



Raffles Shipping International Pte Ltd Modern Slavery Statement 2023

1 Introduction

At any one time, there are approximately 1.9 million seafarers working in an environment with a high risk of modern slavery.¹ RSI acknowledges the calls for the global maritime industry, from cargo owners, freight forwarders, brokers, charterers and crewing agencies to improve outcomes for seafarers.

This Modern Slavery Statement (**Statement**) is made by Raffles Shipping International Pte Ltd (**RSI, we, us our**) pursuant to the *Modern Slavery Act 2018* (Cth) in Australia for the financial year ended 31 December 2023 (**Reporting Period**). It describes our efforts to mitigate the risks of modern slavery in our operations and supply chains, including due diligence with vessels and shipowners. We recognise the need for each participant in maritime supply chains, including RSI, to utilise our collective leverage to respect human rights. In preparing our annual Statement, we reflect on our sphere of influence and seek to mature our approach to assessing and addressing modern slavery risks in our operations and supply chain.

2 Our structure and operations

RSI (ARBN 654 519 552 & ABN 59 336 348 388) is a wholly owned subsidiary of Wilmar Ship Holdings Pte Ltd which is incorporated in Singapore. RSI does not own or control any other entity. Wilmar Ship Holdings Pte Ltd is itself wholly owned by Wilmar International Limited (**Wilmar** or **Group**), a publicly listed company in Singapore. An extract of our corporate structure is shown below:



RSI is headquartered at 28 Biopolis Road, Wilmar International, Singapore 138568.

¹ https://unctad.org/system/files/official-document/presspb2021d9_en.pdf



RSI has IT, finance, HR, and compliance support teams that comply with Wilmar's group policies and guidelines.

Wilmar's strategy is to build an integrated model encompassing the entire value chain of the agricultural commodity business, from origination to processing, trading, merchandising branded products and distribution. To this end, Wilmar, through its subsidiaries, owns a fleet of liquid and dry bulk carriers which improves the flexibility and efficiency of Wilmar's logistic operations. This fleet provides partial support for Wilmar's total shipping requirements while the balance of Wilmar's requirements is met by chartering-in third-party vessels.

RSI is the subsidiary of Wilmar responsible for chartering ships with crew along with providing ship chartering, with operator and ship brokering services. RSI does not own any vessels. Approximately 34% of the total number of ships chartered by RSI are Wilmar's fleet.

RSI employs approximately 74 people, who are all located in Singapore. The types of roles performed by RSI employees include:

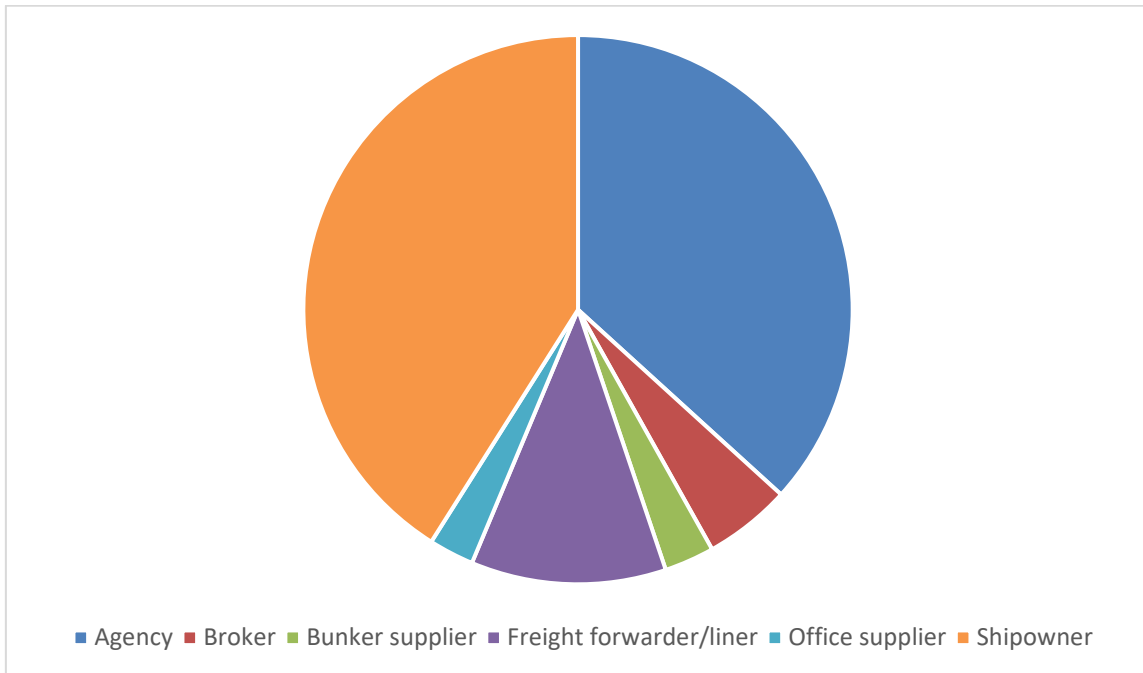
- Management
- Chartering
- Operations
- Administration
- Human Resources
- Accounts management
- IT Department

