Raised By:</b>	Amnesty International
<b>Date reported:</b>	1st Nov 2016
<b>Website/ Publication:</b>	Letter ref: TCASA21/2016.015
<b>Explanation:</b>	<p><i>1. Why piece rate</i></p> <p><i>a. Piece rate has been in practice since 2011. This is a common practice in most of the Oil palm industries but the only difference could be the unit of measurement.</i></p> <p><i>b. Purpose of piece rate system is because it eliminates wastage and rewards performers. In return, employees have the opportunity to earn more or above the regulatory minimum wage.</i></p> <p><i>c. To determine the targeted piece rate within the stipulated work hours i.e. 7hrs, time motion studies and historical daily productivity records were taken into consideration.</i></p> <p><i>d. The piece rates were communicated through join consultative meeting with the in-house union (Syarikat Pekerja) and Welfare Committee</i></p> <p><i>e. The piece rates are reviewed annually. The last communication on the rates and changes were minuted on 26th July 2016. The piece rates were also reviewed and amended from time to time in accordance to the national minimum wage policy.</i></p> <p><i>f. Minimum wage is monitored and checked monthly. Employees not meeting minimum wage were consulted. Reason for not achieving the minimum wage were also recorded.</i></p> <p><i>g. Cases of Employees not meeting the minimum wage requirements due to uncontrolled circumstances i.e. due to low crop or bad weather, normally referred to Management to determine the top up.</i></p> <p><i>2. Other related matters</i></p> <p><i>a. Only people age 18 and above are employed to work. No children allowed to work in the field and this is communicated regularly during 'Morning Master'. Daily supervisions are carried out to ensure no children working the field.</i></p> <p><i>b. In-house school, crèche and school busses are provided for all employees children.</i></p>
<b>Evidence</b>	<p><i>Employment register and records</i></p> <p><i>Payroll information, Records of join consultative meeting (In-house Union &amp; welfare committee)</i></p> <p><i>SOP Finance on Piece rate</i></p>
<b>Status</b>	<i>Information for question 3. Unsubstantiated claim- No further action required</i>
<b>Verified By</b>	<p><i>Sam Ang Wei Eng (Group HR), Pak Didin (HR PT SPMN)</i></p> <p><i>Pak Hendri Ismeth (HR Jakarta)</i></p> <p><i>Pak Didin (HR PT SPMN)</i></p>

## **Unilever's response to Amnesty International – "Palm oil in your US and global operations"**

26 October, 2016

Dear Seema,

Thank you for the letter of 18 October 2016 and the issues you raised relating to global palm oil production.

We recognise that more attention needs to be paid to social issues at palm oil plantations and that current processes and policies need to be improved to ensure they address issues effectively and create more transparency. We fully understand the importance of gaining greater visibility of palm oil supply chains so issues are able to be better identified and remediated.

We therefore welcome the scrutiny and feedback from civil society organisations such as yourselves to drive the industry forward. We are under no illusion of the size of the challenge but we strongly believe that through constructive dialogue and close cooperation between all stakeholders – including rights-holders – positive change in the industry can be achieved.

### **Unilever's relationship with Wilmar**

Wilmar is one of our key palm oil suppliers. The palm oil supplied by Wilmar goes into our products across our foods, home and personal care categories.

Wilmar is both a direct and indirect supplier to Unilever of conventional and RSPO certified palm oil – the traded palm oil from Wilmar also enters our supply chain via other refiners and processors. As the largest palm oil trader, Wilmar captures around 45% of all the palm oil traded globally. While most of the palm oil originates from Indonesia, Wilmar's palm oil also comes from their plantations and third parties in Malaysia and Africa. RSPO certified palm oil comes from both a combination of Wilmar's certified estates and also includes third party certified estates across Malaysia, Indonesia and Papua New Guinea.

