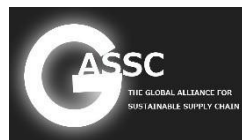


Ajinomoto Co., Inc.

Country-specific Human Rights
Impact Assessment of Human
Rights Due Diligence in Relation
to Palm Oil in Thailand

2025 Report



The Global Alliance for Sustainable Supply Chain

October 31, 2025

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I. Investigation Background and Objectives

1. Background

Ajinomoto Co., Inc. (hereinafter referred to as "Ajinomoto") has continuously promoted the identification of human rights risks at its suppliers and the development of a response system with the aim of building a sustainable supply chain. On this occasion, Ajinomoto implemented a human rights impact assessment in relation to its palm oil supply chain in Thailand to evaluate the conditions present when it comes to the practice of respect for human rights. The Global Alliance for Sustainable Supply Chains (ASSC) was commissioned to conduct the assessment while referencing the frameworks that have been put in place based on the United Nations Guiding Principles on Business and Human Rights (UNGPs).

*A human rights impact assessment is a process during which an inspection of the conditions present when it comes to the consideration being made for human rights along with a subsequent evaluation of potential risks. This process is implemented through dialogue and confirmations with stakeholders, including rights holders, in accordance with the UN Guiding Principles on Business and Human Rights.

2. Purpose

For this investigation, Ajinomoto conducted external desk research in January 2025, working with experts to identify countries, regions, and agricultural and marine raw materials presenting high levels of human rights risk (in general terms).

Based on that assessment, we visited plantations, oil mills, refineries, and related facilities, and conducted interviews with workers and proprietors in order to ascertain the actual situation in terms of palm oil production and distribution in Thailand. This allowed us to confirm the actual conditions related to human rights risks from multiple perspectives, including in terms of working environments, working conditions, health and safety, and in terms of the presence or absence of forced labor and child labor.

The assessment results obtained will be used as basic data purposed with improving effectiveness when it comes to respect for human rights throughout the supply chain. Based on the results of this assessment, Ajinomoto will continue dialogue with related companies and stakeholders and intends to consider improvement measures.

3. Supplementary Information

1) Collaboration with Stakeholders

Independent third-party audits are effective in identifying and preventing/correcting human rights risks. In addition, stakeholder engagement undertaken through collaboration with NGOs and international organizations will enable the formulation and implementation of improvement measures that reflect feedback from the field and contribute to increased transparency and credibility.

2) Engagement Verification Checklist (Key Human Rights Items)

A systematic and practical checklist is an effective way to assess the human rights situation on the ground. The following are items that should be given special emphasis when conducting a human rights impact assessment for the palm oil supply chain in Thailand.

Item Category	Confirmation Details
Terms of employment	Compliance in terms of written contracts, working hours and wages
Treatment in terms of forced labor and migrant workers	Whether or not passports are retained and whether there are any illegal fees involved
Child labor	Age verification and the status of enrollment at school
Occupational safety and health	Provision of personal protective equipment (PPE), sanitation, and accident records
Discrimination and harassment	Grievance systems and equal treatment
Supply Chain Management (SCM)	RSPO certification and traceability
Contracts, languages, and working hours	Local language contracts and legally-compliant working hours and breaks
Minimum wage and payment methods	Payment of minimum wage and transparent payment methods
Debt slavery and recruitment fees	Confirmation of exclusion
Safety training and protective equipment	Conducting of training and provision of PPE
Reports concerning discrimination and harassment	Presence/absence of reports and response systems
Grievance redress mechanisms	Status of establishment, maintenance and operation thereof

II. Methods Deployed for the Investigation

In this investigation, having referred to the desk research described above, ASSC gathered the latest information and went back through the supply chain together with Ajinomoto Group companies in Thailand (hereinafter referred to as “local group companies”) to select areas to be assessed and places to visit, regardless of whether or not any direct transactions existed with the entities in question. After arriving in Thailand, ASSC staff visited oil refining companies, loading areas, oil palm farmers, and others. Dialogue with local group companies was also undertaken.

III. Pre-travel Investigation Results

1. Ajinomoto’s Human Rights Due Diligence

The Ajinomoto Group has established a Group Shared Policy on Human Rights based on the UN Guiding Principles on Business and Human Rights (UNGPs). The Group clearly states that it will establish human rights due diligence mechanisms in order to fulfill its responsibility when it comes to respecting human rights and that it will implement those mechanisms on a continuous basis.

(https://www.ajinomoto.co.jp/company/jp/activity/keyword/human_rights.html)

Thus far, human rights impact assessments have been conducted sequentially in order of priority based on what are called “human rights risk assessments by country.” On this occasion, the palm oil supply chain in Thailand was set as the subject of assessment.

2. Thailand’s Palm Oil Industry

*This information is provided for reference purposes only and is not guaranteed to be accurate or up-to-date. Use of this information is to take place at the discretion and risk of the reader.

