

RAPID RESPONSE

PALM OIL SECTOR REPORT 54



Prepared with
support from



December
2025

Table of Contents



01

PT Loka Indah Lestari
(Kencana Agri Group/Wilmar)

Supply Chain Information

Supply chain information included in Rapid Response reports is based on the latest public versions of mill disclosures, recent export data, and grievance logs. Mighty Earth encourages companies to send updated versions of mill disclosures as soon as they become available and to share any decision to suspend relations with a given group/company with rapidresponse@mightyearth.org.

New Case

Group: Kencana Agri/Wilmar

PT Loka Indah Lestari

Concession & Clearance Location: 0.716265°, 121.226434°

Deforestation and/or Peat Development					
Report	Deforestation (ha)	Area of Impact (ha)	Peatland Development (ha)	Tree Cover Loss (ha)	Time Period
53	~401				October 2023 - January 21 2025
	~339				January 21, 2025- December 2025

Planet satellite Imagery shows that between October 2023 and January 21 2025, there was a total of 401 ha of forest loss in the PT Loka Indah Lestari concession.

Planet satellite Imagery shows that between January 21 2025 and December 2025, there was a total of 339 ha of forest loss in the PT Loka Indah Lestari concession.



Supply Chain Information

Company/Group	Traders	Biofuel/Other	Consumer Brands
Kencana Agri	AAK, ADM, Apical, Cargill, Fuji Oil, GAR, IFFCO, KAO, KLK, Louis Dreyfus, Musim Mas, Olam, SD Guthrie, Wilmar	Avril, BASF, Biesterfeld Spezialchemie, Ecogreen Oleochemicals, Galaxy Surfactants Ltd, Indorama, Innospec, Lipsa, Neste, Nikko Chemicals, Nisshin Oillio, Olenex, Oleon, Sakamoto Yakuhin Kogyo, Stearinerie Dubois, Symrise, Zschimmer & Schwarz	Avon, Barry Callebaut, Beiersdorf, Colgate, Flora Food Group, Friesland Campina, General Mills, Grupo Bimbo, Hershey, Johnson & Johnson, Kellogg, Lion Corporation, Meiji, Mondalez, Nestle, P&G, Pepsi, PZ Cussons, Unilever, Vandemoortele
Wilmar	AAK, Bunge, Cargill, Fuji Oil, Goodhope, IFFCO, KAO, KLK, Olam, SD Guthrie	Avril, BASF, Biesterfeld Spezialchemie, Galaxy Surfactants Ltd, Indorama, Lipsa, Mewah, Mitsubishi, Mitsui, Neste, Nisshin Oillio, Olenex, Oleon, Sakamoto Yakuhin Kogyo, Patech Fine Chemicals, Stearinerie Dubois, Symrise, Zschimmer & Schwarz	Avon, Barry Callebaut, Colgate, Ferrero, Flora Food Group, Friesland Campina, General Mills, Grupo Bimbo, Johnson & Johnson, Kellogg, Hershey, Lion Corporation, Meiji, Mondalez, Nestle, Pepsi, P&G, PZ Cussons, Unilever, Vandemoortele

