

SUSTAINABILITY BRIEF

CONTRIBUTING TO A SUSTAINABLE AND EQUITABLE FUTURE IN THE PHILIPPINES



Children waiting for their prepared meals under the Nutrition Enhancement Programme (NEP)

Wilmar Edible Oil Philippines Incorporated (WEOP), a subsidiary of Wilmar International Limited (Wilmar), is committed to driving meaningful corporate social responsibility (CSR) initiatives that positively impact both the local communities and the environment. WEOP's CSR efforts encompass a range of programmes aimed at promoting sustainable practices, supporting education, fostering community development, and ensuring responsible sourcing and production. Through these initiatives, WEOP strives to contribute to a more sustainable and equitable future in the Philippines, aligning with Wilmar's global commitment to sustainability and ethical business practices.

PROTECTING CHILDREN IN THE COCONUT SUPPLY CHAIN



PROTECTING THE RIGHTS OF CHILDREN IN THE COCONUT OIL SUPPLY CHAIN - PHILIPPINES

In the Philippines, many smallholder farmers are engaged in coconut cultivation and are based in remote areas. Some live in poverty with poor social and economic infrastructure and the children do not have easy access to proper education. In 2021, a consortium of organizations¹ and companies,

including Wilmar, agreed to join in efforts to *protect children's rights in the coconut supply chain* in the Philippines. The four-year programme is funded by the Netherlands Enterprise Agency (RVO) and is currently ongoing.

In the first year, child labour risk was found to be higher in areas with poor social and economic infrastructure. The research found that in these areas, families can be trapped in a vicious cycle of lacking basic education, inadequate knowledge of good agricultural practices and insufficient means to hire workers. The findings indicate that children as young as seven years old may be at risk of not attending school due to the need to work in order to support their families financially.

The second phase of the programme focuses on preventing and remediating the risk of child labour. The idea is to set up a system in partnership with schools and local authorities, that tracks whether children attend school. The system would flag instances of child labour and alert relevant stakeholders to take action. During this phase, poverty alleviation will also be addressed by introducing a new business model to help farmers increase their income. Furthermore, it would also help strengthen the *human rights due diligence processes* of the private sector.

Fiesta for supplier engagement



During the Fiesta, special activities were organised for the children

As part of the programme, in July 2023, WEOPI organised a stakeholder engagement initiative called Fiesta, which involved farmers from surrounding Dipolog City in Zamboanga del Norte. The event aimed to share knowledge and build capacity on best management practices and production quality while raising awareness on the protection of children's rights. The festive event was attended by almost 800 people, comprising of 315 farmers and their families, at the Dipolog Sports Complex. Special activities were organised for the children to make them aware of their rights, in a playful manner.

¹ Cordaid, Global March Against Child Labor, Verité Southeast Asia, Cargill, Wilmar, Vernof and MVO.



"The Fiesta - Coconut Project" was attended by almost 800 people

BUILDING HEALTH AND KNOWLEDGE



Parents and teachers preparing meals for the children

Nutrition Enhancement Programme

WEOPI established the Nutrition Enhancement Programme (NEP) in June 2014 to improve the health and well-being of school children through the provision of nutritional food. A total of seven schools identified to have students who are severely undernourished or with malnutrition are participating in the NEP. In addition, the NEP also raises awareness among parents and students on the importance and nutritional benefits of a well-balanced diet.

The NEP provides children with a nourishing and balanced supplementary meal on a weekly basis. The procurement of ingredients is managed by a supplier appointed by WEOPI, while parents and teachers are responsible for food preparation. Since its inception in 2014, the NEP has supported a total of 22,247 students, including 4,311 students in 2023.

Table 1 The Nutrition Enrichment Programme

WILMAR PLANT	SCHOOL	NUMBER OF STUDENTS PER SEMESTER							TOTAL (BY LOCATION)
		2014 / 2015	2015 / 2016	2016 / 2017	2017 / 2018	2018 / 2019	2019 / 2020	2022 / 2023	
Roxas	Roxas Central School	918	1,001	980	998	895	1,174	926	6,892
	Minang Elementary School	N.A. ¹	231	230	177	170	196	170	1,174
	Piao Elementary School	N.A. ¹	N.A. ¹	N.A. ¹	181	188	193	618	1,180
	Nabilid Elementary School	N.A. ¹	N.A. ¹	N.A. ¹	629	621	658	177	2,085
Gingoog	Doña Josefa Elementary School	300	N.A. ²	N.A. ²	N.A. ²	N.A. ²	N.A. ²	882	1,182
	Maanas Elementary School	N.A. ¹	701	785	750	741	787	663	4,427
	Agay-Ayan Elementary School	N.A. ¹	836	894	903	905	894	875	5,307
TOTAL (by year)		1,218	2,769	2,889	3,638	3,520	3,902	4,311	22,247

¹ The NEP was not implemented yet.

² The NEP was temporarily suspended due to a change in school management.

The NEP has earned praise and support from the local community, government, the Department of Education as well as parents. It also promotes lifelong healthy eating habits and lifestyles from a young age.

