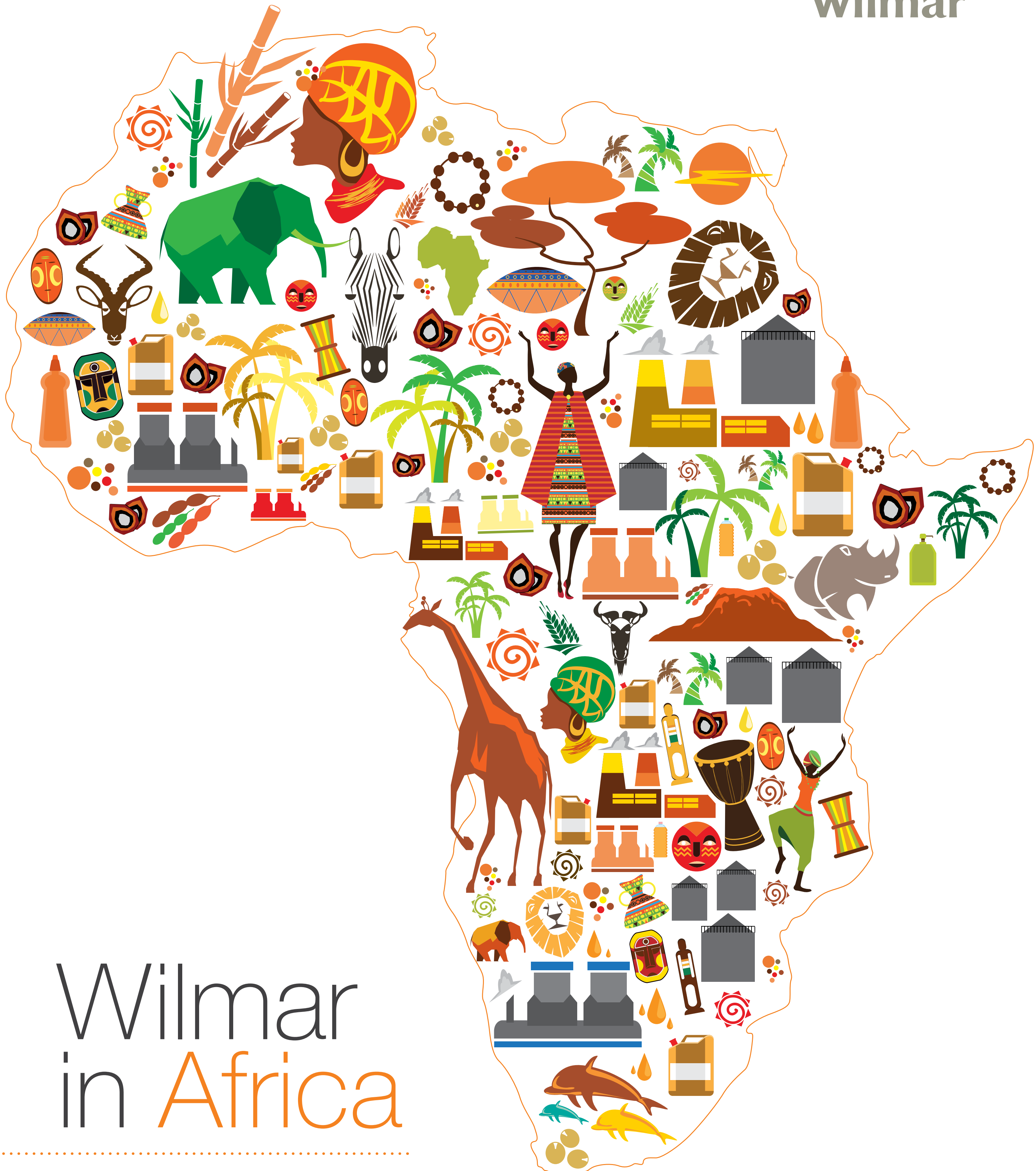


Wilmar in Africa

WILMAR INTERNATIONAL LIMITED
ANNUAL REPORT 2014

Contents

Wilmar International Limited, founded in 1991 and headquartered in Singapore, is today Asia's leading agribusiness group. Wilmar is ranked amongst the largest listed companies by market capitalisation on the Singapore Exchange.

Wilmar's business activities include oil palm cultivation, oilseed crushing, edible oils refining, sugar milling and refining, specialty fats, oleochemical, biodiesel and fertiliser manufacturing and grain processing. At the core of Wilmar's strategy is a resilient integrated agribusiness model that encompasses the entire value chain of the agricultural commodity processing business, from origination and processing to branding, merchandising and distribution of a wide range of agricultural products. It has over 450 manufacturing plants and an extensive distribution network covering China, India, Indonesia and some 50 other countries. The Group is backed by a multinational workforce of about 92,000 people.

Wilmar's portfolio of high quality processed agricultural products is the preferred choice of the food manufacturing industry, as well as the industrial and consumer food businesses. Its consumer-packed products occupy a leading share in its targeted markets. Through scale, integration and the logistical advantages of its business model, Wilmar is able to extract margins at every step of the value chain, thereby reaping operational synergies and cost efficiencies. Wilmar remains a firm advocate of sustainable growth and is committed to its role as a responsible corporate citizen.

Wilmar Continental Edible Oils and Fats, a joint venture between Wilmar International and Continental Oil Mills in South Africa, manufactures and markets a wide range of bulk and consumer branded products.

Chairman's Message

Wilmar's vision for Nigeria is to revive the palm oil industry and restore its past glory by investing in the entire value chain.

FY2014 IN REVIEW

The Group recorded US$1.16 billion net profit and US$43.08 billion revenue in FY2014, with earnings per share of 18.1 US cents. Excluding non-operating items and changes in fair value of biological assets, the Group's core net profit from operations dropped 6% to US$1.22 billion in FY2014. The balance sheet remains strong, with total assets standing at US$43.56 billion while shareholders' funds increased to US$15.49 billion.

In FY2014, we have continued to grow our new and existing businesses to create a more profitable, diversified and resilient company strategically positioned to capture emerging trends in agribusiness, food and consumer trends in Asia and other key emerging markets.

PALM & LAURICS

The compressed margins seen by Palm & Laurics in FY2014 as a result of excess refining capacity in the industry underlines the importance of our efforts to grow our higher margin downstream Palm & Laurics businesses these past few years.

In June 2014, we enhanced our oleochemicals product portfolio and broadened our existing footprint in Europe by acquiring Huntsman Corporation's European commodity surfactants business, and entering into a multi-year arrangement to purchase certain sulphated surfactant products

from Huntsman's facilities in France and Italy.

In August 2014, we acquired Nexsol (Malaysia) Sdn. Bhd. from Kulim (Malaysia) Berhad. Nexsol owns a 100,000 MT per annum biodiesel and glycerine refinery in Johor Bahru and the acquisition represents a strategic addition to our oleochemicals manufacturing capabilities and is extremely synergistic with our existing oleochemicals infrastructure.

SUGAR

In FY2014, our Sugar division recorded a pretax profit of US$134.4 million, up 6% from the previous year. Sugar continues to grow in importance to Wilmar, accounting for approximately 9% of our profit before tax (FY2013: 7%).

In February 2014, we invested US$88 million for a 27.72% stake in Shree Renuka Sugars Limited (SRSL), a leading player in the Indian sugar market with two well-located refineries, abundant storage capacity and competitive milling operations. In addition, SRSL also owns mills and cogeneration assets in Brazil.

In April 2014, we formed a 55:45 joint venture with Great Wall Food Stuff Industry Company Limited to invest in sugar plantation and mills in Myanmar. To date, we have taken over an existing 4,000 MT cane per day mill and completed a new 5,000 MT cane per day mill. Wilmar is today one of the world's leading sugar businesses and we will continue to grow our Sugar division.

CONSUMER PRODUCTS

Profit before tax for Consumer Products was US$261.8 million in FY2014, up 19% from FY2013 and accounting for 17% of Wilmar's profit before tax in FY2014 (FY2013: 12%). Our consumer pack rice in China and our consumer products businesses in Southeast Asia and Africa grew strongly in FY2014. The division as a whole has recorded consistent margin expansion in the last few years and will remain a key driver of growth going forward.

In 2012, Wilmar acquired a 10.1% interest in Goodman Fielder Limited, a company listed on the Australian and New Zealand Stock Exchanges. In April 2014, together with First Pacific Company Limited, a company listed on the Stock Exchange of Hong Kong, we made a joint 50:50 bid for the acquisition of the entire share capital of Goodman Fielder by way of a scheme of arrangement at A$0.65 a share. The all-cash offer was subsequently raised to A$0.675 per share. The acquisition of Goodman Fielder was completed on 17 March 2015 and Goodman Fielder has been delisted. We believe First Pacific's and Wilmar's combined experience in agricultural and consumer business and financial resources will provide tremendous synergies to grow Goodman Fielder's operations and improve its future performance.

WILMAR IN AFRICA

In this Annual Report, we highlight our presence in Africa, the world's second fastest growing economy over the last two decades. Wilmar's entry into Africa some 15 years ago was through its investment in two trading companies importing edible oils into East and South Africa. We later diversified and undertook other agricultural projects to build up an integrated business operation across Africa. Today, Wilmar is the largest supplier of edible oils in the continent.

Our first joint venture oil palm plantation project in Ssese Islands, Kalangala, Uganda is a great success. Located on an island overlooking Lake Victoria, it is one of the most beautiful oil palm plantations in the world. We believe the plantation is one of the best in Africa today and has achieved its goal of significantly improving the quality of life of our local employees and the smallholders.

In Nigeria, together with PZ Cussons Limited, we won a tender in 2010 to replant old and abandoned oil palm plantations which were owned by the government. Our commitment is to build a first class oil palm project comparable to the best in Indonesia and Malaysia so that it will set a benchmark for other projects in Nigeria. Besides introducing best sustainable agricultural practices, we provide training for our staff and also improve schooling and medical facilities for them and their families. Our vision is to revive the palm oil industry in Nigeria by investing in the entire palm oil value chain including plantations, mills, refineries and production of consumer pack edible oils and other downstream products. This will increase the country's oil production to satisfy increasing local demand as well as create employment opportunities.

Today we are present in 13 African countries and we have (as at 31st December 2014) invested about US$800 million in the cultivation of oil palm, rubber, edible oils refining and packing, specialty fats production, soap and detergent manufacturing, oilseed crushing as well as sugar plantations. Revenues of the Group's African operations have increased by 29% over the last five years. I believe that African economic growth will continue in the next decade and our investments there will make significant returns in future. It is our plan to tap the enormous agricultural and market potential in Africa and build

Consumer Products will continue to perform well leveraging our strong presence and a burgeoning middle class population in Asia and Africa.

first class sustainable agricultural and industrial operations.

STAYING ON THE SUSTAINABILITY COURSE

We continue to enforce our policy of "No Deforestation, No Peat and No Exploitation" announced in December 2013, and have further improved transparency with the recently-launched Sustainability Dashboard and Grievance Procedure. The Dashboard enables us to publicly report on our sustainability performance including our supply chain map while the Grievance Procedure allows any stakeholder to raise grievance against our operations as well as that of our third-party suppliers.

In September 2014, we also signed the Indonesia Palm Oil Pledge along with the Indonesian Chamber of Commerce and Industry and other industry players to drive the palm oil industry towards sustainable practices through proactive government engagement on policy reforms in areas such as no planting on high carbon stock forests, high conservation value areas and peat areas.

OUTLOOK AND PROSPECT

Wilmar is a significant player in agriculture related businesses in Asia and Africa. The huge population and rapid economic growth in these two continents offer great opportunities for our Group. Our strategy has always been to sustain growth by investing in human resources and building physical infrastructures. We believe this long-term approach in establishing an integrated agribusiness will be the best way to develop business opportunities and ensure stable and resilient earnings in the long haul.

DIVIDENDS

The Board has recommended a final dividend of S$0.055 per share for FY2014. Including the interim dividend of S$0.020 per share paid in September 2014, the total dividend for FY2014 is S$0.075 per share (FY2013: S$0.08 per share), representing a dividend payout of more than 30%.

ACKNOWLEDGEMENTS

The Board and I would like to thank our customers, business partners, and dedicated employees for their support over the years.

I would also like to convey my sincere appreciation to the Board and on its behalf, welcome Mr. George Yong-Boon Yeo who joined the Board in November 2014. Mr. Yeo's vast experience and expertise will benefit the Group greatly.

Finally, I wish to thank our shareholders for their faith in us. We are confident that the Group will continue to grow from strength to strength with your support.

KUOK KHOON HONG

Chairman & Chief Executive Officer
22 March 2015

Wilmar in Africa

PRESENT IN **13** COUNTRIES

TOP PRODUCER OF CONSUMER PACK OILS

> 59,000 HA OF OIL PALM PLANTED AREA

4,000 EMPLOYEES

Wilmar's first oil palm plantation in Africa was developed jointly with Bidco Uganda Limited in Kalangala, Uganda.

Wilmar in Africa

Geographer George Kimble once wrote in *Africa Today: The Lifting Darkness*, "The darkest thing about Africa has always been our ignorance of it". Today the emerging continent commands much more attention on the economic front. Its remarkable transformation is reshaping the way governments, corporations and investors think about its prospects.

Our joint venture farms wheat, sunflower, canola and soybean in Zambia, where the planted area is expected to further expand in the next three years.

A COMPELLING OPPORTUNITY

African countries have seen a dramatic turnaround in economic expansion beginning in the mid-1990s. The continent has been the world's second fastest growing economy over the last two decades with economic growth averaging 4.5% per year in real terms between 1995 and 2013 according to the World Bank. Over the next decade, GDP is projected to rise by an average of 6% per year[1].

Africa's youthful population of 1.11 billion people is a key engine driving the next phase of global economic growth. The young and rapidly growing demographic profile is set to drive up consumption and hasten urbanisation. The United Nations projects Africa's population to hit 1.8 billion, making up 20% of world population by 2050. More than 70% of Africans are currently employed in agriculture, and this is where Africa's transformation will likely be seen.

Palm oil is native to West Africa but most of today's production is small-scale and the continent is a net importer of palm oil and expected to remain so until 2030. The United States Department of Agriculture (USDA) estimates that Africa currently produces about 2.2 million tonnes of crude palm oil (CPO) per year and imports over 50% of its palm oil requirement. While its yield is relatively lower compared to Indonesia and Malaysia, it has the advantage of being a net importer of edible oils. Palm oil accounts for more than 70% of Africa's edible oil consumption and is expected to grow by more than 60% between 2014 and 2030.

A GROWING FOOTPRINT

Since entering Africa about 15 years ago, Wilmar has expanded its footprint to 13 countries on the continent engaging in the cultivation of oil palm, rubber, edible oils refining and packing, specialty fats production, soap and detergent manufacturing, oilseed crushing as well as sugar plantations.

Oil Palm Projects

The Group owns directly and through joint ventures over 59,000 hectares (ha) of oil palm planted area in West Africa and Uganda. The joint ventures also manage over 150,000 ha under the smallholders and outgrowers scheme.

Uganda was home to our first oil palm project. In 1998, the Ugandan government, with technical and financial support from the World Bank and International Fund for Agricultural Development, initiated an oil palm project in Kalangala, one of the remotest and impoverished districts in the country.

[1] Raila Odinga, "Keeping Africa on track for the 21st century", YaleGlobal, MacMillan Centre at Yale University.

Cosumar S.A., in which Wilmar has a 29.5% stake, is Morocco's sole sugar supplier and third largest sugar producer and second largest refiner in Africa.

Together with our joint venture partners, we set out to develop a first class plantation and mill that would improve the locals' livelihood, which at that time was mainly dependent on subsistence farming. Working closely with the district and local leadership, the joint venture contributed to local infrastructure developments including schools and healthcare services. Today, the project is one of the best in Africa and has succeeded in creating tangible and meaningful benefits to the country and its people.

The next project was in Ivory Coast through an investment in SIFCA SA, the country's leading agri-group, for large-scale rubber and oil palm plantations and processing plants, as well as smallholder schemes.

In 2011, with PZ Cussons Limited, we made a successful bid for six plantation sites totalling about 25,000 ha in Cross River State, Nigeria, through a tender process. Most of these plantations were first planted in the 1960s but abandoned in the 1970s. The rigorous tender process included a technical and financial bid submission that involved extensive negotiations and consultations with both the Cross River State Council on Privatisation and other key stakeholders, including local communities, before the acquisition process could be concluded.

The Group's joint venture, PZ Wilmar Limited, inaugurated the Calaro, Ibiae and Biase oil palm plantations in Mbarakom in November 2012. We have given an undertaking to the Cross River State Government in Nigeria to develop a first class, large-scale and sustainable palm oil industry while at the same time, help the local community by building good schools and medical clinics, training staff as well as establishing an outgrowers scheme.

Nigeria is now the largest African economy and the 24th largest in the world. Our vision is to revive the palm oil industry in Nigeria and restore its past glory by investing in the entire palm oil value chain including plantations, mills, refineries and production of consumer pack edible oils and other downstream products. Establishing such a value chain would increase the country's oil production to satisfy increasing local demand, as well as create employment opportunities. Nigeria is the largest African CPO producer while its consumption is expected to grow exponentially in the next 10 to 20 years.

Also in 2011, we acquired a 77% stake in Benso Oil Palm Plantation Limited, a company listed on the Ghana Stock Exchange, which owns over 5,000 ha of oil palm plantation in Ghana.

Crushing

Including our joint venture projects, we have six crushing plants processing palm kernel, soybeans, sunflower seeds and cottonseeds in Ghana, Ivory Coast, South Africa, Uganda and Zimbabwe with a total processing capacity of about 650,000 MT per year. Another plant will be commissioned in Zambia in 2015.

Edible Oils Refining

Including our joint venture projects, we operate seven edible oils refineries in Ghana, Ivory Coast, Nigeria, South Africa, Uganda, Zambia and Zimbabwe with a combined processing capacity exceeding 1.6 million MT per year.

Consumer Pack Oils

The top manufacturer of consumer pack oils, our branded products are distributed in Ghana, Ivory Coast, Nigeria, South Africa, Uganda, Zambia and Zimbabwe. The Group owns the leading brands in most of these countries.

With rapid urbanisation and a burgeoning consumer class, the rapidly expanding domestic market augurs well for our branded consumer pack edible oils business.

Seed Planting

In Zambia, our joint venture farms wheat, sunflower, canola and soybean. Planted area is expected to reach about 10,000 ha in the next three years from the current 3,000 ha. Starting 2015 we will be able to process our own oilseed harvest, further strengthening our supply chain ownership.

Soaps and Detergents

Sub-Saharan Africa's fifth biggest economy is quickly emerging as a manufacturing hub in the region, especially in agro-processing, thanks to the government's strong push. Our first operation in Ethiopia is through a joint investment with Repi Soap and Detergent S. Co, which engages in the manufacturing of soap and detergent products. Its quality products are marketed under a portfolio of consumer brands including Largo, Ajax, O2, ROL and Maya. We also have soap and detergent manufacturing facilities in Uganda, Zambia and Zimbabwe.

Sugar

In 2013, we acquired a 27.5% stake in Cosumar S.A., Morocco's sole sugar supplier and the third largest sugar producer and second largest refiner in Africa. In February 2015, we raised our interest to 29.5%. Cosumar operates a refinery in Casablanca and seven beet and cane sugar mills in Morocco. Through an established efficient network of 13 outlets throughout the Kingdom, Cosumar distributes sugar products in the form of sugar loafs, lumps, cubes and granulated sugar to both industrial customers and households. In a continent where there is a sugar deficit of six million tonnes per year, Cosumar's industrial overcapacity is well-placed for expansion.

The Group's subsidiary, Wilmar Sugar, formed a strategic partnership with Cevital SPA in 2013 by becoming its exclusive agent and authorised operator for the supply for raw sugar to its two refineries in Bejaia, Algeria. Cevital runs the largest sugar refinery in Africa and is one of the largest globally.

Through an investment in SIFCA SA, the Group holds a stake in Sucrivoire SA which engages in sugar cane cultivation and milling in Ivory Coast.

Growing Sustainably

In accordance with Wilmar's "No Deforestation, No Peat and No Exploitation" policy announced in December 2013, the Group's Sustainability team ensures that all operations in Africa adhere to its standards. The Policy was communicated to both internal and external stakeholders to ensure a clear understanding. Through organised visits to its joint venture operations in Uganda and Nigeria, Wilmar staff had constructive discussions and engaged the community to ensure compliance with our policies.

In September 2014, the Group's subsidiary, Benso Oil Palm Plantation Limited (BOPP) became the first mill in Ghana, West Africa, to be awarded certification for sustainable palm oil production, in accordance with the rigorous standards of the Roundtable on Sustainable Palm Oil (RSPO).

Positive Outlook

With more than 60% of the world's unutilised arable land, of which only an estimated 14% is put to use, low per capita consumption and a young and rapidly growing population, Africa has great potential for agricultural development and consumer markets.

Palm oil consumption in Africa has been on the upward trend for more than 25 years and it will only continue to grow. Globally, Africa will account for about 25% of aggregate growth in CPO consumption in the emerging markets of China, India and Africa between now and 2030[2]. African producers will also enjoy the benefit of preferential trade agreements with key markets, notably the European Union and the US.

Wilmar has invested significant financial and human resources in Africa, undertaking long-gestation projects such as plantations, manufacturing plants and establishing branded consumer products. We believe that with patience and the right people to develop the projects successfully, we will see substantial rewards in the medium to long term.

[2] Standard Chartered Bank Global Research, "Crude palm oil: Africa's burgeoning market", June 2014

MOROCCO
Cosumar

IVORY COAST
Sania CIE

GHANA
Wilmar Africa

NIGERIA
PZ Wilmar

ZAMBIA
Global Industries

UGANDA
Bidco Uganda

ETHIOPIA
Repi Wilmar Soap and Detergent S.C

DJIBOUTI
Repi Wilmar Soap and Detergent S.C

KENYA
East African Storage Co. Limited

TANZANIA
African Tank Terminals Limited

ZIMBABWE
Surface Wilmar

MOZAMBIQUE
African Tank Terminals Limited

SOUTH AFRICA

- Plantations & Mills
- Edible Oils Refining
- Crushing
- Consumer Products
- Sugar Plantations, Mills & Refineries
- Seed Planting
- Specialty Fats
- Soaps & Detergents
- Tank Terminals

Wilmar and its associates are the largest producer of consumer pack edible oils in Africa with an extensive brand portfolio catering to the needs and tastes of every consumer.

