



GRIEVANCE PROCEDURE FOR THE IMPLEMENTATION OF WILMAR'S NO DEFORESTATION, NO PEAT, NO EXPLOITATION POLICY

1. BACKGROUND

Wilmar International ("Wilmar") recognises that sustainable development is integral to the long-term viability and success of its business. As a major step in its commitment to conducting its business in a responsible manner at all levels of the supply chain, in December 2013, Wilmar launched its No Deforestation, No Peat, No Exploitation Policy ("Policy") to meet rising market demand for traceable, responsibly produced agricultural products.

Wilmar believes stakeholders play important and constructive roles in the implementation of its Policy and related policies. The Policy included a commitment to establish a Grievance Procedure to enable any stakeholder to raise a grievance against any party. All grievances logged under the Grievance Procedure will be dealt with in a timely manner, and all investigations and findings will be reported transparently with full public disclosure.

To ensure that implementation of the grievance procedure is a source of continuous learning, an annual review will be conducted to allow lessons learnt from real case studies to be used to improve the mechanism and preventing future grievances and harms. An initial review process has been conducted with both internal and external stakeholders through which feedback has been provided on various aspects of the procedure. The majority of feedback made reference to the United Nations Guiding Principles on Business and Human Rights. As the Respect for Human Rights is a key component of Wilmar's Policy, additional guidelines have been added in Appendix A for grievances pertaining to human rights.

Whilst it is acknowledged that the Roundtable on Sustainable Palm Oil (RSPO) maintains a grievance process to which Wilmar has an existing commitment, the ambitious scope of Wilmar's Policy will in some cases require a more dynamic approach to stakeholder engagement and transparency. To ensure predictability, any particular grievance raised through the RSPO grievance process will be addressed in accordance with the RSPO procedures.

2. OBJECTIVES

The objective of this procedure is to assist Wilmar in the implementation of its Policy by addressing stakeholders' grievances relating to the operations of Wilmar and its suppliers. This procedure is a reference for management and staff of Wilmar to handle any grievance from any external parties, including individuals,

government organizations and non-governmental organizations concerning the implementation of the Policy. Wilmar recognises that feedback and input from stakeholders is valuable because it helps to enhance transparency in our supply chain and provides a means to gauge progress on the implementation of the Policy. In this respect, the Grievance Procedure favours open and inclusive dialogues with stakeholders over complex administrative processes.