3 Our supply chain

During the Reporting Period, RSI procured goods and services from approximately 1,100 direct suppliers. The goods and services provided by those suppliers to RSI, include the provision of hire and freight services (78.3%), bunkering (petroleum products loaded aboard a vessel for consumption by that vessel) (15.1%), payment of port and agency fees (6.3%) and other ship operating costs (0.3%).

RSI also procures goods and services to support its office operations in Singapore. Categories include IT hardware and software, telecommunications, printing services, professional services, and other office consumables. The majority of suppliers that provided goods or services to RSI's operations are Singapore-based companies.

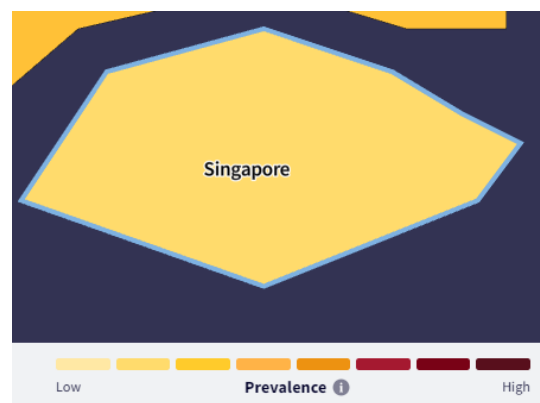
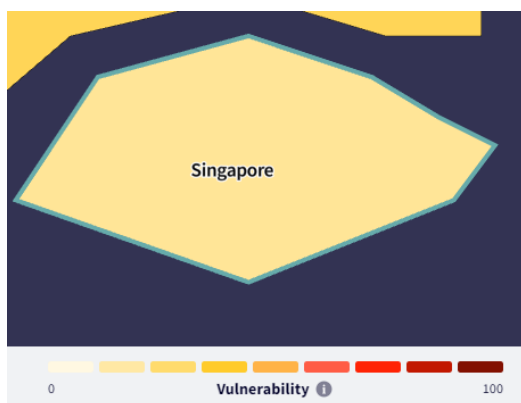
During the Reporting Period, payments were made to the following categories of vendors (by number of vendors):



Given the global nature of the shipping industry, the companies providing goods or services for the above procurement agencies (with the exception of office suppliers) are from approximately 80 different countries around the world.

4 Modern slavery risks in our operations and supply chains

Our operations have not changed since our initial statement in 2021 and our initial assessment of modern slavery risks in our operations, as described in our previous statements, remains accurate for 2023. In our previous statements, we described the modern slavery risks in our operations to be low. This assessment is based on the fact that Singapore is considered to have a lower prevalence of, and vulnerability to, modern slavery according to the Global Slavery Index² and the people that we directly employ are performing office-based roles.