In 2013, Unilever played an instrumental role in engaging Wilmar to release its sustainable palm oil policy and commit to the principles of no deforestation and no exploitation of people and communities. At that time, Wilmar's commitment represented a significant step change in the industry, especially for a company that covers 45% of the market to commit to principles that go beyond their own operations and include third party suppliers.

Since this commitment, we are aware that Wilmar has focused largely on traceability to the mill, which is an indicator of the approximate location of its suppliers of fresh fruit bunches. Wilmar has publicly reported 95% traceability to the mills for all their refiners in Indonesia and Malaysia. A list of Wilmar's mills is also available publicly on their own website and on their dashboard.

We have been in contact with Wilmar regarding the issues you have raised in relation to their supply chain and we will continue our engagement with Wilmar as they progressively take steps to close any gaps identified with you, in their supply chain. We would of course be willing to enter into discussion with you and Wilmar to discuss the issues further.



## Traceability

Unilever is committed to full traceability for all the crude palm oil and derivatives we buy. Traceability is defined as the ability to trace back to a known catchment area that is attached to a mill, including dedicated plantations, plasma smallholders and independent smallholders.

Mill locations are indicative of where palm fruit is processed and where palm plantations are located. As a highly perishable fruit, fresh fruit bunches must be processed within 24 hours of harvest, which companies have estimated limits plantation sourcing to a 50km radius around the mill (noting that this differs with road density and quality). Therefore, analysing the area immediately surrounding a mill can reveal useful information regarding management practices of plantations that fall within its sourcing area, including from third party plantations, and associated and independent smallholders.

Traceability to the mill is only an intermediary step in achieving full traceability. However, at this stage we are not yet able to trace the palm oil we source back to each plantation, third party or smallholder. This is a challenge the entire industry faces. Achieving traceability to the mill is therefore an important step as we are engaging the industry towards a collective goal to achieve full traceability.

## Social sustainability

A combination of the [Sustainable Palm Oil Sourcing Policy](#) and the [Responsible Sourcing Policy](#) include specific criteria that call for no exploitation of people and communities and driving positive social and economic impact for smallholders and women while protecting forests. We are working towards achieving our commitments in these areas through the following initiatives and actions:

- We ask our suppliers to adhere to Unilever's Responsible Sourcing Policy, which stipulates mandatory requirements on human rights and protection of workers;
- We support the application of the Principles of Free, Prior and Informed Consent (FPIC) to ensure protection and promotion of the rights of indigenous peoples and vulnerable communities;
- We are developing our policies on responsible development of new land areas;
- We encourage and support industry initiatives to ensure that processes and mechanisms are developed to eliminate gender discrimination in the workplace and to promote a gender-friendly work environment, including equality in access to inputs, resources, training and decision-making rights in rural areas;
- We facilitate the inclusion of smallholders into the supply chain and support adherence by smallholders to the Five Principles of the Policy and we support initiatives to increase smallholder yields and incomes, and address social issues, while protecting forests. One way we do this is by adopting a landscape management approach that goes beyond traceability and a plantation-by-plantation approach to tackle complex structural challenges on the ground, including, among others, land rights and entitlement, legality, and low capacity and yields.

We are mindful of the increasing risk of forced labour perpetuating abusive conditions for migrant workers around the world. We are working with industry bodies such as the Consumer Goods Forum to eradicate forced labour focussing on palm oil in Indonesia and Malaysia and particularly on three core principles of freedom of movement, employer pays for recruitment and no coercion to work/no



debt to repay. We are also members of the Leadership Group for Responsible Recruitment, a collaboration between leading global companies and expert organisations working towards best practices in the responsible recruitment of migrant workers.

### **RSPO and next steps**

Unilever is a founding member of the Roundtable on Sustainable Palm Oil (RSPO) and since 2004, we have worked collectively with all other members of the RSPO to drive the industry forward. RSPO still is the most widely used industry standard for sustainable palm oil and the use of certification schemes have played a pivotal role in establishing capacity building in agricultural supply chains and in working to eradicate bad practices. RSPO Next is an important development and we believe that the successful implementation of the RSPO Next (which is a higher voluntary standard) can play a significant role in the critical next stage of the journey to address both environmental and social issues in the extended palm oil supply chains including use of paraquat.