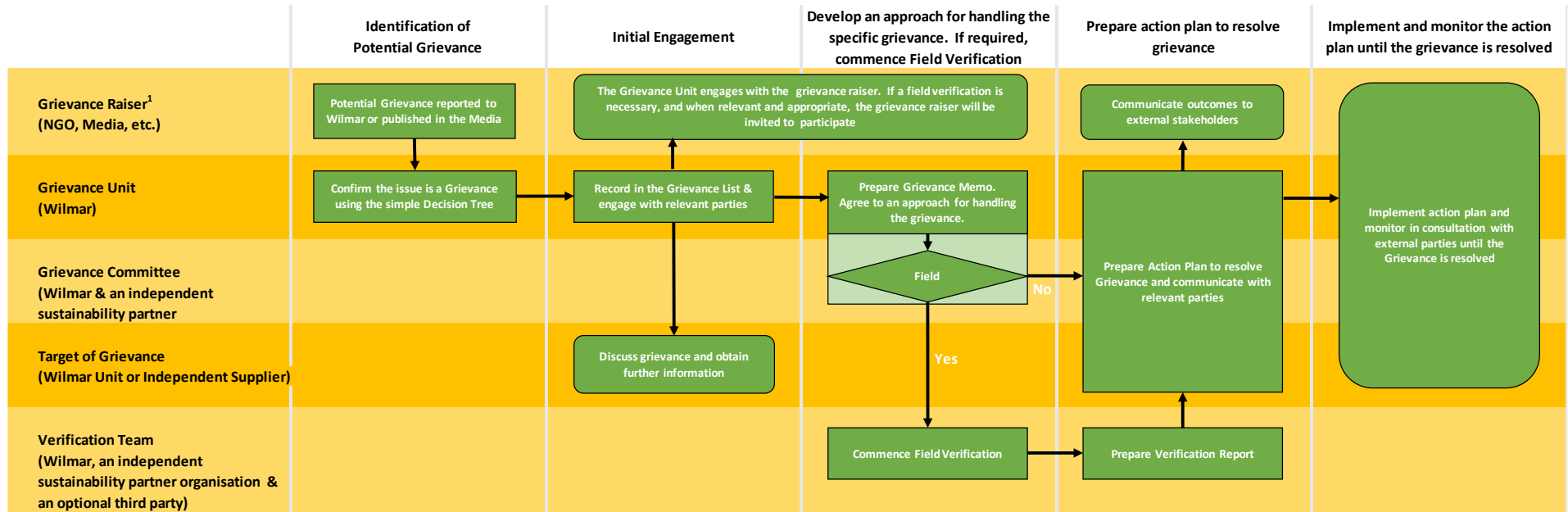
3. SCOPE

This procedure covers activities related to the handling of stakeholders' grievances with respect to the implementation of the Policy. This includes recording grievances, taking actions to verify claims, rectifying any confirmed issues, reporting the verification results and actions on the ground, delivering the response to stakeholders and managing and monitoring any follow-up action.

Wilmar's Policy and this Grievance Procedure apply to all worldwide operations and all third-party suppliers. When a complaint against a supplier is submitted to Wilmar, the Group will engage with the said third-party supplier to discuss the issues raised in accordance with this procedure, with the end-objective of resolving the issues. In the event that the supplier does not want to engage in the process towards resolution and compliance with the Group's Policy, Wilmar will review its relationship with that supplier and may cease the relationship as a last resort. Once Wilmar's business relationship with a supplier has been ceased, the Group will only reengage with that supplier if they are able to show tangible progress in implementing an acceptable action plan to remediate breaches to Wilmar's Policy.

4. GRIEVANCE PROCEDURE PROCESS FLOW

Wilmar-Policy-SOP-Grievance



¹ The Grievance Raiser may nominate a third party to act on their behalf.

5. REFERENCES

- a) No Deforestation, No Peat, No Exploitation Policy
- b) Environmental Policy
- c) Supplier Guidelines / Responsible Sourcing Guidelines

6. GENERAL TERMS

- a) A grievance is a complaint, concern or problem which an individual or a group wants the Group to address and find solutions for.
- b) The Grievance Unit established by the Sustainability Department will support the efficient and effective handling of grievances from third-parties.

7. DUTIES AND RESPONSIBILITIES

- a) The Grievance Unit at Wilmar's Head Office (Singapore)
 - i. The Grievance Unit is responsible for co-ordinating and performing all tasks necessary for the successful implementation of this Grievance Procedure, including engagement with the external parties who raise the grievances.
 - ii. A dedicated full-time Grievance Coordinator has been appointed to manage the ongoing implementation of this Grievance Procedure and co-ordinate actions with the Wilmar senior management. The Grievance Unit will also be responsible for drafting external communications, including response letters to Grievance Raisers.
 - iii. The Grievance Unit will maintain an organisational chart recording the personnel nominated to fulfil the roles defined in this procedure.
 - iv. Duties of the Grievance Unit include: to receive, record, classify, and report the grievances to the Grievance Committee and Verification Team. The Grievance Unit will also monitor media (print and electronic) for news relating to Wilmar and its suppliers in order to identify potential grievances. Potential grievances will be assessed by the Grievance Unit using the Grievance Decision Tree to determine if they qualify for further investigation or referral to the Grievance Committee. The Grievance Unit will maintain an up-to-date grievance list containing details of all grievances handled in accordance with this procedure. The grievance list will be circulated to the Grievance Committee and published on Wilmar's Dashboard on a monthly basis.
 - v. The Grievance Unit will make contact with the Grievance Raiser at the earliest opportunity, and invite them to participate in the process to reach a resolution, where relevant. Dialogue with the Grievance Raiser will be maintained throughout the process to ensure accountability for the fair conduct of the grievance process.
 - vi. The Grievance Unit will be responsible for developing action plans to address any verified grievances with the assistance of the Verification Team. On a quarterly basis the Grievance Unit will review any outstanding time-bound action plans established for past grievances to ensure that progress has been made against the agreed plan. Where progress has not been made in accordance with the plan, the Grievance Unit will re-submit the grievance case for review by the Grievance Committee.

