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Wilmar Group Policy:

Anti-Fraud Policy

Penalties for Fraud

Apart from potential criminal and civil liabilities involving imprisonment and/or a hefty fine, employees who are found to be in violation of this Fraud Policy shall be subject to appropriate disciplinary action, which may extend to immediate termination of employment or appointment, the clawback of past bonuses and the cancellation of their stock options. Disciplinary action will also be taken against employees who have knowledge of such violations but conceal such information from the Group, or who take detrimental action against others who report such violations.

Introduction

Wilmar counts integrity amongst its core value. It has zero tolerance for fraud.

This policy documents the guidelines, and assigns responsibilities, for the development of controls and conduct of investigations relating to fraud.

Objectives

This policy is designed to:

- Identify the responsibilities of employees and management for preventing, detecting and reporting fraud, or suspected fraud.
- Provide direction when dealing with suspected cases of frauds, thefts or irregularities.
- Set out procedures that will facilitate the investigation of fraud, or related offences.

Scope

Fraud is an intentional deceptive and dishonest act that is committed by one or more individuals to obtain some benefit, or to cause detriment to some person or to the company.

This policy applies to any fraudulent activity involving employees as well as shareholders, consultants, vendors, contractors, outside agencies doing business with employees of such agencies, and any other parties with a business relationship with Wilmar.

Any investigative activity will be conducted without regard to the suspected wrongdoer's length of service, position, or relationship with the company.

The types of fraud covered in this policy include:

- Any dishonest or fraudulent act.
- Forgery or alteration of documents.
- Misappropriation of funds, securities, supplies or other assets.

- Impropriety in the handling or reporting of money or financial transactions.
- Profiting as a result of insider knowledge of company activities.
- Disclosing confidential and proprietary information to outside parties.
- Disclosing to other persons, securities activities engaged in, or contemplated by the company.
- Accepting or seeking anything of material value from suppliers or business partners, kickbacks or gifts intended to or which may appear to influence business judgement.
- Destruction, removal, or inappropriate use of records, furniture, fixtures and equipment.
- Any similar or related irregularity

Irregularities concerning any employee's moral, ethical or behavioural conduct should be identified and, in the first instance, be resolved by the Department Head and Human Resources Department (HR). Alternatively, where there is abuse of power or miscarriage of justice, it should be reported through the whistleblowing mechanism.

If there is any question as to whether an action constitutes fraud, contact the Head of Legal / Head of Internal Audit / Head of HR for guidance.

Management's responsibilities

Management is responsible for developing and maintaining effective internal controls to prevent fraud and to ensure that if fraud does occur, it will be detected promptly. Each member of the management team shall be familiar with the types of impropriety that might occur within his or her area of responsibilities, and remain alert in case of indication of irregularity.

All managers, including line managers, have a responsibility to:

- ensure that an adequate system of internal controls exists within their areas of responsibility and that such controls are effective;
- undertake a review of internal control system if there are major changes to the operating environment which may result in new risk areas;
- be familiar with this Fraud Policy, and be aware of the areas of high risk of fraud;
- report any incident of suspected fraud immediately via Significant Event Reporting tool;
- have an annual review conducted to assess adequacy; and

- ensure that this Fraud Policy and the other corporate policies of the company are communicated to all staff under their responsibility.

Responsibilities of business unit

Each business unit is required to:

- (a) establish and maintain an adequate and effective system of internal controls to address the financial, operational, compliance and information technology risks in its area of responsibilities;
- (b) establish and maintain a system of control which promotes operational efficiency and effectiveness, and ensures adherence to company's policies and procedures. These controls may include, but are not limited to, budgets, work schedules, job assignments and monitoring sheets, policy and procedure manuals and various quality controls;
- (c) ensure that all transactions, payments and receipts are properly documented and recorded, with sufficient detail so that a clear, accurate, transparent and complete paper trail is established for the review by internal / external auditors and senior management;
- (d) for payments made or received in relation to or in connection with any transaction, to record the relevant details of the payment or receipt in accordance with the specific policies and procedures of the business unit in question. Any payment or receipt must be duly supported with justification (for example for the incurrence of any expense) and demonstrate compliance with applicable local and international anti-bribery laws;
- (e) ensure that the internal controls provide reasonable assurance that:
 - (i) transactions are executed in accordance with management's general or specific authorization / approval (including any authorization matrix as approved by senior management and/or the Board);
 - (ii) transactions are properly recorded (a) to permit the preparation of true and fair financial statements in conformity with generally accepted accounting principles and the Group's financial and accounting policies, and (b) to provide accountability for the Group's assets; and
 - (iii) access to the Group's assets is permitted only in accordance with management's general or specific authorization.