1) State of Palm Oil Production

Thailand is one of the world's major palm oil producers and ranks third in terms of production volumes. The main production areas in the country are concentrated in the south, with the provinces of Surat Thani, Krabi, Chumphon, Nakhon Si Thammarat, and Phang Nga serving as major production centers. Total annual production is estimated at about 2.5 million tons, of which about 1.3 million tons are consumed for biodiesel and 900,000 tons for cooking oil.

In terms of the production structure, small-scale farmers account for about 85% of total production. The average size of the farmlands of these farmers is extremely small, ranging from 0.64 to 0.80 hectares, and the majority of their operations are based on self-employment involving mainly family-based labor. In addition, community-based production systems involving strong ties with local communities have been formed.

Thus, while the Thai palm oil industry is internationally competitive in terms of production volumes, it is characterized by a decentralized production structure involving small-scale farmers, which presents unique challenges in terms of socioeconomic aspects and when it comes to analyses of human rights risks. The palm oil value chain in Thailand has expanded from upstream plantation operations to midstream oil extraction and refining processes, downstream production of edible oil and processed food products, and to the renewable energy sector, including biodiesel and biomass power generation. This structure indicates that the country's palm oil industry does not merely function to supply agricultural products. It also forms a diversified industrial system that includes the energy and environmental sectors. In recent years, demand growth in the energy sector, has been particularly significant especially in terms of biodiesel applications. Such demand growth has become increasingly relevant in the contexts of national energy policies and decarbonization strategies as well.

2) Policy, Regulations, and Market Trends

The Thai government has strategically positioned the promotion of the use of biodiesel made from palm oil as part of its renewable energy policy. In the country, B7, B10, B20, and B100 have been introduced as blended fuel types, and a phased increase in blending ratios has been implemented under the leadership of the government. Through this, the government has promoted energy conversion policies aimed at reducing dependence on fossil fuels and reducing greenhouse gas emissions.

The policy aims not only to stabilize energy supply, but also to provide economic support to the agricultural sector. Export restrictions and price guarantees have been introduced to stabilize palm oil prices and ensure the incomes of farmers. Furthermore, the use of biodiesel in public transportation and power plants is being expanded, creating a policy framework for sustainable development in both the energy and agricultural sectors.

However, in 2024, drought and plant diseases resulted in reduced palm oil production, leading to a temporary suspension of Crude Palm Oil (CPO) exports. These events serve to reveal the impact of climate change and natural disasters on the country's palm oil supply system, and are recognized as important issues to tackle when it comes to the stabilization of production and risk management going forward.

3) Sustainability, Human Rights and Labor Issues

By 2024, the RSPO-certified area will reach 57,336 hectares, meaning that certification for small farmers is progressing. On the other hand, challenges such as limited access to funds and knowledge and weak negotiating

power do remain. While Thailand has not received as much international criticism as Malaysia and Indonesia, problems have been pointed out in terms of elements such as low wages, seasonal labor, and the treatment of migrant workers. Key sustainability themes include reducing environmental impacts, fair trade, and improving the livelihoods of farmers.

3. Case Examples of Human Rights Risks Reported in the Thai Palm Oil Industry (Based on Reports From International Organizations, NGOs, etc.)

1) Exploitation of Migrant Workers

Reportedly, migrant workers from neighboring countries such as Myanmar and Cambodia are often subjected to unfair working conditions, including passport confiscation, low wages, and excessive working hours. These actions restrict workers' freedom of movement and have the possibility of constituting de facto forced labor. Among the core conventions of the International Labour Organization (ILO), Convention 29 (concerning forced labor) and Convention 105 (concerning the abolition of forced labor) explicitly prohibit such practices. In addition, the United Nations Guiding Principles on Business and Human Rights (UNGPs) impose on companies the responsibility to respect human rights and the obligation to prevent and remedy human rights violations throughout their supply chains. Therefore, the exploitation of migrant workers constitutes a gross violation of human rights under international standards.

2) Child Labor Issues

In rural areas, there are scattered cases of children under 15 years of age being engaged in labor on family farms. Such work may be understood at first glance as a domestic or auxiliary activity, but when it deprives children of educational opportunities and interferes with their physical and mental development, it raises concerns about child labor.

ILO Convention 138 (concerning the minimum age for employment) obliges member states to establish a minimum age for employment. Convention 182 (concerning the prohibition and elimination of the worst forms of child labor) requires that children are protected from dangerous forms of work. Therefore, the existence of child labor is positioned as a violation of fundamental human rights consisting of the right to education and the best interests of the child.

3) Lack of Living Wages

Although the introduction of a piece-rate payment system presents a certain level of rationality from the viewpoint of productivity improvement, in practice, it often results in earnings that are below the minimum wage. Such a wage structure makes it difficult for workers and their families to maintain their basic livelihoods and may lead to the reproduction of poverty. ILO Convention 131 (concerning systems for the determination of minimum wage) calls for the establishment of a minimum wage system that takes into account the cost of living and socioeconomic factors of workers. The UN Guiding Principles on Business and Human Rights (UNGPs) also emphasize the "ensuring of wages that support a humane life" as a responsibility of companies. Thus, the lack of a living wage should be recognized as a structural problem that undermines the dignity of work.