b) The Grievance Committee

- i. The Grievance Committee is responsible for making management decisions in relation to grievances and, where possible, will make reference to public standards when making decisions. It is responsible for approving action plans designed to resolve grievances and for approving official correspondence to external parties in relation to verified grievances. If Wilmar verifies that one of its suppliers continues to be in breach of the Policy, the Grievance Committee will refer the findings to the Wilmar "Suspension Committee" and determine appropriate remedial actions which may include the suspension of business relationships with suppliers. Where suppliers who have been suspended are able to show tangible progress and commitment in implementing an acceptable action plan to remediate breaches to the Group's Policy, the Grievance Committee will refer the case back to the "Suspension Committee" to review the resumption of business relationship with the supplier. However, if it is verified that there are significant failures in the implementation of the action plan, the Grievance Committee will advise the "Suspension Committee" to immediately re-impose the suspension. The Grievance Unit will request the Grievance Committee to triage new grievances which do not directly qualify as grievances in accordance with the Grievance Decision Tree.
- ii. Senior management representatives from Wilmar and an independent sustainability partner organisation will form the Grievance Committee and where appropriate Wilmar will invite third-party observers to participate.
- iii. For cases where the grievance relates to companies which are under the ownership of Wilmar, the Grievance Committee will instruct the relevant operations to take the necessary actions to address the identified grievances. For cases where the grievance relates to Wilmar's suppliers for which Wilmar does not have ownership, Wilmar will engage with the suppliers' senior management to request for remedial action plan or for implementation of Wilmar's recommendations to achieve compliance with its Policy.

c) The Verification Team

- i. The Verification Team is responsible for investigating grievances to confirm their validity and collecting information to enable the Grievance Committee to deliberate on and address the grievances.
- ii. Members include Wilmar, an independent sustainability partner organisation and/or other third-party service providers as required.
- iii. Duties are to study and verify the grievance data/information provided by the external parties and, when necessary, to conduct field investigations to collect additional data to confirm the validity of the grievance.
- iv. The Verification Team will work together with relevant Wilmar staff and independent Wilmar suppliers in carrying out its duty.
- v. The Verification Team will develop report(s) outlining the result of its verification and recommended actions to address any confirmed issues that will be submitted to the Grievance Committee for approval before issuing to the said Wilmar operation or supplier.
- vi. The Verification Team may include external parties, such as the Grievance Raiser or a representative of the claimant who has been given a clear mandate through a letter of assignment.

d) Management of Wilmar's Operations

- i. Management of Wilmar's relevant operations unit will take the necessary actions to resolve and/or settle the grievance; and report the implementation and result to the Grievance Unit.

e) Wilmar's Procurement & Sustainability Departments

- i. Wilmar's Procurement Department and Sustainability Department personnel will take the necessary actions to raise and address the grievance with its suppliers; and report the implementation and result to the Grievance Unit.

8. PROCEDURE

8.1 Workflows

a) Grievances can be expressed via any of the following channels:

Via email to	grievance_procedure@wilmar.com.sg
By telephone to	(65) 6216 0244
By fax to	(65) 6836 1709
In writing to	Wilmar Trading Pte Ltd, 56 Neil Road Singapore 088830 Attention: Sustainability Department (Grievance Coordinator)

b) Grievances should include provision of the following information:

- Full Name
- Name of Organization (if any)
- Address
- Phone No./Fax No./Email Address (at least one contact point)
- Description of the grievance in detail
- Evidences to support the grievance

Contact details are required to seek further clarification on the grievance. The party reporting the grievance (Grievance Raiser) may request that their identity remain confidential. Any party may appoint a third-party to submit their grievances provided that the third-party follows the procedure.

In addition to grievances submitted through the official channels above, issues raised through unofficial channels, such as the media and the internet, will be recorded as grievances on request by either an independent sustainability partner organisation or Wilmar.

