



Unilever responds to allegations against the Salim Group

25/05/2018

In November 2017, the Rainforest Action Network (RAN) launched a report entitled [The Human Cost of Conflict Palm Oil Revisited](#) which includes allegations against palm oil mills and plantation companies that are part of the Salim Group, including Indofood and IndoAgri.

Unilever is aware of these serious allegations and, in line with our published grievance mechanism, we have investigated them to decide on the right approach for resolution and remediation.

First of all, we investigated with our wider supplier base whether or not Unilever has any sourcing links with the Salim Group. Our findings are that Unilever does not source palm oil from companies that we can identify as Salim Group palm oil mills or plantations directly, but we learnt that some palm oil may end up in our supply chain through two third-party suppliers.

We therefore engaged both suppliers to understand whether they are aware of RAN's allegations and to discuss the actions they have taken and intend to take to address the allegations. Based on our engagements, we have concluded that not enough progress is being made by the Salim Group and as a result we have asked these suppliers to ensure that no palm oil sourced by them from the Salim Group enters Unilever's supply chain.

However, we realise that our actions in limiting or stopping indirect commercial relationships with the Salim Group (including Indofood and IndoAgri) will themselves not lead to long-term sustainable change. Unilever therefore believes that it is crucial for our suppliers, with support of the Roundtable on Sustainable Palm Oil (RSPO), to continue to engage the Salim Group companies through the RSPO complaints mechanism and ensure the implementation of an action plan across the Salim Group in a timely manner.

We also welcome the inputs of organisations such as RAN to hold the industry accountable for resolving these serious and long-standing social and environmental issues on the ground. We are therefore in continuous dialogue with RAN to discuss progress.