4. Measures Serving to Mitigate Risks (Based on Reports From International Organizations and NGOs)

Human rights risks in the Thai palm oil supply chain require that multi-layered risk mitigation measures be undertaken by companies and relevant stakeholders. The three main approaches listed below are important means of balancing effectiveness in the field with the maintaining of consistency with international standards.

1) Acquisition of RSPO Certification

RSPO (Roundtable on Sustainable Palm Oil) certification includes basic principles of respect for human rights, such as the prohibition of forced labor and child labor, the ensuring of living wages, and the creation of safe working environments. RSPO serves as a comprehensive framework for managing human rights risks throughout the supply chain. In particular, RSPO P&C 2018 specifies the obligation to pay living wages, which is a concrete indicator of corporate social responsibility.

2) Specification of Human Rights-related Stipulations in Supplier Contracts

It is essential, as part of a company's human rights due diligence efforts, that contracts with suppliers clearly state that the fact that age verification will be performed and that corrective measures will be taken if human rights violations are discovered. Incorporating the principle of respect for human rights into contract clauses will also result in the clarification of responsibilities throughout the supply chain and enable preventive risk management to be undertaken.

3) Introduction of Living Wages and Support for Education

The introduction of living wages constitutes a fundamental measure to guarantee a basic standard of living for workers. Particularly at sites where piece-rate payment systems are the norm, there is a high risk that income will routinely fall below the minimum wage. Thus, the introduction of a living wage is the key to breaking the cycle of poverty. In addition,

the provision of educational opportunities is essential for the prevention of child labor, meaning that efforts are required to be undertaken by companies to provide support for education.

5. Future Prospects and Challenges (ASSC Analysis)

Future growth factors for the palm oil business include increased demand for value-added products such as refined oil, biofuels, and chemical products, in addition to increased domestic consumption. On the other hand, in order to make this growth sustainable, further promotion of sustainability certification, stronger support for farmers, and improved human rights risk management are required.

IV. Site Visits: Interview-based Survey Results

1. Dialogue with Stakeholders

We visited the provinces of Chonburi, Krabi, Samutprakarn, and Chumphon to inspect the labor environments and the human rights situation in the palm oil industry through the undertaking of dialogue with stakeholders.

1) Plantation A: Interviews with Plantation Personnel (e.g., Managers) and Personnel Engaged in Harvesting Operations

<Basic Information>

Plantation A is in the process of applying for RSPO certification. Other parcels of land found within the same family of plantations have already been certified. An explanation was provided to the effect that RSPO audits are conducted on a regular basis.

All of the workers were from Cambodia, and the practice of bringing in relatives to sign employment contracts during the busy season was confirmed to exist at this farm. Employment contracts are drawn up in English and do not include fixed terms.

Work permits are renewed for two years. A change of employer name is required when changing jobs.

Working hours are generally from 6:00 to 10:00. After the lunch break, work can be extended to 16:00 during periods involving high harvest yields.

The salary structure is based on a piece-rate system, but also allows the farmers to earn a certain amount of income because of work such as fertilization and maintenance work, which take place even when there is no harvest. One interviewee indicated that they earn approximately 40,000 baht per month.

In the work environment, harvesting operations are conducted twice a month, and the plots that workers are responsible for are assigned by row. A fine system (60 baht per bunch) exists for erroneous harvesting of unripe fruit, with a warning applied the first time and a fine being issued upon recurrence.

In terms of health and safety, limited use of personal protective equipment (hereinafter referred to as "PPE") was observed. There were also workers who were working with their bare hands and not wearing helmets. The workers' perception was that PPE reduces work efficiency.

Dormitories are provided by the plantation. There are no dormitory and utility fees. Water for domestic use comes from springs and rainwater. Shower rooms do not have doors, which remains an issue when it comes to the protection of privacy.

<Worker Interviews>

Interviews were conducted with several workers from Cambodia. Many had been in Thailand for more than 10 years and work on the plantations as a result of referrals from relatives or acquaintances. In some cases, they had migrated to Thailand with their families. In other cases, they had left their children in their home countries due to their children's education-related or school-related circumstances. One of the workers said that they had brought their children to Thailand when they were young, but that the children were now living in Cambodia because of difficulties when it came to transporting them to and from school. The frequency in which they return to their home country is once a year to once every two years.

Instances were also identified of spouses performing day labor on the same plantation or on another plantation.

2) Plant A: Interviews with Plant Personnel (Managers, etc.) and Workers

<Basic Information>

A palm oil production plant located in eastern Thailand. The company is certified as an RSPO member.

The company employs approximately 750 people, 200 of whom are Cambodian. Recruitment is conducted by the human resources department through websites and social media. Hiring decisions are made after interviews. Cambodian workers are hired through MOUs (government-to-government agreements) or through agents. Contracts are written in both Thai and Khmer.

Medical examinations and orientations are conducted at the time in which the individuals join the company.