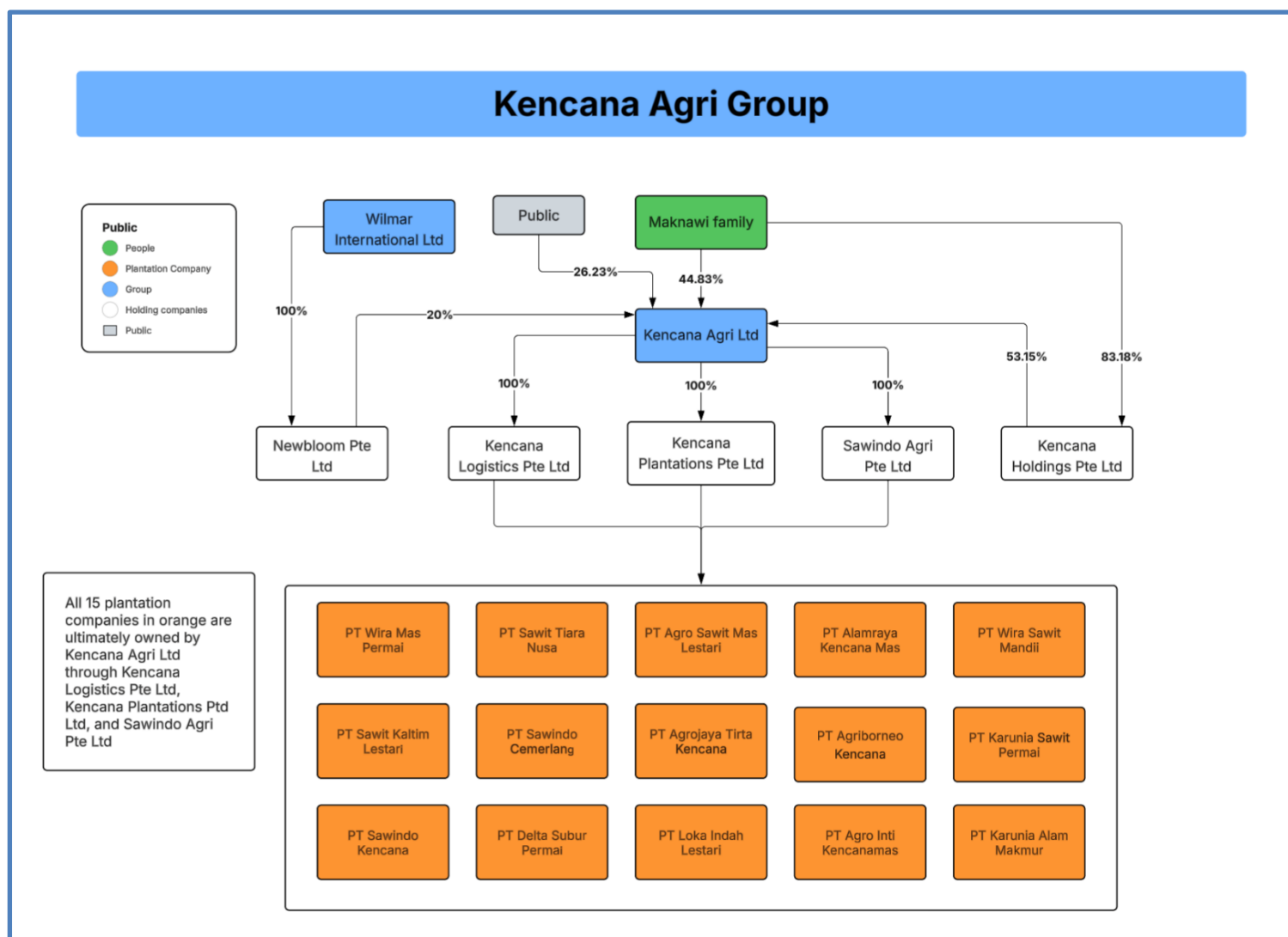


Case Notes and Evidence

Ownership Structure

The key ultimate non-public beneficial owners of the Kencana Agri Group are the Maknami family (44.83% shares) and Wilmar International Ltd (20% shares).

All fifteen Kencana Agri Ltd plantation companies are entirely ultimately owned by Kencana Agri Ltd through three holding companies: Kencana Logistics Pte Ltd, Kencana Plantations Pte Ltd and Sawindo Agri Pte Ltd. See ownership diagram below.



Case Notes and Evidence

NDPE policies

Kencana Agri's [2024 Sustainability Report](#) states that the company has an NDPE policy which covers: 'No deforestation of high carbon stock ("HCS") forest areas and no further land clearing of potential HCS areas until the results of the proposed HCS study are adopted.'

As shown in the ownership diagram, Wilmar holds a 20% stake in Kencana Agri Ltd. Wilmar's [NDPE policy](#) states that it covers: 'All Wilmar operations worldwide, including those of our subsidiaries, any refinery, mill or plantation that we own, manage, or invest in, regardless of stake.' Hence, Wilmar's NDPE directly applies to its investment in Kencana Agri. Hence, this case is a grievance against both Kencana Agri and Wilmar.

Unresolved grievance from 2024

Wilmar's [grievance log](#) shows that the grievance filed against PT Loka Indah Lestari in June 2014 was closed in 2015, with no further actions taken.

According to Fuji Oil's [grievance log](#), a grievance was received on the PT Loka Indah Lestari case in December 2024. The latest Fuji Oil grievance log - with an updated entry in June 2025 - shows the grievance as still being open and unresolved, with varying opinions from three different Tier 1 suppliers to Fuji Oil. The grievance log states that HCV and HCS assessments were conducted for the PT Loka Indah Lestari concession in 2014-2015. The HCV and HCS assessments are not available on the HCSA nor HCVRN websites, which assumes that the assessments were never subject to a peer review process.

Given the quality of forest that has been cleared, it is uncertain whether this area was: a) classified for protection as HCS and/or HCV ('No Go' areas) and the company is still converting the area to oil palm; or b) misclassified by the assessors as being non-HCS and/or non-HCV ('Go Areas').

