



2024-2025 UPDATE

# TIMEBOUND ACTION PLAN





At Wilmar, sustainability is ingrained in our business and influences every decision we make. Our commitment to sustainability is demonstrated at every level of the organisation, from the Board of Directors' strategic reviews and guidance to the way we run our operations and source responsibly from our supply chain.

In line with our business philosophy of maximising stakeholder value while mitigating environmental impact, we align our practices with social and environmental standards that are universally accepted. Our No Deforestation, No Peat, No Exploitation (NDPE) Policy guides our global operations and supply chain management. Through collaborations with industry players, consumer goods companies and non-governmental organisations (NGOs), we ensure our supply chain is geared towards making a positive impact on the world.

Sustainability efforts are not without challenges. The complexity and interconnected nature of sustainability issues require collaboration and coordination among stakeholders. Despite these hurdles, our unwavering commitment to sustainability drives us to overcome obstacles and find innovative solutions for a more sustainable future. We firmly believe that sustainability is an ongoing effort that demands dedication, perseverance and diligence, and is necessary in creating long-term value for society.

While we are motivated by the progress we have made, we recognise that our achievements are only possible with the support from our key stakeholders such as our employees, implementation partners, industry peers, researchers, civil society organisations (CSOs) and the broader industry.





# INTRODUCTION

Our 2024-2025 timebound plan is aligned with the chapter on Transforming Our Supply Chain in Wilmar's **Sustainability Report 2023** along with the **Palm NDPE Implementation Annual Report 2023**. This plan should be read in conjunction with the two reports.

WILMAR'S TIMEBOUND PLAN IS CENTRED ON THREE KEY PRINCIPLES:

## GOVERNANCE

Establishing an appropriate governance structure, controls and oversight of our business is essential to safeguarding the interest of all our stakeholders.



## RESPONSIBLE SOURCING & SUPPLY CHAIN TRANSFORMATION

Ensuring responsible sourcing activities by creating a traceable and transparent supply chain is vital to promoting inclusiveness. At the same time, we advocate supply chain inclusiveness by monitoring and engaging with suppliers through capacity building and other initiatives, as well as empowering them to meet our standards.



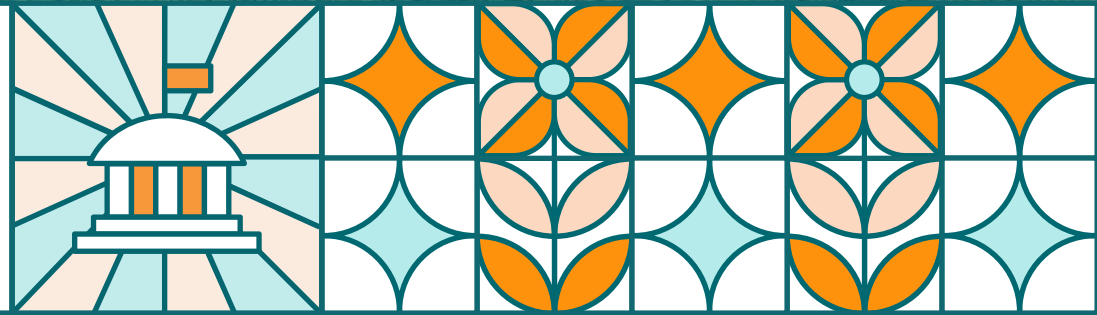
## TRANSPARENCY & ACCOUNTABILITY

Monitoring and reporting our progress transparently and regularly demonstrate our commitment to operating a responsible and sustainable business.