The normal working hours were from 8:00 to 17:00 with breaks of 20 minutes in the morning, 30 minutes at noon, and 10 minutes in the afternoon. Shift workers work in shifts. There is a day shift (6:00-18:00) and a night shift (6:00-18:00), with employee rotations taking place every two weeks. Working hours are fixed at 12 hours, including overtime. There is one day off per week, with the day of the week differing for each employee. Salaries are paid twice a month (on the 5th and the 20th).

<Worker Interviews>

Interviews were conducted with employees working in the packaging department. The employees interviewed were found to have been working at the company for relatively long, with tenures ranging from 5 to 11 years. When it came to how employees came to be employed at the company, many of them were confirmed to have been introduced to it by friends or were employed through MOUs. There were comments to the effect that when travelling to Thailand under the MOU, it cost approximately 30,000 baht to undertake the processes such as those involved in passport and visa applications.

As for housing, most employees live in dormitories near the company, with a monthly cost of 1,000 baht for the dormitory and approximately 200 baht for utilities. Some lived in the dormitory with their families and were able to commute to work within walking distance of the company. Benefits include breakfast and lunch, with each participant bringing his or her own main dish.

Thai and Cambodian employees communicate using the Thai language, making it generally possible to communicate in business. Three uniforms were provided by the company each year, and participation in evacuation drills was also implemented as part of safety management. It was stated that while there is a system in place to facilitate consultations with supervisors and the human resources department when problems or difficulties arise, there are also cases where coworkers help each other out.

It was stated that suppliers with RSPO certification were subject to audits and questionnaires once a year. However, only about 1% of the approximately 4,000 palm plantations in the province are RSPO certified. The number of mills under contract is 33. Contracts are made on an order-by-order basis rather than on an annual basis.

The code of conduct covers the entire supply chain and is communicated to suppliers by having it posted on the company's website. Supplier audits are conducted on a spot-check basis. When problems are found to be present, they are pointed out and corrective actions are presented. It was stated that this year, the company was planning to conduct NDPE (No Deforestation, No Expansion on Peat and No Exploitation) training.

3) Plant B: Plant Proprietor and Plant Personnel (Managers, etc.)

<Basic Information>

The company extracts and produces CPO (crude palm oil). The company has obtained the RSPO Independent Smallholder (ISH) Certification, the RSPO Supply Chain Certification, and the RSPO P&C Smallholder Certification. The company has two production lines and clearly separates CPO and CSPO (RSPO-certified palm oil) production. Annual production capacity amounts to 80,000 tons (50,000 tons of CPO and 30,000 tons of CSPO). All CSPO is supplied to the domestic market. RSPO certification was achieved 12 years ago for the plant and 11 years ago for the plantation. It was introduced for the purpose of improving sustainability and expanding sales channels to the European market.

Since certification, the company has achieved improved quality and increased income, and has been recognized as having established a sustainable management cycle.

The total number of farmers with which the company has transactions is approximately 3,000. 918 of them are CSPO members. The relevant plantations cover 4,000 hectares.

Training is provided to CSPO farmers twice a year. The content of that training complies with RSPO standards (human rights, prohibition of child labor, etc.). Internal audits are conducted once a year, with the main findings being concentrated on environmental aspects. Some matters were pointed out with regard to the dumping of waste into cultivated lands and with respect to the provision of buffer zones for rivers. The company only makes occasional visits to uncertified farmers, and no organized training has been conducted for them.

Traceability has been completed for 918 farmers. Other farmers are currently only partially compliant and plan to complete their efforts to be EUDR compliant by next year.

No child labor was confirmed to be taking place. The reason given was that oil palm fruit is heavy item, thus making it physically difficult for children to carry.

4) Farmer B: Interviews with the Plantation Proprietor and Workers Engaged in Harvesting Operations

<Basic Information>

The plantations range in size from 14 to 16 hectares, with annual harvests of approximately 24 tons per hectare. The plantation is managed by the plantation owner themselves, and during the harvest season, a local harvesting team undertakes the work. The harvesting team makes seasonal trips to several plantations in the region, working in group units of about six people. The team brings in their own working tools, and the harvested fruit is transported by trucks owned by the plantation owner.

Remuneration for harvesting is paid based on weight, with the going rate being 600 baht per ton. Contracts are verbal and flexible relationships are being maintained.

Related costs are borne by the company. Audits include pesticide control, worker age verification, and signature verification for payroll payments. Migrant workers are few in number, and harvesting requires a certain level of experience.

<Interviews with Workers>

The harvesting team has been contracted to work at the plantation for approximately two years. The team currently consist of nine members. Harvesting compensation is paid on a daily basis at 600 baht per day. The team also undertakes the work involved in spreading the fertilizer, for which a fee of 50 baht per bag is set.

The use of PPE was limited and there was a tendency for workers to avoid wearing helmets in order to ensure their fields of vision. When it comes to health care, they are covered by the national health insurance. The cost of a visit to the hospital is about 30 baht.

In some of the places visited (plantations), there were stories heard about parents bringing their children to work on school holidays. They sometimes do light work, but it is not perceived as work or labor, but rather as play or assistance.