[Screenshot of the Global Slavery Index website]

² <https://www.walkfree.org/global-slavery-index/map/#mode=map:country=SGP:region=1:map=prevalence:year=2023>



Remuneration is set according to, amongst other things, level of education and years of experience. Although Singapore is considered a lower risk country for modern slavery, in some sectors, Singapore's non-residents do not have the protection of a mandated minimum wage and standardised working hours. However, this risk is mitigated within RSI because all personnel employed are typically skilled workers who are Singapore citizens, Singapore Permanent Residents and foreign professionals who hold an employment pass.

Our most salient risks continue to reside in the supply chain and operations of the shipowners and shipping agencies. The COVID-19 pandemic has put a spotlight on the human rights impacts within the shipping industry. We are cognisant that, within the shipping industry, there have been reports in relation to the working conditions aboard some ships and the slavery-like practices such as withholding crew pay and the imposition of restrictions on the freedom of movement resulting in the risks of forced labour. We are developing our due diligence assessment processes to assist us to manage this risk.

Case study

In screening potential third party vessels, we identified that a general cargo ship was listed by the ILO for human rights violations in 2020. The ILO report found that crew members had unpaid wages and the shipowner failed to provide consistent and regular provisions, leading to poor living conditions on board the vessel. The vessel had been detained on at least 9 occasions since 2001. Following the results of the screening, the cargo ship was flagged for risk and not chartered.

A proportion of the shipowners and shipping agencies that we use operate in locations with a greater prevalence of modern slavery which increases the risk of modern slavery in our supply chain. Furthermore, there may be modern slavery risks in the supply chains of suppliers providing us with bunker supplies. Our shipping suppliers will also have their own supply chain risks, including those involved in the manufacture of ships, including raw materials including metals, uniforms, provision of food for crew and fuel.

The risks of modern slavery may be present in the later tiers of the supply chain supporting our office operations, such as IT hardware, whereas the risks may be nearer for the suppliers supporting the services provided to our customers. Like all businesses, there is a risk of modern slavery in the cleaners who service our premises.

Having regard to the nature of our supply chain and the higher risks that are likely to exist beyond tier 1 in some of our supply categories, we are of the view that there is a low risk that we have caused or contributed to modern slavery in our supply chain. However, there is an inherent chance of being linked to modern slavery via the operations and supply chain of our direct suppliers. Accordingly, we seek to mitigate the risks of modern slavery in our supply chain, as described in the next section of this statement.

5 Actions taken to assess and address modern slavery risks in our operations and supply chain

As outlined in the United Nations Guiding Principles on Business and Human Rights (UNGPs), businesses have a responsibility to respect human rights in their operations and supply chains and to provide remedy where it has caused or contributed to human rights impacts. RSI takes this responsibility seriously and continues to seek to improve our approach to assessing and addressing our connection to modern slavery risks. This Part 5 sets out our ESG governance structure, policies and procedures, including our approach to due diligence and remediation, as they continued to apply during the Reporting Period.