However, certification alone is not enough to resolve the prevailing environmental and social issues linked to the palm oil industry. The next logical step is to focus on improving the way we identify, prevent and mitigate negative social impacts, advance decent working conditions and ensure observation of all internationally recognised principles.

The RSPO has embarked on a continuous improvement of their audit and certification process including strengthening its Code, auditing capabilities and improving its grievance mechanism in order to more effectively tackle social issues. We are engaged with and supportive of this effort.

In addition to the above, we have started developing a roadmap for achieving supplier compliance to our Sustainable Palm Oil Sourcing Policy. In addition, we are also working towards independent verification of our palm oil supply chain, especially on high risk mills where we have identified issues including those relating to wages, working hours, environment and health and safety issues. We have developed a programme for risk verification and have piloted this through three independent assessments. To scale up verification, we are currently working on a strategy to collaborate with our peers and suppliers on this important priority. Similar issues have been found at refineries audited by independent auditors against our Responsible Sourcing Policy. Our suppliers have put in place remediation plans and we are working with industry and other stakeholders to address the root causes of these issues. When it comes to audits at plantation level – the palm oil industry currently relies on RSPO audits to identify non-compliance. The RSPO auditing process is evolving in response to the current challenges. This will help to ensure that as an industry we drive continuous improvement and closing of systemic non-conformance gaps. We believe that audit processes work best as a broader approach to collaboration, engagement and continuous improvement.

We will take action through Unilever's Grievance Procedure in relation to substantiated grievances – the Grievance Procedure sets out the way for dealing with cases of non-compliance with our Policy. The importance of effective grievance mechanisms cannot be underestimated.

We are reviewing our grievance procedures in the supply chain and are currently undertaking an independent expert review. Further, we will continue to engage with certification bodies and our suppliers to improve theirs. This is an area of focus for us as, especially in the palm oil industry, worker



voice needs to be strengthened and their right to freedom of association and collective bargaining respected.

We are and remain committed to address and resolve the systemic human and labour rights issues in the palm oil industry. Collaboration with key suppliers, governments, NGOs and the broader industry is instrumental to make this happen. We would be happy to engage in discussions with you and other key stakeholders to see how we can further improve the work we are doing in this area.

Best Regards,



Marcela Manubens

Global Vice President Integrated Social Sustainability, Unilever



**Unilever's response to Amnesty International – "Amnesty International's Investigation into Labour Rights Abuses in the Palm Oil Sector"**

11 November, 2016

Dear Seema,

Thank you for your response. We appreciate your recognition of industry progress. Whereas in the past, most industry efforts were focused on addressing environmental issues associated with palm oil cultivation, social issues are now also a key focus area for the industry.

We believe we have momentum behind us to make a real difference on the ground and we remain convinced that the only way to do this is through multi-stakeholder collaboration.

This momentum comes from platforms such as the Consumer Goods Forum, the Tropical Forest Alliance and the Leadership Group for Responsible Recruitment. Additionally, through our involvement in the RSPO Trade & Traceability Standing Committee and Smallholder Working Group, we are enabling greater adoption and integration of social criteria in RSPO's standards. Most importantly, with the International Union of Food Workers (IUF), we are addressing working conditions and bringing about long-term solutions to ensure workers' rights are respected.

We will continue to support the drive across the industry for greater visibility and transparency of the palm oil sector's supply chain. We are committed to the continuous improvement in the processes for the identification and remediation of social issues.

This is a complex industry, employing large numbers of people, with systemic challenges and in need of structural and sustainable change. We would appreciate the opportunity to meet with you to discuss the issues and questions you have raised in your letter. Please let us know when is convenient for you to do so.

