



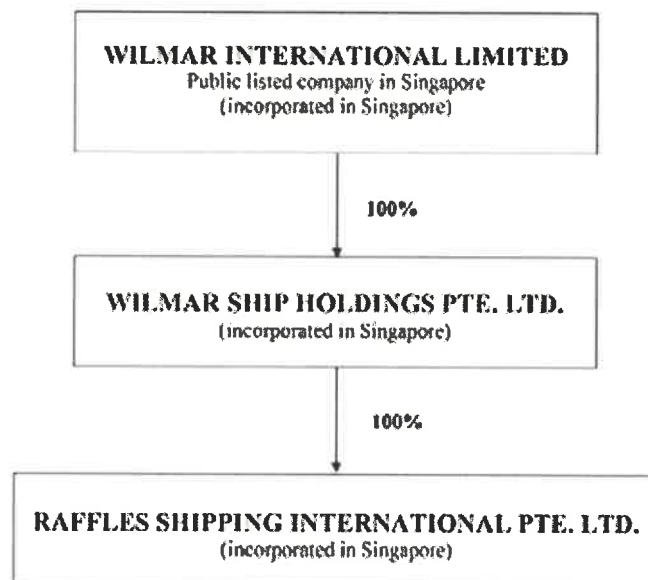
Raffles Shipping International Pte Ltd Modern Slavery Statement 2022

1 Introduction

This Modern Slavery Statement (**Statement**) is made by Raffles Shipping International Pte Ltd (**RSI, we, us or**) pursuant to the *Modern Slavery Act 2018* (Cth) in Australia for the financial year ended 31 December 2022 (**Reporting Period**). This Statement describes the risks of modern slavery in RSI's operations and supply chains, the actions we have taken to assess and address those risks and the how we plan to assess the effectiveness of our actions.

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.

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 30% of the total number of ships chartered by RSI are Wilmar's fleet.

RSI employs approximately 72 people, who are all located in Singapore. The types of roles performed by RSI employees include:



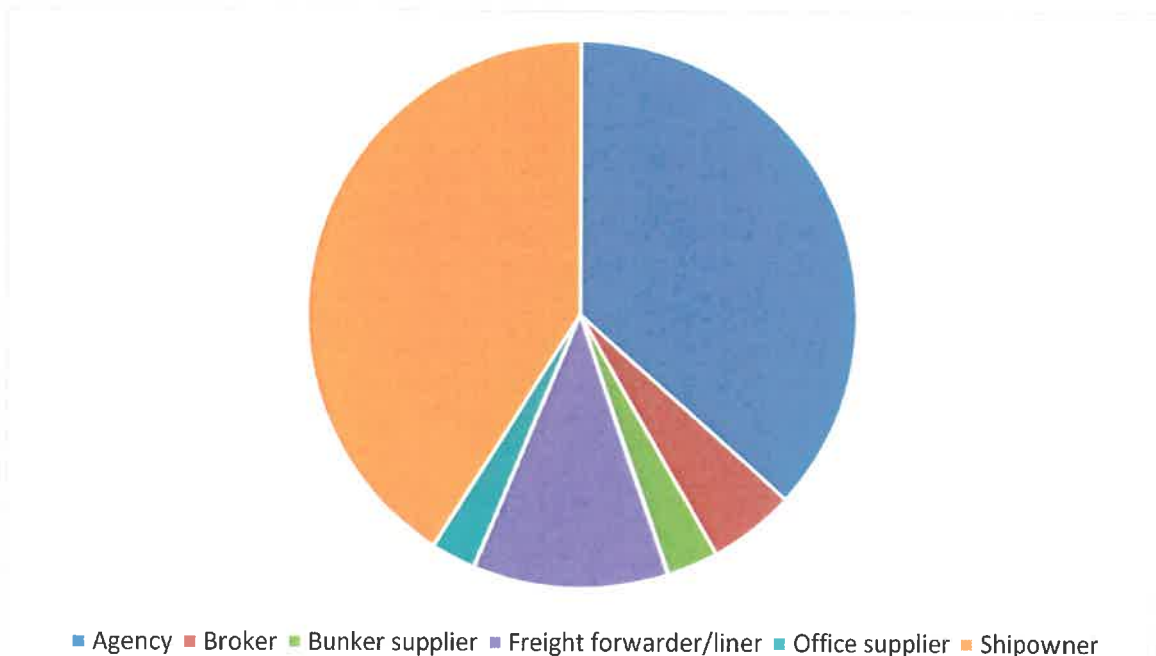
- Management
- Chartering
- Operations
- Administration
- Human Resources
- Accounts management
- IT Department

3 Our supply chain

During the Reporting Period, RSI procured goods and services from approximately 1,000 direct suppliers. The goods and services provided by the said suppliers to RSI, include the provision of hire and freight services (81.3%), bunkering (petroleum products loaded aboard a vessel for consumption by that vessel) (14%), payment of port and agency fees (4.3%) and other ship operating costs (0.4%).