# GOVERNANCE



## SUSTAINABILITY GOVERNANCE

MATERIAL TOPIC	APPROACH AND PROGRESS	KEY ACTIONS 2024/2025
Wilmar's approach to sustainability is overseen by the Chairman and Chief Executive Officer and the Board of Directors, with the support of the Board Sustainability Committee (BSC).	The BSC is responsible for formulating Environmental, Social, and Governance (ESG) strategies, identifying ESG-related risks, evaluating ESG performance and targets, and monitoring the implementation of ESG-related policies and practices.	<ul style="list-style-type: none"><li>• The BSC meets quarterly to review sustainability matters and receives periodic reports and advisories from the Sustainability Management Team with support from the Independent Sustainability Advisors (ISA).</li><li>• Implemented an updated <b>Board Diversity Policy</b>. This Policy sets a quantitative gender diversity of 25% female representation on the Board by 2025 and 30% by 2030. This reinforces the selection of Directors from diverse backgrounds with a wide array of skills, qualifications and relevant experience.</li><li>• Key ESG targets were incorporated in the performance review of Executive Directors and key management personnel for FY2023. These include Climate Change, Responsible Sourcing and Supply Chain Transformation, Employee Health, Safety and Well-being, Business Ethics and Compliance as well as Talent Retention. These targets form part of a larger set of ESG topics that have been identified as being material to the Group.</li></ul>



# RESPONSIBLE SOURCING AND SUPPLY CHAIN TRANSFORMATION



## TRACEABILITY

MATERIAL TOPIC	APPROACH AND PROGRESS	KEY ACTIONS 2024/2025
<p>Committed to achieving:</p> <ul style="list-style-type: none"><li>• 100% traceability to palm oil mill (TtM) by 2024.</li><li>• 90% traceability to plantation (TtP) by 2023 and 100% by 2025.</li></ul>	<p>As of December 2023, we achieved 98.8% TtM for crude palm oil and palm kernel oil. This translates to about 26.9 million MT of palm and lauric products traceable to mills across our global operations. Achieving full transparency remains a challenge within complex commodity transportation and trading structures, particularly in countries such as China and India.</p> <p>Our approach to TtP is based on a set of <b>traceability criteria</b> specific to each type of supplier. Wilmar has maintained 100% TtP for all Wilmar-owned mills across our global operations since 2015. As of December 2023, 90.6% of palm and lauric products across our global operations, equivalent to 24.6 million MT, are traceable to plantation level.</p>	<ul style="list-style-type: none"><li>• Our roadmap to full traceability involves requesting traceability information for volumes received from third-party refiners, traders and bulkers.</li><li>• Our procurement practices involve prioritising suppliers who offer visibility to origin, thereby supporting responsible sourcing practices throughout our supply chain.</li><li>• Continue to engage with our suppliers to gather information on their sourcing. This includes voluntary disclosure of concession maps by our direct third-party suppliers, engaging relevant stakeholders in identifying deforestation risks for smallholders' fresh fruit bunches (FFB) supplies and requesting information from direct third-party mills, refiners, traders and bulkers through self-assessment tools.</li></ul>



## GRIEVANCES

MATERIAL TOPIC	APPROACH AND PROGRESS	KEY ACTIONS 2024/2025
Achieve a 100% response rate for all grievances.	<p>Since 2015, Wilmar has put in place a robust <b>grievance mechanism</b> to allow stakeholders to raise concerns against Wilmar and/or our third-party suppliers regarding the implementation of our NDPE Policy. As of December 2023, 85 grievances were logged, of which 81 cases have been closed and the remaining are in progress. In 2023, our response rate was 100%.</p> <p>In 2019, we updated our <b>Grievance Procedure</b> to better support the implementation of our NDPE Policy, in consultation with NGOs and subject experts. Our grievance mechanism now more succinctly addresses NDPE non-compliances through the following:</p> <ul style="list-style-type: none"> <li>• Immediate suspension at group level for suppliers involved in verified cases of deforestation and/or new development on peatland, effective from 1 January 2019, in accordance with Wilmar's "suspend first" approach.</li> <li>• Introduction of a <b>re-entry</b> criteria to enable suppliers to re-enter Wilmar's supply chain following a suspension related to non-compliance with deforestation and peat development. This includes a commitment to recovery plans for past non-compliances from a cut-off date of 31 December 2015.</li> <li>• Introduction of a <b>No Exploitation Protocol</b> to address the third tenet of NDPE Policy.</li> <li>• Inclusion of commitments to the protection of human rights defenders, whistleblowers, complainants and community spokespersons, while ensuring a provision of anonymity for whistleblowing and reporting of grievance cases.</li> <li>• Publication of a standalone policy on <b>Human Rights Defenders</b> in December 2021.</li> <li>• Publication of a <b>guidance</b> on development of recovery plan in 2023.</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain a 100% response rate for all grievances raised, and to resolve open cases promptly and transparently.</li> <li>• Continue to publish investigation updates and findings of all valid cases on our <b>Sustainability Dashboard</b>.</li> <li>• Continue to regularly review case studies to identify lessons learned and enhance our mechanism.</li> </ul>