Corporate Highlights

JANUARY

SYNDICATED LOAN FACILITY

Wilmar launched a syndication of US$1,750 million revolving loan facilities, subsequently upsized to US$2,490 million owing to strong support from the lenders, to finance general corporate and working capital requirements of the Group, including refinancing of existing debt.

FEBRUARY

SWEET ENTRY INTO INDIA AND BRAZIL

The Group, through its wholly-owned subsidiary Wilmar Sugar Holdings Pte. Ltd., invested in a 27.72% stake in Shree Renuka Sugars Limited (SRSL), a leading player in the Indian sugar market with two well-located refineries, abundant storage capacity and competitive milling operations. It also owns mills and cogeneration assets in Brazil. This investment will enable the Group to establish a significant presence in two of the most important sugar markets – India and Brazil, in addition to its existing operations in Australia, New Zealand, Indonesia and Morocco. More information on SRSL available at www.renukasugars.com.

MARCH

A CLOSER ALLIANCE WITH KELLOGG IN CHINA

The Group's joint venture with Kellogg Company in China formed in 2012 has made good progress as Kellogg's premium breakfast cereals and snacks gain popularity. Taking the partnership to the next level, another 50:50 joint venture was established in Kunshan for the production of breakfast cereals and snacks.

APRIL

EXPANDING FOOTPRINT IN EUROPE

Wilmar's wholly-owned subsidiary, Wilmar Europe Holdings B.V. agreed to purchase Huntsman Corporation's European commodity surfactants business. In addition to the acquisition of an ethoxylation facility in Lavera, France, Wilmar will enter into a multi-year arrangement to purchase sulphated surfactant products from Huntsman's facilities in St. Mihiel, France and Castiglione delle Stiviere, Italy. This agreement enables Wilmar to broaden its existing footprint in Europe and extend its integrated chain to better serve customers in all geographies with responsible and quality products. The deal was completed in June 2014.

INROADS INTO MYANMAR WITH SUGAR-FOCUSED JOINT VENTURE

The Group formed a 55:45 joint venture with Great Wall Food Stuff Industry Company Limited in Myanmar. The joint venture company acquired Great Wall's existing sugar-related business, mills and plants including two mills, a bioethanol plant and an organic compound fertiliser plant.

The Group further expanded its footprint in Europe with the acquisition of an ethoxylation facility in Lavera, France.

Goodman Fielder is Australasia's leading food company with a portfolio of well-known consumer brands in some of Australia and New Zealand's largest grocery categories.

ACQUISITION OF GOODMAN FIELDER

Together with First Pacific Company Limited, a company listed on the Hong Kong Stock Exchange, we made a joint 50:50 bid for the acquisition of the entire share capital of Goodman Fielder by way of a scheme of arrangement at A$0.65 a share. The all-cash offer was subsequently raised to A$0.675 per share. The acquisition was completed on 17 March 2015 and Goodman Fielder has been delisted.

Goodman Fielder is Australasia's leading food company with a portfolio of well-known consumer brands in some of Australia and New Zealand's largest grocery categories, including MeadowLea, Praise, White Wings, Pampas, Mighty Soft, Helga's, Wonder White, etc. Its products include bread, milk, margarine, flour, dressings, condiments, mayonnaise, cake mix, pies, savouries, desserts, sauces, vinegar and cooking oils. More information available at www.goodmanfielder.com.au.

JUNE

FIRST PRESENCE IN ETHIOPIA

The Group signed a 50:50 joint venture agreement with Repi Soap and Detergent S. Co. (Repi) for the upgrading of an existing manufacturing facility and building of a new integrated manufacturing complex that will house an edible oil refinery and packing plant, production plants for specialty fats, soft oils, soaps and detergents, as well as a facility for sesame seed processing. This joint investment marks

Wilmar's joint investment agreement with Repi Soap and Detergent S. Co. marks its entry into Ethiopia.

Wilmar's first operations in Ethiopia. More information on Repi available at www.repisc.com.

FIRST OPERATIONS IN ZIMBABWE

The Group made its inaugural entry into Zimbabwe through a joint venture with Surface Investments which operates the country's largest multi-oilseed processing plant. The joint venture company, Surface Wilmar, will have capabilities for crushing of soybeans and cottonseeds as well as a refinery and packing plant for edible oils.

AUGUST

ENHANCING DOWNSTREAM CAPABILITIES

Through its wholly-owned subsidiary, PGEO Group Sdn. Bhd., Wilmar entered into a share purchase agreement to acquire Nexsol (Malaysia) Sdn. Bhd. from Kulim (Malaysia) Berhad for a cash consideration of Malaysia Ringgit 27 million. The acquisition was completed in December 2014. Nexsol owns a biodiesel and glycerine refinery in Johor Bahru. This represents a strategic expansion of the Group's oleochemical manufacturing capabilities, creating synergies with its existing oleochemical infrastructure and strengthening its position in the supply chain. Wilmar also acquired a plot of 30-acre land sited in Mukim of Sungai Tiram, district of Johor Bahru.

SEPTEMBER

FIRST PRESENCE IN MEXICO

The Group established a wholly-owned subsidiary, Wilmar Oleo Quimicos, S. de R.L. De C.V., in Mexico engaging in the sale of oleochemical products.

Construction of the VFM-Wilmar flour mill was completed in December 2014 and operation commenced in January 2015.

OCTOBER

SHARE BUYBACK

Wilmar exercised a share buyback of 3,779,000 shares at between S$2.96 and S$3.00 per share on two separate occasions.

NOVEMBER

NEW DIRECTOR ON BOARD

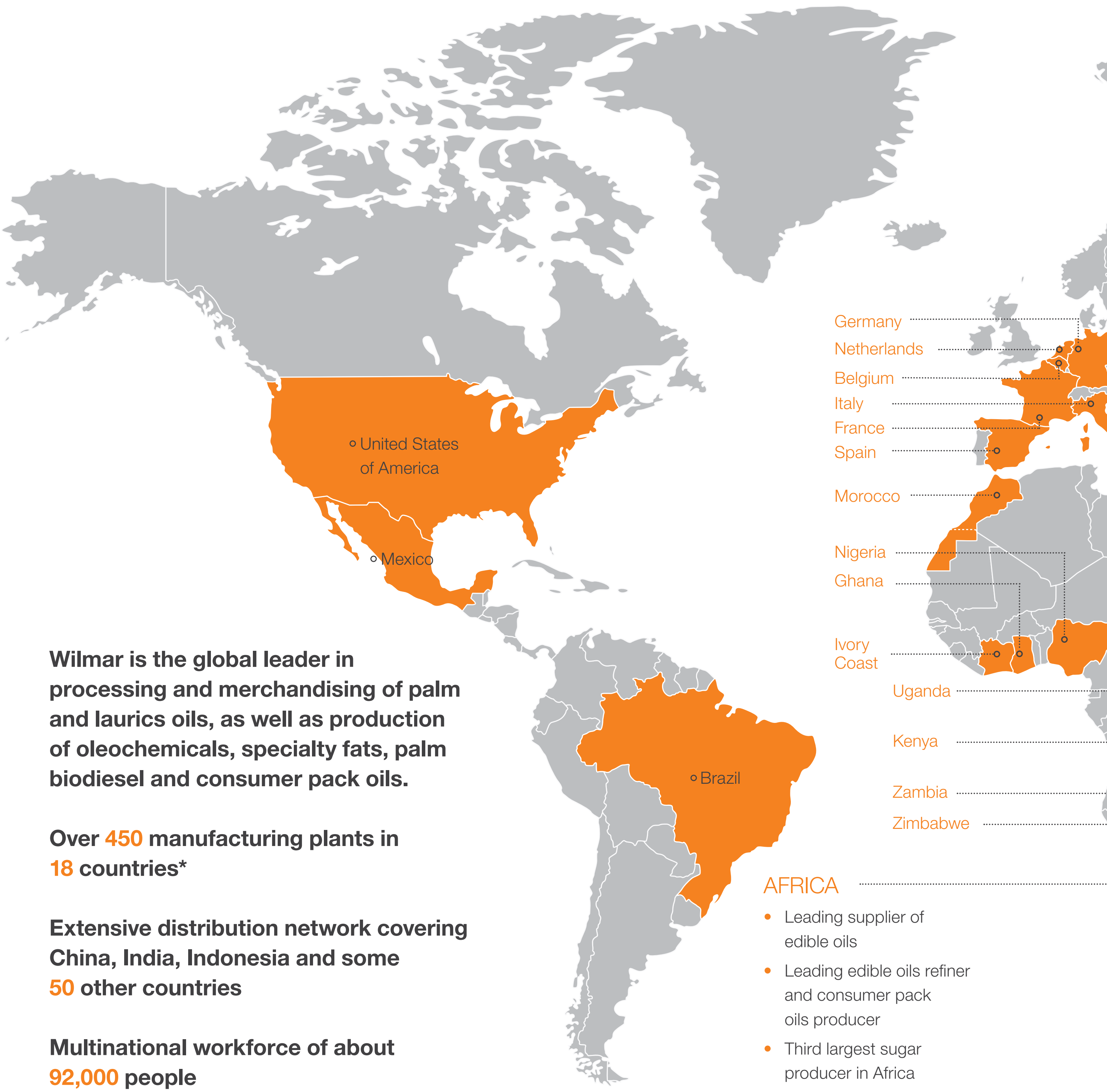
Mr George Yong-Boon Yeo joined Wilmar's Board of Director as a Non-Independent Director with effect from 1 November 2014. Mr Yeo brings with him vast knowledge and expertise in both the public sector and international business affairs. Refer to page 26 for his full profile.

DECEMBER

INAUGURATION OF VFM-WILMAR FLOUR MILL IN VIETNAM

The VFM-Wilmar flour mill was inaugurated at a ceremony held at the Cai Lan Industrial Zone, Ha Long city, in the northern province of Quang Ninh on 3 December 2014. It is a joint venture with FFM Berhad of Malaysia. The mill is capable of producing 500 tonnes of wheat per day employing green and modern technology.

Global Presence



Wilmar is the global leader in processing and merchandising of palm and laurics oils, as well as production of oleochemicals, specialty fats, palm biodiesel and consumer pack oils.

Over 450 manufacturing plants in 18 countries*

Extensive distribution network covering China, India, Indonesia and some 50 other countries

Multinational workforce of about 92,000 people

** Subsidiaries only, not including associates*

INDIA

- Leading branded consumer pack oils producer, oilseed crusher and edible oils refiner

CHINA

- Largest oilseed crusher, edible oils refiner and specialty fats and oleochemicals manufacturer
- Leading producer of branded consumer pack oils, rice and flour
- One of the largest flour and rice millers

INDONESIA & MALAYSIA

- One of the largest oil palm plantation owners and the largest palm oil refiner, palm kernel and copra crusher, specialty fats, oleochemicals and biodiesel manufacturer
- Largest producer of branded consumer pack oils in Indonesia

AUSTRALIA

- Largest raw sugar producer and refiner
- Leading consumer brands in sugar and sweetener market
- Top 10 global raw sugar producers

Integrated Business Model

At the core of Wilmar's strategy is a resilient business model encompassing the entire value chain of the agricultural commodity processing business, from origination and processing to branding, merchandising and distribution. Through scale, integration and the logistical advantages of its business model, Wilmar is able to extract margins at every step of the value chain, thereby reaping operational synergies and cost efficiencies.

VERTICALLY INTEGRATED ACROSS BUSINESS SEGMENTS ...

PLANTATIONS & PALM OIL MILLS

One of the largest listed palm plantation companies in the world

PALM & LAURICS

Largest global processor and merchandiser of palm and lauric oils with distribution network in more than 50 countries

OILSEEDS & GRAINS

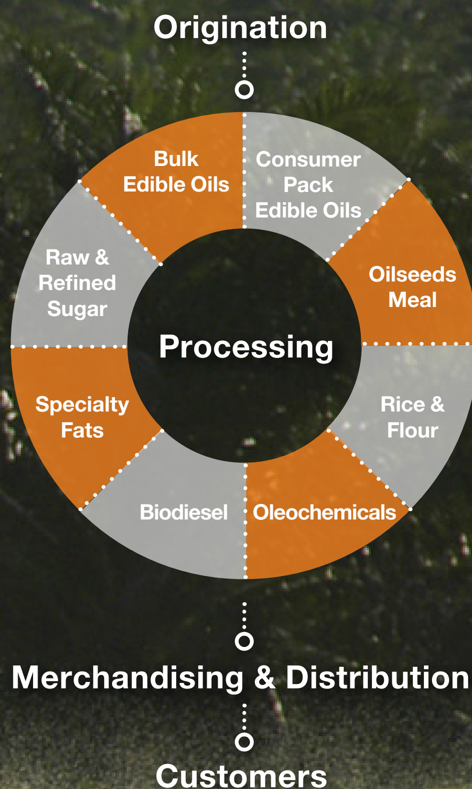
Largest soybean crusher in China with leading brands of soybean oil and soybean meal, which is used in animal feed

STRONG VOLUMES AND PROFITABILITY ACROSS ALL SEGMENTS (FY14)

Plantations & Palm Oil Mills	Palm & Laurics	Oilseeds & Grains
FFB: 4.3 mm MT	Volumes: 24.6 mm MT	Volumes: 22.7 mm MT
Revenues: US$1.5 bn	Revenues: US$20.3 bn	Revenues: US$14.5 bn
PBT: US$381.1 mm	PBT: US$588.1 mm	PBT: US$86.7 mm

Almost 100% of output is supplied to Palm and Laurics

Almost 100% of edible oil is supplied



CONSUMER PRODUCTS

World's largest producer of consumer pack edible oils

SUGAR

Largest raw sugar producer and refiner in Australia and leading sugar refiner in Indonesia

OTHERS

Fertiliser

Shipping

STRONG VOLUMES AND PROFITABILITY ACROSS ALL SEGMENTS (FY14)

Consumer Products	Sugar	Others
Volumes: 5.6 mm MT Revenues: US$7.0 bn PBT: US$261.8 mm	Volumes: 9.7 mm MT Revenues: US$4.1 bn PBT: US$134.4 mm	

to Consumer Products

Core Values

In our commitment to excellence, we are guided by a set of values that defines who we are and the way we work.

INTEGRITY

We value honesty, trustworthiness and high ethical standards.

EXCELLENCE

We strive for excellent performance in everything we do.

PASSION

We are passionate about growing our business globally.

INNOVATION

We value innovative efforts, ideas and methods to continually improve our business processes.

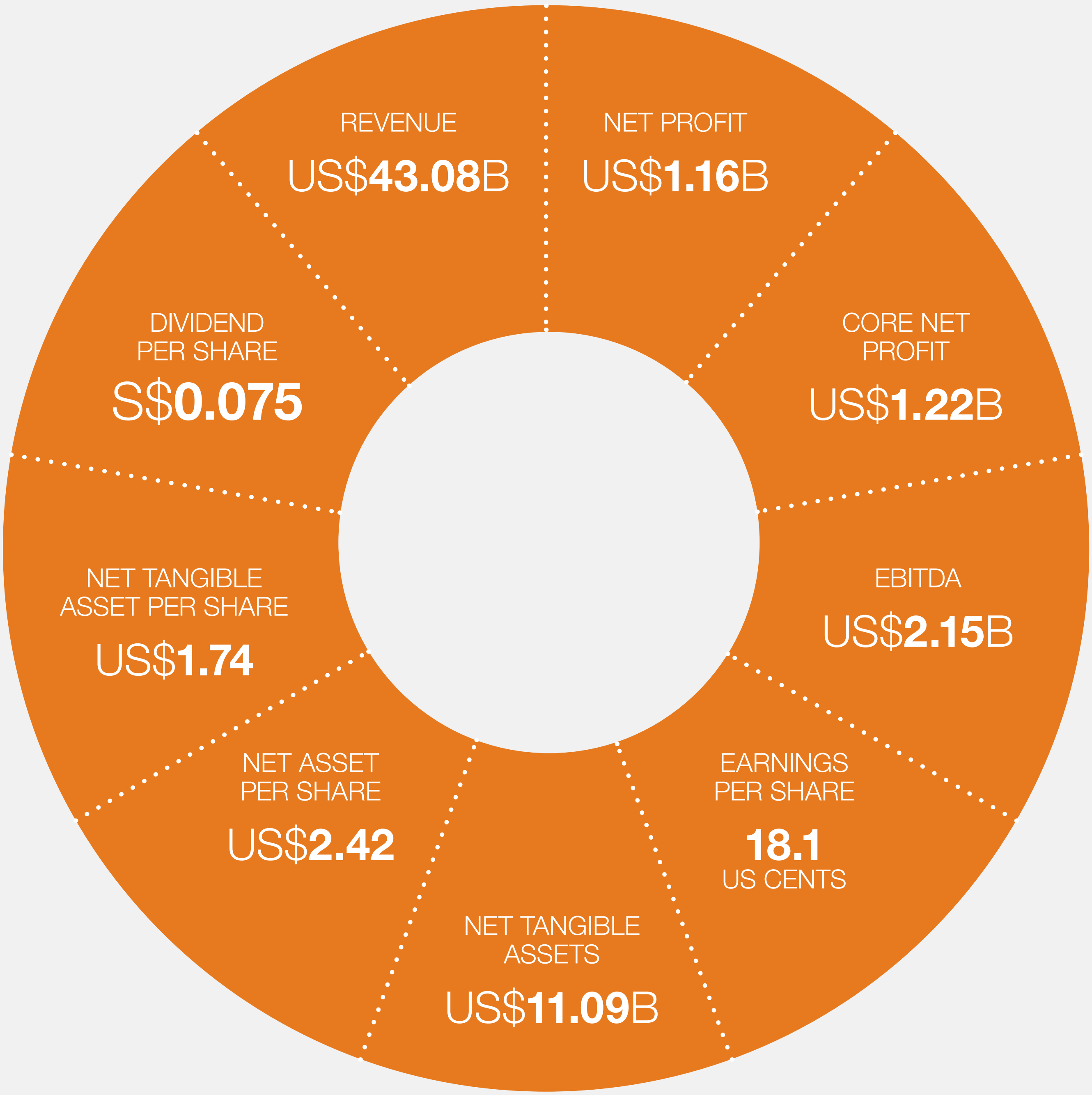
TEAM WORK

We work as one team to achieve our corporate goals.

SAFETY

We pay careful consideration to the health and safety of our employees at the workplace.

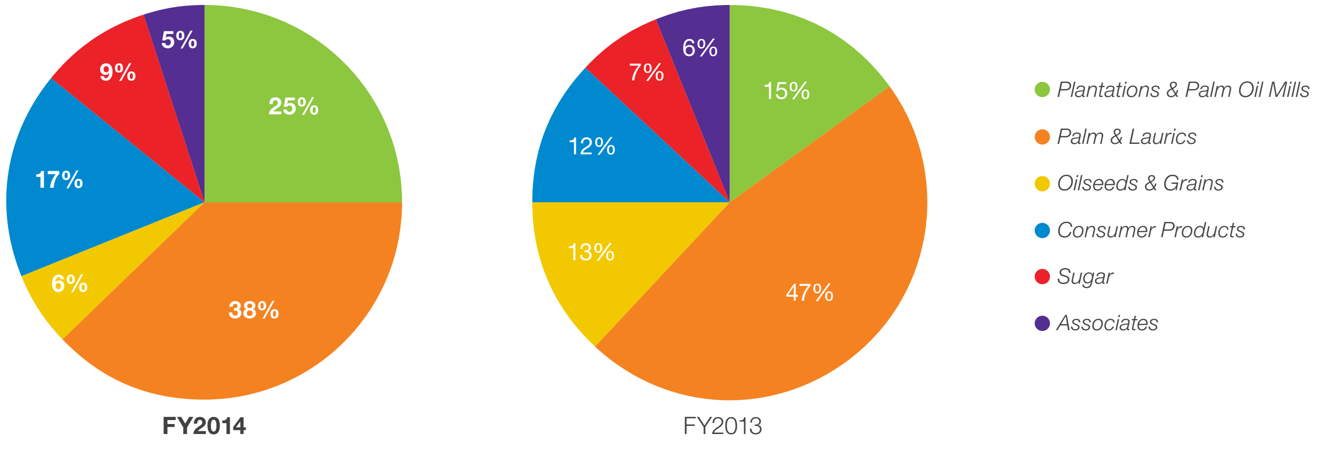
Performance Overview



Financial Highlights

	FY2014	FY2013	FY2012	FY2011	FY2010
INCOME STATEMENT *(US$ million)*					
Revenue	**43,085**	44,085	45,463	44,710	30,378
EBITDA	**2,148**	2,432	2,406	2,789	2,033
Profit before tax	**1,538**	1,775	1,655	2,079	1,644
Net profit	**1,156**	1,319	1,255	1,601	1,324
Earnings per share – fully diluted *(US cents)*	**18.1**	20.6	19.6	25.0	20.7
Dividends per share *(Singapore cents)*	**7.5**	8.0	5.0	6.1	5.5
CASH FLOW *(US$ million)*					
Operating cash flows before working capital changes	**1,844**	2,449	2,201	2,459	1,935
Capital expenditure	**1,093**	1,376	1,735	1,554	1,064
Working capital changes	**423**	(288)	(581)	22	(3,926)
Investment in subsidiaries and associates	**220**	362	300	356	1,679
BALANCE SHEET *(US$ million)*					
Shareholders' funds	**15,495**	15,005	14,346	13,370	11,856
Total assets	**43,558**	46,632	41,920	39,640	33,969
Total liabilities	**27,147**	30,745	26,725	25,391	21,412
Net loans and borrowings	**12,056**	12,446	12,209	10,530	9,962
Net gearing (x)	**0.78**	0.83	0.85	0.79	0.84
Net asset value per share *(US cents)*	**242.3**	234.5	224.3	208.9	185.3
Net tangible assets per share *(US cents)*	**173.5**	165.4	154.6	140.0	116.5

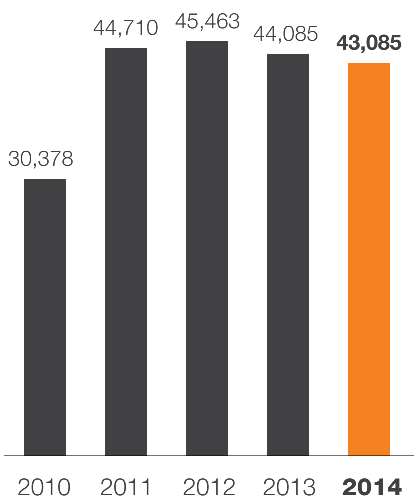
PROFIT BEFORE TAX BY BUSINESS SEGMENT



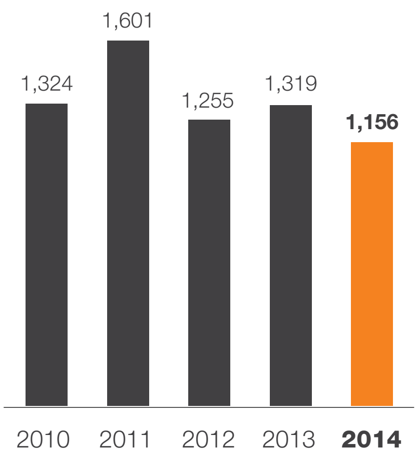
Note:

For FY2013, segmental breakdown calculation excludes unallocated expenses and gains from biological asset revaluation.