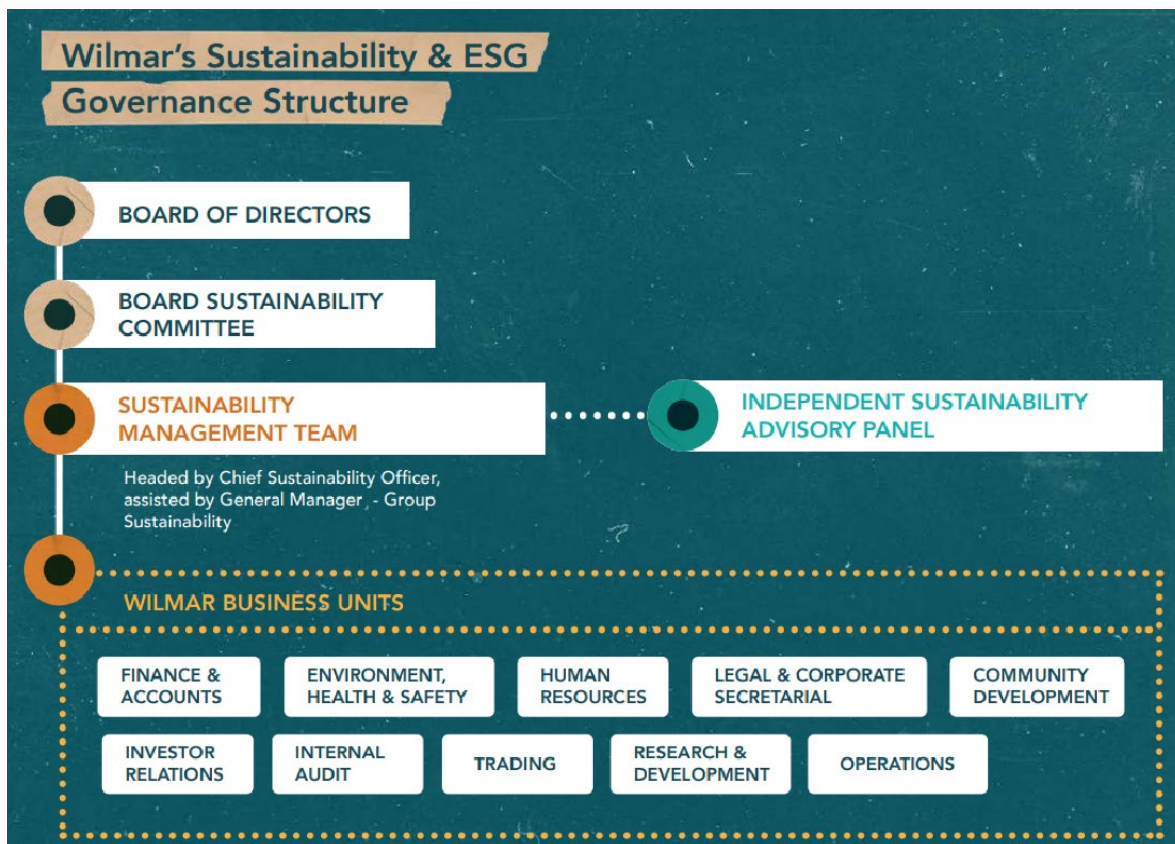
Governance

The Chairman and CEO and the Board of Directors of Wilmar continue to oversee the management of the Group's sustainability strategy. They are supported by the Board Sustainability Committee (BSC) which has an independent majority. The BSC assists the Board of Directors in fulfilling its



oversight responsibility in relation to Wilmar's objectives, policies and practices pertaining to sustainability or ESG matters, and to ensure that the Company's positions in these areas are current and compliant with regulatory requirements and international standards. This is typically done through quarterly BSC meetings, reviews of emerging ESG issues and quarterly reports on sustainability performance from the Sustainability Department. Topics discussed cover the environment, health and safety, equal opportunities, human rights, labour rights, child protection, and food safety.³

Wilmar's Sustainability and ESG governance structure is set out below. The Sustainability Management Team is headed by the Chief Sustainability Officer who is assisted by the General Manager – Group Sustainability. Together, they continue to have oversight across the sustainability impacts relevant to RSI, as part of the Group.



Policies and procedures

RSI remains committed to maintaining the highest level of integrity, ethical standards, and legal principles in every aspect of our business.

Within the Wilmar group of companies, all policies, strategies and actions are centralised globally and regionally. As a subsidiary of Wilmar, we continued to follow a number of policies and procedures to uphold the commitment to business ethics and mitigating modern slavery in our operations and supply chains.

