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Wilmar leads path to transformation **Palm oil giant opens its supply chain to customers and stakeholders, revealing unprecedented detail**

Acting on its commitment to purchase only responsibly-sourced commodities, Wilmar, the world's largest palm oil trader has become the first industry player to offer transparency of its palm-oil supply chain on-line, a decision that is expected to help the firm achieve its goal of excluding deforestation and exploitation from its operations.

Mr Jeremy Goon, Chief Sustainability Officer of Wilmar International Limited, said the company has mapped out its supply chain and listed all its palm oil mill suppliers in Indonesia and Malaysia on a dashboard website, developed in collaboration with TFT.

“Wilmar is the first agro-industrial giant to offer a way to follow palm oil all the way back to the mills where the oil is processed,” said TFT founder Scott Poynton. The dashboard will also allow the company to report on its sustainability performance while providing a platform to engage openly with industry stakeholders. NGOs have campaigned hard against Wilmar and other major players in the palm oil industry, raising awareness and driving change in the industry, but Poynton said trust between palm oil companies and NGOs depend on the extent to which the companies are willing to be transparent.

In December 2013, Wilmar committed to end the purchase of palm oil from suppliers who exploit people, or whose product is grown on land that has been deforested.

“Our main focus is to support our suppliers to tackle the challenges they're facing, so that they can start down a more sustainable path,” said Jeremy Goon. “It is for this reason that we have worked closely with TFT to create this mechanism to accelerate engagement and implementation of our policy with the support of suppliers, industry partners, local communities and NGOs.

“No one has ever aimed for this level of transparency in agriculture commodities. Wilmar has more than 800 palm oil suppliers, so the company covers the bulk of the industry,” said Glenn Hurowitz, Chairman of Forest Heroes, a global campaign to break the link between



deforestation and agricultural production. “If the on-line tool released today does lead to real engagement between industry, local civil society, and all stakeholders, it will dramatically accelerate the transformation of the palm oil industry.”

TFT’s Poynton says there is still a great deal of work to be done to tackle deforestation, but that this announcement constitutes a significant step toward fulfilling Wilmar’s policy commitment to exclude deforestation and human exploitation from its business. “It shows that the company is serious, that it’s willing to put strong words into action. This is hugely encouraging and indeed a revolution.”

Wilmar’s dashboard serves as a transparency and traceability tool to enable its stakeholders to understand its complex supply chain. Its supply chain map shows the location of Wilmar refineries in Indonesia and Malaysia and provides a traceability summary for each in addition to its supplier mill lists. Other features of the dashboard include a newly added mechanism for reporting improper activities and for revealing when a grievance was raised and by whom, and what is being done to resolve it. Also available is information on stakeholder engagement, as well as descriptions of activities performed to implement company policy, and the partnerships and programmes Wilmar is involved in to support smallholder farmers.

“The palm oil industry has been on a journey of transformation over the last few years,” Poynton said. “And Wilmar is taking the lead in this process. Not only is the company being transparent, it is giving stakeholders the opportunity to engage with the company, especially through its supply chain map and grievance procedure. This helps breed a culture of collaboration that will drive rapid change. It’s a model that can be followed by any commodity sector that wants to change practices that are having devastating environmental and social consequences.”

[Click here to request a login for Wilmar’s transparency dashboard.](#)

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Media Contact:

Mark Sanderson

Communications

T: +44(0) 23 8011 1220

E: m.sanderson@tft-forests.org