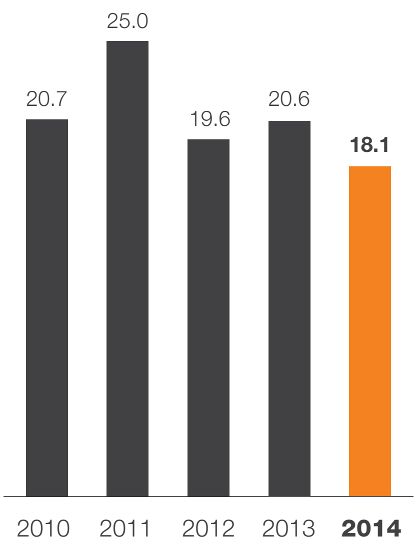
REVENUE
(US$ million)



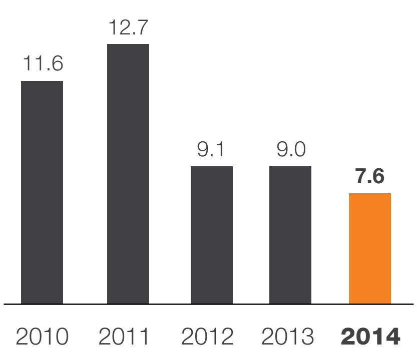
NET PROFIT
(US$ million)



EARNINGS PER SHARE
(US cents)



RETURN ON AVERAGE EQUITY
(%)



Board of Directors

KUOK KHOON HONG

Chairman and Chief Executive Officer

Mr Kuok Khoon Hong, 65, is the Chairman and Chief Executive Officer of the Group. He is overall in charge of the management of the Group with a particular focus on new business developments. He has extensive experience in the industry and has been involved in the grains, edible oils and oilseeds businesses since 1973. Mr Kuok has completed many projects involving the establishment of oil palm plantations in Asia and Africa, as well as the processing of grains, edible oils and oilseeds. Mr Kuok graduated from the then University of Singapore with a Bachelor of Business Administration degree. Mr Kuok was appointed on 24 March 2006 and was last re-elected on 25 April 2014.

MARTUA SITORUS

Executive Deputy Chairman

Mr Martua Sitorus, 55, is the Executive Deputy Chairman of the Group. Mr Sitorus has been instrumental in the development of the Group's business operations in Indonesia. He is in charge of the Group's operations in Indonesia and plantation operations. He holds a degree in economics from HKBP Nomensen University in Medan, Indonesia. Mr Sitorus was appointed on 14 July 2006 and was last re-elected on 25 April 2013.

TEO KIM YONG

Executive Director and Chief Operating Officer

Mr Teo Kim Yong, 61, is the Chief Operating Officer of the Group. He is in charge of the Group's commercial activities, merchandising of palm and lauric oils, as well as the manufacturing, palm and biodiesel trading operations. Mr Teo joined the Group in 1992 and has extensive experience in the marketing and merchandising of edible oil products. He graduated from the then University of Singapore with a Bachelor of Business Administration degree. Mr Teo was appointed on 14 July 2006 and was last re-elected on 25 April 2014.

KUOK KHOON CHEN

Non-Executive Director

Mr Kuok Khoon Chen, 60, has been a senior executive of the Kuok Group since 1978. He is currently Deputy Chairman and Managing Director of Kerry Group Limited and the Chairman of Kerry Holdings Limited. He is also the Chairman of Kuok Brothers Sdn Berhad and a director of a number of Kuok Group companies. He is the Chairman and Chief Executive Officer of Shangri-La Asia Limited which is listed on the Hong Kong Stock Exchange, and an executive director of China World Trade Center Company Limited which is listed on the Shanghai Stock Exchange. Mr Kuok was the Chairman of Kerry Properties Limited from June 2008 to August 2013. Mr Kuok holds a Bachelor's degree in Economics from Monash University in Australia. Mr Kuok was appointed on 8 February 2010 and was last re-elected on 25 April 2013.

KUOK KHOON EAN

Non-Executive Director

Mr Kuok Khoon Ean, 59, is the Chairman of Kuok (Singapore) Limited, a Director of Kerry Group Limited and the Managing Director of Kerry Holdings Limited. He is the Chairman and Non-Executive Director of PACC Offshore Services Holdings Ltd, a company listed on the Singapore Stock Exchange. He is an independent non-executive director of The Bank of East Asia, Limited and IHH Healthcare Berhad, which are listed on the Hong Kong Stock Exchange and Bursa Malaysia respectively. Mr Kuok has served as the Chairman of Shangri-La Asia Limited from April 2008 to August 2013 and remained as a Non-Executive Director till June 2014. Mr Kuok holds a Bachelor of Economics degree from Nottingham University, UK. Mr Kuok was appointed on 2 July 2007 and was last re-elected on 25 April 2013.

JUAN RICARDO LUCIANO

Non-Executive Director

Mr Juan R. Luciano, 53, is the President and Chief Executive Officer of Archer Daniels Midland Company (ADM). He also serves on the Board of Directors of ADM. Mr Luciano oversees the commercial and production activities of ADM's corn, oilseeds, agricultural services businesses, as well as its research, project management, procurement and risk-management functions. He also oversees the company's operational excellence initiatives, which seek to improve productivity and efficiency companywide. He has led ADM's efforts to improve its capital, cost and cash positions. Mr Luciano joined ADM in 2011 as executive vice president and chief operating officer, following a successful 25-year tenure at The Dow Chemical Company, where he last served as executive vice president and president of the performance division. Mr Luciano is a Governor of the Boys and Girls Clubs of America, and Midwest chair of the organization's National Trustees Board. He holds an industrial engineering degree from the Buenos Aires Institute of Technology. Mr Luciano was appointed on 20 June 2012 and was last re-elected on 25 April 2013.

GEORGE YONG-BOON YEO

Non-Executive Director

Mr George Yong-Boon Yeo, 60, is the Chairman and Executive Director of Hong Kong-listed Kerry Logistics Network Limited, as well as Deputy Chairman and a Director of Kerry Group Limited. From 1988 to 2011, Mr Yeo served in the Singapore Government, as Minister of State for Finance, then as Minister for Information and the Arts, Health, Trade and Industry, and Foreign Affairs. Prior to 1988, Mr Yeo served in various capacities in the Singapore Armed Forces, Republic of Singapore Air Force and Defence Ministry, attaining the rank of Brigadier-General. Mr Yeo chairs the International Advisory Panel of the Nalanda University Governing Board. Mr Yeo is a member of the Foundation Board of the World Economic Forum, the Berggruen Institute on Governance, the Asia-Pacific Advisory Board of Harvard Business School, the International Advisory Board of IESE Business School, Economic Development Commission, Hong Kong, the International Advisory Committee of National Graduate Institute for Policy Studies and the International Advisory Committee of Mitsubishi Corporation. In 2013, he was appointed a member of the Pontifical Commission for Reference on the Economic-Administrative Structure of the Holy See and recently became a member of the newly-formed Vatican Council for the Economy. Mr Yeo has been an independent non-executive director of Hong Kong-listed AIA Group Limited since November 2012. Mr Yeo was awarded the Philippines' Order of Sikatuna, India's Padma Bhushan and Australia's Honorary Officer of the Order of Australia. Mr Yeo graduated from Cambridge University with a double first in engineering in 1976 and also obtained a master of business administration degree (Baker Scholar) from Harvard Business School in 1985. Mr Yeo was appointed on 1 November 2014.

YEO TENG YANG

Lead Independent Director

Mr Yeo Teng Yang, 73, is the lead independent director. He has a varied international career spanning senior positions in the Ministry of Finance and the Monetary Authority of Singapore, Ambassador to the European Community in Brussels as well as Executive Director of the Asian Development Bank, Manila and Advisor at the International Monetary Fund, Washington D.C. besides his extensive banking experience. From 1995 to 2000, he was the Senior Executive Vice President of United Overseas Bank Ltd, Singapore, with management responsibilities in treasury, international banking business, fund management, stockbroking and risk management. He also served as a Board Member of Korea First Bank, South Korea, from 2000 to 2005. Mr Yeo holds a Bachelor of Social Science Honours degree from the then University of Singapore and a Masters degree in Economics from Yale University, USA. He was appointed on 14 July 2006 and was last re-appointed on 25 April 2014 to hold office until the conclusion of the next Annual General Meeting of the Company.

LEONG HORN KEE

Independent Director

Dr Leong Horn Kee, 62, is currently the Chairman of CapitalCorp Partners Pte Ltd. Dr Leong has established a wide career in the private sector with Far East Organization, Orchard Parade Holdings Limited, Yeo Hiap Seng Limited, Rothschild Singapore, Transtech Ventures and Natsteel group, as well as in the public sector with the Ministry of Trade & Industry and the Ministry of Finance. In addition, he was a Singapore Member of Parliament from 1984 to 2006, and was Singapore's Non-resident Ambassador to Mexico from 2006 to 2013. Dr Leong is currently the Non-resident High Commissioner to Cyprus since July 2014. Dr Leong holds a Production Engineering degree from Loughborough University, UK; an Economics degree from London University, UK; a Chinese Language and Literature degree from Beijing Normal University, China; an MBA degree from INSEAD, France; a Master in Business Research and a Doctorate in Business Administration from University of Western Australia. Dr Leong was appointed on 30 June 2000 and was last re-elected on 27 April 2012.

TAY KAH CHYE

Independent Director

Mr Tay Kah Chye, 68, is currently the Executive Chairman of CLMV Consult Net Private Limited, a regional consulting company headquartered in Singapore and the Chief Executive Officer of the PATA Group (comprising PATA Consultancy Private Limited and PATA International Enterprise Private Limited). He has served as the Honorary Advisor of ASEAN Bankers Association, a regional banking industry group from 2008 to 2010. Prior to his retirement on 31 December 2007, Mr Tay was the President and Chief Executive Officer of ASEAN Finance Corporation Limited, a regional merchant bank based in Singapore and owned by various leading banks and financial institutions in ASEAN since 1991. Mr Tay has vast experience in banking and finance. Mr Tay was with Citibank N.A. Singapore Branch, where he started his banking career in 1973. His last held position in Citibank was Vice President and Head of its Corporate Marketing Group. During his 18 years with Citibank, he held various positions in banking operations, credit management and marketing. Mr Tay was a director of Cambodia Mekong Bank Public Limited from 2003 to 2012 and his last held position was Chairman of the Board of Directors. He is the Independent Non-Executive Chairman of Asiatic Group (Holdings) Limited and an independent director of Chemical Industries (Far East) Ltd. Mr Tay holds a Bachelor of Social Sciences degree in Economics from the then University of Singapore. Mr Tay was appointed on 14 July 2006 and was last re-elected on 27 April 2012.

KWAH THIAM HOCK

Independent Director

Mr Kwah Thiam Hock, 68, sits on the board of various companies including IFS Capital Limited, Select Group Limited, Excelpoint Technology Ltd and Teho International Inc Ltd. He started his career in 1964 with the Port of Singapore Authority. From 1969 to 1970, he was an Assistant Accountant with the Singapore Textile Industries Limited. Subsequently, he served as the Secretary and Assistant Accountant in Singapore Spinners Private Limited from 1970 to 1973 and later in 1974, he moved on to become the Regional Accountant and Deputy Manager of its related company, IMC (Singapore). Mr Kwah left to join ECICS Holdings Ltd in 1976 and rose to become its President and Chief Executive Officer. He stepped down from ECICS Holdings Ltd in 2003 to assume the position of Principal Officer and Chief Executive Officer of ECICS Limited, a wholly-owned subsidiary of listed IFS Capital Limited. Mr Kwah retired from ECICS Limited in December 2006 but he remains as the non-executive Director of ECICS Limited. He is a Fellow, Certified Public Accountant of Australia, ICPAS and ACCA. He graduated from the then University of Singapore in 1973 with a Bachelor of Accountancy degree. Mr Kwah was appointed on 14 July 2006 and was last re-elected on 25 April 2014.

The directorships in listed companies, past and present, and principal commitments of the directors are set out below:

Name of Director	Present Directorships in Listed Companies	Past Directorships in Listed Companies held over the preceding three years	Principal Commitments# (other than Wilmar International Limited)
EXECUTIVE DIRECTORS			
KUOK Khoon Hong	Wilmar International Limited – Chairman & CEO Perennial Real Estate Holdings Limited (formerly known as St. James Holdings Limited) – Chairman & Non-Independent Non-Executive Director	Cosumar S.A., a Wilmar associated company	
Martua SITORUS	Wilmar International Limited – Executive Deputy Chairman		Aastar Trading Pte Ltd – Managing Director WH Investments Pte Ltd – Managing Director ICC Energy Holdings Pte Ltd ICC Leasing Pte Ltd
TEO Kim Yong	Wilmar International Limited – Executive Director & COO		
NON-EXECUTIVE DIRECTORS			
KUOK Khoon Chen	Shangri-La Asia Limited *(Hong Kong Stock Exchange)* – Chairman & CEO China World Trade Center Company Limited *(Shanghai Stock Exchange)* Wilmar International Limited	Kerry Properties Limited – Chairman	Kerry Group Limited – Deputy Chairman & MD Kerry Holdings Limited – Chairman Kuok Brothers Sdn Berhad – Chairman China World Trade Center Ltd
KUOK Khoon Ean	PACC Offshore Services Holdings Ltd ("POSH") – Chairman & Non-Executive Director IHH Healthcare Berhad *(Bursa Malaysia)* The Bank of East Asia, Limited *(Hong Kong Stock Exchange)* Wilmar International Limited	SCMP Group Limited – Chairman The Post Publishing Public Company Limited Shangri-La Asia Limited Shangri-La Hotel Public Company Limited	Kerry Group Limited Kerry Holdings Limited – MD Kuok (Singapore) Limited – Chairman POSH – Chairman & Non-Executive Director
Juan Ricardo LUCIANO	Archer Daniels Midland Company *(New York Stock Exchange)* Wilmar International Limited		Archer Daniels Midland Company – President & CEO
George Yong-Boon YEO	Kerry Logistics Network Limited *(Hong Kong Stock Exchange)* – Chairman & Executive Director AIA Group Limited *(Hong Kong Stock Exchange)* Wilmar International Limited		Kerry Group Limited – Deputy Chairman

Name of Director	Present Directorships in Listed Companies	Past Directorships in Listed Companies held over the preceding three years	Principal Commitments# (other than Wilmar International Limited)
LEAD INDEPENDENT DIRECTOR			
YEO Teng Yang	Wilmar International Limited	United International Securities Limited (in members' voluntary liquidation)	
INDEPENDENT DIRECTORS			
LEONG Horn Kee	Amtek Engineering Ltd IGG INC *(Hong Kong Stock Exchange)* SPH Reit Management Pte. Ltd.* *(Trust Manager of SPH REIT)* Tat Hong Holdings Ltd Viva Asset Management Pte. Ltd.* *(Trust Manager of Viva Industrial Trust REIT)* Viva Industrial Trust Management Pte Ltd* *(Trust Manager of Viva Industrial Trust REIT)* Wilmar International Limited * Independent Non-Executive Chairman	Kian Ho Bearings Ltd* Linair Technologies Ltd China Energy Limited ECS Holdings Limited	CapitalCorp Partners Pte Ltd – Chairman
TAY Kah Chye	Asiatic Group (Holdings) Limited – Independent Non-Executive Chairman Chemical Industries (Far East) Ltd Wilmar International Limited		CLMV Consult Net Private Limited – Executive Chairman Cam Box Private Limited PATA Consultancy Private Limited – CEO PATA International Enterprise Private Limited – CEO
KWAH Thiam Hock	Excelpoint Technology Ltd IFS Capital Limited Select Group Limited Teho International Inc Ltd Wilmar International Limited		ECICS Limited Northern Star Shipping Pte Ltd PM Shipping Pte Ltd

In accordance to the Code of Corporate Governance 2012, the term "principal commitments" shall include all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. Where a director sits on the boards of non-active related corporations, those appointments should not normally be considered principal commitments.

Key Management Team

MR KUOK KHOON HONG
Chairman & Chief Executive Officer

MR MARTUA SITORUS
Executive Deputy Chairman

MR TEO KIM YONG
Executive Director & Chief Operating Officer

MR HENDRI SAKSTI
Country Head, Indonesia

MR YEE CHEK TOONG
Country Head, Malaysia

MR GOH ING SING
Group Head of Plantations

MR MATTHEW JOHN MORGENROTH
Group Technical Head

MR RAHUL KALE
Group Head of Oleochemicals & Biofuels

MR MU YANKUI
Executive Vice Chairman, China

MR NIU YU XIN
General Manager, China

MR JEAN-LUC ROBERT BOHBOT
Group Head of Sugar

CAPTAIN KENNY BEH HANG CHWEE
Group Head of Shipping

PROFESSOR CHUA NAM-HAI
Chief Scientific Advisor

MR HO KIAM KONG
Chief Financial Officer

MS SNG MIOW CHING
Group Financial Controller

MS TEO LA-MEI
Group Legal Counsel & Company Secretary

MR JEREMY GOON
Chief Sustainability Officer

MR PATRICK TAN SOO CHAY
Group Head of Internal Audit

MR THOMAS LIM KIM GUAN
General Manager, Trading (Edible Oils)

Corporate Information

BOARD OF DIRECTORS

KUOK Khoon Hong (Chairman)
Martua SITORUS
TEO Kim Yong
KUOK Khoon Chen
KUOK Khoon Ean
Juan Ricardo LUCIANO
George Yong-Boon YEO
(Appointed on 1 November 2014)
YEO Teng Yang
Dr LEONG Horn Kee
TAY Kah Chye
KWAH Thiam Hock

EXECUTIVE COMMITTEE

KUOK Khoon Hong (Chairman)
Martua SITORUS
TEO Kim Yong

AUDIT COMMITTEE

TAY Kah Chye (Chairman)
KWAH Thiam Hock
YEO Teng Yang

NOMINATING COMMITTEE

KWAH Thiam Hock (Chairman)
KUOK Khoon Hong
TAY Kah Chye
YEO Teng Yang

REMUNERATION COMMITTEE

KWAH Thiam Hock (Chairman)
KUOK Khoon Ean
YEO Teng Yang
Dr LEONG Horn Kee

RISK MANAGEMENT COMMITTEE

YEO Teng Yang (Chairman)
KUOK Khoon Hong
Dr LEONG Horn Kee

COMPANY SECRETARY

TEO La-Mei

REGISTERED OFFICE

56 Neil Road
Singapore 088830
Telephone: (65) 6216 0244
Facsimile: (65) 6536 2192

SHARE REGISTRAR

Tricor Barbinder Share
Registration Services
80 Robinson Road #02-00
Singapore 068898
Telephone: (65) 6236 3333
Facsimile: (65) 6236 3405

AUDITOR

Ernst & Young LLP
One Raffles Quay
#18-01 North Tower
Singapore 048583
Partner-in-Charge: Christopher WONG
(With effect from financial year ended 31 December 2014)


frytol
frytol

Operations Review

CONSUMER PRODUCTS PRETAX PROFIT

19% ▲

SUGAR PRETAX PROFIT

6% ▲

PLANTATIONS & PALM OIL MILLS PRETAX PROFIT

41% ▲

Our extensive range of premium consumer products is riding the urbanisation wave in fast-developing markets.

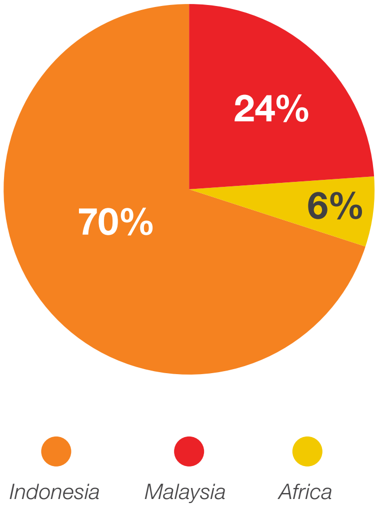
PLANTATIONS & PALM OIL MILLS

Wilmar is one of the largest oil palm plantation owners with a total planted area of 238,287 hectares (ha) as at 31 December 2014. Around 70% of the total planted area is located in Indonesia, 24% in East Malaysia and 6% in Africa. Through joint ventures, the Group owns plantations in Uganda and West Africa of approximately 59,000 ha. We also manage 31,666 ha under the Plasma Scheme in Indonesia and over 150,000 ha under the smallholders and Outgrowers scheme through the joint ventures in Africa.

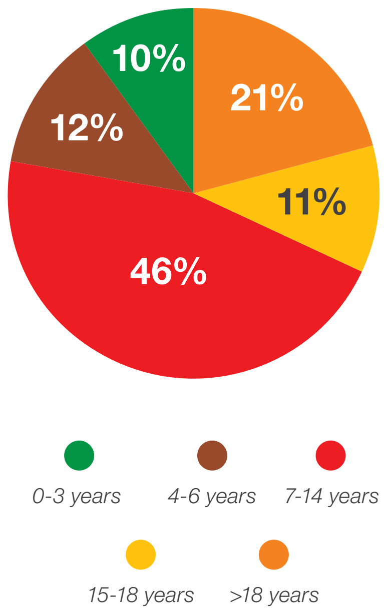
The Group's plantations have an average age of 12 years. Around 57% are at the prime production age of seven to 18 years while another 22% are at age six years and below. As the young trees mature, they will support the medium to long-term growth of the Group's plantation operations.

Wilmar processes fresh fruit bunches (FFB) sourced from its own plantations, smallholders under the Plasma and Outgrowers schemes and third-party suppliers. The crude palm oil (CPO) and palm kernel produced by its oil palm mills are predominantly supplied to its refineries and palm kernel crushing plants.