## SUPPLIER ENGAGEMENT

MATERIAL TOPIC	APPROACH AND PROGRESS	KEY ACTIONS 2024/2025
<p>Ongoing engagement with suppliers is an important component of our strategy to ensure compliance with our NDPE Policy. Our supplier engagement process holds suppliers accountable in delivering expected milestones in line with our NDPE commitments.</p>	<p>Wilmar's supplier engagement process involves how we engage and hold our suppliers accountable to consistently deliver on expected milestones in line with our NDPE commitments at both operational and landscape levels. We will continue to engage directly with mills by rolling out our annual self-assessment questionnaire via the Supplier Reporting Tool (<b>SRT</b>), conduct field assessments of high-priority mills and develop continuous improvement plans.</p> <p>Through baseline assessment, we have developed a risk assessment procedure that allows us to prioritise engagement efforts with suppliers.</p> <p>Progress is monitored annually through the SRT and bi-annually through on-the-ground investigations and satellite imagery. Issues that cannot be resolved satisfactorily are escalated to Wilmar's Grievance team for further action.</p> <p>For more information, please refer to pages 12 to 16 in our <b>Palm NDPE Implementation Annual Report 2023</b>.</p>	<ul style="list-style-type: none"> <li>• Continue to roll out the SRT and supplier engagement programmes across global operations.</li> <li>• Continue to roll out supplier training sessions and supplier engagement programmes across global operations where relevant.</li> <li>• Conduct site assessments of high-priority mills and plantations.</li> <li>• Continuously ensure a thorough due diligence process undertaken for potential supplying mills before they are eligible to enter Wilmar's supply chain.</li> <li>• Adopt a group-level approach towards supply chain transformation, including managing non-compliant suppliers.</li> </ul>



## LANDSCAPE PROJECTS

MATERIAL TOPIC	APPROACH AND PROGRESS	KEY ACTIONS 2024/2025
Continuously seeking opportunities for partnerships and collaborations that can reinforce our capabilities in delivering on our commitments.	<p>Wilmar is dedicated to fostering transformation at the landscape level through active participation in various partnerships and collaborations. This approach is integral to our efforts in facilitating sector-wide transformation. We believe this will enable Wilmar to address complex sustainability challenges including deforestation, while promoting sustainable practices and development across our value chain.</p> <p>For more information, please refer to pages 25 to 27 in our <a href="#">Palm NDPE Implementation Annual Report 2023</a>.</p>	<ul style="list-style-type: none"> <li>• Play a multifaceted role in the Sabah Jurisdictional Approach by acting as a key stakeholder and collaborator, and participate actively in the Sabah Jurisdictional Certification Steering Committee, which guides the overall strategy and implementation of the approach.</li> <li>• Active participant in various Roundtable on Sustainable Palm Oil (RSPO) and MSPO working groups that strive to improve standards and practices and develop solutions to complex issues through a multi-stakeholder and participatory process.</li> <li>• Member of other initiatives such as European Palm Oil Alliance, Tropical Forest Alliance, Pongo Alliance, Business for Social Responsibility, Private Sector Coalition for Green Siak, and Palm Oil Collaboration Group, among others.</li> <li>• Promote sustainable community-based forest management in Telaga Village Forest in Kalimantan, Indonesia, in collaboration with the <a href="#">Community Forest Ecosystem Services</a>. Support the conservation of forest landscape in the Sugut region of Sabah, Malaysia, through the implementation of our Sekar Imej Conservation Area Project.</li> <li>• Part of the Production and Protection Beyond Concessions action group - a joint effort by 12 companies and several technical support organisations to identify equitable solutions that support livelihoods as well as forest and peatland conservation in areas outside of their concessions.</li> </ul>

