



## **RESPONSE TO ALLEGATIONS OF DEFORESTATION AND WILDLIFE DESTRUCTION**

Wilmar International Ltd. (Wilmar), Asia's leading agribusiness group, categorically refutes allegations of deforestation and wildlife destruction made by environment groups.

Wilmar is committed to developing and cultivating its plantations in a responsible and sustainable manner that looks into safeguarding the intrinsic value of the ecosystem, including endangered fauna like the orangutans and Sumatran tigers; while ensuring that socio-economic values are being created. Examples of its approach include:

- Wilmar only operates on lands designated and licensed by the local governments for agriculture development. These lands are made up of degraded and logged-over secondary forests that have already lost their economic and environmental values. Converting these unproductive wastelands into productive plantations can help restore these values through implementation of the Roundtable on Sustainable Palm Oil (RSPO) Principles and Criteria - an international best practice benchmark for sustainable palm oil development - that includes delineation and protection of High Conservation Value (HCV) areas where the HCV assessments are conducted prior to any land development activities. This standards framework has been the basis of its plantation development and management since its participation in the RSPO in 2005.
- More than 60% of Wilmar's plantations are already certified to RSPO standards, with its Malaysian plantations fully certified. It aims to complete certification for all plantations and mills by 2016.
- In addition to its strict adherence to a zero-burn policy, Wilmar has in place a Sourcing Policy that guides its purchasing decisions and is communicated to suppliers so that they understand and meet its requirements. The policy clearly states, amongst other points, that Wilmar commits to buying palm oil that is produced from plantations and mills that comply with all relevant and applicable local and national law and regulations. This would include the burning of forests as prohibited by Indonesia's law. Should they be found to be involved in burning to clear land for cultivation, Wilmar will discontinue its business relationship with them.
- Further to the RSPO standards, Wilmar does not develop on peat-land, regardless of depth.
- Wilmar has a tripartite collaboration with the Borneo Orangutan Survival Foundation (BOSF) on developing Best Management Practices (BMP) for orangutan conservation, with the aim to formulate the implementation of BMP in palm oil industry into a formal policy in Central Kalimantan, Indonesia. This is a five-year initiative, and Wilmar is in the second year of the collaboration.
- On the social front, Wilmar's operations further help to promote local socioeconomic development through employment generation and community empowerment programmes such as provision of education and healthcare services.

Lastly, Wilmar wishes to express recognition of its stakeholders' concerns over deforestation on tropical rainforests and peatlands as one of the most serious environmental issues facing the world today; and it reaffirms its commitment towards sustainable palm oil development that strives for balance between environmental, social and economic interests.

### **About Wilmar's Commitment to Sustainability**

Wilmar International Limited is Asia's leading agribusiness group engaged in oil palm cultivation, oilseeds crushing, edible oils refining, sugar milling and refining, specialty fats, oleochemicals, biodiesel and fertilisers manufacturing and grains processing. At the core of Wilmar's strategy is a resilient integrated business model that encompasses the entire value chain of the agricultural commodity processing business. Headquartered in Singapore, it has over 450 manufacturing plants globally and an extensive distribution network covering more than 50 countries. The Group is backed by a multinational workforce of about 92,000 people.

As a responsible corporate citizen, Wilmar endeavours to create and build an enduring business that is economically viable, socially beneficial and environmentally sustainable. Since 2005, Wilmar has been an active member of the Roundtable on Sustainable Palm Oil (RSPO), an international multi-stakeholder organisation that promotes the production and use of sustainable palm oil. The Group adopts an environmental management system conforming to the RSPO Principles & Criteria and the United Nations Global Compact, amongst others. In managing oil palm plantations, it upholds stringent policies of zero-burning and non-development on peatland while respecting the rights of communities by adopting the 'free, prior and informed consent' (FPIC) principle.

For more information on Wilmar's sustainability efforts, please visit <http://www.wilmar-international.com/sustainability/>