Plantations Geographic Location as at 31 December 2014



Plantations Age Profile as at 31 December 2014



FFB PRODUCTION

The Group's FFB production improved 7% to 4.3 million MT as production yield increased 10% to 20.6 MT per ha in 2014. The higher production yield was due to better crop trend in Indonesia and Malaysia.

SUSTAINABILITY AND CERTIFICATION

Wilmar announced its integrated "No Deforestation, No Peat and No Exploitation" Policy in December 2013 with the aim of advancing an environmentally and socially responsible palm oil industry. Since the implementation of this bold policy across all our operations worldwide as well as third-party suppliers from which we source and trade with, Wilmar has been at the forefront of sustainability initiatives. The Group was recognised as the Most Improved Company 2013-2014 in the Agricultural Products Sector for Corporate Action on Deforestation by the Carbon Disclosure Project.

Further highlighting our commitment, the Group was also one of the signatories of the landmark Indonesia Palm Oil Pledge at the 2014 United Nations Climate Summit held in September 2014. The Pledge is an agreement among leading palm oil producers to commit to industry-leading sustainability practices, which includes proactive government engagement on policy reform and a principle of no planting on high carbon stock or peat lands.

All of the Group's plantations and mills in Malaysia are certified and adhere to RSPO Principles and Criteria, while the Indonesian operations are scheduled to complete certification audits by 2016. In Ghana, West Africa, Wilmar's palm oil mill was the first to be RSPO-certified. Thus far, 21 of the Group's mills and their supply bases have successfully completed certification. As at December 2014, the Group's annual production capacity of RSPO certified palm oil was about 740,000 MT.

For more information on our sustainability efforts, please refer to the Sustainability chapter.

OUR PERFORMANCE

The Group registered a pretax profit of US$381.1 million in 2014, a 41% increase from 2013. This was mainly due to higher production yield, depreciation in regional currencies and lower manuring cost. The pretax profit included a revaluation loss from biological assets of US$8.0 million. In 2014, the Group replanted around 8,500 ha.

OUTLOOK AND STRATEGY

Wilmar remains positive about the long-term prospects of palm oil with the rise of global demand for its food and non-food applications, and its low cost of production.

In terms of production, growth is expected to come mainly from higher mature hectarage and yield improvement of existing plantations. The Group will continue to explore opportunities to expand its hectarage mainly in West Africa, where the demand for palm oil is growing and there is plentiful supply of land and labour.

PALM & LAURICS

Wilmar is the world's largest processor and merchandiser of palm and lauric oils, processing palm and lauric oils into refined palm oil, specialty fats, oleochemicals and biodiesel. The Palm and Laurics division is a major contributor to the Group's profitability.

Wilmar's processing plants are strategically located in major growing areas in Malaysia, Indonesia and the Philippines as well as in major consuming countries. Complemented by an extensive distribution network in more than 50 countries, a large shipping fleet and manufacturing facilities, the Group believes it has the most effective marketing and distribution network for palm and laurics products globally.

As at 31 December 2014, the Group has plants located in the following countries:

	Refinery	Oleochemicals	Specialty Fats	Biodiesel
Subsidiaries				
Indonesia	25	4	4	9
Malaysia	14	1	1	1
China	48	9	6	-
Vietnam	2	-	2	-
Europe	4	3	1	1
Africa	2	-	1	-
Others	4	-	1	-
Total no. of plants	**99**	**17**	**16**	**11**
Total capacity *(million MT p.a)*	**29**	**2**	**2**	**3**
Associates				
India	25	-	5	-
China	10	2	3	-
Russia	4	-	3	-
Ukraine	2	-	1	-
Malaysia	3	-	-	-
Africa	5	-	2	-
Bangladesh	2	-	-	-
Total no. of plants	**51**	**2**	**14**	**-**
Total capacity *(million MT p.a)*	**9**	**< 1**	**1**	**-**

Note: Refinery capacity includes palm oil and soft oils

During the year, the Group invested in facilities that will further strengthen its position in the supply chain. In April 2014, Wilmar announced the purchase of an ethoxylation facility in Lavera, France, as well as the entry into a multi-year arrangement to acquire sulphated surfactant products from Huntsman Corporation's facilities in St. Mihiel, France and Castiglione delle Stiviere, Italy. Through this acquisition, the Group will be able to broaden its existing footprint in Europe and extend its integrated chain to better serve customers in all geographies.

In June 2014, the Group entered into a 50:50 joint investment agreement with Repi Soap and Detergent S. Co. to upgrade an existing manufacturing facility as well as build a new integrated manufacturing complex in Ethiopia. Following the completion of these upgrades and construction, the facilities will house an edible oil refinery and packing plant, production plants for specialty fats, soft oils, soaps and detergents, as well as a sesame seed processing facility.

In August 2014, Wilmar acquired a biodiesel and glycerine refinery with a capacity of 100,000 MT per annum and a plot of land measuring approximately 30 acres in Johor Bahru, Malaysia. Completed at the consideration of RM27 million, the acquisition represents a strategic addition to the Group's oleochemicals manufacturing capabilities.

INDUSTRY TREND IN 2014

In 2014, palm oil production reached 59.6 million MT, an increase of around 6% from 56.3 million MT in 2013.

Malaysia and Indonesia, the two countries that account for around 85% of the world's total production of palm oil, increased their production by 8% and 4% to reach 30.8 million MT and 19.9 million MT respectively.

Demand for palm oil reported a modest increase of around 2% to 59.1 million MT, with Indonesia, India and China holding its position as the top three consumption markets for palm oil. In particular, Indonesia registered an increase of around 10% to 8.9 million MT.

Palm oil prices trended higher in the first quarter of 2014 on the expectation of tight global supply as a result of the El Nino phenomenon. However, prices softened in the second half of 2014 as a combination of factors kicked in – El Nino did not materialise, bumper crops were reported for palm oil and other edible soft oils, while crude oil prices also dropped. These factors together, exerted downward pressure on CPO prices. To mitigate the decline and curb the build-up of reserves, Malaysia and Indonesia removed their export taxes on CPO from September and October 2014 respectively until the end of March 2015. In addition, the two countries announced their commitment towards their biodiesel mandate to shore up demand for palm oil. In Malaysia, the B7 biodiesel mandate was launched at the end of 2014 and extended to include Sabah, Sarawak and Labuan in early 2015. This is expected to increase the country's total usage of the palm oil biodiesel to 576,000 tonnes per year. In Indonesia, the Energy Ministry also announced its intention to adhere to the 20 percent biodiesel blending

rate in 2016 that will require more than eight million tonnes of palm oil, from the current 10 percent.

Nonetheless, weak crude oil prices caused CPO prices to decline further amid excess output and signs of slowing global demand. CPO prices closed at RM2,297.00 at the end of 2014, down 12% from RM2,604.50 at the beginning of the year.

OUR PERFORMANCE

During the year, the Group processed and merchandised a total of 24.6 million MT of palm and lauric products, a marginal increase from 2013. Revenue grew 2% to US$20.27 billion. However, pretax profit decreased by 31% to US$588.1 million due to compressed refining margins resulting from excess refining capacity in the industry.

OUTLOOK AND STRATEGY

Global palm oil production is expected to reach approximately 61.2 million MT for the marketing period from October 2014 to September 2015, on higher output cycle and maturing hectarage in Indonesia.

The overall performance of the division in 2015 will be affected by lower CPO production growth and high price of CPO relative to crude and other soft oils. Refining margin will be depressed and biodiesel demand will be badly affected unless the Indonesian Government steps up its effort to increase the mandated use of biodiesel. However, Wilmar's extensive global marketing and distribution network and growing downstream businesses will enable it to weather the storm better than its competition.

OILSEEDS & GRAINS

The Group crushes oilseeds such as soybean, rapeseed, groundnut, cottonseed, sunflower seed and sesame seed into protein meal and crude oils. The protein meal is mainly sold to animal feed producers while the oils produced are largely sold to its Consumer Products and Oleochemicals divisions. The Group has oilseed crushing operations in various parts of the world including China, India, Vietnam, Malaysia, Russia, Ukraine and South Africa.

Besides oilseed crushing, Wilmar is also in flour and rice milling as well as the production of rice bran oil. Wilmar is one of the largest wheat and rice millers in China and has flour mills through joint ventures in Malaysia, Indonesia and Vietnam.

As at 31 December 2014, the Group has crushing plants and flour and rice mills located in the following countries:

	Crushing	Flour Milling	Rice Milling
Subsidiaries			
China	54	16	13
Malaysia	1	-	-
Vietnam	2	-	-
Africa	2	-	-
Indonesia	-	1	-
Total no. of plants	**59**	**17**	**13**
Total capacity *(million MT p.a)*	**23**	**6**	**2**
Associates			
China	19	1	1
India	10	-	-
Russia	2	-	-
Ukraine	1	-	-
Malaysia	-	5	-
Indonesia	-	2	-
Others	1	1	-
Total no. of plants	**33**	**9**	**1**
Total capacity *(million MT p.a)*	**11**	**2**	**< 1**

INDUSTRY TREND IN 2014

In 2014, demand for soybeans in China increased around 11% to 70.5 million in 2014 from 63.4 million in 2013. China continued to hold its top spot as the largest importer of soybeans, accounting for around 60% of world demand. Total volume of soybean crushed in China increased 8% to 64.7 million MT, from 60.1 million MT the previous year. Soybean meal consumption, as a feedstock for animal feed, increased around 6% to 50.0 million MT in 2014 with China's continued demand for protein-based diet. Similarly, soybean oil consumption increased 7% to around 12.6 million MT in 2014.

China's crushing industry remained challenging in 2014 due to significant overcapacity. This was exacerbated during the first half of 2014, when the industry experienced an oversupply of soybeans with excessive imports by financial traders. The situation eased in the second half of the year with the clampdown on shadow financing which reduced the imports by financial traders. As a result, the crushing industry in China reported weak to negative margins during the first half of the year and recovered in the later part of the year.

After two consecutive years of low production, soybeans entered into an oversupply situation. Prices peaked around April - May at around US$15 per bushel before dropping to around US$10 per bushel by December 2014 due to the substantial increase in U.S. soybean production and expected big crop in South America.

OUR PERFORMANCE AND OUTLOOK

During the year, sales volume for the Oilseeds & Grains segment increased 10% to 22.7 million MT. Correspondingly, revenue increased 6% to US$14.48 billion. The higher sales volume was mainly due to higher demand for soybean products and flour. However, pretax profit decreased 63% to US$86.7 million due to the challenging industry conditions especially in the first half of 2014.

Despite the lower profit, our performance for 2014 should be considered satisfactory given the very tough conditions in China during the year.

While the crushing industry in China continues to face overcapacity, the Group is positive about the outlook in 2015 with lesser imports by financial traders and the benefits its downstream operations will reap from lower oil prices.

CONSUMER PRODUCTS

Wilmar produces and markets edible oil, rice, flour, grains and noodles under well-established brands, tailored specially to meet the needs of consumers in the markets in which it has a presence.

Wilmar is the largest producer of consumer pack edible oils in the world. In China, Wilmar enjoys the largest market share at around 44%, led by its Arawana flagship brand of products. In India, through the joint venture, Adani Wilmar Limited, the Group holds a market share of close to 20%. In Indonesia, the Group is the top producer with over 35% market share. The Group is the biggest producer of consumer pack edible oils in Vietnam, Sri Lanka and several African countries.

Recognising its potential, the Group began expanding its presence in Africa more than 10 years ago. Today, through joint ventures, we are a leading producer and seller of branded consumer pack oil in Ivory Coast, Uganda, South Africa, Ghana, Nigeria, Zambia and Zimbabwe.

Beyond consumer edible oils and food staples, the Group's consumer pack flour and rice businesses in China continued to progress during the year and are marketed under our leading brands. The Group also sells flour in Vietnam and Indonesia as well as rice in India.

INDUSTRY TREND IN 2014

The Group continued to see good demand for branded consumer pack oils across the countries in which it has a presence.

Similar trends were observed for the rice and flour businesses in China. In particular, demand for consumer pack rice saw strong growth in 2014 as more affluent and discerning consumers switched to better quality packaged products.

OUR PERFORMANCE

The Group reported sales volume of 5.6 million MT in 2014, representing an increase of 4% from 2013. The volume growth was driven by stronger demand

for the Group's flour and rice products as well as growth outside China. Pretax profit for 2014 grew by 19% to US$261.8 million, driven by the higher sales volumes and margin expansion.

During the year, many of our consumer brands were recognised for the high level of food safety, quality of products as well as corporate citizenship by various local authorities and consumer groups across markets. For more information on the recognition received by the Group's brands, please refer to the Awards and Accolades chapter.

OUTLOOK AND STRATEGY

Wilmar remains positive about the prospects for consumer products due to economic growth, low per capita consumption and the steady shift of consumption from loose to quality branded consumer pack products in key markets. To stay at the forefront of producing quality products that are adapted to the taste and preference of local populations, the Group will continue to strengthen its distribution networks, research and development, brand building as well as introduce new products and packaging to grow its market presence globally.

SUGAR

The Group's sugar business involves the cultivation of sugarcane, the milling of sugarcane to produce raw sugar and the refining of raw sugar to produce white sugar, brown sugar, caster sugar and syrups. Through its milling operations, the Group produces ethanol as well as fertiliser. The Group's mills in Australia also generate their own electricity by burning sugarcane fibre (bagasse). Excess electricity not required in the milling operations is sold to the local electricity grid.

Wilmar is Australia's largest raw sugar producer and refiner. The Group produces about 50% of Australia's raw sugar and its 75%-owned refinery joint venture supplies about 75% of Australia's and New Zealand's sugar requirement and also exports to many Asia Pacific markets. Wilmar is also Australia's largest generator of renewable electricity from biomass.

Wilmar owns leading sugar brands - *CSR* in Australia and *Chelsea* in New Zealand. To complement its diversified product and brand portfolio, the Group also distributes the *Equal* range of sweeteners.

Wilmar is one of the top two sugar operators in Indonesia. The Group operates two refineries located near Cigading Port in West Java. These refineries have an annual production capacity of about 700,000 MT and process imported raw sugar and supply refined sugar to the food and beverage manufacturing industry.

Through its 29.5% associate, Cosumar S.A. (Cosumar), Wilmar has one refinery and seven sugar beet/cane mills in Morocco. Cosumar is the sole sugar producer in Morocco and the third largest in the African continent, with a strong distribution network that includes exporting refined sugar to neighbouring countries in the Mediterranean Sea and Europe.

SUGAR DEVELOPMENTS

In February 2014, Wilmar became a strategic industrial partner of Shree Renuka Sugars Limited (SRSL), the leading sugar company in India, through the acquisition of a 27.72% stake. The acquisition enabled Wilmar to establish a significant presence in India, one of the most important sugar markets. SRSL' business comprises 11 mills with a total crushing capacity of 20.7 million tonnes per annum, two India port based sugar refineries with a capacity of 1.7 million tonnes per annum, cogeneration capacity of 584 MW, as well as port and logistics assets. It also owns mills and cogeneration assets in Brazil.

In April 2014, Wilmar established a 55:45 joint venture with Great Wall Food Stuff Industry Company Limited, the leading sugar company in Myanmar. The joint venture consists of the partners' existing sugar-related business, two sugar mills and refineries, a bioethanol plant and an organic compound fertiliser plant.

Within three years of the Group's entry into the sugar industry, we have emerged as a leading sugar merchant in the world by volume, with footprint spanning across five continents.

As at 31 December 2014, the Group has sugar mills and refining plants in the following countries:

	Milling	Refining
Subsidiaries		
Australia	8	2
New Zealand	-	1
Indonesia	-	2
Myanmar	1	1
Total no. of mills/plants	**9**	**6**
Total capacity *(million MT p.a)*	**18**	**2**
Associate		
Brazil	4	-
India	7	2
Morocco	7	1
Total no. of mills/plants	**18**	**3**
Total capacity *(million MT p.a)*	**26**	**3**

INDUSTRY TREND IN 2014

World sugar production reached a third consecutive year of production surplus, with about 182.7 million MT produced compared to 178.8 million MT consumed, for the October 2013 to September 2014 marketing period.

China and Indonesia maintained their positions as the two largest importers, accounting for about 16% of total imports or 8.4 million MT. As for sugar exports, Brazil contributed around 45% of the global supply.

During the first few months of 2014, sugar prices increased on fears of El Nino as well as anxieties of a drought in Brazil, the world's largest producer and exporter. These eventually abated leading to a decline in sugar spreads and prices. Record low spreads were registered during the October-March period. In addition, the sharp depreciation of the Brazilian Real against the US Dollar and the collapse of crude oil prices further contributed to the decline. Sugar price closed at 14.56 US cents per pound at the end of the year.

OUR PERFORMANCE

In 2014, pretax profit for the Sugar division grew 6% to US$134.4 million, mainly due to higher Merchandising activities. Sugar volume grew 11% to 9.7 million MT during the year but revenue increased marginally to US$4.06 billion due to lower sugar prices.

Milling

A total of 15.3 million MT of cane was crushed in 2014 compared to 14.1 million MT in 2013. Although harvested crops were higher in 2014, lower sugar prices and negative mark-to-market effects of ongoing sugar hedges resulted in a pretax loss of US$13.7 million for the year.

Merchandising and Processing

The Merchandising and Processing business reported a 16% increase in sales volume mainly attributed to higher merchandising activities. This led to an increase in revenue of 5% to US$3.12 billion and strong growth in pretax profit to US$148.1 million.

OUTLOOK AND STRATEGY

In 2015, the world is expected to see a continuation of sugar surplus on favourable crop cultivation and lower consumption growth. Prices of sugar may remain under pressure as inventories continue to build up from the surplus gathered over the past three years, and milling volumes are expected to recover further in 2015 on improved cane yields and increase in cane area. A weaker Australian Dollar to the US Dollar should help to balance the low international sugar price. For the refining business, the Group will continue to focus on achieving higher operational and cost efficiencies through initiatives such as maximising asset and labour utilisation, as well as upgrading of equipment and facilities. The Group will also leverage on its strengths in key sugar markets around the globe to enhance trade flows.

FERTILISER

The bulk of the Group's fertiliser business operation and market is in Indonesia. With annual sales volume of more than 2.0 million MT, Wilmar is one of the largest fertiliser players in Indonesia. In addition to having production lines focusing on nitrogen, phosphorus and potassium (NPK) compound fertilisers, we also engage in the trading and distribution of potash, phosphate and nitrogen fertilisers as well as secondary nutrients and trace element products. Supported by extensive logistics networks, the Group has been able to maintain substantial market shares of both potash and NPK in Indonesia, particularly in the oil palm sector. Customers for the fertiliser products are also our suppliers of fresh fruit bunches, crude palm oil and palm kernel, enabling us to tap this captive market and minimise credit risk. The oil palm sector in Indonesia has experienced remarkable growth rate in the past decade, resulting in rising demand for fertilisers and providing the Group with opportunities to continuously expand its fertiliser business unit. At present, our total installed capacity of NPK compound in Indonesia is 1.2 million MT per annum. We are also the appointed distributor of Canadian potash, Peruvian rock phosphate, and USA borate in Indonesia.

INDUSTRY TREND AND OUR PERFORMANCE

In the first half of 2014, the fertiliser market made a progressive recovery following a weak second half in 2013. Buying sentiments and application programmes improved in line with the favourable oil palm price and output in general. However in the second half of 2014, external factors led to softening global commodities prices and declining activities, resulting in slower sales and delivery for the fertiliser market. The volatility and appreciation of the US Dollar against local currencies inflated the cost of import materials as local prices struggled to keep pace. Weather conditions were also not favourable across different regions throughout the year. Climate issues are shaping into a more perennial impediment with many areas affected by floods and being restrained in fertiliser application and delivery.

Notwithstanding the market adversities in the second half of 2014, the Group's overall fertiliser volume increased by approximately 20% from the year before while revenue comparatively had only risen slightly due to prevailing market price and currency exchange rate. Overall, profitability of the fertiliser business improved in 2014 largely attributed to relatively better positioning and market relevance.

OUTLOOK AND STRATEGY

The Group continues to remain positive on the long-term outlook for the Indonesian agricultural sector given the continual growth in oil palm acreage and other crops. Adjacent to Indonesia being the core of the fertiliser business, we have been actively developing other growing markets for fertiliser, capitalising on local channels as well as global networks we have established.

To further complement the fertiliser business, the Group has in the past several years expanded its focus into the agrochemical market in Indonesia. The current production capacity has the potential to reach three million litres to serve the growing demand. Our agrochemical product line, which has been extended to various types of herbicide, insecticide and fungicide, covers the needs of oil palm as well as other cash crops in the retail market. The expansions into agrochemical products and tapping different consumer bases have provided opportunities for the Group's fertiliser business to spread and reach out into other agricultural segments.

SHIPPING

As part of the Group's integrated business model, it owns a fleet of liquid and dry bulk carriers which improves the flexibility and efficiency of its logistics operations. This fleet provides partial support for the Group's total shipping requirements while the balance of its requirements is met by chartering-in third-party vessels.

In 2014, shipping volumes of vegetable oils and of dry bulk increased from the previous year. In line with the volume growth, profit for the shipping unit also improved and its balance sheet strengthened.

As the volume of edible oils merchandised by the Group increases, the Group will continue to reap economies of scale through expansion of its larger and more cost effective fleet. During the year, the Group took delivery of two (49,000 dead-weight tonne each) International Maritime Organisation (IMO) Type II product chemical tankers. These vessels, partially fitted with stainless steel cargo tanks, comply with the latest environmental standards. Another four tankers are expected to be delivered in 2015 to better serve our different trade routes.

As at 31 December 2014, the Group had 38 liquid bulk vessels and 11 dry bulk vessels under its owned/controlled tonnages.

RESEARCH & DEVELOPMENT

The overarching aim of the Group's research and development (R&D) efforts is to provide sustainable solutions by optimising resources, reducing energy consumption and minimising environmental impact while enhancing our overall operational efficiency. Our R&D activities are carried out in various international locations focusing on food technology, oleochemicals research and oil palm productivity.

Our Global R&D centre in Shanghai applies next generation technology to elevate product quality and expand product diversity. The products include major food ingredients such as oils, proteins and starch as well as food products derived from these ingredients. The primary objective is to deliver to consumers safe and healthy foods without compromising their nutritional value. The Group's laboratory in Lianyungang, China, performs R&D on the production and uses of oleochemicals, in particular the implementation of green chemistry in our production process.