Ongoing deforestation throughout 2025

The Planet images on pages 13-14 of this report show 740 ha of deforestation for the period between October 2023 and November 19, 2025. A total of 339 ha were cleared between January 21, 2025 and November 19, 2025.

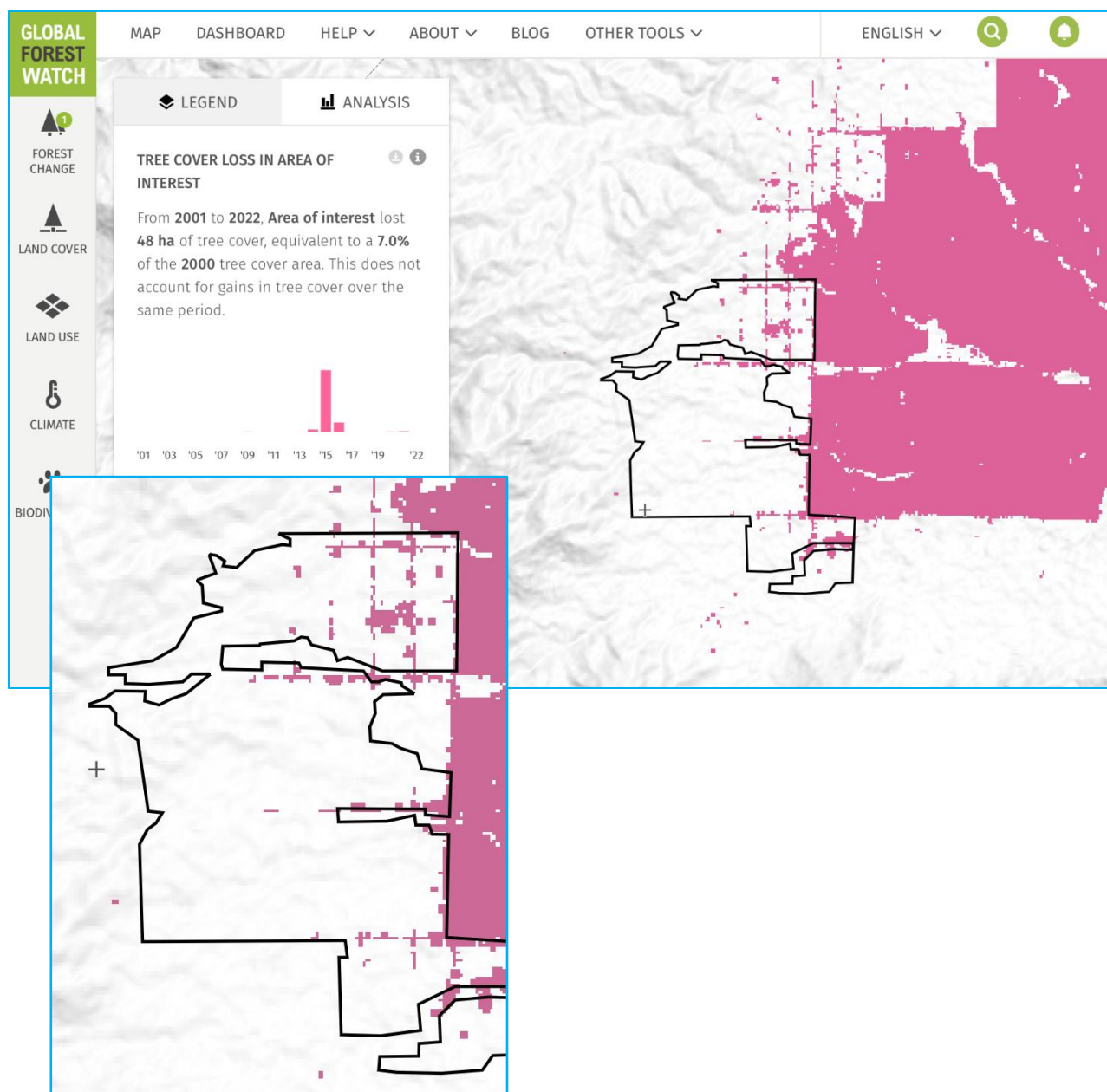
Mapping analysis below shows that the impacted area was not subject to substantial Tree Cover Loss for the period between 2001 and 2022 and that the areas cleared were high-quality closed canopy forest before and after the period in which the HCV and HCS assessments were conducted. Hence, the impacted area should have been classified as 'No-Go' HCS areas.