Investigation of fraud

The Internal Audit Department is primarily responsible for investigating all suspected fraudulent acts. The AC may, at its discretion, employ external independent investigators, including forensic accountants, to look into a particular case.

The powers of the investigators, investigation procedures, and protection of staff and confidentiality of information are set out in the Whistleblowing Policy and Procedures. All information received by Internal Audit Department during its investigation shall be treated as confidential. Investigation findings or results will only be disclosed or discussed with persons on a strictly need-to-know basis.

If the investigation substantially confirms that fraudulent activities have occurred, the investigators will issue reports to appropriate designated personnel. The AC would be informed of the confirmed fraud cases in accordance with the requirement set by the AC.

Decisions to prosecute, or refer the matter to the appropriate law enforcement and regulatory agencies for independent investigation, will be made in conjunction with legal counsel and senior management, as well as final decisions on disposition of the case.

Actions against employees

Under certain circumstances, having examined the facts surrounding a suspected fraud incident, it may be appropriate for the company to suspend an employee pending completion of an investigation. Such circumstances include the following:

- The employee may pose an ongoing operating risk.
- The employee might undermine the morale of fellow employees.
- It is likely that the employee will interfere with the conduct of the investigation.
- Allowing the employee to remain in his position is contrary to the company's interests.

Employees found to have participated in fraudulent acts will be subject to disciplinary actions pursuant to the Code of Conduct and relevant policies. Criminal and civil actions may also be initiated against him.

Upon receiving the investigation report, HR shall recommend and activate a review panel comprising three independent members of senior management who are not involved in the case. The panel will review HR's recommendation and decide on the appropriate actions. For significant cases, the decision will be escalated to the CEO and if necessary to the Board. The three review panel members are:

- Mr Kuok Khoon Hong
Chief Executive Officer (CEO)
- Mr Pua Seck Guan
Chief Operating Officer (COO)
- Mr Patrick Tan Soo Chay
Group Head of Internal Audit

The Panel Secretary will be from HR.

Reporting to the AC

The Head of Internal Audit will provide regular report of all confirmed fraud cases involving employees to the AC, setting out information received, status and disposition of each case.

For each significant case, the details and outcome of the investigations shall be provided to the AC.

Employees' responsibilities

Employees are responsible for the following:

- (a) to ensure that they read, understand and comply with this Fraud Policy as well as any future updates and other materials issued from time to time as part of the Company's efforts to educate, detect and prevent fraud;
- (b) to ensure that they are familiar with, and comply with, all controls and procedures as set out in their areas of responsibility;
- (c) to report any actual or suspected fraudulent activity in accordance with this Fraud Policy; and
- (d) to avoid any activity that might lead to, or suggest, a breach of this Fraud Policy.

Employees are also required to read the Whistleblowing Policy in conjunction with this Fraud Policy. A copy of the Whistleblowing Policy can be found on the company's intranet and corporate website. For offices where employees do not have access to such modes, the Whistleblowing Policy should be communicated to employees via possible mode like notice boards.

If employees are aware of or have reasonable grounds to suspect any fraudulent activity during their work, they are required to report this as soon as possible to their immediate supervisor(s) or otherwise lodge a report (which maybe anonymous) in accordance with the Whistleblowing Policy, and to provide such information and/or assistance as may be required for a thorough investigation to be conducted. They should not attempt to personally conduct investigations or interviews or interrogations related to any suspected fraudulent act. Employees may approach the following designated officers:

- Mr Kuok Khoon Hong
Chief Executive Officer (CEO)
Email address: kkh@wilmar.com.sg
- Mr Pua Seck Guan
Chief Operating Officer (COO)
Email address: pua.seckguan@wilmar.com.sg
- Mr Tay Kah Chye
Chairman of the Audit Committee
Email address: kahchye.tay@sg.wilmar-intl.com
- Mr Jeremy Tan
Group Head, Human Resources
Email address: jeremy.tankokliann@sg.wilmar-intl.com

How to Make the Report

- Concerns or information should preferably be raised or submitted in writing (letter or email). Ideally, Wilmar Group recommends any report to be detailed in setting out the background and history of events and the reasons for your concern.
- If you are not comfortable about writing in, you may telephone or arrange to meet the appropriate officer in a private setting.

The company is committed to ensuring that no employee suffers any detrimental action because of reporting in good faith his or her suspicion that an actual or suspected fraudulent act has taken place. Detrimental treatment would include unfair dismissal, discrimination, disciplinary action, threats or other unfavourable treatment connected with raising such concerns to the company.