Major projects accomplished in 2014 include:

- **Dietary Reference Intake**

  The R&D centre cooperated with the China Nutritional Society to promote the 2014 Dietary Reference Intake guidelines, and following the new guidelines, designed a new formulation with balanced fatty acid composition for the Group's best-selling Arawana blended oils.

- **Arawana Food Nutrition and Safety Fund**

  The Fund supported three projects by the China National Centre for Food Safety Risk Assessment, the national authority responsible for risk assessment and communication. Through these projects, the centre participated in the risk assessments of polycyclic aromatic hydrocarbons in edible oils and acid values in crude oils thereby gaining insight on issues related to food safety.

- **Arawana Scholars' Symposium**

  Held annually, the symposium is a platform for Arawana scholars to present their research and exchange ideas in the latest food technology development. In addition to the scholarship awardees, participants include experts who work on areas related to the Group's R&D activities.

- **International Cooperation**

  A symposium on Functional Lipids was jointly organised with the Chinese Cereals and Oils Association and the American Oil Chemists' Society in Shanghai. The focus of discussion was on the challenges in fat and oil manufacturing as well as opportunities for further international collaboration.

Our R&D laboratory in Indonesia focuses on biotechnology research to enhance the Group's competitiveness and sustainability in the oil palm industry.

- **Enzyme Bioprospecting**

  The laboratory continues its work on the isolation of tropical microbial genes encoding lipid enzymes of novel properties. Some of these enzymes are able to directly convert palm fatty acid distillate into biodiesel.

- **Beneficial Microbes**

  Beneficial microbes have been identified which can be used to control or prevent oil palm diseases and to reduce the use of fertilisers and improve plant health.

- **Tissue Culture**

  Tissue culture has been employed to produce clonal palms in the Group since 2008. To produce bi-clonal palms, the laboratory has developed cloning protocols for Tenera and Dura. Double-haploid palm is being developed through microspore culture.

- **Oil Palm Breeding**

  We are performing genetic crosses with our proprietary TS palm that is drought resistant so as to introduce traits for high oil yield and content, and for reduced plant stature. This type of palm is suitable for the drier climate of Africa. Seeds of high yielding variety have been supplied to the Group's plantations in Africa. The Group has also set up a seed production unit in Ghana to supply elite planting materials. Local personnel have been trained in controlled pollination of the mother palms and seed production process. Furthermore, best plantation management and agronomic practices are transferred to the Group's African plantations.

Awards & Accolades

CORPORATE AWARDS

Wilmar International Limited

- Fortune Global 500, ranked 239th
- World's Most Admired Company, ranked 5th in Food Production Industry
  Fortune Magazine
- Forbes Global 2000 Leading Companies, ranked 316th
- Top 100 Singapore Brands, ranked 3rd
  BrandFinance®
- Most Transparent Company Award (Runner Up) in Food & Beverages category
  Securities Investors Association (Singapore)
- Oleochemicals Company of the Year
  2014 Frost & Sullivan Indonesia Excellence Awards
- Certificate of Excellence in Investor Relations (Nominee in Consumer Staples sector)
  IR Magazine Awards Southeast Asia 2014
- Joint Value Creation
  Unilever Partner to Win Awards
- Top Importer of U.S. Soybeans in Southeast Asia
  Southeast Asia U.S. Agricultural Co-Operators Conference 2014
- GLOBOIL Diamond – Outstanding Performance in the category of Palm Oil Export to India
  GLOBOIL India
- The Global Chinese Business 1000 Awards – The Largest Chinese Companies in South East Asia
  Yazhou Zhoukan Magazine
- Singapore International 100 – Overseas Turnover Excellence (Ranked 1st)
  DP Information Group with Ernst & Young as Co-Producer, supported by ACRA, IE Singapore, SPRING, IDA and Singapore Business Federation

AUSTRALIA

Wilmar Sugar

- Australia's Top 100 Food & Drink Companies (Ranked 13th)
  Food & Drink Business Magazine and IBISWorld
- Finalist, Employer of the Year
  Queensland Training Awards Regional Finals
- Job Futures Awards for Excellence
  2014 National Employer Partnership Award

CHINA

Yihai Kerry Investments Co., Ltd

- Top 100 Enterprises in Shanghai (Ranked 9th)
  Shanghai Enterprise Confederation, Shanghai Enterprise Directors Association and Shanghai Federation of Economic Organisations

Yihai (Yantai) Oils & Grains Industries Co., Ltd

- Leading Model Enterprise of China's Export Index
  People's Republic of China General Administration of Customs

GHANA

Benso Oil Palm Plantation

- Special Award in recognition of Immense Contribution to the Economic Development of the Western Region in the category of Agriculture/Agro-Processing
  Western Regional Business and Financial Services Excellence Awards

INDONESIA

PT Wilmar Bioenergi Indonesia

- Outstanding Meritorious Award for being the first company to commit to palm-based biofuel industry
  Ministry of Energy and Mineral Resources

NEW ZEALAND

New Zealand Sugar

- Finalist, Cooking/Baking Supplier of the Year
  2014 Countdown Supplier Awards

VIETNAM

Cai Lan Oils & Fats Industries Company Ltd

- Government's Emulation Flag, Excellent Labour Collective and Certification from the Ministry of Industry and Trade
- Vietnamese High Quality Goods Award
  Saigon Tiep Thi newspaper
- VNR 500 – Top 500 Biggest Enterprises in Vietnam
  Vietnamnet in collaboration with Vietnam Report
- Top 10 Trusted Viet Trademark
  Vietnam Union of Science and Technology Associations (VUSTA)
- Golden Dragon Award
  Vietnam Economic Times in collaboration with Foreign Investment Agency and Ministry of Planning and Investment

Wilmar Agro

- Government's Emulation Flag and Certificate from the Ministry of Industry and Trade

- Trusted Quality Suppliers
  Vietnam Enterprise, Department of Trade Promotion, Certification Organisation AQA-SEA (USA), Quality Auditor of Southeast Asia, National Quality Assurance – United Kingdom and Global Manager Group
- Golden Dragon Award
  Vietnam Economic Times in collaboration with Foreign Investment Agency and Ministry of Planning and Investment

SUSTAINABILITY AWARDS

Wilmar International Limited:

- Most Improved Company 2013 – 2014 in the Agricultural Products Sector for Corporate Action on Deforestation
  CDP (Carbon Disclosure Project)

CHINA

Yihai (Lianyungang) Oils & Grains Industries Co., Ltd

- Model Enterprise for Contribution to National Unity and Progress
  State Council of the People's Republic of China

Yihai (Guanghan) Oil & Grains Food Stuffs Co., Ltd

- Top 10 Corporate Donors in Bashu, Sichuan Province
  Sichuan Provincial Civil Affairs Department and Sichuan State-Owned Assets Supervision and Administration Commission

INDONESIA

Sania Edible Oil

- Appreciation Award for Support and Cooperation
  Indonesian Cancer Foundation

VIETNAM

Wilmar Agro

- Trusted Brand for Sustainable Agriculture Development
  Ministry of Agriculture and Ministry of Industry and Trade

CONSUMER PRODUCT AWARDS

CHINA

Brand	Award
Arawana	• No. 1 in Sales of Cooking Oil and Rice in 2013 *China Industrial Information Center (Awarded in 2014)* • Most Trusted Consumer Brand of Cooking Oil and Rice in 2013 *China Industrial Information Center (Awarded in 2014)*
Wonder Farm	• No. 1 in Sales of Flour in 2013 *China Industrial Information Center (Awarded in 2014)*

GHANA

Brand	Award
Frytol	• Overall Best Ghana-Made Product of the Year *Ghana Made Awards, Entrepreneur Foundation of Ghana* • Premier Brand: Ghana's Greatest Brands 2013-2014 *Brand Excellence Awards, Ghana's Favourite Brands* • Marketing Campaign of the Year *Global Brand Excellence Awards* • Gold Award for Print Advertising *Advertisers' Association of Ghana*

INDONESIA

Brand	Award
Sania	• Superbrand 2014 *Superbrands*
Fortune	• Largest Market Share in Pillowpack Cooking Oil *Rekor Bisnis*

NEW ZEALAND

Brand	Award
NZ Sugar	• Silver, Chelsea Golden Syrup 1kg Tin – Collector's Edition *NZ Design Awards*

SRI LANKA

Brand	Award
Fortune Cooking Oil	• No. 1 Edible Oil Brand *Lanka Market Research Bureau*

VIETNAM

Brand	Award
Simply	• "Trust & Use" Award *Vietnam Economic Times*

The Wilmar Africa team received Gold Award for Export of Edible Oil and Shea Cake at the Ghana Presidential Export Awards.

A national competition "Frying It All with Frytol for a Kitchen Makeover" was organised in Accra, Ghana.

Sustainability

US$ 9.6 M
TO PHILANTHROPY

FIRST
RSPO-CERTIFIED MILL IN GHANA

740,000 MT
OF CERTIFIED SUSTAINABLE PALM OIL ANNUALLY

SIGNED THE NEW YORK FOREST DECLARATION ON FORESTS

We endeavour to establish world class plantation estates in Africa that adopt best sustainable agricultural practices and improve the lives of our staff and their families.

2014 was a defining year in Wilmar's sustainability journey following the announcement of its landmark commitment to "No Deforestation, No Peat and No Exploitation" policy ("Policy") that pledges to free its entire supply chain from links to deforestation and human rights abuse. The Group has made good progress in its Policy implementation and is very encouraged by CDP's (Carbon Disclosure Project) recognition of being the Most Improved Company 2013 - 2014 in the Agricultural Products sector for Corporate Action on Deforestation.

TRANSPARENCY AND ACCOUNTABILITY

Sustainability Dashboard

Wilmar launched the Sustainability Dashboard, a microsite dedicated to reporting on its sustainability endeavor, in particular the implementation progress of its Policy that was announced on 5 December 2013.

The Dashboard is part of the Group's continuous effort to improve on transparency, in addition to its quarterly update reports and biennial Sustainability Reports. It is accessible to all stakeholders who have a keen interest in Wilmar's sustainability efforts at www.wilmar-international.com/sustainability/dashboard.

Enabling a Traceable & Sustainable Supply Chain

Traceability is an important element of Wilmar's journey to transform the industry towards responsible practices. To ensure that the Policy is being appropriately implemented and the Group is progressing towards a traceable and sustainable supply of palm oil products, the first step is to build on its existing supply chain map in order to trace supply flows from ports and refineries back to palm oil mills and over time to plantations. The mill details are used in conjunction with data and information on land use, soils and social issues to prioritise assessment visits to mills and their fresh fruit bunches (FFB) suppliers.

Wilmar started the supply chain mapping exercise in early 2014 and has seen improved transparency in its supply chain throughout the year. Indonesia and Malaysia have been the priority of its traceability exercise but good progress was also made in Europe, Africa, India and China. These data are updated each quarter to reflect improved visibility of its supply chain as well as the ongoing changes in the supply base and hence the traceability values can fluctuate over time.

Traceability details of Wilmar's supply chain are reported in its quarterly progress reports which can be found on its Dashboard at www.wilmar-international.com/sustainability/dashboard.

Wilmar's Sustainability Dashboard is part of our continuous efforts to improve transparency.

Grievance Procedure

Risk management is an integral part of ensuring a sustainable supply chain. This can be achieved with effective stakeholder engagement, through dialogues and feedback from stakeholders. A grievance mechanism is therefore an important pillar of this stakeholder engagement process in identifying and finding solutions to problems.

As part of the Policy, Wilmar has developed processes for the responsible handling of all complaints at the local, regional, national and international levels. Its grievance process will focus on three key aspects: grievances by external parties against the Group, internal issues raised by the Group with its own subsidiaries, and allegations by external parties against third-party suppliers. The Group will continuously review and strengthen the effectiveness of the mechanism. The Grievance Procedure can be found on www.wilmar-international.com/sustainability/grievance-procedure.

SUSTAINABILITY CERTIFICATION

In addition to its Policy, Wilmar is committed to other relevant and globally recognised certifications and standards. These commitments provide the Group with a baseline to benchmark it with players in the industry with clear goals and targets to be achieved.

RSPO Certification

Wilmar is pleased to report that its subsidiary, Benso Oil Palm Plantation Limited (BOPP), has become the first mill in Ghana, West Africa, to be awarded certification for sustainable palm oil production, in accordance with the rigorous standards of the Roundtable on Sustainable Palm Oil (RSPO). With this certification, BOPP's mill is capable of producing approximately 12,700 MT per annum of certified sustainable palm oil (CSPO) and 3,200 MT of certified sustainable palm kernels (CSPK) annually from its supply base of about 6,380 ha in Ghana, of which about 35% is contributed by smallholders.

As at end 2014, 21 of the Group's mills had successfully completed certification audits, boosting the Group's annual production capacity of CSPO to around 740,000 MT. The Group has had to make some minor adjustment to its time-bound plan for the remaining mills that have yet to undergo audits, but is still on track to have all its mills and their supply bases audited by 2016.

Wilmar also supports the smallholders in its supply chain. It is critical to the Group that smallholders are included in its certification efforts and to this end, it has committed to helping its associated smallholders get certified to the RSPO standards. The Group is making progress on this front and has completed certification for plasma smallholders and outgrowers for three of its mills in West Sumatra and one in Central Kalimantan, Indonesia, and is on track to complete smallholder certification by 2017, two years ahead of its original plans.

Independent smallholders are self-financed, managed and equipped, and are not bound to any one mill. While not in a position to impose certification requirements on them, the Group recognises that independent smallholders account for a significant proportion of the total smallholder palm oil contribution in Indonesia and Malaysia, and it works diligently to ensure they are not excluded from its supply chain.

On 1 April 2014, Wilmar signed a Memorandum of Understanding with WildAsia, a Malaysian social enterprise, to help independent smallholders towards RSPO certification. This is a five-year smallholder certification programme to help increase the volume of RSPO-certified sustainable products from independent producers to the market.

ISCC Certification

The International Sustainability & Carbon Certification (ISCC) is an international system for certifying biomass and bioenergy, specifically the entire biofuel supply chain. It incorporates sustainability criteria such as reduction of greenhouse gas emissions, sustainable use of land, protection of natural biospheres and social sustainability.

Diligently pursuing the ISCC, the Group has 26 sites including plantations, mills, refineries and biodiesel plants certified against the ISCC standards as at end of 2014. The achievement of ISCC certification signifies that the Group's relevant products comply with the strict sustainability criteria set by the European Union's Renewable Energy Directive. Certification of further sites will be determined based on commercial considerations.

ISPO Certification

The Government of Indonesia introduced the Indonesia Palm Oil Certification (ISPO) in 2011 as a mandatory requirement for all companies operating in Indonesia as well as smallholders. All our plantations and mills have to undergo ISPO certification before undertaking RSPO certification or re-certification, in line with Principle 2 of the RSPO standard which requires members to comply with applicable laws and regulations in countries where they operate. As of end 2014, four mills and their supply bases had achieved ISPO certification while seven others have completed certification audits and are awaiting approval.

Mr Kodey Rao, Director of Benso Oil Palm Plantation, handing out books and stationery to students of the school within the plantation.

There are two audit stages under the ISPO certification scheme. By end 2014, Wilmar has completed the first stage audits for its remaining operations in Indonesia.

STAKEHOLDER ENGAGEMENT

As part of its ongoing operations, Wilmar engages extensively with communities, employees as well as international and grassroots non-governmental organisations (NGOs). As an industry leader, it is critical for the Group to be part of a larger global dialogue on the direction and expectations of agribusinesses. This provides the Group with external perspectives and helps to identify future priorities and challenges.

Global Networks & Partnerships

In September 2014, Wilmar pledged to the New York Forest Declaration on Forests, a collective commitment by governments, companies, business associations, indigenous peoples and civil society organisations to end global deforestation and restore large tracts of forests by 2030.

Further to that, the Group, along with the Indonesian Chamber of Commerce and Industry (KADIN) and other industry players, signed the Indonesia Palm Oil Pledge that endeavours to drive the palm oil industry towards sustainable practices through proactive government engagement on policy reforms including no planting on high carbon stock forests, high conservation value areas and peat areas.

Financial Community

Over the past few years, Wilmar has seen a growing interest from its investors in sustainability related issues, who see value in the reputational, competitive and operational assets which come with good sustainability management.

After the launch of its Policy, Wilmar hosted a two-day briefing in Malaysia which was attended by investors and almost all of the major local banks. The Group also met with a number of European and regional funds to explain its Policy and implementation plan.

WILMAR'S SUSTAINABILITY ENDEAVOUR IN AFRICA

Wilmar's Policy applies to all its operations worldwide regardless of stake. With significant plantation investments in Nigeria, Uganda and West Africa through direct ownership and joint ventures (JV), Wilmar has to ensure that its practices are in line with the code of conduct and standards of its Policy.

The Group is actively meeting with the community to explain its No Deforestation, No Peat and No Exploitation Policy.

In Nigeria, Wilmar socialised its Policy to multi-stakeholders, completed High Carbon Stock assessments in two of its plantations and conducted a Free, Prior and Informed Consent (FPIC) workshop with its local social team to reinforce the understanding that consent from the local communities must be acquired before they are relocated or before development is undertaken on the latter's land.

In Uganda where the Group has investments through JV partnerships, its Policy was socialised to all managers and key staff. Furthermore, assessments had been carried out on the operations in Uganda leading to an action plan covering a wide range of sustainability-related activities. Following the initial assessment, training sessions were conducted and workshops held with its employees, government representatives, smallholders and civil society organisations. In particular, the Group convened a meeting with the Kalangala Oil Palm Growers Trust and smallholders to explain its Policy and visited smallholders' expansion areas in order to begin assessment of how its Policy can be adapted to their context. A field visit was also organised for NGO Friends of the Earth Uganda to help them better understand the unique challenges in Uganda.

RENEWED COMMITMENT TO THE COMMUNITY

In 2014, Wilmar committed US$9.6 million to its global philanthropy programmes that spanned China, Singapore, Malaysia, Indonesia, Myanmar, Africa and Australia, amongst other countries.

To serve Singapore and surrounding communities at large, Wilmar established pioneering endowment funds at Kandang Kerbau Hospital under the KKH Health Endowment Fund. The funds will be used in perpetuity to benefit both needy local and regional patients as well as education, research and disease prevention programmes targeted at women's and children's health.

In Singapore, the Group's support for education comprises the set-up of a Wilmar Overseas Internship Fund at Singapore Management University that allows students to undergo their professional attachment in Wilmar offices in emerging economies, the KKH Opportunity Scholarship Fund at Nanyang Technological University, and Wilmar and KKH Scholarships at the Singapore Institute of Technology and Singapore University of Technology and Design. Please refer to the Human Capital Management chapter for an interview with a new employee who completed an internship in Ghana through the KKH Opportunity Scholarship Fund.

In Myanmar, we continued our Wilmar Eye Disease Treatment Donation Drive in Htigyint Township and Kathar District in February 2014. During the four-day event, needy patients were provided with eye examinations and minor to major eye operations. A total of 3,073 patients in Meiktilar were provided with eye examinations and 432 were operated on.

In China, the Arawana Charity Foundation donated a total of US$4.6 million to further broaden its philanthropic reach in the areas of education, disaster relief and healthcare. With two new schools in Lianyungang and Shijiazhuang, the Group has established a total of 27 primary, secondary schools and kindergartens in rural parts of China. The Group further donated US$756,000 in scholarships to 13 universities across China. To date, its scholarships and funds have aided over 60,000 children of migrant workers, 1,200 children in China's rural western region and 4,400 undergraduate students.

Following the 6.1 magnitude earthquake in Ludian County, Yunnan Province in August 2014, the Group donated US$800,000 in financial aid and essential goods.

To improve the welfare of China's disabled community, the Group continued to provide cataract operations for the elderly. To date, over 19,748 patients from 16 provinces, municipalities and 31 prefectures in autonomous regions are leading more fruitful lives after successful operations.

CREATING A HOLISTIC LEARNING ENVIRONMENT IN SUMATERA

In 2014 a special project focused on education and led by Senior Operations Management was launched as part of Wilmar's long-term commitment to the continuous improvement of the overall plantation environment. The objectives of this project are twofold – provide infrastructure and facilities to selected government schools attended by children of the Group's employees and smallholders while inculcating a spirit of volunteerism amongst staff.

Two schools located within plantations PT GMP and PT KSI in West Sumatra were selected to kick-start the project. There are 8,258 children in total living in the two plantations of which 963 attend the two selected schools. The make-over project, carried out by staff, volunteers and teachers entailed repair and upgrading of existing buildings, construction of new structures to cater for future expansion, addition of libraries, laboratories, canteens, kindergartens, toilets, resource centres, multi-purpose sports facilities, staff rooms and adequate quarters for teachers. Furniture, computers, audio visual aids and landscaping were also provided to create a holistic educational environment.

To avoid interruption of ongoing classes, the work was carried out in stages commencing in early 2014 and will be fully completed by June 2015. Other schools in the region in North and South Sumatra will undergo similar upgrading in 2016-7.

Following a successful school refurbishment in Central Kalimantan (left) in 2013, schools in Sumatra (right) have also commenced upgrading work carried out by staff, volunteers and teachers.

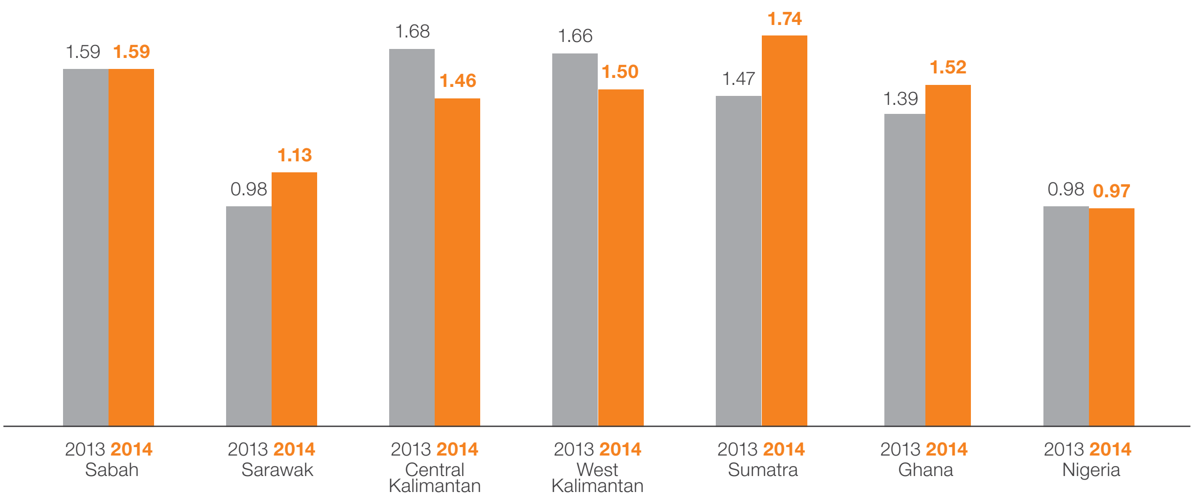
SUSTAINABILITY PERFORMANCE

To effectively evaluate its performance against measurable targets, Wilmar monitors key performance indicators pertaining to the environment as well as health and safety.