Supplier Guidelines

Suppliers are required to adhere to the Wilmar Supplier Guidelines which is published online.⁴ The Supplier Guidelines require suppliers to comply with all applicable international, national and local

³ [Sustainability Governance Structure \(wilmar-international.com\)](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-supplier-guidelines.pdf?sfvrsn=322d5b97_2)

⁴ https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/resource/wilmar-supplier-guidelines.pdf?sfvrsn=322d5b97_2

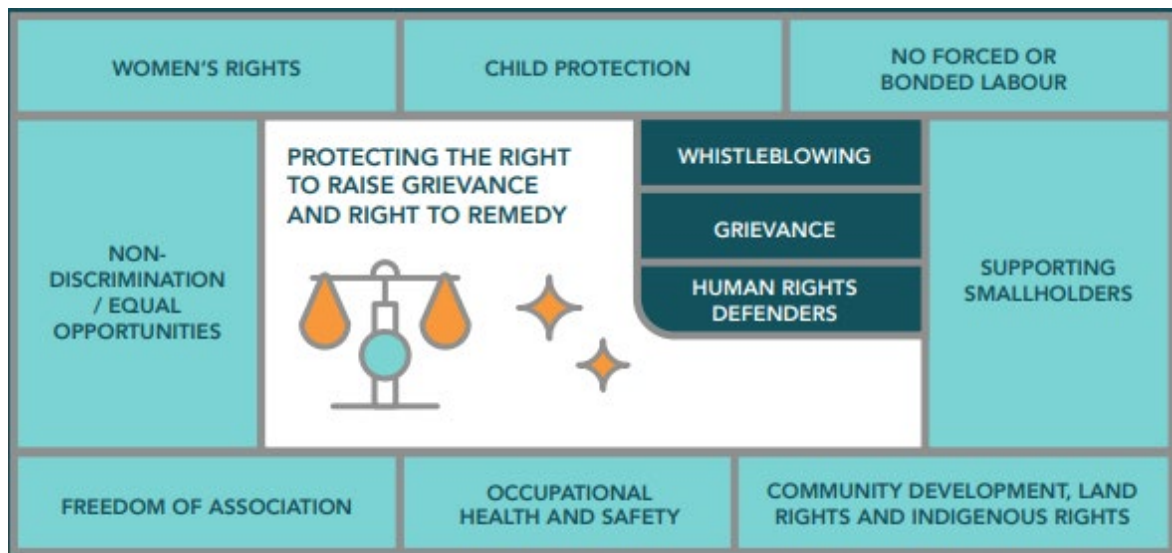


laws and regulations. Amongst other things, the Guidelines provide that suppliers must not engage child labour, must respect freedom of association of employees and eliminate forced/bonded/indentured labour, trafficking of persons and restrictions on workers movements. Suppliers are required to ensure ethical recruitment such that recruitment fees are not paid by employees at any stage of the recruitment process. The Guidelines also require suppliers to provide fair compensation and working conditions, and to provide a safe and conducive workplace. Suppliers are expected to communicate and implement the principles within the Supplier Guidelines throughout their supply chain. Suppliers must also be able to demonstrate compliance with our Supplier Guidelines to our satisfaction.

The Supplier Guidelines make it clear that employees and suppliers can raise concerns anonymously using the whistleblowing channels as set out in the publicly available Whistleblowing Policy or Grievance Procedure and those reports will be promptly investigated which may include corrective action.

Wilmar’s Human Rights Policy and Framework

As shown in the infographic below from Wilmar’s 2022 Sustainability Report⁵, published on 31 May 2023, Wilmar’s focus areas for human rights include the following:



The Human Rights Policy continues to apply to all subsidiaries and associates of Wilmar, including suppliers and contractors. The Human Rights Policy is available online for public access. This policy commits RSI to strive to respect human rights and provide safe, clean and healthy workplace living environment.⁶ In particular, it focuses on the two areas of rights; labour rights and indigenous and local community rights. The definition of human rights covers labour rights, including freedom of association, prohibition on forced or bonded labour and child labour and conducive working conditions.