Best Regards,



Marcela Manubens

Global Vice President Integrated Social Sustainability, Unilever



Seema Joshi  
Head of Business and Human Rights

Amnesty International  
1 Easton Street  
London, WC1X 0DW  
United Kingdom

17 October 2016

Dear Seema,

We write to you with regard to your letter dated 6 October 2016 which highlighted concerns of labour practices in Wilmar's supply chain. We regret the missed opportunity to engage on these issues previously as your earlier email was sent to a wrong email address and hence we did not receive it.

We appreciate the issues raised in your letter; we take our sustainability policy seriously and are therefore deeply concerned about the alleged non-compliance in our supply chain. We are looking into the matter accordingly, and will take the necessary corrective actions if a breach is found.

As you will understand, much of the information on suppliers and customers you have requested for is business-sensitive which may limit our response.

Given that we have about 1,000 palm oil mill suppliers in our supply chain, including Wilmar's own subsidiaries, your observations about our supply chain will enable us to better and faster address these critical issues. We don't always have the ability to resolve these multi-faceted problems in isolation, as solutions tend to require collaboration, such as with organizations like Amnesty International. For this reason, we would very much appreciate if you could provide us with more detailed information, in particular the Wilmar subsidiaries in North Sumatra and Central Kalimantan and third-party suppliers in question; as well as the period in which your investigation was conducted. Providing us with this transparency, will enable us to follow-up on the matter and hopefully find resolution.

#### Labour issues in Wilmar's supply chain

In the course of implementing our sustainability policy, we have increased our understanding of the labour issues confronting the palm oil industry at large. While we

expect our suppliers to fully comply with our policy, more importantly, we recognise we need to work with them and provide the support they need to operate responsibly.

Wilmar acknowledges that there are ongoing labour issues in our supply chain and they are clearly identified and recognized in our “[Overarching Reports](#)”, as part of the [Aggregator Refinery Transformation \(ART\)](#) approach we have embarked on to drive sustainable transformation and real change on the ground. The findings, along with recommendations on improvements are then shared through one-on-one meetings and regional supplier-group workshops. This is an ongoing programme which is carried out in phases and began in 2014.

To enable a more in-depth look at labour issues, we are also currently developing a labour programme to identify labour best practices and prevent exploitative practices, in collaboration with Business for Social Responsibility (BSR), a global non-profit organisation dedicated to sustainability. This is part of a wider project also in collaboration with BSR and other industry peers to benchmark human rights and labour issues in the Indonesian palm oil industry. The review will reference some of the relevant labour standards, including the ILO labour guidelines and the Free and Fair Labour Principles for Palm Oil Production, amongst others.

#### *Temporary versus permanent workers*

The ratio of workers by province can be found on Page 58 of our [Sustainability Report 2015](#). You will note that the number of temporary workers in Central Kalimantan and Sumatra in 2015 has reduced significantly, compared to 2011 and we have worked hard to get to this progress. While the number of temporary workers remains high in West Kalimantan for the same reasons cited in our Sustainability Report 2011, the ratio has also significantly improved in 2015. It should be noted that temporary contract employment is offered on the basis of mutual agreement between workers, who have alternative sources of employment and prefer to work on casual basis to supplement their regular source of income, and the plantation management. This is done with the support of labour unions or worker representatives and the local government’s District Labour Office.

#### *Child Labour*

Child labour has no place in Wilmar’s operations, and is a non-negotiable requirement for our suppliers.

Children in the plantation workplace is a complex issue, and a lack of access to education and child care is one of the key reasons why this happens. To that end, Wilmar invests

substantially in providing primary education and child care facilities to the children of our workers - building and refurbishing schools, providing school materials and funding teachers etc. to ensure that children of plantation workers are tended to while their parents are at work. Wilmar has funded and continues to invest year on year in infrastructure, educational activities, scholarships and teaching support in all the countries in which we operate upstream, including in Indonesia.