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):

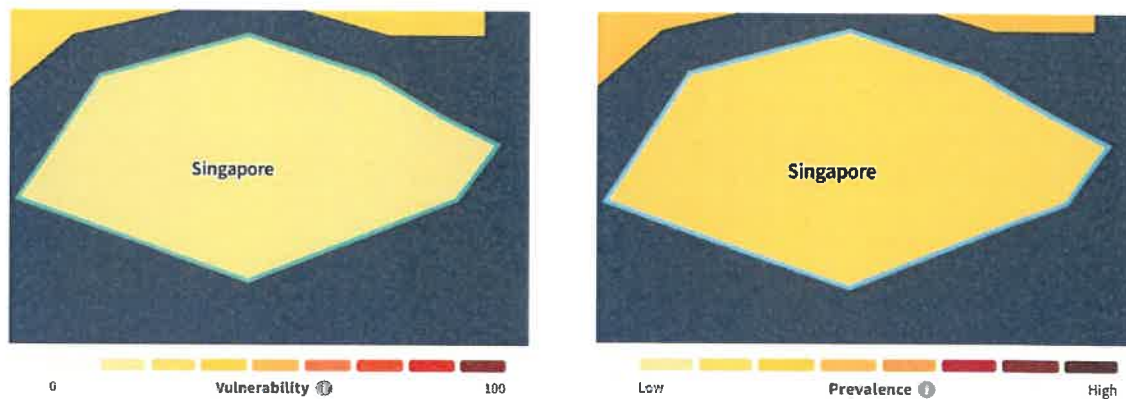


Given the global nature of the shipping industry, the companies providing goods or services for the above procurement agencies (with the exception of office suppliers) are from approximately 70 different countries around the world.



4 Modern slavery risks in our operations and supply chains

Given the fact that our operations have not changed since our 2021 statement, our initial assessment of modern slavery risks in our operations remains accurate for 2022. In our previous statements, we described the modern slavery risks in our operations to be low. This view 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 Index¹ and the people that we directly employ are performing office-based roles and are paid in excess of the Singapore minimum wage.



[Screenshot of the 2023 Global Slavery Index website]

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.

The salient risks continue to remain 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 of the 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.