Mapping Analysis

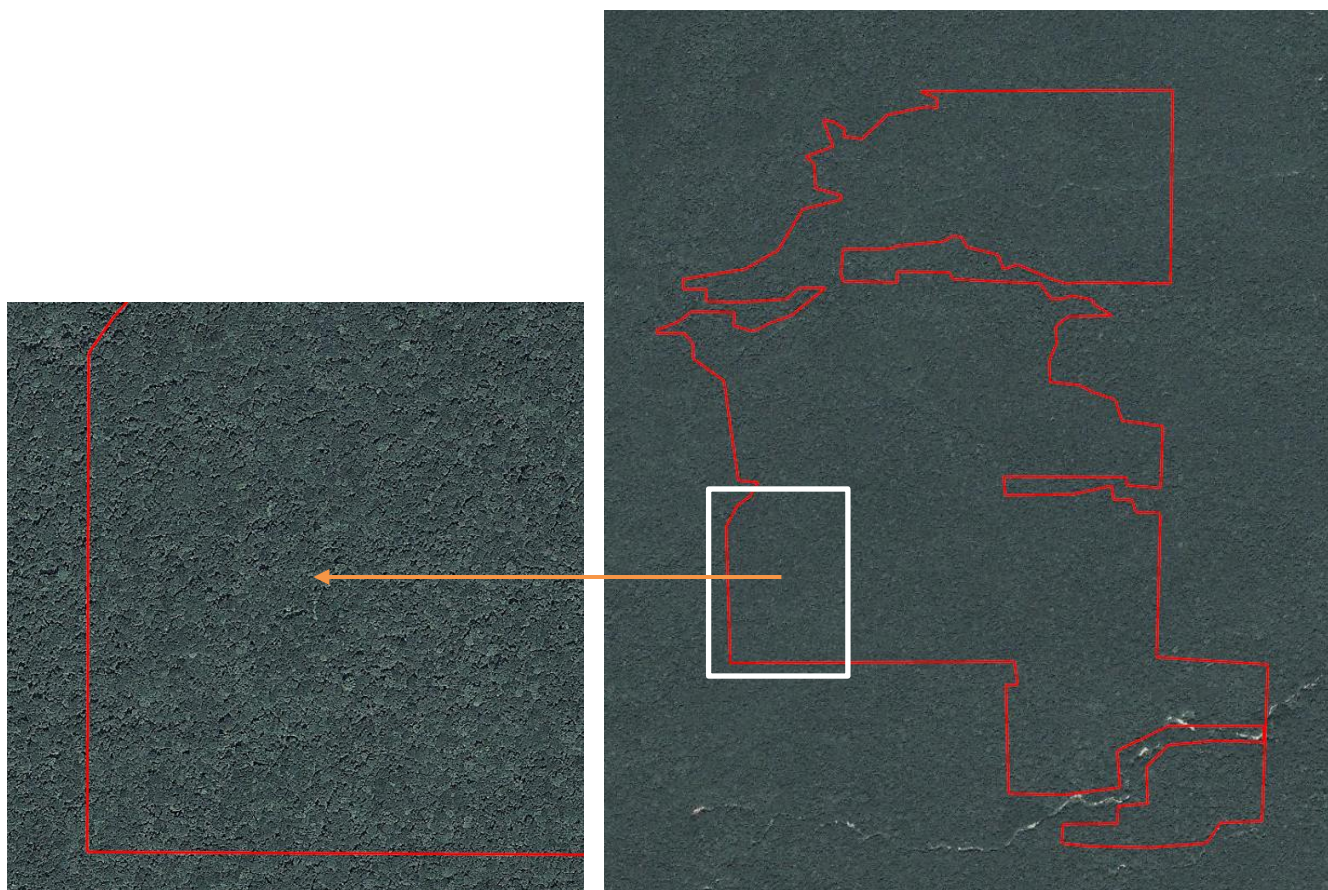
The Tree Cover Loss map below shows only shows 54 ha of loss between 2001 to 2022. Most of this was in 2015-2016 when the company was starting to clear a network of plantation roads in the area of impact.

This indicates that the area has not been cleared between 2001 and 2022 or experienced any significant level of disturbance during this same period.