- c) All potential Policy breaches which come to the attention of the Grievance Unit will be assessed using a simple Grievance Decision Tree to determine if further investigation is required. The Grievance Unit records each grievance in the Grievance List and classifies the grievance scope by identifying the section(s) of the Policy which are relevant to the grievance. The Grievance Unit will establish contact with the Grievance Raiser and formally extend an offer to engage in dialogue about the grievance; it will then compile all available information about the grievance into a dossier which is then sent to the Grievance Committee for review. The Grievance Unit will maintain all the files and documents, including all the correspondences sent by the Grievance Committee to external parties.
- d) The Grievance Committee reviews the dossier from the Grievance Unit and determines whether a grievance investigation is required.
- e) If it is assessed that the grievance is unmerited or no field action is required, the Grievance Unit will submit a Response Letter to the Grievance Committee for approval before sending it to the Grievance Raiser.
- f) If the Grievance Committee assesses that the grievance is merited, the team will begin investigation by preparing a Grievance Terms of Reference (TOR) listing each stakeholder concern/ potential breach

of Policy requiring investigation. Dialogue with the Grievance Raiser will be maintained during this step to maintain accountability for the fair conduct of the Grievance Process.

- g) For cases related to Wilmar's own operations, the Grievance Unit will contact the relevant Wilmar operations unit to request a meeting and/or field visit to verify the validity of the issues raised in the grievance. If a field visit is conducted, the Verification Team will complete a verification report providing conclusions and recommended action plans.
- h) For cases relating to Wilmar's third-party suppliers, the Grievance Unit will work with the Wilmar Procurement Department to engage directly with the suppliers. The Grievance Unit may undertake interviews and dialogues with relevant stakeholders; and where necessary collect additional data to substantiate the validity of the grievance. Where possible, Wilmar will encourage the independent supplier to engage directly with the grievance raiser and monitor the dialogue between those parties. The Grievance Unit will prepare a case file assessing the validity of the grievance and the third-party supplier's willingness to comply with the Wilmar Policy.
- i) If it is determined that a field action is necessary to resolve a grievance within Wilmar's operations, the Grievance Committee will authorise the Grievance Unit to send an official letter to the relevant Operations Manager requesting them to take the necessary steps/action in the field to resolve the grievance. If it is confirmed that an independent supplier or a partially-owned supplier has breached the Policy, the Grievance Committee will authorise the Grievance Unit to send an official letter to the relevant Wilmar supplier requesting them to take steps to resolve the issues raised.
- j) Following completion of the verification report, the Grievance Unit will contact the Grievance Raiser and formally extend an offer to engage in dialogue about the grievance findings. The Grievance Unit will confirm whether the Grievance Raiser wants to engage in dialogue about the grievance findings and, if required, schedule a meeting/teleconference.
- k) For grievance relating to third-party suppliers, Wilmar will monitor the dialogue between the Grievance Raiser and the third-party supplier. In cases where a legitimate grievance exists and the third-party supplier does not demonstrate a willingness to comply with the Wilmar Policy through real actions to resolve the grievance, the Grievance Unit will submit a report to the Grievance Committee recommending that Wilmar suspend its relationship with the supplier.
- l) For grievances relating to Wilmar Operations, the relevant operations manager will conduct steps/action in the field to resolve the grievance and report the result to the Verification Team and the Grievance Committee. Actions in the field to resolve the grievance shall commence immediately and the relevant Operations Manager shall provide an implementation status and result report to the Grievance Unit and Grievance Committee.
- m) Immediately after obtaining the Field Action Report from relevant operations manager, the Grievance Unit will study the report and make a draft written response on behalf of the Grievance Committee to the party that reported the grievance and dissatisfaction. This Draft Response Letter will be reviewed and approved by the Grievance Committee before being sent.
- n) Any party that reported a grievance and is unsatisfied with the written response from the Grievance Committee can send its complaint to the Grievance Committee providing information on the issues that they consider to be insufficiently addressed. If deemed necessary, the Grievance Committee, with the assistance of the Verification Team, can conduct the following:
 - Invite the concerned party to obtain a direct explanation.
 - Where appropriate and relevant, provide opportunity and access to the concerned party to conduct a cross-check in the field and submit its result to the Grievance Committee.
 - Together discuss other options that may be undertaken to resolve the remaining grievance.