## SMALLHOLDERS

MATERIAL TOPIC	APPROACH AND PROGRESS	KEY ACTIONS 2024/2025
Committed to ensuring 100% of our scheme and independent smallholders covered by our programmes have access to expertise and best practices to help them achieve NDPE compliance and enhance their livelihoods.	<p>Our approach focuses on empowering smallholders. We implement technical assistance programmes to improve agricultural practices, productivity and knowledge of our NDPE commitment. We also assist them in accessing financial aid and land development resources for replanting and planting materials. These initiatives aim to enable them to manage their plots independently and achieve relevant national and international certifications. Additionally, we facilitate market access by forming long-term partnerships with smallholders guaranteeing direct purchases of their FFB. This approach fosters self-reliance and long-term success for all involved.</p> <p>In 2023, 100% of our scheme smallholders and 36.1% of our independent smallholders were supported by our capacity building programmes. We actively support all schemes and interested independent smallholders through various programmes, including certification.</p> <p>For more information, please refer to pages 122 to 126 in our <a href="#">Sustainability Report 2023</a>.</p>	<ul style="list-style-type: none"> <li>• Our scheme smallholder programmes focus on providing training and support to improve sustainability practices, increase yield per hectare and ultimately achieve certification.</li> <li>• Our independent smallholder programmes are specific to each country and aim to address the unique challenges faced by farmers in their respective locations.</li> <li>• Actively support all schemes and interested independent smallholders through various programmes, including certification.</li> </ul>



## LABOUR AND HUMAN RIGHTS

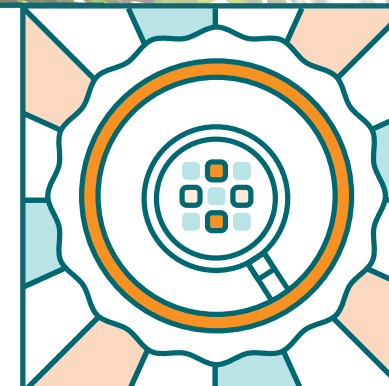
MATERIAL TOPIC	APPROACH AND PROGRESS	KEY ACTIONS 2024/2025
Committed to protecting human rights and upholding labour standards of our workers and our communities, believing in the universal recognition of the inherent dignity of every individual. By championing fair and ethical working conditions for our workers across our operations, we aspire to drive sectoral transformation towards people-positive business practices.	<p>As a multinational company operating across borders, we employ people of different nationalities and interact with a wide range of cultures. We therefore place significant importance on protecting human rights. We are guided by our <b>Human Rights Framework</b> which outlines key policies to identify, prevent and manage our impact.</p> <p>To ensure that we effectively safeguard the most vulnerable groups, we engage and collaborate with human rights experts and CSOs to gather feedback on our approach and progress. In addition, we actively participate in multi-stakeholder collaborative platforms involving stakeholders across different sectors and along value chains to collectively discuss and address salient issues in the industry. We also regularly carry out due diligence as part of our Human Rights Due Diligence approach.</p> <p>For more information, please refer to pages 80 to 103 in our <b>Sustainability Report 2023</b>.</p>	<ul style="list-style-type: none"> <li>Assess our suppliers using the SRT on elements such as the provision of food, water, accommodation, healthcare, transport, education and daycare to ensure all our employees are paid a living wage.</li> <li>Pilot tools for ethical recruitment practices and conduct regular internal audits including evaluations of human rights and labour practices throughout our upstream and downstream operations.</li> <li>Continue to ensure 100% of our palm oil plantations in Ghana, Indonesia, Malaysia and Nigeria have Women's Working Groups or Gender Committees.</li> </ul>