Wages are received by the harvesting team leaders from the plantation proprietor. The harvesting team is composed mostly of Thai people, with a majority of those from the north and some being from Myanmar.

Oil palms are subject to harvest on a 20-day cycle, so the harvest area is patrolled every 20 days. Although there were no written labor contracts between the plantation and the workers (only verbal contracts existed), it was observed that the people engaged in the work every year were the same. Harvesting is done throughout the year, but no work is done during the Songkran Festival (the Thai New Year) and the year-end and New Year holidays.

It was confirmed that foreign workers were signing the necessary documents to obtain work permits.

The remuneration for harvesting work is set at 800 to 1,000 baht per ton. If someone handles 10 tons a day, they will earn 10,000 baht. This corresponds to about twice the minimum wage. An explanation was provided to the effect that income levels were high compared to Malaysia. The wages of the harvesting workers do not vary depending on the quality of the oil palms.

5) Plant C: Interviews with Plant Personnel (Managers, etc.) and Workers

<Basic Information>

The company has NET ZERO CARBON and RSPO certifications.

The company has 398 employees and in addition utilizes three subcontractors for security, cleaning, and labor services. The purchasing department is in charge of selecting outside contractors, and each department recruits through a website after having presented staffing requirements. Physical examinations are conducted. However, no pregnancy tests are offered to women.

The normal work schedule is from 8:00 to 17:00. There are three shifts (7:00-15:00 / 15:00-23:00 / 23:00-7:00) based on the nature of the work handled. The maximum working hours, including overtime, are limited to 16 hours per day (regular 8 hours plus 8 hours of overtime), with a 24-hour rest period set up after consecutive workdays. The management of work hours is based on the Thai Labor Law (48 hours per week plus 36 hours of overtime). However, based on evaluations performed through SMETA audits, the number of hours has been limited to 72 hours per week (48 hours plus 24 hours of overtime). No labor union has been established, but a welfare committee has been operating for about 20 years in accordance with the law.

In terms of safety measures, evacuation drills involving subcontractors are conducted once a year for all three shifts. The company is considering introducing earthquake response drills. A dedicated app has also been introduced which allows employees to quickly report hazardous locations in the plant.

The company also undergoes annual SMETA audits. During past audits, some things were pointed out regarding working hours. However, an explanation has been provided to the effect that the items in question are compliant with domestic laws.

<Interview with Workers>

The interviewees were those working in filling and administration-related departments, with the longest tenure at the company being 35 years. Benefits include free meals and medical assistance for family members. These are highly praised by the workers. The salary is approximately 20,500 baht plus bonuses. Subcontractor employees are also on staff, and opportunities exist for them to attend safety training and become full-time employees.

6) Plant D: Interviews with the Plant Proprietor, Plant Personnel (Managers, etc.) and Workers

<Basic Information>

Conducts production and sale of palm oil. Supplier management is categorized into three types: management of large plantations, small plantations, and intermediaries. Only about 2% of plantations are RSPO-certified. The number of farmers with whom the company has regular transactions was about 300-400, with the pool of farms overall consisting of about 1000 farms.

The company has obtained multiple certifications, including ISO, RSPO, and GMP certifications, and has established an energy-circulating production system, which includes the establishment of a power generation plant and a biogas plant. The company has already obtained the Carbon Footprint Certification and aims to be among the top three in the country by 2025.

Human rights policies include the establishment of a safety committee and a process for the treatment of complaints. Regular training is also provided to farmers and subcontractors. It is also being made known there that child labor is prohibited.

The workforce consists entirely of full-time Thai employees, with 651 people working at the two locations.

The production line operates on a three-shift system (8:00-17:00 / 16:30-0:30 / 0:00-8:30). There is one day off per week. Ten years ago, health problems caused by long working hours prompted the company to move to a three-shift system. Hourly wage adjustments have helped maintain pay levels. Currently, overtime is performed during two shifts only on Fridays and Saturdays, with overtime averaging about 20 hours/month.

<Interview with Workers>

The interviewees were employees working in a variety of occupations, including production, maintenance, and cleaning. Their tenures at the company ranged from 2 to 21 years. Overall, the workplace environment and benefit are generally assessed to be favorable. Also, the large number of long-term employees there indicates that a certain level of employee retention is taking place.

Work schedules vary depending on the type of work being conducted, with clerical staff working fixed hours (8:00-17:00) with no shifts. Production departments work with two or three shifts. The change to a three-shift work schedule has increased break times, which has been positively received by employees. Working hours and holidays are generally in line with regulations. Paid vacations (10 days per year) are also taken.

In terms of benefits, the company has a well-developed system that includes medical insurance coverage, uniforms, safety shoes, and helmets, as well as salary increases and bonuses, which are highly praised by all employees, including cleaning staff. Annual physical examinations are also conducted. Special items may be added depending on the department.

In terms of safety, helmets are mandatory, but harnesses are not used at all times due to the short working hours involved. First aid, chemical handling, and safety training based on company policy are all in place.

It was also confirmed that evacuation drills are conducted every February for both day and night shifts.

