

Rebecca Marmot
Chief Sustainability Officer
Unilever

Termination of business relationship with AAL

25 October 2022

Dear Ms Marmot,

Recently, we have been discussing Unilever's Climate Plan. Now, we are writing you concerning adverse impacts in Astra Agro Lestari (AAL) oil palm plantations in Central and West Sulawesi, Indonesia. This week the international food industry is meeting in Amsterdam for the The Consumer Goods Forum (CGF) global Supply Chains Conference. We ask you to live up to the Conference's creed "Talking is no longer enough if we are to protect people and planet" and suspend AAL from all of your supply chains in a responsible manner. Five of the world's largest have already suspended AAL from their supply chains. We ask you to simply follow their lead.

AAL and its subsidiaries have a history of environmental and human rights violations. We have informed financiers and buyers before about AAL's practices, amongst others in [July 2018](#), [October 2019](#), [January 2022](#) and [March 2022](#). Recently, our colleagues from FoE US and WALHI have informed your colleague Lana Kristano about these impacts and have requested your company to suspend its sourcing from AAL. Unfortunately and to our surprise, [Unilever has indicated](#) that it will continue to engage with Astra.

AAL is Indonesia's second largest palm oil company and supplies Crude Palm Oil (CPO) through its mills to various consumer companies. Last weeks, five of the world's largest consumer goods companies – Colgate-Palmolive, Hershey's, Protect & Gamble, l'Oreal and Nestlé – [suspended](#) their business with AAL over ongoing human rights abuses, land grabbing and environmental destruction in Indonesia.

These suspensions came after [an open letter](#) by Indigenous and civil society groups, calling out the following severe social and environmental impacts:

- Since 2017, Walhi/Friends of the Earth Indonesia documented at least 10 cases of criminalisation of Indigenous farmers and local communities' members by AAL.
- Since PT Mamuang commenced palm oil operations in 1991, the company has been involved in protracted land conflicts with local communities, accused of forcibly taking communities' land with their Free, Prior, Informed Consent (FPIC), criminalising farmers and land and environmental defenders, and illegally occupying Indonesia's Protected Forest Zone.
- In March this year, Friends of the Earth published [a report](#) that documented how AAL and its subsidiaries are responsible for numerous environmental, human rights, and governance violations, including protracted lands conflicts with local communities, violent land-grabbing

abetted by Indonesian security forces, and illegal deforestation, forest encroachment, and soil, air and water pollution with negative impacts to communities' livelihoods.

As the five consumer good companies set the example, we continue to urge Unilever to follow their lead. This means that you should suspend AAL from your supply chains in a responsible manner in line with the OECD Guidelines and UN Guiding Principles on Business and Human Rights.

We sincerely hope that you will revoke your position on AAL and publicly announce that you will suspend them during the Consumer Goods Forum in Amsterdam.

Sincerely,

Wouter Kolk
Milieudefensie (Friends of the Earth Netherlands)