- Involve external independent observers (e.g. relevant experts or important stakeholders) in the verification process.
- o) For cases related to media reports (print and electronic) the verification will be handled according to the Grievance Procedure. The decision to respond to the media will be decided by the Grievance Committee.

8.2 Timelines for handling complaints and grievances

This Grievance Procedure is intended to be used to address a wide range of stakeholder concerns which will often involve numerous parties with conflicting interests. As such, the resolution of such grievances will at times involve lengthy processes of enquiry and mediation between various stakeholders and it will be necessary to apply a flexible approach in order to resolve such complex issues. However, it is important that grievances are addressed in a timely manner in order to demonstrate the credibility of Wilmar's Policy. In this context, the following timelines are provided for the key stages of this procedure:

For all Grievances:

- a) Within five working days of receiving the grievance the grievance unit will prepare a grievance dossier and contact with the Grievance Raiser.
- b) If it is assessed that the grievance is unmerited or no field action is required, the Grievance Unit will submit a Response Letter to the Grievance raiser within ten working days of Wilmar receiving the grievance.

For cases relating to Wilmar's own operations:

- c) Within one month of receiving the grievance the Grievance Unit will send an official letter to the relevant Operations Manager requesting them to take the necessary steps/action in the field to resolve the grievance.

For cases relating to Wilmar third-party suppliers:

- d) Within three weeks of receiving the grievance, the Grievance Unit will prepare a case file assessing the validity of the grievance and assessing the third-party supplier's willingness to comply with the Wilmar Policy.
- e) Within two months of receiving the grievance, the Grievance Unit will submit an action plan agreed with the third party supplier for resolution of the grievance or make a recommendation to the Grievance Committee that Wilmar should suspend its relationship with the supplier.

The complexity of each grievance will vary greatly across specific cases and as such it will be necessary to adjust the timeline to accommodate the complexity of the specific case. When adjustments to the timeline are required they will be communicated to the Grievance Raiser.

8.3 Monitoring mechanisms for handling grievances

- a) The Grievance Unit is responsible for overseeing all grievances and the relevant Operations Managers will monitor the progress in handling the grievance in their respective areas. In cases relating to third-party suppliers, the Grievance Unit is responsible for ensuring that the Procurement Department manages Wilmar's relationships with third-party suppliers in accordance with the Policy.
- b) The Grievance Unit, with the help of the Verification Team, will monitor the progress on handling the grievance in all the regional offices of Wilmar's operations. In cases relating to third-party suppliers, the Grievance Unit is responsible for monitoring the third-party supplier's progress on handling the grievance in co-ordination with the Procurement Department.

9 Appeals Process

If a Grievance Raiser is dissatisfied with the outcomes of a grievance assessment they may lodge an appeal. Appeals should be submitted through the official contact details recorded in section 8 above and include an explanation of the reasons for lodging the appeal. The Grievance Unit will contact the Grievance Raiser to acknowledge lodgement of the appeal within five working days of submission. The outcomes of the appeal review will be submitted to the grievance raiser within one month of receipt.

APPENDIX A: Additional Guidelines for Grievances Pertaining to Human Rights

The United Nations Guiding Principles on Business and Human Rights set out criteria designed to underpin a non-judicial grievance mechanism: legitimacy, accessibility, predictability, equitability, rights-compatibility and transparency. Wilmar will adhere to these principles when addressing grievances relating to Human Rights issues through application of the following guidance.

[a] Legitimate: Enabling trust from the stakeholder groups for whose use they are intended, and being accountable for the fair conduct of grievance processes.

Internal accountability safeguards will be implemented for failing to follow the grievance procedure and/or repercussions for unsatisfactory responses to meritorious grievances, as well as incentives for satisfactory or exemplary responses.

After a complaint is resolved, third parties will be allowed to access the grievance raiser to validate that they were indeed satisfied with the results of the grievance committee decision.

To prevent latent interference by one of the parties who may have or may be perceived to have vested interest, third party will be permitted to join the grievance committee on a case-by-case basis.

[b] Accessible: Being known to all stakeholder groups for whose use they are intended, and providing adequate assistance for those who may face particular barriers to access.