Mapping Analysis

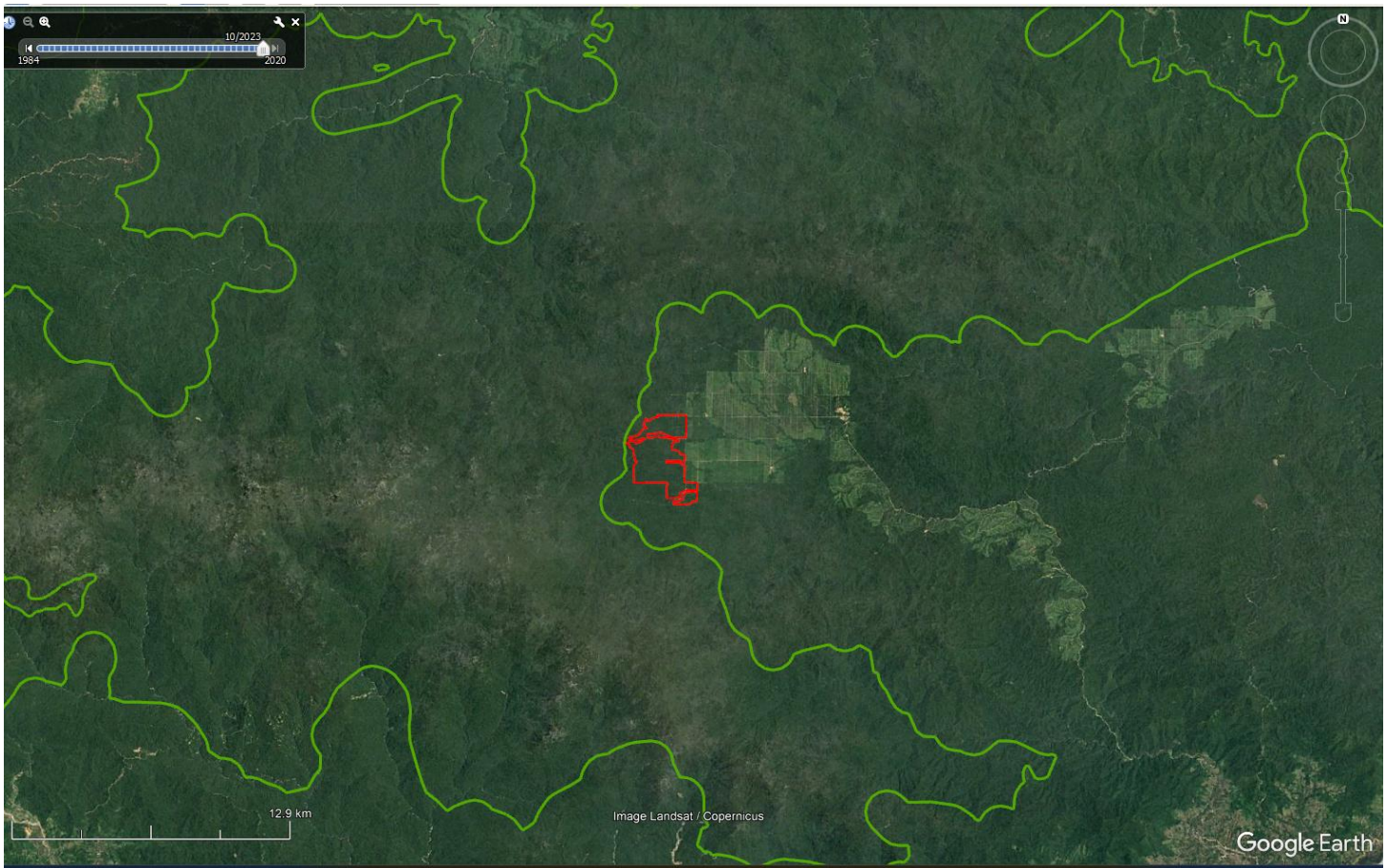
The satellite image below (captured prior to September 2013 - i.e. the period before the HCS and HCV assessments were conducted) shows closed canopy forest within the impacted area (red outline).



Mapping Analysis (cont.)