Fair opportunities for promotion and career opportunities are also provided, with case examples existing of work examinations resulting in promotion from operator to leader. The orientations for new employees include training on Thai labor laws and human rights, with human rights-related education being provided periodically thereafter.

7) Plantation C: Interviews with the Plantation Proprietor and Workers Engaged in Harvesting Operations

<Basic Information>

The plantation is RSPO-certified and has a total area of 22.4 hectares. Harvesting is handled by a dedicated seven-person harvesting team. Harvesting and transportation fees are set at 776 baht per ton and fertilizer application at 50 baht per 50 kg. Signatures are exchanged and verified at the time of payment. Liquid fertilizer provided by the plant is used for fertilization. Harvesting is conducted every 15 days. The harvesting team moves between several plantations and is comprised mainly of associates from the proprietor's own former harvesting business.

Regarding the benefits of RSPO certification, the proprietor stated that certification has increased purchase prices. From an environmental perspective, the use of pesticides was eliminated after certification. The cost of certification was covered by an affiliated plant and constituted a part of the support provided to small-scale farmers.

One Myanmar national was employed as a foreign worker. The individual was hired because they came to the farm saying that they were looking for work. The individual has a passport and visa and is legally employed at the farm.

The plantation denied that child labor was taking place, saying that children cannot take part in oil palm harvesting because it requires physical strength. However, it was stated that when children were young, the employees sometimes let the children play in the plantation, meaning the plantation recognized that this could be mistaken for child labor in cases where residences exist on a plantation.

They are purchased with documentation from those with formal ownership rights and comply with the RSPO's regulations on deforestation. Regulations regarding the expansion of agricultural land are relatively loose, but no uncontrolled development is being undertaken.

Although there is no official manual that exists for the harvesting process, the process does require skill. Only after about a month of hands-on experience is one able to conduct the harvesting of the fruit.

<Interview with Workers>

PPE such as hats, goggles, gloves, and boots are worn during work, and safety measures are implemented. To date, no accidents have occurred during the work. The proprietor pays for the medical examinations provided to the harvesting team and accompanies the team on medical examination days which are implemented by the affiliated plant. Work gloves are also provided by the proprietor.

The leader of the harvesting team has been doing this work for 10 years and resides about a 30-minute drive from the plantation. Currently, the company is responsible for five farms, with a daily workload of about 15 tons. To date, no accidents have occurred during the work.

Salaries are received collectively by the team leader and distributed to the team members. Since oil palm harvesting is not easily affected by weather conditions, it provides a more stable income than other crops, with the profit left being sufficient even after deducting necessary expenses such as gasoline costs.

8) Plant E: Interviews with Plant Personnel (Managers, etc.) and Workers

<Basic Information>

This is a palm oil production company based in southern Thailand. To ensure a stable supply of raw materials, the company operates its own plantation and also purchases oil palms from local farmers. The plant takes care of the entire process spanning from pressing to refining oil and supplies it to food, cosmetics, and energy-related companies in Thailand and abroad.

The company has several plantations in the same province as the one where its headquarters is and in neighboring regions. The company is focusing on strengthening its quality control and occupational safety systems at both factories and plantations, and is in the process of obtaining ISO and RSPO certifications.

Including the plantations and the Bangkok office, the company employs approximately 1,100 people, of which approximately 30% are women. The company has five directly managed plantations in Thailand, employing approximately 300 people (full-time employees and harvesting workers).

Lao workers are recruited through reliable agents and employment contracts are drawn up in the Lao language. The recruitment cost is 15,000 baht per person and the workers have visas and work permits. Post-hire orientations are conducted in Thai. During safety training, the Lao workers who are already on staff serve as interpreters and explain the process.

Harvest workers work only during the daytime. No such work takes place on Sundays. Although income fluctuates from day to day due to the piece-rate system that is based on harvest volumes, the workers generally seemed satisfied with the current compensation system.

Equipment such as helmets, gloves, and boots are provided as safety equipment and must be worn during work.

On the plantation, the confirmation of work content and safety checks are conducted at daily morning meetings, with reminders being given to prevent accidents. New hires receive basic safety training and are always accompanied by a skilled worker when conducting hazardous work. Employee housing is equipped with running water and electricity, and sanitation management is regularly implemented.

The company has positioned respect for human rights as part of its management policy and is promoting practical initiatives when it comes to recruitment, labor environments, education, and supply chain management.

Regarding recruitment, the company is conscious of fairness and eliminating discrimination based on gender, age, nationality, and religion. It also has a welfare committee and a women's committee, and maintains facilities such as a lactation room, a breast milk storage room, and prayer room. Human rights education is provided both when individuals join the company and on a yearly basis. An internal reporting system is also in place.

The company conducts confirmations regarding compliance in terms of human rights with its suppliers and incorporates human rights-related education into plantation management training. The company has strengthened its structure through participation in RSPO and has seen an improvement in terms of employee retention.

<Interview with Workers>

Interviews with plant workers were conducted and the tenures of employees interviewed ranged from 3 to 20 years of service.