ENVIRONMENT

- **Water Usage**

Water Use per tonne of FFB processed – Mills (m^3)

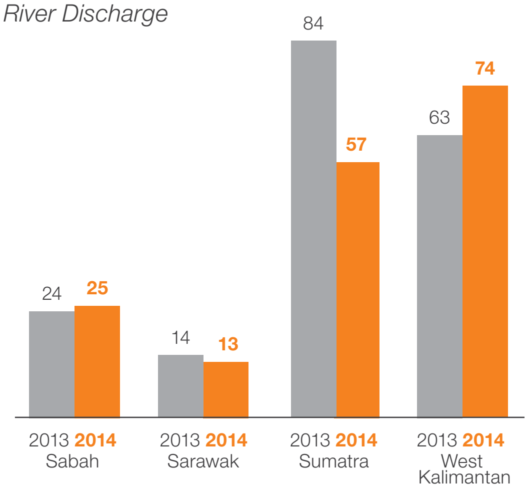


- **Biological Oxygen Demand (BOD) Levels**

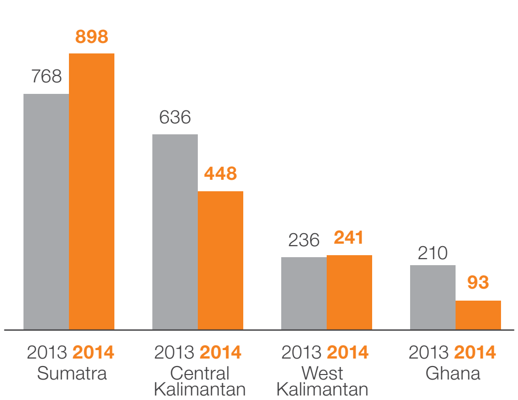
BOD is the amount of oxygen used when organic matter undergoes decomposition by microorganisms. Testing for BOD is done to assess the amount of organic matter in water.

BOD levels by Region and Discharge Destination (mg/l)

River Discharge



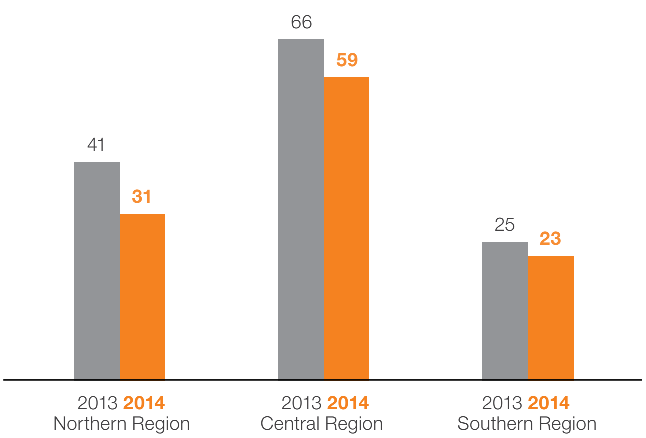
Land Application



Note: No BOD measurement is made in Nigeria as construction of the effluent plant is in progress. Meanwhile, sufficient ponds have been dug to contain the effluent which is undergoing natural digestion phase. No effluent is being discharged to the natural waterways.

China

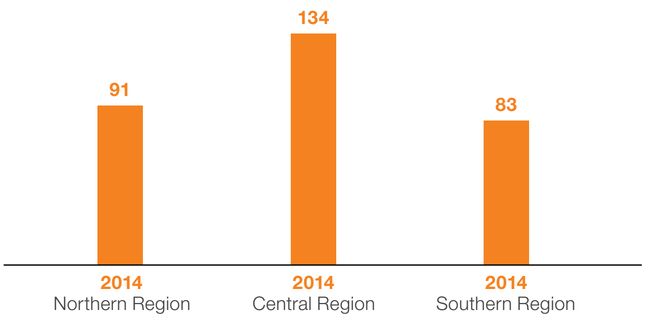
BOD levels (mg/l)



- **Chemical Oxygen Demand (COD) Levels**

  COD is the amount of oxygen required to oxidise all organic matter in water. It is a standard method for indirect measurement of pollution that cannot be oxidised biologically in water.

Chemical Oxygen Demand (mg/l)

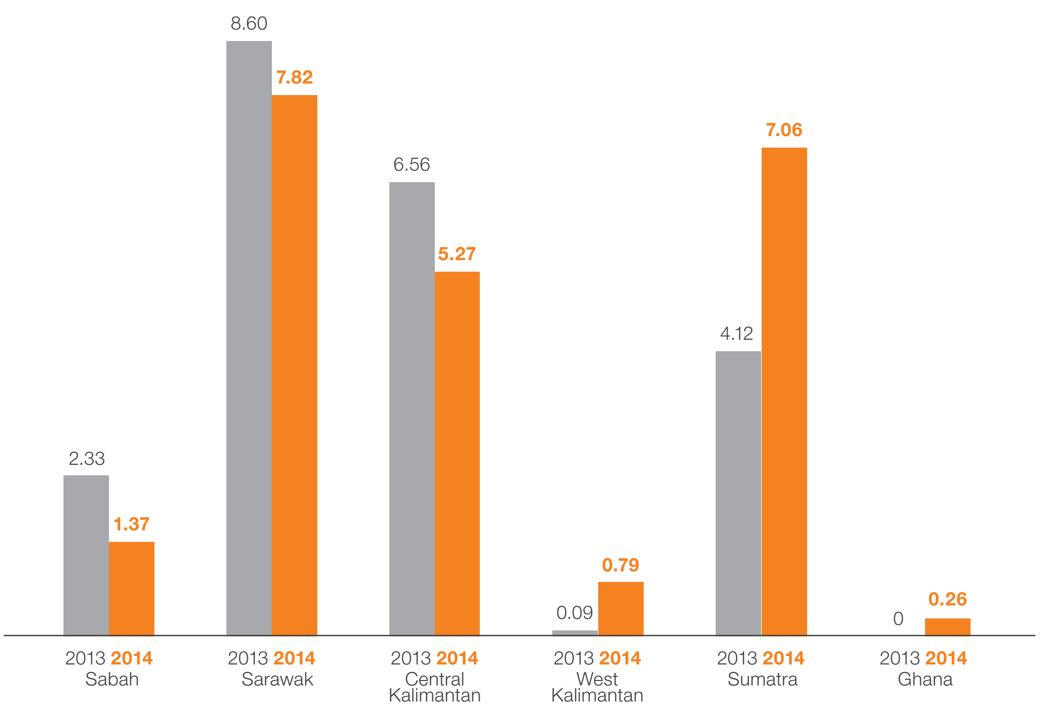


HEALTH & SAFETY

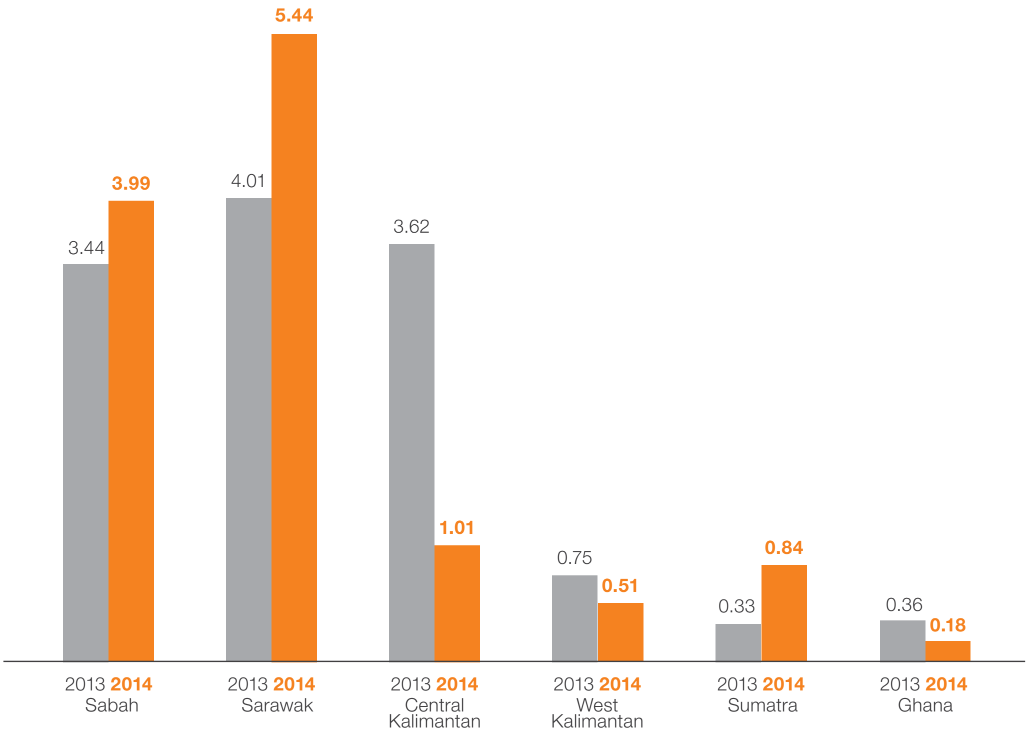
- **Lost Time Incident Rate**

  To reduce the lost time incident rate, the Group will intensify efforts in health and safety awareness and training programmes.

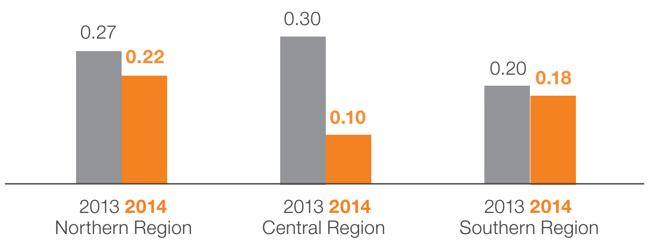
Lost Time Incident Rate – Plantations (per 200,000 working hours)



Lost Time Incident Rate – Mills (per 200,000 working hours)



Lost Time Incident Rate – China (per 200,000 working hours)

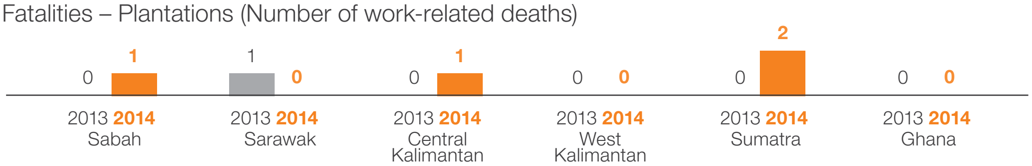


Fatalities – China (Number of work-related deaths)

- **Fatalities**

  Every unfortunate fatality is followed by a thorough review of cause and actions to prevent recurrence. The reviews are reinforced with continued efforts in training and protective equipment use to minimise, if not eliminate, risks.

Fatalities – Plantations (Number of work-related deaths)



Notes:

- *The unfortunate fatalities are primarily caused by motor vehicle accidents rather than not duly following the workplace's standard operating procedures.*
- *There were no fatalities in mills in Malaysia, Indonesia and Ghana in 2013 and 2014.*
- *Nigeria adopted a different approach to recording lost time incident rate and fatalities. It will be standarised and reported in 2015.*

Engagement & Governance

92,000
EMPLOYEES GLOBALLY

MENTORING SCHEME FOR NEW HIRES

SIAS MOST TRANSPARENT COMPANY AWARD (RUNNER-UP)

TOTAL DIVIDEND OF
S$0.075
PER SHARE

Regardless of location, we are committed to the same values of Integrity, Excellence, Passion, Innovation, Team Work and Safety.

Investor Relations

Wilmar's Investor Relations (IR) efforts are guided by the Group's commitment to build long-term relationships with its stakeholders and the belief in the importance of investor communications in an accurate, fair and timely manner.

STAKEHOLDER COMMUNICATION

The IR team endeavours to maintain open communications with investors through various platforms including one-on-one meetings, group meetings, investor conferences, results briefings, roadshows and site visits. The IR team also takes effort to address immediate concerns raised by shareholders and investors via email and telephone.

The Group organises a combined analyst and media results briefing every quarter. It also participates in investor conferences. During the year, the Group met close to 200 fund managers and analysts in about 90 one-on-one and group meetings. These meetings provide investors and the media with regular access to senior management, and offer various channels to engage on a wide range of topics including strategic direction, financial performance, industry trends and sustainability issues.

The Group's Annual General Meeting (AGM) and Extraordinary General Meeting (EGM) were held on 25 April 2014. During the meetings, shareholders were given a presentation to update them on the Group's developments and also had their queries addressed before voting on resolutions. These meetings offer a valuable opportunity for the Board of Directors and senior management to interact with shareholders and have seen increasing participation in recent years. The 2014 AGM and EGM were attended by 305 shareholders.

In response to shareholders' feedback, the Group launched its first Investor Day

The Group's 2014 AGM and EGM were well-attended by over 300 shareholders.

which was held after the conclusion of the AGM and EGM. The purpose of this event was to give shareholders a more in-depth look into the Group, beyond the usual matters that are discussed at the AGM. For this inaugural event, shareholders had the opportunity to learn more about the Group's Plantations as well as Palm & Laurics businesses. In addition, there was also a lively question-and-answer session with management which covered various topics and other business divisions. The event was well-received and attended, with 150 shareholders participating.

At the end of 2013, the Group announced its "No Deforestation, No Peat and No Exploitation Policy". This important policy aims to bring about transformation of the industry by encouraging plantation companies and smallholders alike to adopt responsible practices. In the course of 2014, there was much interest from shareholders and investors on the implications and impact of this new policy. As with other issues relating to sustainability, the IR team works with the Group's Sustainability team to ensure that stakeholders are kept updated on the latest developments. The Sustainability team publishes quarterly update reports on the progress of the implementation of the new policy. These quarterly reports as well as the biennial sustainability reports are available on the Group's corporate website (www.wilmar-international.com/sustainability/information-resources).

All disclosures submitted to the Singapore Exchange are available in the Investors & Media section of the Group's corporate website (www.wilmar-international.com). The website provides an effective method of reaching a wide audience and also allows users to sign up for alerts to such disclosures, providing an easy and timely way to stay updated on the latest corporate developments.

RECOGNITION

In 2014, the Group's commitment to good corporate governance standards and effective stakeholder communications was acknowledged on two occasions.

It was named the runner-up of the Most Transparent Company Award in the Food & Beverage category at the Securities Investors Association (Singapore) 15th Investors' Choice Award, and awarded a certificate of excellence in investor relations at the IR Magazine South-East Asia Awards.

2014 INVESTOR RELATIONS CALENDAR

1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
FY2013 Results Briefing (Singapore)	1Q14 Results Briefing (Singapore)	2Q14 Results Briefing (Singapore)	3Q14 Results Briefing (Singapore)
FY2013 Post-Results Meeting (Singapore)	Annual General Meeting / Investor Day	Macquarie ASEAN Conference (Singapore)	Morgan Stanley Annual Asia Pacific Summit 2014 (Singapore)
Credit Suisse Asian Investment Conference (Hong Kong)			

Human Capital Management

With the Group's growth over the years, its employee staff base has expanded to 92,000 employees globally. Wilmar recognises employees as its greatest asset and is committed to invest in developing its people. Wilmar's human capital strategy focuses on identifying and developing talent and leadership skills to ensure the Group can sustain continuous growth and progress.

Graduating trainees at Calaro Oil Palm Estate in Mbarakom, Nigeria. Nurturing and mentoring new hires is important to their full potential development and contribution to the Group.

EMPLOYEE ENGAGEMENT

Towards the goal of being an employer of choice and to enhance employees' sense of well-being, the Group has stepped up employee engagement initiatives and also encouraged employee participation in community development programmes and activities. One of the notable initiatives launched in Wilmar Africa was the establishment of the Gender Committee. This committee seeks to empower women and to further enhance safety and security measures for them within the working compound. Another notable initiative is the 'W-Care' project launched in Wilmar Vietnam to raise funds and donations to help employees and their families in financial difficulties. Concurrently Wilmar continued with its charitable efforts in China supporting the needy, education and disaster relief. Please refer to the Sustainability chapter for details.

Wilmar Africa established the Gender Committee with the aim of empowering women and further enhancing safety and security measures within the work compound.

NURTURING AND MENTORING TALENTS

The Group has in place talent acquisition plans and a career development framework to cater to a diverse base of employees. New hires are put through a structured on-the-job training programme to equip them with practical field competencies and in-depth technical knowledge.

To further enhance its efforts to groom and retain talent, Wilmar Singapore has launched a Mentoring Scheme to help guide and integrate new employees into the company. In the Netherlands, there is a similar scheme focused on personal development for young professionals where constructive discussion is performed on a bi-monthly basis to promote team cohesiveness and individual career progression.

In 2011, Wilmar's Chairman and CEO founded the KKH Opportunity Scholarship Fund. The Fund provides undergraduates at the Nanyang Business School with 10-week internships in Wilmar's offices in emerging economies, with the aim of inculcating in participants a pioneering spirit, entrepreneurial vision and business acumen.

Mr Sherman Ho was a participant of the programme in 2013 and is now a full-time employee with the Africa Desk based in Singapore. He shares his internship experience in Ghana.

Q: What made you apply for the internship with Wilmar?

A: I've always believed that global exposure is more important than academic theories. This internship was the perfect opportunity to experience working in a completely foreign environment and culture.

Q: What was your first reaction when you learned that you would be spending 10 weeks in Ghana?

A: Naturally I was worried about safety, living conditions and finding common ground with the locals. I also had preconceived notions of how things would be, based on the little I knew of the country. I had imagined Ghana to be a dangerous place, with lawless towns filled with malnourished children, and ruled by rebel soldiers and warlords.

Q: What is your impression of Ghana now?

A: Ghana is surprisingly safe – perhaps even more so than in some of the more developed countries. I could generally walk around town alone without worrying and the local people are amazingly warm and sincere.

Q: How was it like working in Ghana?

A: The working culture in Ghana is vastly different from Singapore's. The pace is much slower and more relaxed. Ghanaians generally take time to do their work, unless there is an urgency. However most of my colleagues would gladly stay back late to finish their work.

Ghanaians have a hunger to learn. When I first arrived, I shared some tips and tricks in Excel as I noticed that they were not fully utilising the software. It later became a regular session where I would teach them Excel functions and once even on a weekend.

Q: What do you love most about Ghana?

A: Definitely the people! They are more than welcoming to foreigners. My colleagues would sometimes treat me to local food at lunch and every day patiently teach me a word or two of the local language.

After a 10-week internship in Ghana, Sherman thinks that if one can survive Africa, one can survive anywhere else in the world.

Q: How has your experience in Ghana changed you on a personal level?

A: I have learnt to keep an open mind and not be influenced by what we see in the media. This eye-opening experience has helped me to better understand the world around us and taught me things books cannot. Too often has Africa been stereotyped as impoverished and dangerous that we lose sight of everything else it has to offer. Africa should not be seen as a place to be afraid of, but as a land of opportunities. As investment guru Warren Buffet famously said, "Be fearful when others are greedy and greedy when others are fearful."

Q: Why did you decide to join Wilmar after the internship?

A: I felt that the company values its people. The management team engaged us actively during the internship as well as the hiring process. Being an MNC with thousands of employees globally, it says a lot about the values of the company when its leadership is so involved in nurturing its people. Also, considering that Wilmar sends more than 20 students a year all over the world on sponsored internships, you know that there are many opportunities in such a company.

Q: What do you love about working in Wilmar?

A: Over the past few months, I think the most valuable thing about working in Wilmar is the many opportunities to learn and grow. The leadership is not afraid to challenge us and push us to our limits. Most of the people here, including the management, are very approachable and friendly.

Information Technology

As the Group expands its business footprint, it becomes increasingly important to leverage technology in process automation and information sharing. The division of Information Technology (IT) is responsible for meeting the technological needs of the Group by providing computing services and business systems solutions.

SUPPORTING GROWTH IN AFRICA

In tandem with the Group's expansion in Africa, IT's key responsibility is to establish a foundational layer of IT systems that serves as a platform capable of rapidly integrating or operationalising new business units in Nigeria, Uganda and Ghana. The implementation of such an Enterprise Resource Planning solution across business functions is part of the best practices adopted within the Group's business units globally. It integrates varied systems, facilitates information flow, enhances process efficiency and achieves standardisation in a shorter time frame.

Together with business leaders in Africa, IT have successfully implemented several business systems to automate stock handling and procurement processes, optimise inventory turnover, increase manpower efficiency and shorten delivery time to customers.

TRANSFORMATION THROUGH CLOUD COMPUTING

In recent years, new delivery models for IT service consumption are presenting opportunities for innovation. These new delivery models are referred to as "cloud computing" and the shift to cloud is undeniable.

IT has embarked on this transformational journey with leading cloud service providers to securely extend the Group's data centers in various countries to the cloud in order to provide a scalable, robust, reliable and sustainable IT infrastructure. The speed of building servers, disaster recovery and high availability systems, as well as adopting better backup methods have been a win for IT, while the heightened agility and responsiveness to marketplace have been favourable to business units. Concurrently the consolidation of enterprise collaboration tools through cloud service in various key operating countries have improved information sharing and workflows across teams and departments, further supporting Group's strive in building a strong and cohesive team. Moving forward, IT will continue to leverage cloud capabilities with a focus on providing innovative solutions to drive operational flexibility and business responsiveness.

STAYING AHEAD OF THE CURVE

IT has been and will remain integral to business efficiency. Spread over strategic global locations, the IT team comprises expertise and experience in a wide range of industries. To stay at the forefront of technological innovations, IT believes in investing in capabilities so as to optimise resources, better fulfil the Group's IT requirements and achieve the highest level of user satisfaction.

Risk Management

OVERVIEW

Managing risks that the Group is exposed to is critical to Wilmar's business. As such, the Group has a robust risk management framework in place to identify, measure, monitor and manage its risks. The framework, including policies and procedures, is regularly enhanced in response to changes in the external environment.