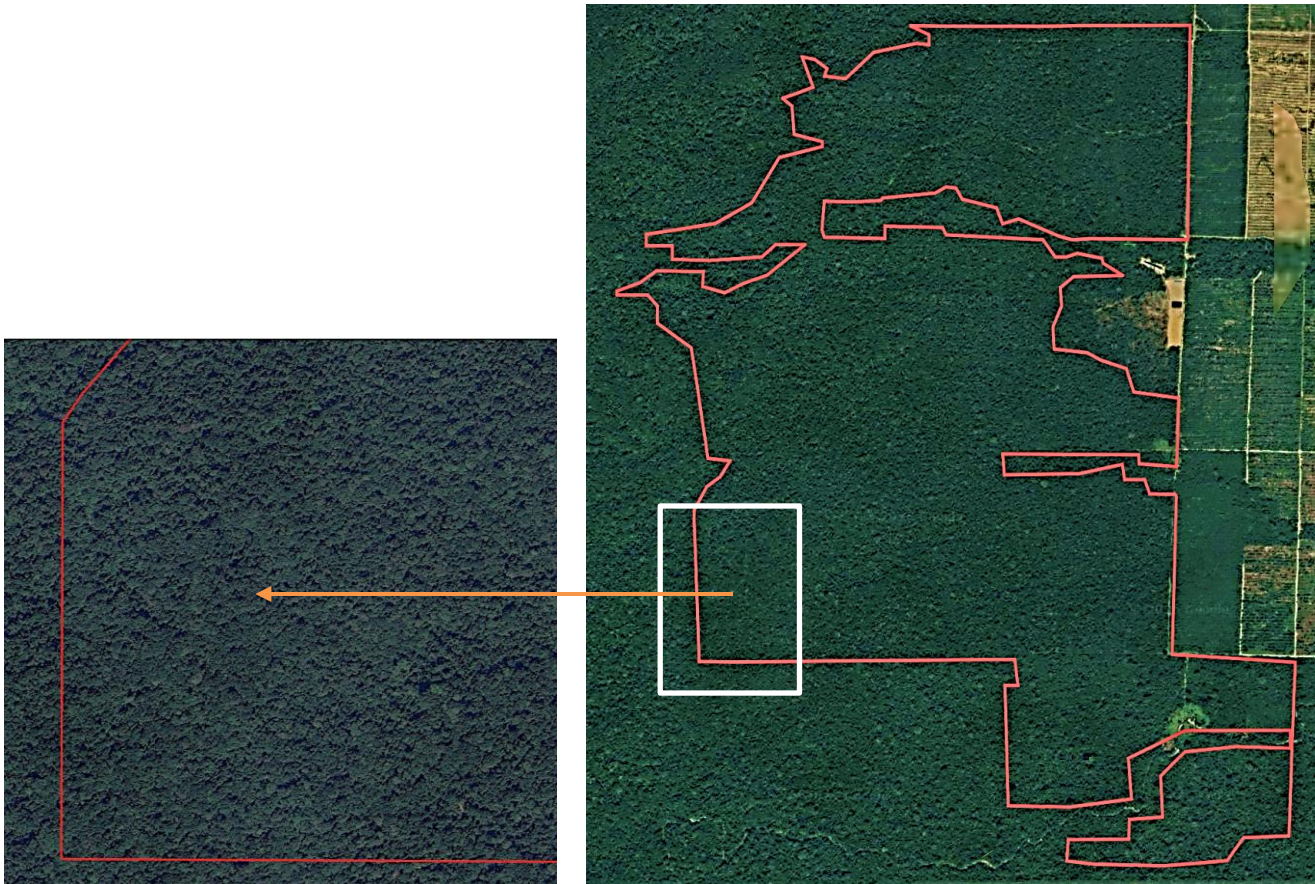
The map below shows that cleared area borders a 315,000-hectare Intact Forest Landscape or IFL (HCV2 primary forest area). The western tip of the most recent clearing is only 50 metres from the boundary of the IFL.

The green outline represents to boundary of the IFL. The red outline represents the impacted area.



Mapping Analysis (cont.)

The high-resolution Airbus image below (captured prior to October 30, 2023) shows the land cover of the impacted area (red outline). These areas include closed canopy forest with established palm oil plantations to the east of the impacted area.



