

COCONUT RESPONSIBLE SOURCING POLICY

10 November 2023

Wilmar International Limited (“Wilmar”) commits to establishing a transparent coconut supply chain that is produced and sourced ethically and responsibly. We recognise sustainability as an integral part of our business, and therefore commit to a holistic approach to supporting resilient livelihoods in the rural communities where we operate. This includes the protection of human rights, consolidation of efforts to mitigate impacts of climate change and establish supply chains that are free from deforestation and conversion of peatlands for coconut production.

To reflect progress of our overall commitment to sustainable supply chains, while maintaining relevance to issues most material to the coconut supply chain, this Coconut Responsible Sourcing Policy (“Policy”) builds on the commitments framed within our global operational policies and supplier guidelines (as referred in the text box).

1. [Supplier Guidelines](#)
2. [No Deforestation, No Peat, No Exploitation Policy \(NDPE policy\)](#)
3. [Human Rights Policy](#)
4. [Human Rights Framework](#)
5. [Environmental Policy](#)
6. [Child Protection Policy](#)
7. [Human Rights Defenders](#)
8. [Grievance Procedure](#)

The Policy sets out key principles and approaches that will support partnerships with our suppliers to drive improvement in the coconut sector for sustainable long-term benefits and is applicable to all Wilmar coconut operations worldwide, including those of our subsidiaries and joint ventures and the operations of our direct suppliers of coconut products.

Further, Wilmar will adopt a progressive phased approach implementing this Policy and will continuously work together with various actors.

Our Business Integrity

We are committed to conducting our business in a responsible manner at all levels of the supply chain and continuously strive to ensure that we are aligned with industry best practice and applicable international, national, and local laws and regulations in jurisdictions where we operate.

We also recognise that local laws may sometimes constrain our capacity to implement certain aspects of this Policy. Where this is the case, we will comply with these local laws while continually seeking to respect and protect the principles outlined in this Policy.

The following principles are the core of this Policy:

1. Smallholder and rural livelihoods support

Wilmar is committed to addressing the well-being of smallholder producers through sustainability initiatives and programmes to improve farmer productivity and rural livelihoods such as:

- Training in agricultural best practices to improve and maximise farm productivity;
- Training to improve copra production and explore potential high value product development;
- Increasing access to technological and technical resources.

2. Coconut supply chain traceability and risk mitigation

Core to this Policy is a commitment to create transparent sourcing network through traceability mapping to understand our supply chains and gain visibility to origin. This forms an integral part of providing greater transparency in the supply chain, including supplier locations and knowledge of practices being used on the ground, to understand and mitigate associated environmental and social risks.

Wilmar will work with our suppliers to progressively build a traceable coconut supply chain, where we expect suppliers to share information and data on traceability.

Just as Wilmar is committed to ensuring [traceability and transparency](#) in our palm oil supply chain, we will apply a consistent approach and leverage this Policy to inform the enhancement of traceability in our coconut supply chain.

3. Upholding No Deforestation, No Peat, No Exploitation (NDPE) ambitions within the coconut supply chain

Wilmar is committed to sourcing from coconut supply chains that are free from deforestation and conversion of peatlands, both to protect biodiversity and mitigate the impacts of climate change. This commitment remains aligned with our (i) approach and core beliefs as indicated in the original [NDPE policy](#); and (ii) commitments to protect forests, people, and communities, while promoting progress in operational efficiencies and best practices.

In this regard, Wilmar does not allow the use of fire in preparation of new planting, or re-planting or any other development, in accordance with the full scope of this Policy. Any deliberate burning activities for land clearing by our suppliers will not be tolerated.

4. Protection of Human Rights

As a multinational company operating across borders, employing people from different nationalities, and interacting with a wide range of cultures, Wilmar takes our responsibility to protect human rights seriously. Our [Human Rights Framework](#), launched in 2019, was developed with reference to the United Nations Guiding Principles on Business and Human Rights Framework (UNGPs). It brings together all of Wilmar's policies that are relevant to human rights. The framework provides detailed instructions on the practical implementation of all principles. These include due diligence mechanisms for identifying, preventing, mitigating, and accounting for our impacts on human rights, including remediating any adverse impacts. Within this framework, we outline a number of policies and procedures to uphold human rights. This includes [Human Rights](#), [Human Rights Defenders](#), [Grievance Procedure](#), [Child Protection](#), [Women's Charter](#), [Sexual Harassment, Violence and Abuse](#), and [Reproductive Rights](#), [Workplace Health and Safety](#) and [Equal Opportunities](#). In the coconut production landscapes, the socio-economic welfare of the farming communities is a crucial area for attention and intervention. Such interventions may seek to:

- Improve on the ground visibility to eliminate worker exploitation, especially children;
- Improve access to services to meet basic needs of the farming communities, through maximising farm capacity and value, thereby supporting stable living incomes;
- Educate on and reduce the use of chemicals on the farm.

5. Complaints and Grievances

Wilmar operates a Grievance Procedure to enable any stakeholder to raise concerns against Wilmar and/or our third-party suppliers regarding the implementation of our Policy. All grievances logged under the Grievance Procedure shall be dealt with in a timely manner, and all investigations and findings will be reported transparently with full public disclosure.

Wilmar also operates a [Whistleblowing Policy](#), under the full scope of this Policy, where internal and external personnel may, in confidence, raise concerns about possible corporate improprieties, and establish a framework for independent investigations.

6. Public Reporting and Stakeholder Engagement

Wilmar values stakeholder input and commits to proactive and constructive engagement with all stakeholders, including communities, governments, customers and civil society organisations (CSOs) at the local, national and international level. This includes a commitment to make information more accessible through regular public reporting such as annual reports, sustainability reports and the Wilmar websites, and where locally relevant in formats and languages appropriate for affected stakeholders. In our reporting of progress of implementation of this Policy, we also welcome stakeholders to provide constructive input where relevant. Wilmar's aim is to constantly improve implementation. As new information and knowledge comes to light, either through our experience or through external research, Wilmar will adjust and improve our policy implementation in ways that are consistent with our goals of protecting forests, natural ecosystems, local communities and human rights.



Kuok Khoon Hong

Chairman and Chief Executive Officer
Wilmar International Limited