Working hours are based on shifts: Shift B (7:30-16:30), Shift C (15:30-24:00), and Shift D (24:00-9:00). Shift calendars are shared one month in advance, and the plant only shuts down completely during the Songkran Festival and the year-end and New Year holiday.

Salaries are paid on the 27th of each month (subject period: 17th of the month to the 16th of the following month). Overtime (OT) requests and pay stubs are managed through a dedicated app.

Benefits include full-time and night shift pay (for Shift C and Shift D), a company cafeteria, and annual medical examinations (including hearing tests).

Safety management includes annual training and the provision of PPE. Harnesses are also used when working in high places. Overtime is usually 3 hours and can be up to 7 hours during busy periods. Overtime must be applied for in advance. New employees receive training and a three-month probationary period. However, their salary remains the same.

9) Plantation D: Interviews with Plantation Personnel (e.g., Managers) and Workers Engaged in Harvesting

<Basic Information>

During interviews conducted with plantation proprietors with plant contracts, the stabilization of sales and improved quality control were confirmed to be taking place. Fee schedules are posted at purchase locations to ensure transparency. Agricultural training is provided on the plantations, and instruction on occupational safety is also provided. As for children going with employees to the plantations, an explanation was provided to the effect that they were only allowed to play and were not engaged in any work. Harvesting is subcontracted to teams and compensation is based on the amount of work done. The site area is approximately 80 hectares. An application system has been implemented to improve the efficiency of production management. Overall, approximately 300 employees are located at five plantations, with three QC (quality control) personnel making rounds to check quality. Transportation between plantations is done by motorcycle. Gasoline is paid for by the company.

<Interview with Workers>

Interviews with workers, mostly from Laos, had a wide range of tenures, from one month to 30 years, with some staying as families. Many Lao workers were hired through agent referrals or through recommendations from acquaintances. In many cases, they paid for their own passports, visas, and work permits in Laos in order to travel to Thailand, with costs generally ranging between 10,000 and 20,000 baht.

After entering the country, the company arranges for work permits.

Salaries are paid on the 27th of each month and are based on the base salary plus a piece-rate allowance.

Work is divided by gender based on work characteristics, such as heavy lifting, and PPE is provided and worn thoroughly. Oil palm fruit usually weighs 30-40 kg, and instructions are given for two people to work together when handling heavy pieces. It has been confirmed that no accident reports have been issued. Benefits include the provision of dormitories, social insurance coverage, a hotline, and lunch breaks.

The dormitory is located on a plantation, and for safety reasons, it is necessary to apply for permission from the company when leaving the dormitory. It was explained that the purpose of this is to confirm the whereabouts of employees in case an accident occurs.

2. Organization and Pointing Out of Key Issues from the Perspective of Business and Human Rights.

1) Protection of Foreign Workers' Rights and Contractual Issues

(1) Risks Related to Labor Contracts

On some plantations, employment contracts were drawn up in English even though the workers were from Cambodia. In employment contracts for workers from diverse backgrounds, it is essential to introduce a contract signing process that is undertaken in their native language to facilitate full understanding of the contract and to facilitate consent.

(2) Risks Related to Occupational Choices

In accordance with the local legal system, work permits are tied to the name of the employer and require a prescribed change procedure when changing jobs. From the perspective of international standards and global respect for human rights, there may be concerns that restrictions on workers' freedom of movement may lead to excessive restraints on employers or forced labor aspects. Therefore, a legal system that promotes workers' freedom of choice is expected to be established to ensure sustainable business operations and to build trust with overseas stakeholders.

(3) Ethical Recruitment Risks

Some of the sites visited used intermediaries (brokers) to secure human resources when hiring foreign workers. Efforts are being made by the sites we visited to select reliable vendors. However, the following issues have been pointed out (as the views of NGOs and international organizations) regarding the structure of recruitment taking place through intermediaries.

- > Risk of intermediaries charging unjustified commission fees to workers or subjecting workers to debt slavery
- > Potential risk of worker exploitation and human rights violations
- > Difficult to ensure transparency and traceability of the recruitment process

To reduce these risks, it is important for companies to conduct thorough due diligence on the selection and management of intermediaries from the hiring stage, improve the transparency of the hiring process, and strengthen worker protection mechanisms.

2) Issues in Terms of Health and Safety and Living Environments

(1) Partial Non-use of PPE and Limitations of Safety Training

With regard to the provision and wearing of PPE, which is important for occupational safety, gaps exist in terms of the actual operation of several plantations and factories when it comes to convenience and workability (such as workers not using helmets or other PPE). While respecting international standards and accepted opinions on PPE, investigations and measures are required to further improve occupational safety in light of the risk of accidents occurring due to compromised workability.

(2) Living Environment Issues

In the foreign workers' residences (dormitories) that we visited, spring water and rainwater were used as domestic water. There were issues such as shower rooms not being equipped with doors, indicating that there were aspects in terms of hygiene and privacy which should be taken into consideration. Since the improvement of basic living conditions for workers plays an important role in demonstrating a company's respect for human rights, it is expected that efforts will be made to create a better environment while taking into account local conditions.