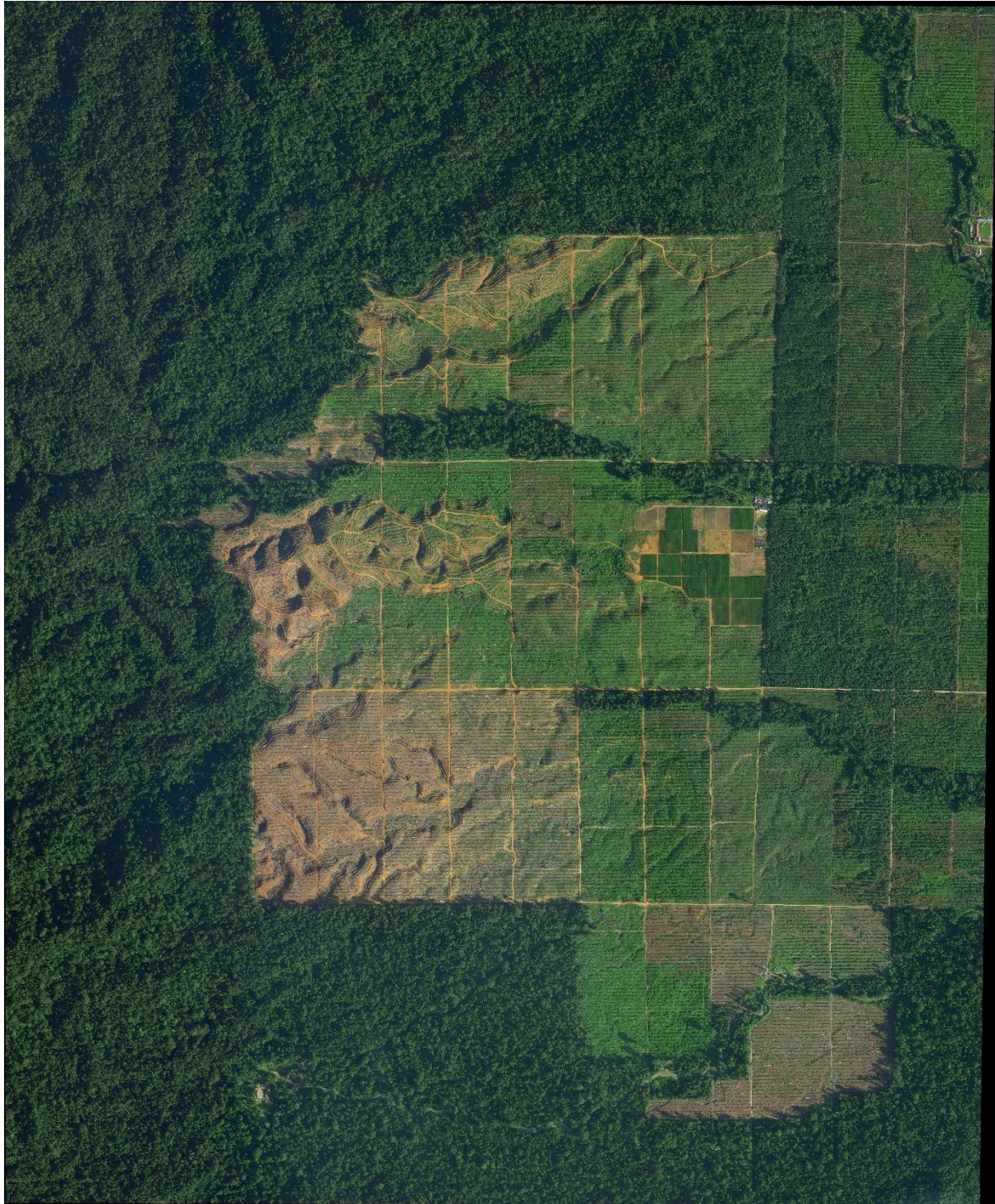
Mapping Analysis (cont.)

Captured on December 15, 2025, the high-resolution Planet images below shows the quality of the forest canopy next to the areas recently cleared.



Mapping Analysis (cont.)

Captured on December 18, 2025, the high-resolution Planet images below shows the quality of the forest canopy next to the areas recently cleared.



