



# PALM OIL SUSTAINABILITY CHARTER

Version 1  
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# Pacific Inter-Link Palm Oil Sustainability Charter

## Introduction

Pacific Inter-Link (PIL) is a leading edible oil and consumer goods trader, established in Malaysia since 1988. PIL has its sourcing operations across Malaysia and Indonesia and exports its products to more than 70 countries across the world. Over the last three decades, PIL has grown into a well-integrated and diversified player in its field of business and operations.

## Why Sustainability for PIL

PIL is focused on championing palm oil sustainability to minimize the impacts of climate change and to secure a better future for generations to come. In this endeavor, our Sustainability Charter and Implementation Plan outline our commitments to protecting the environment and delivering positive social change.

For the remainder of 2018, our immediate priorities are to:

- Develop a sustainability dashboard to ensure transparency in our supply chain.
- Identify and appoint a Sustainability Journey Partner who will oversee further development of our goals.
- Ensure that all the palm oil we trade is sourced from responsible suppliers.

## Our Commitments

PIL is a proud member of the RSPO, the palm oil industry's certification and regulatory body and remains committed to engaging and maintaining a dialogue with its business associates, clients and wider stakeholders to achieve the mutual goal of responsible and sustainable palm oil development.

Our commitments are as follows:

- PIL is working towards a traceable, transparent and sustainable supply chain by 2020 to ensure that all the palm oil we trade is traceable to the mills they originate from.
- PIL aims to ensure that all the palm oil we trade or source from refineries is peat, deforestation and exploitation free.
- PIL supports zero burning methods in palm oil cultivation and plantation.



- PIL observes all national laws and existing industry best practices in each area of our business.
- PIL recognises the rights of our employees and business associates to a safe and secure working environment.
- PIL recognises the rights of local and indigenous communities within our operating areas to economic development and a better, more sustainable future.
- PIL understands the need for continuous improvement to meet the standards and expectations of stakeholders in an evolving global market.
- PIL will endeavour to increase transparency for our associates and enterprises through the development of guidelines and policies that include:
  - ✓ A transparent dashboard on our website
  - ✓ No Deforestation, No Peat, No Exploitation (NDPE) policy
  - ✓ A human rights charter
- PIL will engage with the agents and third-party suppliers to uphold our commitments and in line with our current best practices, PIL commits to a policies.

## No Deforestation, No Peat, No Exploitation (NDPE)

- supply chain based on NDPE principles:
- No development on peat regardless of depth.
- No deforestation in High Conservation Value (HCV) areas, High Carbon Stock (HCS) areas in line with the High Carbon Stock Approach (HCSA)
- No exploitation of local or indigenous communities.

## Reporting and Transparency

- PIL believes in the importance of transparency and will work to achieve this in our communication and reporting.
- PIL will engage with independent and credible third parties to audit our supply chain if required.
- PIL will launch our first sustainability dashboard before the end of 3<sup>rd</sup> quarter 2018.
- PIL commits to share our Implementation Plan and annual progress reports.



## Implementation Phases

PIL will implement the above mentioned actions following the timeline given below, in three phases;

### Phase One (July – December 2018)

- Publication of our Sustainability Charter.
- Launch of sustainability dashboard.
- Appointment of a Sustainability Journey Partner to oversee further progress.
- Publication of our key policies in NDPE practices and a human rights charter.
- Data collection and classification of our suppliers.
- Client engagement.
- Internal systems development.

### Phase Two (January – December 2019)

- Roll-out and implementation of all policies with support infrastructure and training.
- Conduct key supplier engagement.
- Publication of Key Supplier Traceability Report.
- Publication of annual progress report.

### Phase Three (January – December 2020)

- Engagement with smallholders.
- Publication of annual progress report.

**Disclaimer:** PIL will analyze, adjust and improve our charter and its implementation process based on stakeholder input.