The Group has, in the past year, continued to maintain a proactive approach in evaluating risks and ensuring coverage against its exposure. Its strategic and operational decision-making process continued to be strengthened through transparent communication and risk awareness across the organisation, while ongoing compliance with risk management processes is regularly reviewed.

COMMODITY PRICE RISK

Agricultural commodities prices are very volatile, and affected by factors such as weather, government policies, global demographic changes and competition from substitute products. In sourcing raw materials and selling manufactured outputs, the Group is exposed to price fluctuations in the commodities markets because the sale and purchase commitments do not typically match at the end of each business day. To manage such price risks, the Group carefully monitors and manage its open commodity positions by forward physical contracts and/or derivatives.

FOREIGN EXCHANGE RISK

The Group's reporting currency is U.S. Dollars (USD). The majority of the Group's exports from Indonesia and Malaysia are denominated in USD. Imports into China are denominated in either USD or Renminbi. The majority of the Group's expenses and sales elsewhere are denominated in the respective local currency. The Group is exposed to foreign exchange risk arising from volatility in currency markets.

Wilmar seeks to manage its foreign currency exposures by constructing natural hedges when it matches sales and purchases in any single currency, or through financial instruments such as foreign currency forward and option contracts. Such contracts offer protection against volatility associated with foreign currency purchases and sales of raw materials as well as other assets and liabilities arising in the normal course of business.

INTEREST RATE RISK

A substantial portion of the Group's borrowings are in the form of trade finance and short-term banking facilities. These are used to fund operations and are transaction-related. Interest expense arising from such financing may vary depending on the stock holding period assumed at the time of entering into the transaction versus the actual time taken to deliver the physical product and realise the proceeds of sale from the end-customer. Consequently, interest expense is dependent on the volume of transactions and the cash conversion cycle, and it is subsequently priced into the products. As such, short-term interest rate movements do not have a significant impact on the net contribution margin. To meet capital expenditures and working capital requirements, the Group also has term loans which are exposed to interest rate risk.

Interest rate risk arising from floating rate loans is managed through the use of interest rate derivatives with the primary objective of limiting the extent to which net interest exposure could be affected by adverse movements in interest rates.

CREDIT RISK

The majority of the Group's sales are export sales in bulk, for which documentary credit from customers are required. For domestic sales in China, the Group may grant its more substantial customers credit terms while requiring cash on delivery or advance payment for others.

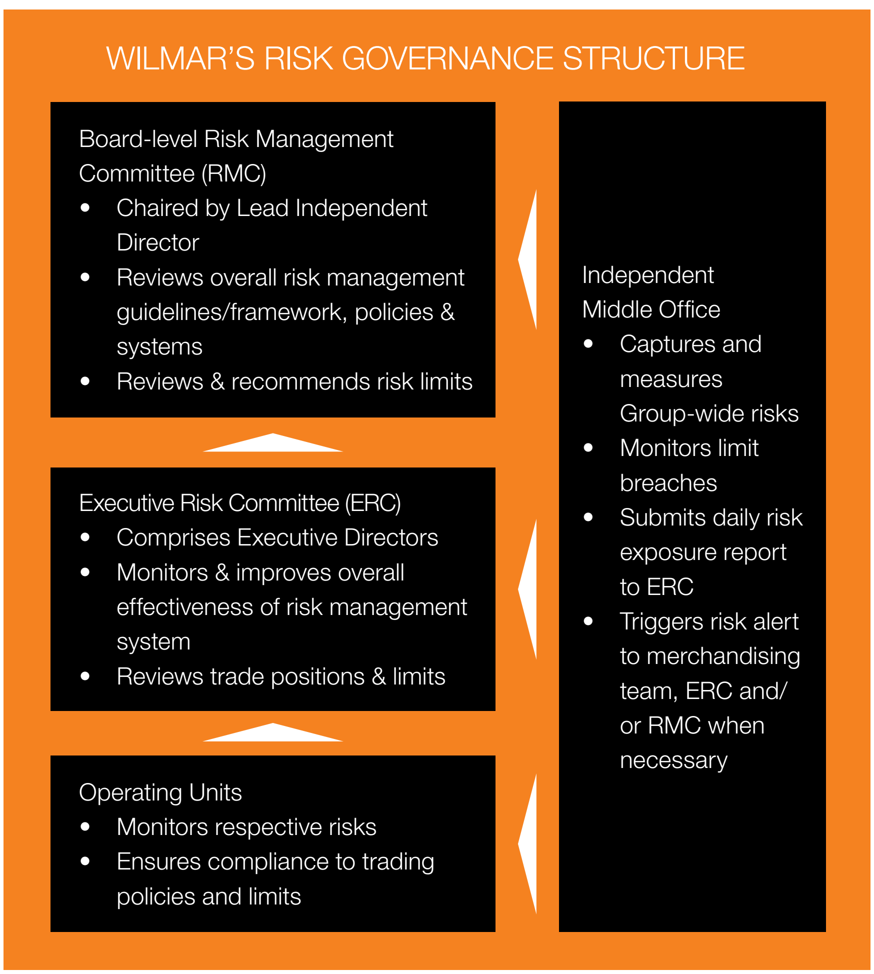
New customers' credit worthiness is evaluated by considering their financial standings and operating track records as well as conducting background checks through industrial contacts. In this regard, the Group benefits from the experience and local knowledge of its wide manufacturing base and distribution network. Actual credit terms and limits to be granted are decided based on the information obtained, and revised according to economic or market conditions. As a practice, the Group will usually require a letter of credit for sales to new customers.

Credit facilities granted to existing customers are also reviewed periodically. A customer's current financial strength, payment history, transaction volume and duration of its business relationship with the Group are taken into consideration.

RISK GOVERNANCE

The Group's risk governance structure comprises the Risk Management Committee at the Board level, the Executive Risk Committee and risk management by the respective operating units. The Board-level Risk Management Committee, chaired by the Lead Independent Director, oversees the Executive Risk Committee, reviews the overall risk management guidelines/framework, reviews and recommends risk limits as well as assesses the adequacy and effectiveness of the risk management policies and systems.

The Executive Risk Committee comprises Executive Directors. Its responsibilities include, amongst others, the monitoring and improvement of the overall effectiveness of its risk management system, the review of trade positions and limits to manage overall risk exposure.



The heads of operating units are responsible for monitoring their respective risks and adherence to trading policies and limits set by the Risk Management Committee and the Board.

To achieve effective governance and oversight by ensuring proper segregation of authority and responsibility, the Group has a Middle Office which is independent of the front and back office. The Middle Office is responsible for the capture and measurement of Group-wide risks as well as for monitoring limit breaches. The Middle Office circulates a daily risk exposure report, which is reviewed by the Executive Risk Committee for any significant risk issues. The Middle Office also sends out regular risk alerts to the merchandising team, and the Executive Risk Committee and/or the Risk Management Committee when risk exposure is seen to be nearing trigger levels.

The documented risk management policy clearly defines the procedures for monitoring, controlling and reporting risk in a timely and accurate manner. The Group has in place an overall risk tolerance threshold recommended by the Risk Management Committee and approved by the Board. The risk tolerance threshold refers to the maximum potential loss of all open exposures across all products and geographical regions at any given time. The risk tolerance threshold is determined after taking account of the Group's equity strength and profitability as well as its overall production capacity, price trends of raw materials, management's overall view of the market, track record of the management of risk exposure in the prior period and financial budgets including projected sales volumes and turnover.

Wilmar International Limited (the "Company" or "Wilmar" and together with its subsidiaries, the "Group") continually seeks to uphold a high standard of corporate governance to safeguard the interests of all its stakeholders. This report outlines the corporate governance practices adopted by the Company with specific reference to the Singapore Code of Corporate Governance 2012 (the "Code"). The Company has substantially adhered to the principles and guidelines set out in the Code, save as otherwise explained in this report.

A. BOARD MATTERS

Principle 1: The Board's Conduct of its Affairs

The primary role of the Board is to provide entrepreneurial leadership, set the overall business direction of the Group and constantly seek to protect and enhance long-term shareholder value and returns. The Board is committed to continually sustain value creation through strategic and appropriate business expansion which would broaden the Group's revenue stream by pursuing business opportunities with good prospects for long-term growth.

In addition to its statutory responsibilities, the Board's principal duties and responsibilities are to:

1. Set strategic directions and long-term goals of the Group and ensure that the necessary financial and human resources are in place for the Group to meet its objectives;
2. Ensure that decisions and investments are consistent with medium- and long-term strategic goals;
3. Oversee the process for evaluating the adequacy of internal controls, risk management, financial reporting and compliance;
4. Review the performance of Management and oversee succession planning for Management; and
5. Consider sustainability issues, in particular environmental and social factors, in the formulation of the business strategies and corporate policies of the Group.

Delegation of duties by the Board

To assist the Board in the execution of its duties, the Board has delegated specific authority to the following Board committees which function within the respective terms of reference approved by the Board.

Executive Committee ("Exco")

The Exco is made up of Mr Kuok Khoon Hong (Chairman and Chief Executive Officer ("CEO")), Mr Martua Sitorus (Deputy Executive Chairman) and Mr Teo Kim Yong (Chief Operating Officer) ("COO"), all of whom are Executive Directors of the Company. The Exco oversees the management of the business and affairs of the Group and its duties and responsibilities include the following:

1. Evaluate new business opportunities and submit strategic business proposals, with due consideration given for environmental and social sustainability issues, for approval by the Board;
2. Recommend proposed acquisitions and disposals of investments, businesses and assets, which exceed the Exco limits, for approval by the Board;
3. Ensure that the Group operates within the approved budgets, business direction and the approved internal controls put in place by the Group;
4. Formulate Company's values and mission to ensure that obligations to shareholders are understood and met; and
5. Identify key stakeholder groups and recognize and mitigate adverse perceptions which would affect the Company's reputation.

Other than the Exco, the following Board committees, which are made up of a majority of Independent Directors, will provide further safeguards to prevent an uneven concentration of power, authority and decision in a single individual. Details of these Board committees are as set out below:

1. Audit Committee – (Principle 12)
2. Risk Management Committee – (Principle 11)
3. Nominating Committee – (Principle 4)
4. Remuneration Committee – (Principle 7)

Independent judgment

All Directors exercise due diligence and independent judgment, and make decisions objectively in the best interests of the Group. This is one of the performance criteria for the assessment of the contributions of the individual Directors.

Key features of board processes

The Board conducts regular scheduled meetings on a quarterly basis and ad-hoc meetings are convened, if requested by the Board or if warranted by circumstances deemed appropriate by the Board. In between scheduled meetings, matters that require the Board's approval are circulated to all Directors for their consideration and decision. As provided in the Company's Articles of Association ("AOA"), Directors may participate in Board meetings by teleconferencing and videoconferencing.

As part of the Company's corporate governance practice, all Directors are invited to attend all Board committee meetings, except for Remuneration Committee meetings. All written resolutions passed and minutes of meetings held by the Board committees are circulated to the Board for information and review, with such recommendations as the respective Board committees consider appropriate, for approval by the Board. While the Board committees have the delegated power to make decisions or make recommendations within the scope of their respective terms of reference, the ultimate responsibility for the decisions and actions rests with the Board as a whole.

Attendance at Board and Board Committee Meetings

The attendance of Directors at the Board and Board committee meetings during the financial year ended 31 December 2014 ("FY2014") is set out as follows:

	Board of Directors	Audit Committee	Risk Management Committee	Remuneration Committee	Nominating Committee
No. of meetings held	**4**	**4**	**4**	**1**	**1**
Name of Director	**Member Attendance**	**Member Attendance**	**Member Attendance**	**Member Attendance**	**Member Attendance**
Executive Directors					
Kuok Khoon Hong	4/4	NM	4/4	NM	1/1
Martua Sitorus	4/4	NM	NM	NM	NM
Teo Kim Yong	4/4	NM	NM	NM	NM
Non-Executive Directors					
Kuok Khoon Chen	4/4	NM	NM	NM	NM
Kuok Khoon Ean	4/4	NM	NM	1/1	NM
Juan Ricardo Luciano	4/4	NM	NM	NM	NM
George Yong-Boon Yeo (Note 1)	1/4	NM	NM	NM	NM
Independent Non-Executive Directors					
Yeo Teng Yang (Note 2)	4/4	4/4	4/4	1/1	NM
Dr Leong Horn Kee	4/4	NM	4/4	1/1	NM
Tay Kah Chye	4/4	4/4	NM	NM	1/1
Kwah Thiam Hock	4/4	4/4	NM	1/1	1/1

Note 1 – Mr George Yong Boon-Yeo was appointed on 1 November 2014 and he attended the last Board of Directors' meeting of the year which was held in November 2014.

Note 2 – Mr Yeo Teng Yang was appointed a Nominating Committee (NC) member on 20 February 2014 following the recommendation of the NC at its meeting held in January 2014.

NM – Refers to Board members who are non-committee members but who have been invited to attend these meetings (except for Remuneration Committee meetings where the CEO is the only non-committee member in attendance)

Matters Requiring Board Approval

The Company has in place internal guidelines setting forth matters that require Board approval. Matters which are specifically reserved for the decision of the Board include:

1. Strategies and major business proposals of the Group;
2. Acquisitions and disposals of investments, businesses and assets which exceed the approved limits granted to the Exco;
3. New lines of businesses which complement the core business activities of the Group;
4. Commitment to loans and lines of credit from banks and financial institutions and market fund raising exercises for amounts exceeding the approved limits granted to the Exco;
5. Group written policies which also set out matters and limits that require various approving authorities including Management, various committees and full Board; and
6. Share issuances, interim dividends and other returns to shareholders.

Board Orientation and Updates

The Board appointed Mr George Yong-Boon Yeo as a Director of the Company on 1 November 2014. All newly appointed Directors are notified in writing of their appointments as Directors of the Company and receive a set of guidance notes and relevant materials which explain the duties and obligations of a director under the Singapore Companies Act, the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") and the Securities & Futures Act.

In addition, the Company provides newly appointed Directors with an orientation programme and briefings on the business, operations and financial performance of the Group. New Directors are also briefed on governance practice, in particular, policies on disclosure of interests in securities, prohibitions on dealings in the Company's securities and restrictions on disclosure of price-sensitive information.

The Company encourages Directors to participate in development programmes, which are considered essential in performing their roles on the Board and its committees, and funds programmes that it facilitates. During the year, the Company arranged for certain Directors, who had indicated their interests, to attend programmes which covered the following topics:

- Towards the New Capitalism;
- Types of model for good corporate governance;
- The role of the Board in major corporate decisions;
- Pay and performance and remuneration issues;
- Corporate governance of small- and medium-sized enterprises; and
- Update on the revised Guidebook for Audit Committees in Singapore

On a quarterly basis, the Board is briefed on the strategic and business development of the Group by the CEO. The Board is also briefed on changes to the accounting standards and regulatory updates by the external auditors and the Company Secretary. Board members also participated in on-site visits of the Group's key operating facilities overseas and are briefed by various Operational Heads so as to have a better understanding of the Group's businesses.

As part of the Company's continuing efforts to share updates with the Directors, the Corporate Communications Department regularly circulates to the Board articles and reports relevant to the Group's businesses to keep Directors updated on current industry trends and issues. News releases and newsletters issued by the SGX-ST, the Monetary Authority of Singapore, the Accounting and Corporate Regulatory Authority ("ACRA"), the Company's external auditors and advisers, which are relevant to Directors, are also circulated to the Board by the Company Secretary.

Principle 2: Board Composition and Guidance

Board Size and Board Composition

The Board presently has 11 members, comprising three Executive Directors and eight Non-Executive Directors, of whom four are Independent Directors.

On a yearly basis, the Nominating Committee ("NC") reviews the size and composition of the Board to ensure the Board has the appropriate balance and competencies for effective functioning and informed decision-making. The Board is made up of Directors with a wide range of skills, experience and qualifications and they bring with them expertise and knowledge in areas such as accounting, finance, business acumen, risk management and specific industry knowledge and customer-based experience relevant to the Group's business. Key information about the Directors is presented in the section entitled "Board of Directors" in the Company's Annual Report 2014 ("Annual Report").

To enable the Non-Executive Directors to make informed decisions, they are well-supported with accurate, complete and timely information. The Non-Executive Directors have participated actively in the Board meetings. With their expertise and competency in their respective fields, they have, collectively, provided constructive advice and good governance guidance for effective discharge by the Board of its principal functions.

Taking into account the nature and scope of the Group's business and the number of Board committees, the Board considers a board size of between 10 to 12 members as appropriate. The Board has taken the collective view that its current size and composition provides sufficient diversity without interfering with efficient decision-making.

Board Independence

The Board considers an "independent" director as one who has no relationship with the Company, its related corporations, its shareholders with shareholdings of 10% or more voting shares in the Company or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of a director's independent business judgment with a view to the best interests of the Group.

Currently, the Independent Directors of the Company make up more than one-third of the Board composition. This provides a strong and independent element on the Board which facilitates the exercise of independent and objective judgment on its corporate affairs.

However, the Code recommends that where the Chairman of the Board is also the CEO as is the case with Mr Kuok Khoon Hong, who is the Chairman of the Board and CEO of the Group, half of the Board composition should be independent, no later than the date of the Company's annual general meeting to be convened in April 2018. The Board has reviewed the size and composition of the Board and will take the necessary steps to comply with this recommendation under the Code. In the interim, the four Independent Directors will continue to uphold good corporate governance at the Board level and their presence facilitates the exercise of independent and objective judgment on corporate affairs.

Principle 3: Chairman and Chief Executive Officer

The Chairman and CEO, Mr Kuok Khoon Hong, provides leadership to the Group and has been instrumental in transforming the organisation into one of Asia's largest agribusiness groups. Mr Kuok is overall in charge of the management and strategic direction of the Group.

The Chairman and CEO leads all Board meetings and sets the agenda. He ensures that Board members receive accurate and timely information to enable them to be fully cognizant of the affairs of the Group. He also promotes a culture of openness and solicits contributions from the Board members to facilitate constructive discussions.

All strategic and major decisions relating to the business and management of the Group are jointly and collectively made by the Board. As such, there is a balance of power and authority and no one individual controls or dominates the decision-making process of the Company.

The role of the Chairman and CEO is not separate as there is adequate accountability and transparency reflected by internal controls established within the Group. The single leadership arrangement ensures that the decision-making process for seizing good growth prospects for the Group would not be unnecessarily impeded.

Mr Yeo Teng Yang, the Lead Independent Director since 14 July 2006, continues to avail himself to address shareholders' concerns and acts as a counter-balance on management issues in the decision-making process. Mr Yeo Teng Yang works closely with other Independent Directors and when necessary, meets with them, without the presence of other Directors to discuss matters that were deliberated at Board meetings.

The Board is of the opinion that there is sufficient independence in its exercise of objective judgment on business affairs of the Group.

Principle 4: Board Membership

The members of the NC are:

1. Mr Kwah Thiam Hock (NC Chairman) – Independent Director;
2. Mr Kuok Khoon Hong – Executive Director;
3. Mr Tay Kah Chye – Independent Director; and
4. Mr Yeo Teng Yang – Lead Independent Director

The NC meets at least once a year. The NC's role is set out in its written terms of reference. The key terms of reference of the NC include the following:

1. Review and recommend to the Board the appointment and re-appointment of Directors (including alternate directors, if applicable);
2. Review whether or not a Director of the Company is considered independent pursuant to the guidelines set forth in the Code;
3. Review the size and composition of the Board;
4. Evaluate whether or not a Director is able to and has been adequately carrying out his duties as a Director of the Company when he holds multiple board representations;
5. Develop a process and conduct formal assessments of the effectiveness of the Board as a whole, the Board committees and individual Directors;
6. Review the training needs for the Board;
7. Review the succession plans for the Board and Management; and
8. Review and recommend to the Board the appropriate performance benchmarks for monitoring the share performance of Wilmar, relative to its peers in the same industry and movements in the Straits Times Index.

Directors' independence review

The NC has adopted the guidelines as set out in the Code in carrying out its assessment of the independence of the Directors of the Company. In addition, each Independent Director is required to state whether he considers himself independent, taking into consideration the existence of relationships (if any) which would affect his independence as a Director based on the guidelines in the Code.

The NC is of the view that the four Independent Directors, namely Mr Yeo Teng Yang, Dr Leong Horn Kee, Mr Tay Kah Chye and Mr Kwah Thiam Hock are considered independent in accordance with the guidelines in the Code, notwithstanding that Dr Leong was appointed as a Director of the Company since 30 June 2000. The review took into consideration the circumstance that Dr Leong was serving an entirely different Board prior to his service on the Wilmar Board, which was constituted upon the completion of the reverse takeover of Ezyhealth Asia Pacific Limited by Wilmar on 14 July 2006.

The NC has, upon its assessment, concluded that none of the Independent Directors are related and do not have any relationship with the Company or its related companies, its shareholders with shareholdings of 10% or more voting shares in the Company or its officers that could interfere with the exercise of their independent judgment with a view to the best interests of the Company. The Board has concurred with the NC that all of the above four Independent Directors are considered independent.

Directors' time commitment and multiple directorships

The NC determines annually whether a Director with multiple board representations and/or other principal commitments is able to carry and has been adequately carrying out his duties as a Director of the Company.

The NC takes into account the results of the assessment of the competencies, commitment and contributions of the individual Director and is of the view that although some Directors hold other non-Group Board representations, they are nevertheless able to carry and have effectively carried out their duties as Directors of the Company.

The Board supports the view of the NC and is of the opinion that a more meaningful measure is the quality of time spent on the Company's matters at the respective Board and Board committee meetings. The Board is satisfied that each of the Directors is able to carry and has adequately carried out his duties as a Director of the Company.

Succession planning for the Board and key management

The NC recognises the need to refresh Board membership and the key management pool. The Company seeks to do it progressively and is working towards the training and development of capable staff to prepare them for key management roles.

Process for selection and nomination of new Directors

The Chairman, who is a member of the NC, takes the lead in identifying, evaluating and selecting potential candidates for new Director appointments, other than proposed appointments nominated by major shareholders of the Company. In line with the NC's guiding principle of selecting the most suitable person for Director appointments, the NC taps on its networking contacts and/or may engage external professionals to assist with identifying and shortlisting the most competent individual who is capable of contributing to the success of the Group. In the selection process for the appointment of new Directors, the NC also takes into consideration the diversity in skills, experience, gender and industry knowledge as well as the desired competencies of the potential candidate to supplement the existing attributes of the Board. The NC then submits its recommendations for approval by the Board taking into account an appropriate mix of core competencies for the Board to fulfill its roles and responsibilities.