3) Differences in Terms of the Treatment of Female Workers

At some of the sites we visited, foreign workers (women) underwent pregnancy tests upon entering the country. If a pregnancy was detected, the individual in question would be allowed to reenter the country and begin working after giving birth in their home country and after the mother's body had calmed down. When it comes to these mechanisms, cases involving involuntary tests may lead to invasions of privacy or discrimination. Therefore, it is important to fully inspect the mechanisms in place and confirm whether support measures and systems are in place wherein adequateness and appropriateness are ensured in terms of the protection of the rights of female workers.

4) Risks Based on Local Culture, Customs and Environments

(1) Risk of Child Labor

In some of the places visited (plantations), there were stories heard about parents bringing their children to work on school holidays. Regardless of local culture and customs, there is a risk of misunderstandings and criticism in today's world of international standards and heightened social scrutiny.

To avoid misunderstandings, children should not be allowed to perform work tasks when brought to the workplace. If it is absolutely necessary to bring them into the workplace, it is important to ensure that their activities fall within the scopes of "play" and "observation," and to ensure that they are not allowed to work.

(2) Informal and Verbal Contract Practices

As is customary in many rural areas in Asia, contracts between the harvesting teams (or within the teams) and the plantations visited this time were often verbal contracts. Aside from wages, there were concerns about the fact that working conditions, insurance coverage, and liability in the event of accidents were not defined in writing. These verbal contractual relationships make it more difficult to identify and create visualizations of the human rights risks that might be involved.

(3) Discrepancies Between Certification Systems and Actual Practices

It was confirmed that the introduction of international certification systems such as RSPO and SMETA audits have contributed to the reformation of the companies' awareness and improved profitability. On the other hand, even if a company is judged to have passed the audit, there may be various gaps existing in relation to international standards when it comes to day-to-day operations. Particularly with regard to respect for human rights, it is necessary to carefully assess the effectiveness of those audits in terms of whether appropriate audits are being conducted based on the principle that precedence is given to international standards over national laws and regulations. It is essential to ensure consistency with international standards and to continuously confirm compliance when it comes to actual practice.

V. Considerations and Conclusions Based on this Investigation

The Thai palm oil industry has made progress in developing systems and introducing certifications regarding respect for human rights based on international standards, which has been undertaken in light of criticism coming mainly from Europe and the United States. This aspect can be praised to a certain extent. However, as noted in the desk research mentioned above, the human rights risks for migrant workers entering Thailand from neighboring countries in particular are still considered high. Moreover, during the site visits taking place on this occasion, there were challenges identified amid a situation involving high reliance on foreign workers seen in the supply chain, namely the existence of labor contracts formed verbally, non-native language labor contracts, practices involving partially not wearing PPE, and integrated work and housing environments which lead to child labor risks. Therefore, it is necessary to continue to utilize and confirm the effectiveness of certification and human rights due diligence covering all ends of the supply chain and also continue to support the creation of an environment in which workers can exercise their rights through the provision of information and suggestions (while assuming firm compliance with laws and regulations).

VI. ASSC Recommendations

As a result of the visits taking place on this occasion, the ASSC believes the following points should be communicated as suggestions for improvement.

1. Expectations of Ajinomoto: Continuation of human rights due diligence
2. Expectations of local governments and local companies: Initiatives to improve international trust
 - 1) Appropriate employment contracts and language support
In order to ensure that workers fully understand contracts, employment contracts should be written in the native languages of the workers, and a system should be in place to promote their full understanding of the contracts provided.
 - 2) Occupational safety measures and improvement of accommodation environments

To protect the occupational safety and hygienic lives of workers, conduct research on the effectiveness of occupational safety measures and of the usage of PPE, and study necessary measures. In addition, periodically investigate the conditions of the accommodations provided and take necessary measures to ensure safe and hygienic living conditions.

3) Strengthening supply chain audits and human rights items

Conduct supply chain audits to the extent possible within the company's control and reinforce items related to human rights. To the extent possible, disseminate a policy of respect for human rights to upstream companies and seek their cooperation.

4) Guaranteeing the rights of female workers

As noted above, the topic of medical examinations and pregnancy tests for foreign female workers at the time of their entry into the country became a topic of discussion at some companies.

It is important to fully inspect these mechanisms in place and confirm whether support measures and systems are in place wherein adequateness and appropriateness are ensured in terms of the protection of the rights of female workers.

The assumption is that it is not permissible for employers or companies to conduct pregnancy tests during the hiring process because it would lead to invasions of privacy and discrimination. In Thailand, it is also illegal for an employer to treat a woman disadvantageously because of pregnancy. Therefore, it is necessary to thoroughly check the adequateness and appropriateness of the mechanisms in place when employing women (including support for returning to work and childcare).

5) Utilization of certification systems and audits and information disclosure

Depending on the size of the company and the nature of its business, consider using the RSPO certification system, SMETA audits, etc., and endeavor to disclose information on implementation statuses and results to the extent possible.