As well as putting up signage on prohibition of child labour, regular patrols on the ground by estate supervisors and managers are conducted to monitor child labour in the plantations. Where presence of children is detected, specifically during the school holidays when some workers may bring their children to the plantations because there is no one to look after them at home, stern warnings are given to the workers not to bring children to their workplace. Disciplinary action is taken against repeat offenders.

#### Fires and Haze

Along with environmental and economic impact, fires and haze also carry a tremendous human and social cost for communities, including our workers. Wilmar has a strict No Burning policy, and does not tolerate the use of fire in land preparation and development. This policy applies to all Wilmar operations worldwide, including those of our subsidiaries and third-party suppliers. Any breach of our No Burn policy, if proven to be deliberate, will result in the immediate termination of business dealings.

Central Kalimantan was one of the affected regions in 2015 where we provided aid to the local communities. Free face masks and food supplements were handed out to almost 13,000 villagers, and shelter and medical assistance were provided to the communities facing the highest risks.

To prevent the predicament of 2015 from happening again, we joined leading forestry and agriculture companies to establish the Fire-Free Alliance (FFA). Established in March 2016, the FFA is a voluntary, multi-stakeholder platform that works to find a solution to land and forest fires in Indonesia. Members of the Alliance commit to implementing the Fire Free Village Programme (FFVP) in their operations, collaborating and sharing knowledge and information, and also to enhance fire monitoring, detection and suppression. Wilmar has committed to piloting this initiative in three estates in Central Kalimantan and South Sumatra respectively, and may expand to other regions, including North Sumatra, if proven effective.

As part of the fire prevention and suppression measures, Wilmar has:

- Conducted a series of FFVP awareness and socialisation with its surrounding communities, in collaboration with the local government;
- Upgraded its fire-fighting equipment;
- Stepped up training on fire suppression;
- Employed the use of drones to help with fire monitoring;
- Constructed more ponds, tube-wells and boreholes in strategic areas.

### Paraquat

In 2008, we were among the first large-scale palm oil producers to begin phasing out paraquat in response to stakeholder concerns over the safety and potential abuse of this widely used herbicide. We completed this process in 2011. As part of our sustainability policy, we require our suppliers to do the same by the end of 2015. Only a number of our suppliers have been able to fully implement this to date. Many of our suppliers are undergoing trials to identify practical alternatives, and Wilmar continues to support this process to eliminate paraquat use.

### Monitoring

In addition to the supplier compliance work and ART programme with our collaborative partner The Forest Trust (TFT), as well as the supply chain surveillance work by an international NGO partner on more than 40 palm oil companies at plantation, mill or group level, our [grievance procedure](#) is the other platform used to identify, address and monitor potential supply chain non-compliance. Stakeholders are able to view the full list of cases, and follow the latest developments in our handling of grievance cases via the dashboard.

We have yet to suspend any supplier specifically for labour issues, as many of the suppliers we engaged with have shown commitment to and demonstrable efforts in improving their practices. We want to encourage them to continue with such progress through commercial relationship; only when suppliers have repeatedly failed to show any improvement, or have resolutely refused to comply with our policy would we consider discontinuing relationship with them.

### Traceability and Customer Information

Your letter mentioned about PT BEST (Batara Elok Semesta Terpadu) who is a supplier to Wilmar. We would appreciate if you could clarify if there is any particular issue with this supplier which we could help look into.

Wilmar's traceability information is accessible to all stakeholders, and is publicly available from the "[Supply Chain Map](#)" and "[Traceability](#)" sections of its sustainability dashboard; traceability details, as defined on Page 26 of our [Sustainability Report 2015](#), are shared with customers.

The information on buyers which you requested is considered business-sensitive and we are not able to disclose further than what we have already published publicly.