Wide distribution of the grievance mechanism will be undertaken to ensure that all relevant stakeholders are aware of the process.

Possible barriers to access during specific grievances will be addressed on a case by case basis through the following optional measures.

- (i) Establishing an access point for the grievance party through a third-party that is embedded within the community. This may be an NGO or a third-party that can provide financial and legal advice.
- (ii) Through assistance with resources for complainants who do not understand the grievance process, have language barriers, or are illiterate.
- (iii) A commitment to hold associated meetings at the village/community level in order to make them accessible for those who cannot travel.

[c] Predictable: Providing a clear and known procedure with an indicative time frame for each stage, and clarity on the types of process and outcome available and means of monitoring implementation.

[d] Equitable: seeking to ensure that aggrieved parties have reasonable access to sources of information, advice and expertise necessary to engage in a grievance process on fair, informed and respectful terms.

Where stakeholders require access to expert resources on both human rights and technical information in order to allow them to engage in the grievance on the basis of fair, informed and respectful terms, these will be provided by Wilmar. This information will be provided by an outside expert independent of Wilmar.

Where necessary, Wilmar will facilitate access to mediation and other conciliation experts.

Wilmar should provide Grievance Raisers with clear means of access to Wilmar staff throughout the grievance process for inquiries regarding the status of that Grievance Raiser's case.

[e] Transparent: keeping parties to a grievance informed about its progress, and providing sufficient information about the mechanism's performance to build confidence in its effectiveness and meet any public interest at stake.

[f] Rights-compatible: ensuring that outcomes and remedies accord with internationally recognized human rights.

Wilmar will consider hiring expert consultants with knowledge of human rights or labour rights to inform ongoing dialogues with Grievance Raisers in cases where human rights norms might otherwise be inadvertently waived by the negotiating parties.

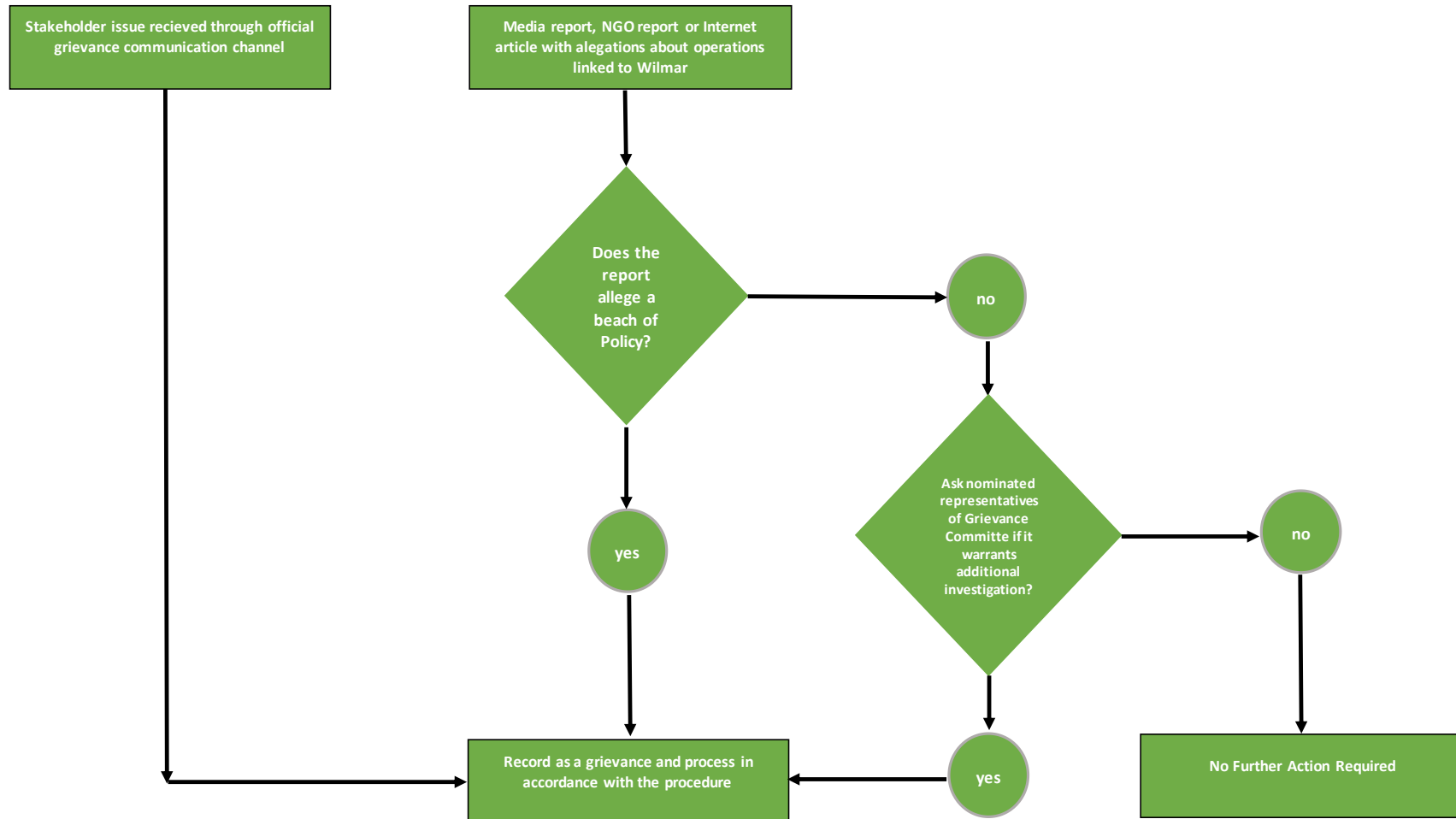
[g] A source of continuous learning: drawing on relevant measures to identify lessons for improving the mechanism and preventing future grievances and harms.

