



## **New Palm Oil Report on Forced Labor Risks in Malaysia & Indonesia**

A [new report](#), commissioned by the Consumer Goods Forum (CGF), has found that there are risks of forced labor in the palm sector in Indonesia and Malaysia. Through the Consumer Goods Forum's Palm Oil Taskforce, Mars supported this research, as part of our ongoing commitment to advance respect for human rights. The report combined existing public studies and articles for the first time, and added stakeholder interviews and analysis from the Fair Labor Organization. Its findings are troubling and underscore the need for urgent action by businesses, government and civil society.

At Mars, we firmly believe that forced labor has no place in the future of sustainable palm oil. Although we buy a small amount of palm oil globally, we are leading efforts to understand our own supply chain and catalyze industry efforts to drive change.

At the industry level, Mars co-chairs CGF's Social Sustainability Taskforce where we led the development of the Priority Industry Principles on Forced Labor. Those principles state that every worker should have freedom of movement, no worker should pay for a job and no worker should be indebted or coerced to work. The new palm oil research reaffirms the critical importance of applying these principles to the palm oil industry, and CGF's plan for industry action is outlined [here](#). We believe government engagement also is a key component of this plan. In 2018, Mars joined a coalition of CGF member companies, the Institute for Human Rights and Business, the International Labour Organization and the International Organization of Migration in dialogue with Malaysian government officials on this topic.

Mars began to map our own palm oil supply chain in 2015. We have achieved 99% traceability to the [mill level](#). In 2017, we engaged our global human rights partner and labor rights expert Verité on work in this supply chain. We launched a collaboration to explore how businesses across the palm oil supply chain can better understand, address and prevent human rights risks. As part of this program, Verité is providing extensive consultation on a pilot basis with one of the largest palm oil suppliers / processors, Wilmar. This includes assessment of Wilmar's current systems, customized training, and development of concrete ways to strengthen existing policies and practices. Although this collaboration is early in its journey, we look forward to sharing our learnings and identifying practical tools to support human rights improvements at an industry level. Already, we have learned that engaging technical experts who have both deep human rights expertise and an in-depth understanding of local practices is a key factor for success.