The Human Rights Framework brings together all of Wilmar’s relevant policies and human rights and provides guidance on the practical implementation of the commitments (as shown below). These commitments relate to our workforce as well as our suppliers.

⁵ [sustainability-report-2022.pdf \(wilmar-international.com\)](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/human-rights-policyed16f04afc7043738e7579b103a3a15e.pdf?sfvrsn=9378b7f5_2)

⁶ https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/human-rights-policyed16f04afc7043738e7579b103a3a15e.pdf?sfvrsn=9378b7f5_2



Policy Statement	Our Approach
<p>No Exploitation – Forced Labour Wilmar and its suppliers and sub-contractors shall not knowingly use or promote the use of forced or bonded labour or human trafficking and shall take appropriate measures to prevent the use of such labour in connection with their activities. The company shall employ remedial actions in the case that such labour or trafficking is uncovered to ensure that victims are referred to the existing services for support and assistance.</p>	<ul style="list-style-type: none"> - Standardized employment contracts - Passports return - Voluntary overtime - Ethical recruitment - Decent living conditions - Freedom of movement - No unlawful deductions - Access to remedy with no reprisals - Post arrival orientation - UK Modern Slavery Act Transparency Statement Wilmar International

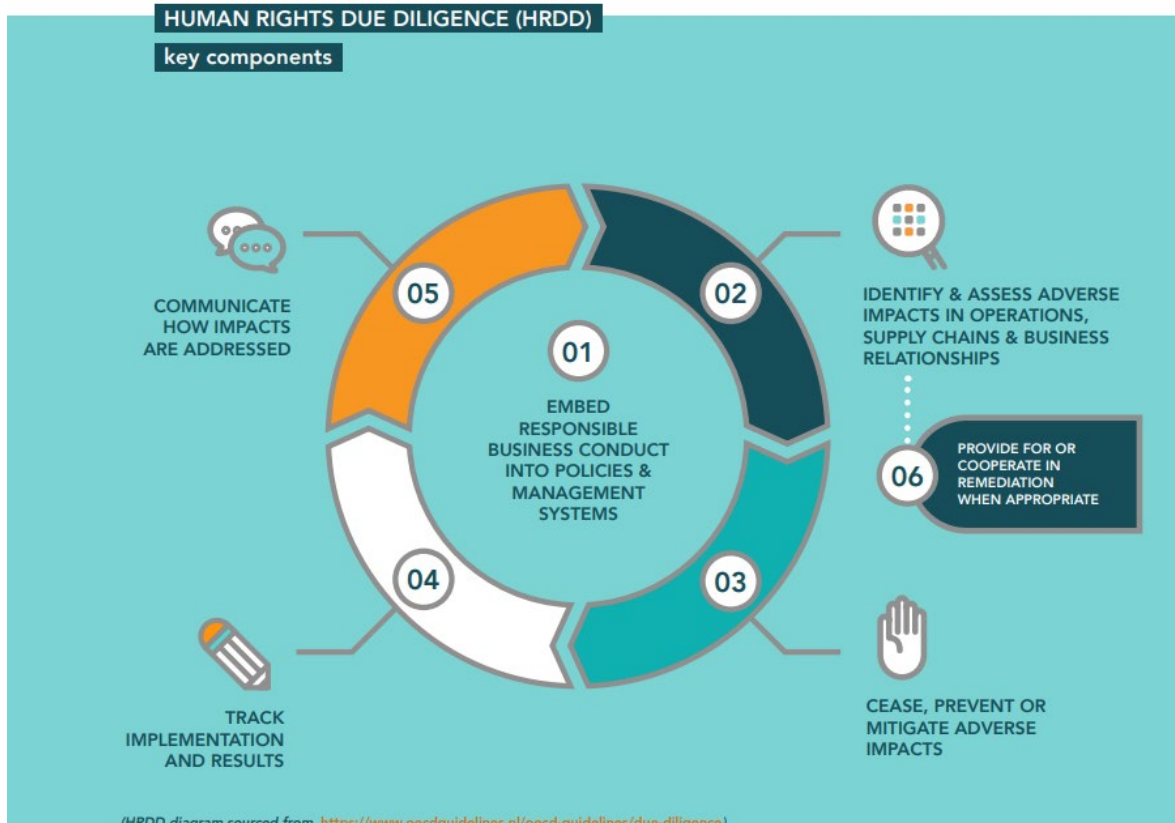
Child Protection Policy

Wilmar's Child Protection Policy applies to all subsidiaries, joint ventures and third-party suppliers. The policy focuses on ensuring the rights and protection of children, particularly on child labour. It is based on the principles of the UN Convention on the Rights of the Child and is supplemented by the Child Protection Policy Implementation Manual which is intended to support and guide Wilmar's suppliers and contractors in adhering to the Child Protection Policy.

Due Diligence

Wilmar's Human Rights Due Diligence (HRDD) process is aimed at providing a systematic approach to respecting human rights. It is aligned with the UNGPs and is based on the following elements:

- policy commitments;
- assessment of human rights impact (actual and potential);
- integration of findings;
- tracking performance;
- transparency in addressing impact; and
- implementing processes for remediation.



Due Diligence - vessels