Wilmar Philippines Scholarship Programme

Recognising the vital role education plays in safeguarding the rights of children, WEOPI established a scholarship programme in 2014 to support the tertiary education for children of smallholders from the surrounding communities where we operate in.

To date, there are a total of 140 scholarship recipients. 50 scholars have graduated and become qualified engineers and accountants. On 9 June 2023, 10 scholars from the batch of 2019 successfully graduated in their respective college degrees. Among them, six earned degrees in Mechanical Engineering, two in Electrical Engineering and two in Accountancy. Both the Accountancy scholars graduated with Latin honours as Cum Laude.

Our involvement in the scholarship programme does not stop at financial contribution. We continuously monitor and review the academic performance of the scholars at the end of every semester, ensuring that they have access to resources to help them excel.



The Wilmar Philippines Scholarship Programme has supported 140 children of smallholders in their tertiary education since 2014

CARING FOR OUR COMMUNITY

Community Healthcare Programme

Good health and hygiene are instrumental towards the well-being and progress of society. WEOPi therefore established privately-owned free clinics that offer basic healthcare services to our neighbouring communities, including medical consultation, generic medication as well as first-aid for emergencies, among others. Our clinics are staffed by qualified and licensed doctors accompanied by experienced nurses and midwives.

In addition to medical and healthcare services, our clinics also channel efforts to raise awareness on the prevention of diseases by providing patients with education and counselling. Since the inception of the clinics, a total of 70,408 patients have received treatment.

Table 2 Community Healthcare Programme

WILMAR PLANT	NUMBER OF PATIENTS SERVED									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	TOTAL (BY LOCATION)
Roxas	2,937	4,050	5,505	5,417	4,579	4,841	1,731	1,808	3,589	34,457
Gingogog	5,183	8,278	9,276	4,983	3,116	3,368	944*	415*	388*	35,951
TOTAL (BY YEAR)	8,120	12,328	14,781	10,400	7,695	8,209	2,675	2,223	3,977	70,408

* The reduction in the number of patients was due to the establishment of community health centers by the local government as well as the restricted human movements during Covid-19.



The clinics offer consultations and treatments for the neighbouring communities

In addition to routine consultations and check-ups, the clinics also organise special community initiatives. During the anniversary of the Wilmar community clinic's establishment on 1 March in Roxas, special programmes such as eye consultations/check-ups with the provision of free eyeglasses and dental services, all of which are supported with complimentary medication, if necessary, are arranged.

Nursery Programme



Our nursery can accommodate at least 10,000 seedlings for distribution and planting

The declining supply of coconut products, especially copra, is an indicator of the threat the industry is facing, driven mainly by ageing trees, poor tree management, pests, diseases, cutting of trees for coco lumber, and so on.

In January 2014, WEOPI established a nursery which can accommodate at least 10,000 seedlings. The main objective of the nursery is to sustain the production of coconut products among the local farmers and ensure they continue to have a stable income. WEOPI regularly distributes free coconut seedlings to farmers in the Zamboanga del Norte and Misamis provinces, in an effort to encourage them to continue replanting coconut.

Since the commencement of the initiative, a total of 180,285 seedlings have been distributed. In 2023, a total of 6,982 coconut seedlings were distributed at no charge to 23 interested farmers and landowners who were endorsed by their respective Philippine Coconut Authority local units.

Table 3 Coconut Nursery Programme

WILMAR PLANT	COCONUT SEEDLINGS DISTRIBUTED									TOTAL (BY LOCATION)
	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Roxas	3,700	9,210	17,620	39,710	31,397	7,929	6,917	2,165	6,942	125,590
Gingoog	6,350	9,150	12,120	6,220	7,310	4,050	3,100	2,510	3,885	54,695
TOTAL (BY YEAR)	10,050	18,360	29,740	45,930	38,707	11,979	10,017	4,675	10,827	180,285

CONSERVING NATURE

Tree Planting Programme

We initiated the Tree Planting Programme in 2008 in an effort to address climate change, maintain ecological balance while protecting the groundwater supply. Over the last 14 years, we have planted over 1.5 million mahogany trees as part of the programme. In 2021 however, no tree planting activities were conducted due to Covid 19-related restrictions and challenges.

As of July, a total of 24,420 mahogany seedlings have been planted across 22 different vacant lots and farms located in neighbouring barangays and municipalities in 2023. Furthermore, a tree care programme is put in place to ensure the nurturing of these seedlings until they reach full maturity. This care programme involves manual round weeding, soil cultivation, and grass cutting, undertaken by a team of eight dedicated workers.



Our tree planting initiative saw over 1.5 million mahogany trees planted over 14 years

Table 4 Tree Planting Programme

MAHOGANY SEEDLINGS	JAN	FEB	MAR	APR	MAY	JUN	JUL	TOTAL
Purchased	0	4,690	1,494	0	3,481	4,978	18,270	32,913
Produced*	2,610	3,929	2,190	1,250	0	0	0	9,979
Planted	0	1,850	1,200	1,220	4,700	7,150	8,300	24,420

* Produced seedlings are seedlings that are collected around the planted area. The seedlings are collected for replanting.