

**25 August 2017**

**Bali Process – Government and Business Forum 2017**

**“Statements from the Floor” Sime Darby**

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Sime Darby Berhad is a diversified multinational company with operations in 25 countries and 4 territories with over 120,000 employees with businesses in growth sectors, namely; plantation, industrial equipment, motors, property and logistics. We are the world’s largest producer of Certified Sustainable Palm Oil and a fully integrated player in the palm oil value chain. Our involvement ranges from upstream operations comprising oil palm, rubber and sugarcane cultivation, harvesting, plantation management and milling, to downstream businesses such as the production, trading and marketing of oils and fats products, oleochemicals, palm oil-based biodiesel as well as other palm oil derivatives and renewables.

### **Our commitment**

At Sime Darby, we believe that businesses have the responsibility to respect, support and uphold fundamental human rights, as expressed in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. Our commitments are articulated in our Responsible Agriculture Charter and our Human Rights Charter, which includes our commitment to ensure no forms of forced or bonded labour, slavery, human trafficking, child labour and sexual exploitations exist in our business operations globally. This is done by integrating considerations of human rights, which include modern day slavery and human trafficking, into relevant business processes to support such decision-making via our policies, procedures and guidelines.

As a signatory to the United Nations Global Compact (UNGC) principles, the Sime Darby Group is committed to conduct its business in alignment with the 10 UNGC principles, in the areas of human rights, labour, environment and anti-corruption.

### **Regional issues**

Sime Darby Plantation in Malaysia employs more than 38,000 plantation workers where 75% of our workers are migrant workers predominantly from Indonesia, India, Bangladesh and Nepal. We acknowledge the challenges faced by migrants from these source countries who are vulnerable to modern day slavery and have therefore prioritised stringent actions and controls surrounding the

implementation of ethical recruitment practices of foreign workers in our operations. Business and Human Rights continues to be an emerging area of attention and a concerted effort by all stakeholders will be required to overcome some of the complexities surrounding migrant labour in the Group's Plantation and Property operations.

Oversight and management of our supply chain will also continue to be an area of focus in our efforts to tackle the risk of modern day slavery and human trafficking. Through the roll out of our Responsible Agriculture Charter, Human Rights Charter and Responsible Sourcing Guidelines, we seek to enhance our supply chain through our employees, and all persons within our sphere of influence. The Group complies to all local legislations and industry regulations relevant to its business worldwide.

As part of the continuous improvement of our internal processes, we will continue to review and enhance our existing operational-level grievance mechanisms to ensure that any human rights violations are monitored and addressed effectively through our Governance and Whistle Blowing Policies.

### **Working together**

We continue to disclose on our human rights performance and progress through our Sustainability Reports and our Annual Integrated Report. This year, will also be the second year we report our progress in tackling Modern Day Slavery and Human Trafficking through our Statement published in accordance with the Modern Slavery Act 2015 of the United Kingdom (Section 54).

We acknowledge that complex issues cannot be resolved alone and that the responsibility of respecting and upholding human rights resides with everyone. As such, we look forward to continue proactive engagements with our key stakeholders in dealing with the challenges we face and the opportunity to work in collaboration, to ensure that we achieve our goal of creating a better society.

### **Our Priorities for 2017**

We will build on existing efforts and increase the momentum in embedding respect for Human Rights across the Group. Key areas of focus include:

- Further identification and implementation of action plans to mitigate key risks areas around salient human rights issues around migrant workers.

- Enhance the awareness and capability development programmes across the Group which includes senior management, practitioners and rights holders.
- Enhancement of the Governance around business and human rights which includes the Code of Business Conduct.
- Increased engagement with external stakeholders such as NGOs, Civil Society Organization and local communities surrounding the Groups operations, with an objective of working together to solve complex issues around Human Rights and Modern Slavery.

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