In terms of the due diligence processes undertaken for suppliers retained by RSI, we screen our suppliers through Refinitiv, which identifies any legal actions taken against them, including sanctions, labour abuses, or environmental pollution. Suppliers must clear the screening process before being onboarded as a supplier. If any issues are identified during the screening process, we may seek clarification from the supplier, and in some instances, develop action plans that meets our requirements before we begin sourcing from them.

In terms of the selection and management of third-party vessels, we filter both the vessel and the owner of the vessel through Refinitiv to ensure that there no reported links or involvement in human rights violations and sanctions. Additionally, third-party vessels are selected on the basis of factors including: the maintenance of a Class Certificate, Protection & Indemnity (P&I) Insurance, and the shipowner's reputation and background checks. A Class Certificate ensures that the vessel's working environment meets safety requirements, while 'P&I' refers to insurance covering shipowners, operators, and charterers for third-party liabilities encountered in commercial operations. This includes risks such as loss of life, injury and illness of crew, passengers, and other persons, and crew repatriation and substitution. We only charter ships that we consider have appropriate processes in place to protect all individuals on board.

Ship Management

Shipowners are required to have in place a robust Safety Management System (SMS) approved by the Flag Administration of the vessels that covers aspects including the safety of the crew, the vessel and environmental pollution. Among the numerous certificates issued after verification by the Flag Administration is the MLC 2006 compliance certificate. The requirements and criteria for the issuance of MLC 2006 certificate encompasses the ITF core objectives in ensuring all seafarers work on vessels in safe and decent working conditions with necessary protections for the vulnerable and eradication of exploitation.



Under the MLC, shipowners are required to ensure every crew member onboard is in possession of an approved Seafarer Employment Agreement (SEA) and covered by the ITF Collective Bargaining Agreement (CBA). All Seafarer Recruitment and Placement Services (SRPS) engaged by shipowners are required to be in possession of a valid SRPS licence complying with the requirement of the MLC issued by the flag state and/or Classification Societies (IACS) meeting the International Organisation for Standardisation (ISO) requirement. SRPS are audited at least once annually in relation to their recruitment and placement process, employment agreements, crew competency, qualifications and training, seafarer wages and seafarer social security and welfare contributions.