We very much welcome the opportunity to meet with you for a deeper discussion so as to better understand the precise gaps and take the most appropriate gap-closure steps to address them accordingly. We will be attending the coming Roundtable on Sustainable Palm Oil conference (RT 14) in Bangkok from 7-9 November, and have some availability to potentially arrange a meeting if you are attending.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Perpetua George', with a large, stylized initial 'P'.

(Ms) Perpetua George

Assistant General Manager – Group Sustainability

Seema Joshi  
Head of Business and Human Rights

Amnesty International  
1 Easton Street  
London, WC1X 0DW  
United Kingdom

11 November 2016

Dear Seema

Thank you for your second letter dated 4 November 2016, which provided more details about the findings of your investigations in our plantations in North Sumatra and Central Kalimantan.

We appreciate your engagement with us on these issues. Our workers form the backbone of our company, and we are committed to ensuring that they are treated fairly and with respect. This is reflected in our No Deforestation, No Peat and No Exploitation (NDPE) policy in which one of the core provisions stipulates recognising and respecting the rights of all workers, including contract, temporary and migrant workers. We expect our suppliers to comply with our policy, and our own operations are no exception.

In August 2016, we have been made aware of labour issues in the same plantations cited in your letter, and we immediately initiated an internal review process which is still ongoing:

<b>Timing</b>	<b>Process</b>	<b>Location</b>
10 August 2016	Received information on labour-related issues	PT Daya Labuhan Indah (DLI), PT Perkebunan Milano (PM)
12 August – 2 September 2016	Initial assessment and consultations to verify the issues	PT DLI, PT PM
September – October 2016	Conducted an inquiry into wage practices with the Human Resources (HR) Department of PT DLI and checked against the local government regulations on	Wilmar head office and regional office

	wages, PP No. 78/2015 (replacing PP No. 8/1981) to ensure compliance	
November 2016	Planned 2 <sup>nd</sup> assessment to monitor and check on progress	PT DLI, PT PM
December 2016	Planned site visit with BSR and Wilmar internal team in North Sumatra	PT PM
January 2017	Planned site visit with BSR and Wilmar internal team in Central Kalimantan	PT Mustika Sembuluh (PT MS)

Wilmar will report on the actions that we have already started to take and the progress of the action plan. Whilst we have already started our own internal procedures to resolve these issues, we are also open for any further collaboration or ideas on how best to address these. We would be happy and willing to discuss any potential suggestions or solutions that Amnesty International would like to share with us.

We recognize that these issues, including the ones raised in your letters, are systemic challenges shared by the industry. We are committed to addressing these labour issues in our own operations and the industry, both independently and collaboratively. Working with Business for Social Responsibility (BSR) to review current labour practices in the palm oil sector in Indonesia is one such approach, and we hope to be able to work with you too. More information about our collaboration with BSR can be found [here](#)<sup>1</sup>.

We regret that we are unable to respond to some of your questions. As explained in our first letter to you, the information required, especially those relating to our buyers, are deemed business-sensitive and we are not able to disclose further than what we have already published publicly.

We do, however, wish to clarify and assure you that Wilmar neither restricts our customers from sharing traceability information provided by Wilmar, i.e. mill names and GPS coordinates, with other parties. We do not deem traceability information (with an exception on volumes) as commercially sensitive or confidential.

<sup>1</sup> [http://media.corporate-ir.net/media\\_files/IROL/16/164878/News-Release-7-Nov-16-GAR-WIL-BSR-Joint-Collaboration-Final.pdf](http://media.corporate-ir.net/media_files/IROL/16/164878/News-Release-7-Nov-16-GAR-WIL-BSR-Joint-Collaboration-Final.pdf)

We are glad to have the opportunity to meet your colleague, Makmid Kamara, which we hope will open the way for deeper engagement, and potentially collaboration to resolve some of the critical labour issues in the palm oil section in the near future.

I will be reaching out to you shortly to organize a follow up phone call.

Yours Sincerely,



(Ms) Perpetua George  
Assistant General Manager – Group Sustainability