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

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

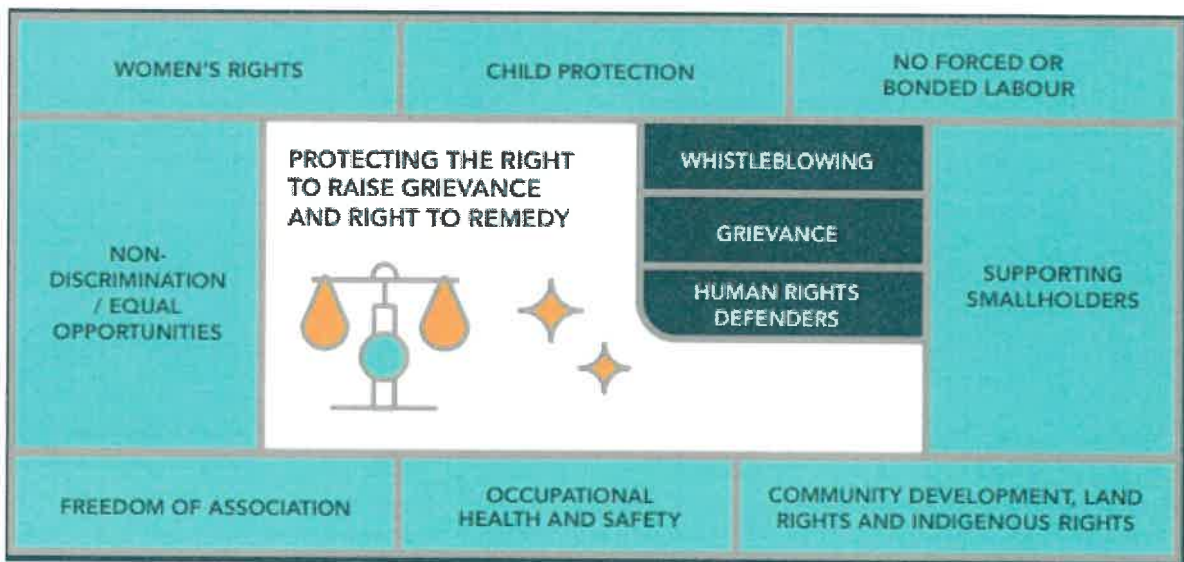


seek to use our leverage to mitigate the risks of modern slavery in our supply chain, as described in the next section of this statement.

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 seeks to achieve improvements in the way in which human rights, including modern slavery risks are assessed and addressed in our business.

As shown in the infographic below from Wilmar’s 2022 Sustainability Report², Wilmar’s focus areas for human rights include the following:



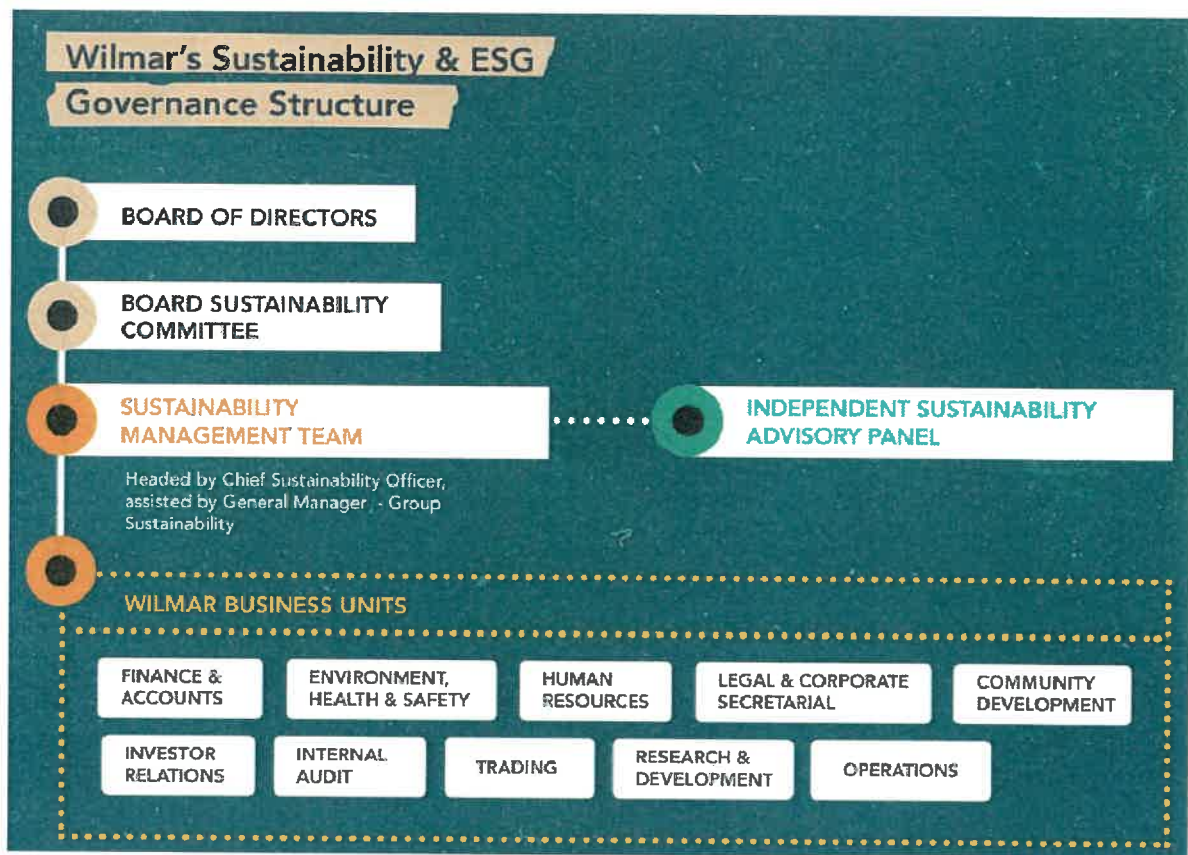
Governance

The Chairman and CEO and the Board of Directors of Wilmar 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 have oversight across the sustainability impacts relevant to RSI, as part of the Group.