RSI seeks to ensure that shipowners follow the standards of ITF (International Transport Workers' Federation) by requesting shipowners to provide RSI with their crewing compliance statement in compliance with the MLC which we then review and take into consideration. The MLC encompasses all relevant standards of existing ILO maritime labour conventions and recommendations, as well as fundamental principles contained in core ILO conventions and the ILO 1998 Declaration on the Fundamental Principles of Rights at Work. Minimum requirements and standards include:

- Minimum requirements for the seafarers to work onboard ships
- Conditions of employment
- Accommodation, recreational facilities, food and catering
- Health protection, medical care, welfare, and social security protection

The marine superintendent of shipowners conducts annual internal audits of the Maritime Labour Convention compliance on every ship. Any deficiencies picked up during the internal audit are escalated to the Captain as a non-conformance that requires remediation within a fixed time period.

Classification Societies also conduct initial, intermediate and 5 years cycle audits of MLC 2006 compliance. RSI also has the ability to send reminders to shipowner if reports are noted of ships failing to close out non-conformances within the stipulated timeframes.

Furthermore, periodic verifications are carried out by relevant flag state and port state control authorities to ensure compliance with the MLC. Port state inspectors further verify compliance during the routine and periodic port state control examinations at the ships' ports of call. The ITF representatives also visit vessels randomly at various ports as part of their responsibility to monitor the effective implementation of the MLC requirements and standards. There may be occasions where during Port State Control inspection, non-compliance of MLC causes ship delay, in which case RSI has the power to off-hire the ship.

Grievances and approach to remediation

RSI uses the same Grievance Procedure deployed by Wilmar to enable any stakeholder to raise a grievance. All grievances logged under the Grievance Procedure are required to be dealt with in a timely manner. The details of the Grievance Procedure can be found on Wilmar's website.⁷

Like Wilmar, RSI:

- requires suppliers to implement a corrective action and remediation plan if they are found to have caused or contributed to child labour, bonded and forced labour and restrictions of freedom of movement. Failure to do so may result in suspension.⁸
- supports protection for environmental and human rights defenders and prohibits threats, harassment, intimidation, the use of violence, or retaliation against anyone who raises a concern, lodges a complaint or participates in an investigation or whistleblowing.

⁷ [grievance-procedure_final.pdf \(wilmar-international.com\)](#)

⁸ <https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/human-rights-framework.pdf>



In the event that RSI is found to have caused or contributed to modern slavery, RSI would take guidance from the UNGPs in providing remedy. RSI did not receive any reports via its Grievance Procedure raising red flags for modern slavery practices in 2023.

6 Assessing the effectiveness of our actions

RSI is committed to maturing our approach to assessing and addressing modern slavery risks in our operations and supply chains. We seek to assess the effectiveness of our actions by setting goals for the following reporting period and tracking against those goals in our annual modern slavery statements. In our 2022 statement, we set the following goals detailed in the table below. We have noted our progress of each goal and our planned activities moving forward.


Goals for 2023	Status	Next Steps
Continue to monitor the grievance mechanisms	Ongoing	Work with the Crew Manning Agencies on ways to improve crew awareness of grievance mechanisms.
Revisit the methodology used to assess the modern slavery risks pertaining to shipowners and consider whether any improvements are needed. Review the results of Refinitiv screening and undertake further due diligence in relation to suppliers flagged for risk.	Ongoing. Engaged an external subject matter expert to consider the Refinitiv Third Party Due Diligence reports and identify recommendations for further due diligence.	Undertake further due diligence of third party vessels and crewing agencies where modern slavery red flags are identified.
Seek to raise awareness of modern slavery within our workforce	In progress.	Roll out the modern slavery training module to RSI employees.

RSI's management will review the progress of the above goals and provide periodic updates to the Board on the same.

7 Consultation and approval

As noted previously, RSI does not own or control any other entities. For this reason, we have not addressed the criteria regarding the description of consultation.

This statement has been approved by the Board of RSI on 3 June 2024 and is signed by Beh Hang Chwee in his role as a director on 4 June 2024.

DocuSigned by:

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Beh Hang Chwee
 Director
 Date: 4 June 2024