## CLIMATE CHANGE

MATERIAL TOPIC	APPROACH AND PROGRESS	KEY ACTIONS 2024/2025
<p>Wilmar is committed to progressively reduce greenhouse gas (GHG) emissions from our operations while supporting global efforts in mitigating the impacts of climate change.</p>	<p>As the world transitions to a low-carbon economy, we are now expanding our mitigation efforts across our global business. We use climate-related scenario analysis to evaluate our climate-related risks and opportunities. The assessment is based on a 2-degree Celsius scenario over the short term (two years), medium term (two to 10 years) and long term (more than 10 years).</p> <p>In 2023, we revised our baseline year from 2020 to 2022 to better reflect the recent increase in emissions as a result of delayed projects earmarked for execution in 2020 as well as to better align our data with the Forest, Land and Agriculture guidance that was launched in September 2022. Having completed our Scope 1 and 2 inventory for our new baseline year, we are now working on completing our Scope 3 baseline.</p> <p>Our commitment to minimising our climate impact similarly extends to our value chain. Suppliers are expected to adopt climate change mitigation practices in line with our NDPE commitments and the Agriculture Sectoral Roadmap to 1.5-degree Celsius: Palm Oil Sectoral Roadmap Commitment Index.</p> <p>For more information, please refer to pages 38 to 47 in our <a href="#">Sustainability Report 2023</a>.</p>	<ul style="list-style-type: none"> <li>• We plan to submit our targets to the Science Based Targets initiative (SBTi) for validation in late 2024. This involves developing comprehensive short-term, mid-term, and long-term targets consistent with a 1.5-degree Celsius pathway.</li> <li>• Continue to align our data and disclosure framework with GHG Protocol and Taskforce on Climate-Related Financial Disclosures.</li> <li>• Continue to advocate for the recognition and adoption of the <a href="#">Palm Oil Sectoral Roadmap</a> launched at COP27.</li> <li>• Committed to shift all suppliers' palm oil volumes into the "Delivering" category of the NDPE Implementation Reporting Framework (NDPE IRF) by 2025 in line with our <a href="#">NDPE IRF Action Plan 2024-2025</a>.</li> </ul>



# TRANSPARENCY AND ACCOUNTABILITY



## REPORTING

MATERIAL TOPIC	APPROACH AND PROGRESS	KEY ACTIONS 2024/2025
Monitoring and reporting progress transparently and regularly is essential in demonstrating our commitment to operating a responsible and sustainable business.	Aside from our <b>Annual Reports</b> and <b>Sustainability Reports</b> , the Wilmar <b>Sustainability Dashboard</b> is consistently updated with information related to certification, conservation, supply chain monitoring and NDPE compliance, grievances, traceability and more.	<ul style="list-style-type: none"> <li>• Provide full accountability on our approach and progress towards delivering our NDPE commitments across our palm supply chain in our standalone publication - <b>Palm NDPE Implementation Annual Report 2023</b>.</li> <li>• To enhance stakeholders' confidence in the data and information, Control Union Certifications was commissioned by Wilmar to conduct an independent assurance of the following disclosures: TtM, TtP, NDPE IRF, Satellite Monitoring, Supplier Engagement, Certifications, and Biodiversity and Conservation of Peat. Additionally, Ernst &amp; Young LLP (EY) has provided external assurance for other material ESG disclosures.</li> </ul>
Compliance with NDPE Policy.	<p>Our verification framework is intended to increase transparency in the supply chain and demonstrate accountability to stakeholders. We continue to invest in new technologies to identify and track issues across our supply chain in real-time and provide deforestation alerts and impact data.</p> <p>We continue to work with the ISA comprising of independent sustainability experts and eminent individuals who provide on-the-ground support to execute and evaluate the implementation of our NDPE and other sustainability-related policies.</p>	<ul style="list-style-type: none"> <li>• Proactively and continuously monitor our supply chain to ensure compliance with our NDPE Policy.</li> <li>• In line with our deforestation-free commitment, Wilmar proactively monitors all suppliers through multiple third-party satellite monitoring systems in addition to implementing other programmes.</li> </ul>





# WAY FORWARD

As the world looks to this pivotal decade to address the escalating climate emergency, businesses are urged to play an increasingly important role in tackling urgent challenges related to the environment and society.

Wilmar welcomes these developments as necessary guidance for the industry to achieve a more sustainable future.

Being a prominent player in the global agrifood industry with a footprint spanning the entire value chain, Wilmar holds a strategic advantage in utilising our resources and knowledge to generate positive outcomes for our stakeholders in all our operational areas.

Our sustainability initiatives will continue to be strengthened in 2024, focusing on conservation, climate, and communities, such as empowering women, protecting children and supporting smallholders. Wilmar remains committed to upholding accountability, transparency and engagement with our stakeholders as fundamental principles guiding our endeavours in fostering sustainability across our businesses.







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