To ensure that the implementation of the grievance procedure is a source of continuous learning, an annual review will be conducted to allow lessons learnt from real case studies to be used to improve the mechanism and preventing future grievances and harms.

[h] Based on engagement and dialogue: consulting the stakeholder groups for whose use they are intended on their design and performance, and focusing on dialogue as the means to address and resolve grievances.

APPENDIX B: Grievance Decision Tree

GRIEVANCE TRIAGE DECISION TREE



APPENDIX C: Grievance List Template

Reference Number	Means of Delivery	Date Received	Subject Matter	Raised by	Progress	Status
...	<i>Email to "Recipient" Or Letter to "Recipient" Or Phone Call to "Recipient" Or Public Report</i>	<i>DD/MM/YYYY</i>	Short description of grievance.	<i>Stakeholder Name</i>	<i>Short description of progress to date.</i>	<i>Ongoing Or Complete</i>
3						
2						
1						

APPENDIX D: Template for Grievance Investigation Terms of Reference

1. BACKGROUND

Relevant background information collected by the Grievance Unit which might help inform the Grievance Verification Team.

2. OBJECTIVE

Clearly describe the issue to be investigated.

3. EXPECTED OUTCOMES

List the expected outcomes from the investigation.

4. VERIFICATION PLAN

4.1 Verification Location

Define the locations to be visited during the verification.

4.2 Verification Timeline

Specify the timeline for the verification work.

4.3 Verification Method & Techniques

Specify the methods techniques to be applied during the verification.

5. REPORTING

Specify the method and structure of reporting the results of the field investigation.

6. VERIFICATION TEAM

Specify the personnel and areas of expertise necessary to conduct the verification.

APPENDIX E: Template for Grievance Verification Report

1. BACKGROUND

Background information relevant to the Grievance and the Verification Findings.

2. VERIFICATION PROCESS

Details of the steps that were taken to investigate the grievance and collect information necessary to complete the verification. Include locations and dates of any site visits.

3. CONCLUSIONS

Provide a conclusion to each of the issues identified for verification in the TOR. Relevant information used to reach the conclusion should also be provided here.

4. RECOMMENDATIONS

Where issues raised through the grievance have been verified to be legitimate, a concrete time bound action plan should be developed to address each of the issues. Methods/processes for monitoring implementation for the action plan should also be recorded here.

5. VERIFICATION RESULTS (FIELD FINDINGS & DOCUMENT REVIEW)