Mapping Analysis

Planet: October 23, 2023



Planet: December 24, 2024



Planet: January 21, 2025

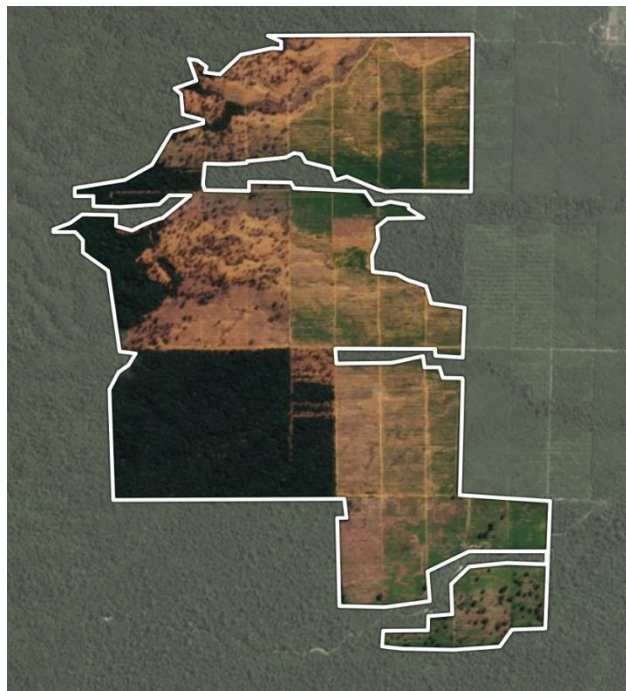


Planet: April 18, 2025

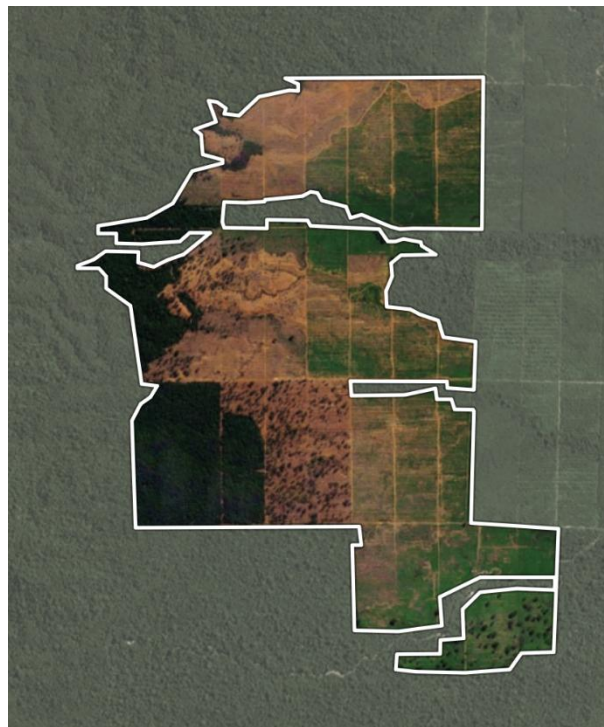


Mapping Analysis (cont.)

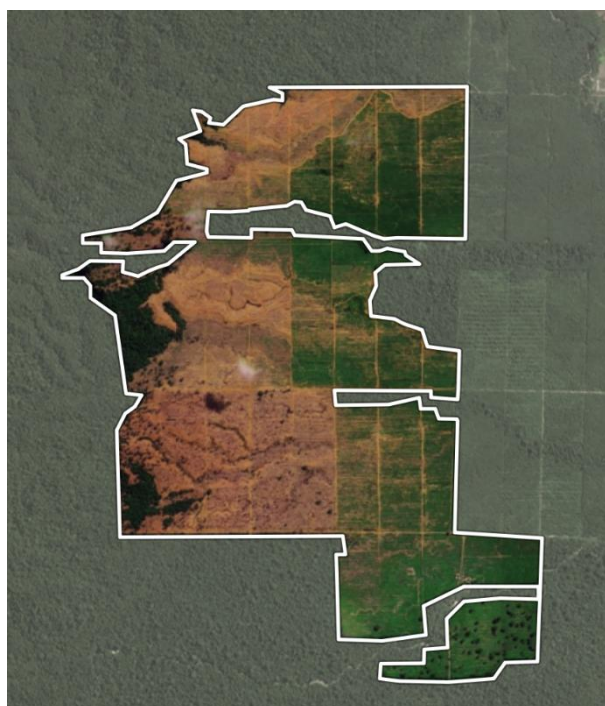
Planet: May 30, 2025



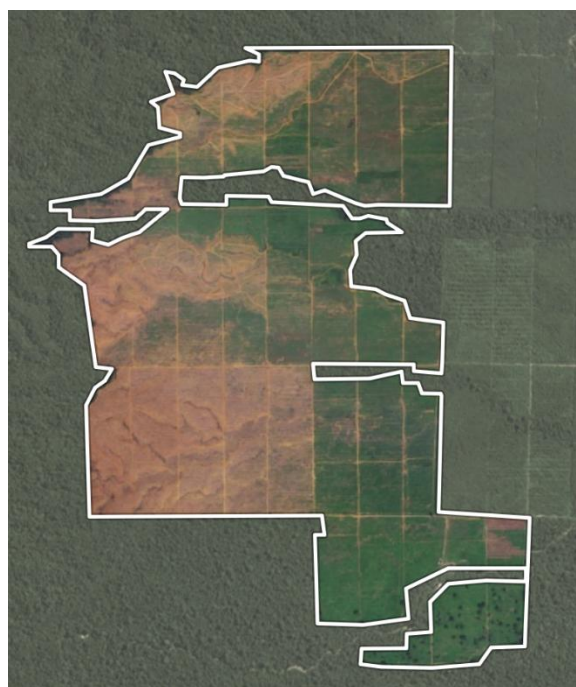
Planet: June 27, 2025



Planet: August 9, 2025



Planet: November 18, 2025





Follow Us: [LinkedIn](#) | [Twitter](#) | [Instagram](#)

1701 Rhode Island Avenue NW | Suite 3-123 | Washington, DC | 20036
www.mightyearth.org