² [sustainability-report-2022.pdf \(wilmar-international.com\)](#)

³ [Sustainability Governance Structure \(wilmar-international.com\)](#)



Policies and procedures

RSI takes modern slavery and human trafficking very seriously and we are 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 zero tolerance for modern slavery in our operations and supply chains.

Supplier Guidelines

All of our 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 laws and regulations. Amongst other things, the Guidelines provide that suppliers cannot engage child labour, must respect freedom of association of employees and shall 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 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.

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



Wilmar's No Deforestation, No Peat, No Exploitation (NDPE) Policy

The NDPE Policy, action plans and mechanisms are guided by the UNGPs.⁵ The NDPE Policy is the blueprint for our global operations and our supply chain.⁶ One of the core principles relate to human rights.

- No Exploitation of People and Local Communities
- Respect and support internationally recognised human rights
 - Respect and recognise the rights of all workers
 - Respect and protect the rights of children and their welfare
 - Support the inclusion of smallholders into the supply chain
 - Respect land tenure rights
 - Respect the rights of indigenous and local communities to give or withhold their Free, Prior and Informed Consent (FPIC) to operations on lands to which they hold legal, communal or customary rights
 - Identify measures to provide remediation where the company has caused or contributed to negative human rights impacts

The NDPE Policy sets out the commitment to upholding and promoting internationally recognised human rights as described in the International Bill of Human Rights (consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights) and the International Labour Organization (ILO) eight fundamental Conventions and Declaration on Fundamental Principles and Rights at Work.

Wilmar's Human Rights Policy and Framework

The Human Rights Policy applies 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.⁷ 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 supports the Human Rights Policy and provides specific commitments in relation to managing impacts on human rights (as shown below). These commitments relate to our workforce as well as our suppliers.

⁵ https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/wilmar-ndpe-policy--2019.pdf?sfvrsn=7870af13_2

⁶ [wilmar-timebound-action-plan-2022--2023.pdf \(wilmar-international.com\)](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/wilmar-timebound-action-plan-2022--2023.pdf)

⁷ 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

Due Diligence

The Human Rights Framework stipulates the due diligence measures in place to ensure compliance with the NDPE Policy. These include:

- Supplier third party verification assessments
- Corrective action and remediation process
- Supplier support
- Training

In terms of the due diligence processes undertaken for suppliers retained by RSI, we screen our suppliers through Refinitiv to ensure that there are no 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 seek clarification from the supplier, and in some instances, develop action plans that meets our requirements before we begin sourcing from them.

Ship Management

The due diligence activities performed in respect of ship management, as described in this section, are undertaken by the in-house ship management entity within the Wilmar Group.

In relation to its own vessels, Wilmar’s ship management team undertakes direct recruitment of seafarers and collaborates with manning agents for staffing of their vessels. Audits are conducted in relation to manning agents in accordance with the Maritime Labour Convention (MLC 2006).

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 against any party. 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.⁸

Like Wilmar, RSI:

- adopts a zero-tolerance policy on child labour, bonded and forced labour and restrictions of freedom of movement. Where these are found within our supplier's operations, the supplier is required to acknowledge the issue and put in place an immediate corrective action and remediation plan. Failure to do so may result in suspension.⁹
- 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.

⁸ [grievance-procedure_final.pdf \(wilmar-international.com\)](#)

⁹ <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 2022.

6 Assessing the effectiveness of our actions

RSI is committed to refining 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 2021 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.

Goal	Status	Next Steps
Monitor the concerns raised via the grievance mechanisms to assess if they reflect any modern slavery risk in our operations or supply chains	Ongoing	Continue to monitor the grievance mechanisms.
Consider the ways in which modern slavery considerations can be incorporated into our procurement framework and processes	Completed. Deployed Refinitiv Third Party Due Diligence to evaluate suppliers for legal risks, including labour abuses.	Revisit the methodology used to assess the modern slavery risks pertaining to shipowners and consider whether any improvements are needed.
Seek to obtain a deeper understanding of the modern slavery risks beyond the first tier of our supply chain	Ongoing	Review the results of Refinitiv screening and undertake further due diligence in relation to suppliers flagged for risk.
Seek to raise awareness of modern slavery within our workforce	Ongoing	Liaise with Wilmar to leverage existing modern slavery training modules that could be rolled out 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 28 June 2023 and is signed by Beh Hang Chwee in his role as director on 28 June 2023.

Beh Hang Chwee
Director
28 June 2023