Rotation and Re-election of Directors

In accordance with the AOA of the Company, one-third of the Directors who have been longest in office since their last re-election, are required to retire by rotation at least once every three years. These Directors are eligible for re-election, subject to approval by the shareholders at the annual general meeting ("AGM"). New Directors will hold office only until the next AGM following their appointments and they will be eligible for re-election. Such Directors are not taken into account in determining the number of Directors who are to retire by rotation.

The NC has, in its deliberations on the re-appointment of existing Directors, taken into consideration the relevant Director's contribution and performance. The assessment parameters include attendance record and degree of participation at meetings of the Board and Board committees as well as the quality of participation and special contribution.

The Board has accepted the NC's recommendation to seek approval from shareholders at the 2015 AGM to re-elect the following Directors, who will be retiring under the respective provisions of the AOA of the Company and are eligible for re-election:

1. Dr Leong Horn Kee (retiring under Article 99);
2. Mr Tay Kah Chye (retiring under Article 99);
3. Mr Juan Ricardo Luciano (retiring under Article 99); and
4. Mr George Yong-Boon Yeo (retiring under Article 100)

Mr Yeo Teng Yang, who is subject to annual re-appointment pursuant to section 153 of the Singapore Companies Act, has also been nominated for re-appointment at the 2015 AGM.

Principle 5: Board Performance

The Company has in place the process for the evaluation of the overall effectiveness of the Board which is conducted on an annual basis. Assessments on the performance of Board committees and Directors' contributions, in terms of business and risk management perspectives and pro-activeness of participation in meetings are also included in the annual Board evaluation checklists. In view of the foregoing, there is no separate peer evaluation by individual Directors.

These evaluations are done by way of each Director completing various checklists. The purpose of the annual evaluation is to seek the respective views of the Directors on various aspects of Board performance. The responses from the respective Directors are collated and the findings are discussed at the NC meeting. The findings are then reported and recommendations are submitted to the Board for review and decision to implement appropriate actions to enhance key areas (if any) that have been identified for improvement.

In assessing the performance of the Board and Board committees for FY 2014, the NC has taken into account various factors including Board composition and size, Board access to information, Board processes, Board accountability, Board knowledge of key risk management and internal control issues, standard of conduct and performance in discharging the Board's principal functions and fiduciary duties as well as guidance to Management.

For the assessment of the contributions of individual Directors for FY2014, the evaluation is based on factors including Director's attendance, knowledge of the Group's business operations, knowledge of regulatory requirements and governance and effective contributions in Board meetings.

The findings of the NC's assessment for FY 2014 were submitted and accepted by the Board.

Principle 6: Access to Information

The Board is kept informed by Management of all material events and transactions as and when they occur. Analysts' and media reports on the Group are forwarded to the Directors on an ongoing basis to keep them abreast of current developments and enable them to make informed decisions to discharge their duties and responsibilities effectively.

The Board receives all reports and discussion papers about a week before scheduled meetings for Board meetings as well as the Board committee meetings, as all Board members are invited to attend these meetings. Amongst other reports, the Board is also provided with reports from the internal and external auditors and the Risk Management Department which include key findings arising from interim and completed financial, operations and information technology ("IT") audits and risk assessment reports on key businesses of the Group for review and evaluation.

In addition to members of the Board being briefed by the CEO at every Board meeting, Management is required to attend meetings of the Board and Board committees to provide insight into matters being discussed and to respond to any questions that the Directors may have.

The Board has separate, independent and unrestricted access to Management of the Group, including the Company Secretary at all times. Requests for information from the Board are dealt with promptly by Management. In furtherance of the discharge of their duties, Directors may seek independent professional advice, if necessary, at the Group's expense.

The Company Secretary is responsible for, among other things, ensuring that Board procedures are observed and that the Company's AOA, relevant rules and regulations including requirements of the Securities and Futures Act, Singapore Companies Act and SGX-ST Listing Manual, are complied with. The Company Secretary assists the Chairman of the Company in ensuring good information flows within the Board and its Board committees and between Management and Non-Executive Directors. The appointment and the removal of the Company Secretary are subject to the Board's approval.

B. REMUNERATION MATTERS

Principle 7: Procedures for Developing Remuneration Policies

The Remuneration Committee ("RC") is set up to assist the Board to ensure competitive compensation policies and practices are put in place and these include share option plans which are developed in a formal and transparent manner, and remuneration packages for individual Directors and key management personnel. The RC is chaired by Mr Kwah Thiam Hock and its members comprise Mr Yeo Teng Yang and Dr Leong Horn Kee, all Independent Directors and Mr Kuok Khoon Ean, a Non-Executive Director. No Director is involved in deciding his own remuneration.

In accordance with the terms of reference, the RC's responsibilities are to:

1. Review and recommend to the Board for endorsement, a framework of remuneration for the Board and key management personnel. The framework covers all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, grant of shares and share options and benefits in kind;
2. Review and recommend to the Board, the specific remuneration packages for each Director as well as for the key management personnel;
3. Implement and administer the Company's share options plan;
4. Review the Group's obligations arising in the event of termination of the Executive Directors' and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses; and
5. Review the development of senior staff and assess their strengths and development needs based on the Group's leadership competencies framework, with the aim of building talent and maintaining strong and sound leadership for the Group.

In discharging their duties, the RC members may seek advice from the Human Resource Department and external consultants, whenever necessary. Market practices and standards are taken into consideration to ensure that the remuneration packages remain competitive.

Principle 8: Level and Mix of Remuneration

The Group's remuneration philosophy is aimed to attract, retain and motivate Executive Directors of the highest calibre through a framework which aligns rewards with the performance and the achievement of strategic objectives.

The framework consists of a fixed and a variable component. The variable component includes an annual bonus tied to the performance of the individual and the Company, as well as short- and long-term incentives in the form of share options designed to strengthen the pay-for-performance framework which serves to reward and recognise key executives' contributions to the growth of the Company. The Board seeks to ensure that key criteria, namely, company profitability, competitiveness, reasonableness, and linkage to performance and commitment to Sustainability programmes are satisfied for the executives' remuneration package.

The fixed component is determined by benchmarking against similar industries, taking into account an individual's responsibilities, performance, qualification and experience. This fixed base may be presented in a combination of cash and non-cash benefits, at the Group's discretion.

These benefits aim to directly align the interests of Directors, senior management and key executives with the interests of shareholders, to improve performance, and achieve sustainable growth for the Company and to strengthen the ownership culture among its senior management and key executives in times of rapid globalisation.

Non-Executive Directors and Independent Directors of the Company do not receive any salary. They receive annual Directors' fees, which are subject to the approval of shareholders at the AGM. The structure of Directors' fees for FY2014 is as follows:

Fee Structure

a. A single base fee of S$80,000 for serving as Non-Executive Director;
b. Additional fee of S$20,000 for serving as Lead Independent Director; and
c. Additional fee for serving as Chairman/Member on the following Board committees:

Chairman's Fee	**S$**
Audit Committee	30,000
Risk Management Committee	30,000
Nominating Committee	10,000
Remuneration Committee	10,000

Member's Fee	**S$**
Audit Committee	10,000
Risk Management Committee	10,000
Nominating Committee	5,000
Remuneration Committee	5,000

A review of Directors' fees, which takes into account Directors' contributions and their respective responsibilities, including attendance and time spent at Board meetings and various Board committee meetings, was undertaken. The revision in the Audit Committee and Risk Management Committee Chairman's fees aims to compensate for the more complex and complicated risk-related duties undertaken by the incumbents. Such fees were benchmarked against the amounts paid by other major listed companies.

To drive Management behavior and performance as well as to reflect the Company's commitment to protecting shareholder value, the Group implemented the Clawback Scheme in May 2014. The scheme has been applied to a total of 71 Key Executives (including the Executive Directors of the Company). The Group will review the list of executives on a yearly basis.

Principle 9: Disclosure on Remuneration

The breakdown of the remuneration of the Directors and the top five (5) key executives of the Company for FY2014 is as follows:

Name of Directors	Proposed Directors' Fee	Salary**	Benefits	Amortisation of Share Option Expenses*	Variable Bonus	Total
Executive Directors	S$	S$	S$	S$	S$	S$
Kuok Khoon Hong	Nil	797,750	70,103	820,080	4,000,000	5,687,933
Martua Sitorus	Nil	371,900	550	576,060	2,000,000	2,948,510
Teo Kim Yong	Nil	665,950	44,340	510,045	2,000,000	3,220,335
Non-Executive Directors						
Kuok Khoon Chen	80,000	-	-	227,600	-	307,600
Kuok Khoon Ean	85,000	-	-	227,600	-	312,600
Juan Ricardo Luciano	80,000	-	-	227,600	-	307,600
George Yong-Boon Yeo#	13,350	-	-	-	-	13,350
Independent Non-Executive Directors						
Yeo Teng Yang	150,000	-	-	284,500	-	434,500
Leong Horn Kee	95,000	-	-	227,600	-	322,600
Tay Kah Chye	115,000	-	-	227,600	-	342,600
Kwah Thiam Hock	110,000	-	-	227,600	-	337,600

Top 5 Key Executives

Name	Salary**	Benefits	Amortisation of Share Option Expenses*	Variable Bonus	Total	Remuneration Band
Matthew John Morgenroth	27%	3%	18%	52%	100%	S$2,000,000 to S$2,250,000
Goh Ing Sing	25%	-	20%	55%	100%	S$1,750,000 to S$2,000,000
Rahul Kale	30%	-	14%	56%	100%	S$1,750,000 to S$2,000,000
Yee Chek Toong	35%	1%	18%	46%	100%	S$1,250,000 to S$1,500,000
Kenny Beh	35%	-	19%	46%	100%	S$1,250,000 to S$1,500,000

The aggregate remuneration of the top five key executives is S$8,610,940. The remuneration of the Company's top five key executives takes into account the pay and employment conditions within the industry and is performance-related. The Company is of the opinion that it is not in the best interest of the Company to disclose specific details of their remuneration due to the competitiveness of the industry for key talent.

Notes:

* The fair values of the options are estimated at the respective grant dates using trinomial option pricing in the Bloomberg Executive Option Valuation Module and binomial options pricing model respectively.

** The salary amounts shown are inclusive of Central Provident Fund contributions.

Appointed as Non-Independent Non-Executive Director on 1 November 2014.

Relatives of the Directors

Ms Kuok Yit Li, the sister of Mr Kuok Khoon Hong, the Chairman and CEO, is employed as an Executive in the Finance Department. Her remuneration is in the range of S$50,000 to S$100,000 for FY2014.

Mr Kuok Meng Wei, a Senior Executive in the Trading Department, is the son of Mr Kuok Khoon Ean, a Non-Executive Director and also a nephew of Mr Kuok Khoon Hong. His remuneration is between S$150,000 to S$200,000 for FY2014.

C. ACCOUNTABILITY AND AUDIT

Principle 10: Accountability

The Management provides the Board with management reports and financial accounts on a regular basis and as the Board may require from time to time to enable the Board to make a balanced and informed assessment of the Group's performance, financial position and prospects on a quarterly basis. The Board approves the dissemination of the Group's quarterly and full year financial results, which present a balanced and informed assessment of the Group's performance, position and prospects, via the Singapore Exchange Network ("SGXNet").

The Board is also updated on changes in legislation and regulatory compliance by Management and/or external auditors to ensure that the Group complies with the relevant regulatory requirements.

Principle 11: Risk Management and Internal Controls

The Board, with the assistance from the Risk Management Committee ("RMC") and Audit Committee ("AC"), is responsible for the governance of risk by ensuring that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interest and the Group's assets, and determines the nature and extent of the significant risks which the Board is willing to take in achieving strategic objectives.

The AC is responsible for making the necessary recommendations to the Board such that an opinion regarding the adequacy and effectiveness of the risk management and internal control systems of the Group can be made by the Board in the annual reports of the Company, according to the requirements as set out in the SGX-ST Listing Manual and the Code. In this regard, the AC is complemented by the RMC which was established on 14 July 2006 as part of the Group's efforts to strengthen its risk management processes and policy framework.

The RMC assists the Board in overseeing the market, credit and operational risk governance in the Company to ensure that Management maintains a sound system of risk management to safeguard shareholders' interests and the Group's assets. It also determines and proposes to the Board, the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

The RMC is chaired by Mr Yeo Teng Yang, the Lead Independent Director, who is also a member of the AC. The RMC comprises two other Board members, namely Mr Kuok Khoon Hong and Dr Leong Horn Kee. The RMC meets no less than four times a year and also holds informal meetings, as and when the need arises.

The objectives of the RMC include the following:

1. Review the overall risk management policy/guidelines/framework and in particular, the adequacy and effectiveness of the risk management policies and systems for market, credit and operational risks including environmental sustainability issues;
2. Review and recommend risk limits; and
3. Review major non-compliance with risk policies.

In carrying out its duties, the RMC is assisted by the Executive Risk Committee ("ERC"). The ERC is made up of CEO Mr Kuok Khoon Hong, COO Mr Teo Kim Yong, Chief Financial Officer ("CFO") Mr Ho Kiam Kong and Mr Thomas Lim Kim Guan, General Manager – Trading (Edible Oils), who is responsible for the Group's edible oils trading.

The principal duties of the ERC are as follows:

1. Responsible for the monitoring and improvement of the overall effectiveness of the Group's risk management policies and systems;

2. Review and oversee the implementation of trade positions and limits to manage the Group's overall market, credit and operational risk exposures; and
3. Establish the principal considerations in relation to the type of trading partners/ customers of the Group and other merchandising policies (with due consideration given to the prevailing environmental sustainability policies mandated by the Company) to ensure that business activities are within the risk tolerance thresholds approved by the Board.

The Internal Audit ("IA") Department, on an annual basis, prepares an audit plan which focuses on material internal control systems including financial, operations, IT and compliance controls, and risk management. The IA Department's audit plan complements the audit plan prepared by the external auditors. The IA Department also provides advice on security and controls in major new systems development, recommends improvements to effectiveness and economy of operations, and contributes to risk management processes.

Significant audit findings and recommendations made by the internal and external auditors are reported to the AC and are discussed at the AC meetings. The IA Department follows up with the respective division/unit heads on all recommendations to ensure timely remediation of audit issues and reports the status to the AC on a regular basis. In addition to the above, material non-compliance or lapses in internal controls together with the appropriate actions taken to eradicate similar incidents in the future, are reported to the AC on an ongoing basis.

Assurance from the CEO and CFO

The CEO and the CFO have given the Board the assurance that:

1. The financial records of the Group have been properly maintained and the financial statements in respect of FY2014 give a true and fair view of the Group's operations and finances; and

2. The system of risk management and internal controls in place within the Group is adequate and effective in addressing the material risks in the Group in its current business and operating environment including material financial, operations, compliance and IT risks.

Opinion on the adequacy and effectiveness of internal control and risk management systems

On the basis of the internal controls established and maintained by the Group, and work performed by the internal and external auditors, and regular reviews performed by Management, the Board and relevant Board committees, the AC and the Board are of the opinion that the Group's internal controls and risk management systems were adequate and effective as at 31 December 2014 to address financial, operations, IT and compliance risks which are relevant to the Group's operations.

The Board notes that the system of internal controls provides reasonable, but not absolute, assurance that the Group will not be affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. Further, the Board also notes that no system can provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, fraud or other irregularities.

Dealings in Securities

The Group has in place a set of procedures to advise on the prohibition of dealings by all Directors and staff of the Company and its subsidiaries in:

1. The Company's securities during the period commencing two weeks prior to the announcement of the Group's quarterly results and one month prior to the announcement of the Group's full year results; and
2. The Company's securities and securities of other companies while in possession of price-sensitive information or having access to unpublished price information relating to such securities.

Directors and employees are reminded on a quarterly basis to refrain from dealing in the Company's securities on short-term considerations and to observe insider trading laws at all times, even when dealing in securities during the permitted trading period. A set of guidance notes on laws against insider trading is made available to employees of the Group through various communication channels, including dissemination by internal circulars and posting on internal bulletin boards. These procedures will be reviewed from time to time and further strengthened for good corporate governance.

Principle 13: Internal Audit

The IA Department oversees the work being carried out in the respective key operational jurisdictions by the local IA department. The IA is an independent function within the Group. The Group Head of IA reports direct to the AC functionally and to the CFO administratively.

The IA function adopts the International Standards for the Professional Practice of Internal Auditing (the IIA Standards) issued by the Institute of Internal Auditors.

The AC approves the hiring, removal, evaluation and compensation of the Group Head of IA. The scope of authority and responsibility of the IA function is defined in the AC Charter.

The primary role of IA function is to assist the Board and Management to meet the strategic and operational objectives of the Group, by providing an independent and objective evaluation of the adequacy and effectiveness of risk management, controls and governance processes. The Group's IA approach is aligned with its risk management objectives by focusing on key financial, operations, compliance and IT risks. The annual IA plan is established in consultation with, but independent of, Management. The annual IA plan is reviewed and approved by the AC. Significant IA findings, recommendations and status of remediation, are circulated to the AC, the Board, the external auditors and relevant Management members.

The IA Department, headed by Mr Patrick Tan, meets the Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors. The professional competence of the internal auditors is maintained or upgraded through training programmes, conferences and seminars that provide updates on auditing techniques, regulations, financial products and services. The IA function is staffed with suitably qualified and experienced professionals with diverse operational and financial experience, who are at the level of manager and above. The AC is satisfied that the IA function has adequate resources to perform its functions effectively.

The Group Head of IA presents the IA findings to the AC and the Board at the AC and Board meetings half yearly. The AC meets with the Group Head of IA once a year, without the presence of Management. The internal auditors have unfettered access to all the Group's documents, records, properties and personnel, including the AC.

Principle 12: Audit Committee

The AC comprises three Independent Directors, namely Mr Tay Kah Chye (AC Chairman), Mr Kwah Thiam Hock and Mr Yeo Teng Yang, all of whom have accounting or financial management qualifications, expertise and experience.

The Board is of the view that the members of the AC have the appropriate qualifications and the relevant accounting, finance, business management and risk management expertise and experience to collectively discharge the AC functions competently.

During FY2014, the AC was briefed regularly by the external auditors on changes in Financial Reporting Standards which are relevant to the Group's businesses.

The main responsibilities of the AC are to assist the Board in discharging its statutory and other responsibilities in overseeing four main areas, namely financial reporting, internal control and risk management systems, internal and external audit processes, and Interested Person Transactions ("IPTs").

The operations of the AC are regulated by the AC Charter and their duties include the following:

1. Review significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance before their submission to the Board;
2. Review and report to the Board at least annually on the adequacy and effectiveness of the Group's risk management systems and internal controls to address financial, operations, IT and compliance risks which are relevant to the Group's operations;
3. Review the adequacy and effectiveness of the Group's IA function at least annually, including the adequacy of IA resources and its appropriate standing within the Group, as well as the scope and the results of the IA procedures;

4. Review the scope and results of the external audit work, the cost effectiveness of the audit, and the independence and objectivity of the external auditors;
5. Recommend to the Board the appointment, re-appointment and removal of the external auditors to be approved by the shareholders of the Company; and
6. Review IPTs in accordance with the requirements of the SGX-ST Listing Manual and the mandate for IPTs approved by the shareholders of the Company ("IPT Mandate").

The AC has the explicit authority to investigate any matter within its terms of reference and is authorised to obtain independent professional advice. It has full access to and the co-operation of Management as well as reasonable resources to enable it to discharge its duties properly. It also has full discretion to invite any Director or executive officer or any other person to attend its meetings.

The principal activities of the AC during FY2014 are summarised below:

Financial reporting

All Directors (who are not AC members) and external auditors are invited to attend AC meetings. Various members of the Management team are required to attend the AC meetings, as appropriate, to present reports.

The AC met four times during FY2014 to review, inter alia, the following:

1. The financial statements of the Company and the Group before each of the announcements of the Company's quarterly results. During the process, the AC reviewed, among other things, the key areas of management judgment applied for adequate provision and disclosure, critical accounting policies and any significant changes made that would have an impact on the financial statements; and
2. The external auditors' plans for the purpose of discussing the scope of the audit and reporting obligations before the audit commences. All significant audit findings and recommendations made by the external auditors were discussed, and where appropriate, implementation of such recommendations was followed up with Management.

Following the review and discussions, the AC then recommended to the Board, approval of the audited annual financial statements.

During FY2014, the AC had one meeting with external auditors and internal auditors separately, without the presence of Management. These meetings enable the external auditors and Group Head of IA to raise issues encountered in the course of their work directly with the AC.

External audit processes

The AC manages the relationship with the Group's external auditors, on behalf of the Board. During FY2014, the AC carried out its annual assessment of the cost-effectiveness of the audit process, together with the external auditors' approach to audit quality and transparency. The AC concluded that the external auditors demonstrated appropriate qualifications and expertise and that the audit process was effective.

The AC has recommended to the Board the re-appointment of Ernst & Young LLP ("EY"), a firm registered with the ACRA, as the Company's external auditor at the forthcoming AGM.

The Board and AC have reviewed and are satisfied that the appointment of different auditors for certain subsidiaries and associated companies would not compromise the standard and effectiveness of the audit of Group. Accordingly, the Company has complied with Rule 712 and Rule 715 (read with Rule 716) of the SGX-ST Listing Manual.

Auditor independence

In order to maintain the independence of the external auditors, the Group has a specific policy which governs the conduct of non-audit work by the external auditors. This policy prohibits the external auditors from:

1. Performing services which would result in the auditing of their own work;
2. Participating in activities normally undertaken by Management; and
3. Acting as advocate for the Group.

The AC undertook a review of the independence and objectivity of the external auditors through discussions with the external auditors as well as reviewing the non-audit fees paid to them. An analysis of fees paid in respect of audit and non-audit services provided by breakdown for the past two years is disclosed in note 10 of the notes to the financial statements as found in this Annual Report.

Having undertaken a review of the non-audit services provided during the year, the AC remains confident that the objectivity and independence of the external auditors are not in any way impaired by reason of the non-audit services which they provide to the Group. The AC is also satisfied that these services were provided efficiently by the external auditors as a result of their existing knowledge of the business.

Internal audit

During FY2014, the AC reviewed and assessed the adequacy of the Group's system of internal controls and regulatory compliance through discussion with Management, the Group Head of IA and external auditors. The AC considered and reviewed with Management and the Group Head of IA the following:

1. Annual IA plans to ensure that the plans covered sufficiently a review of the internal controls of the Group;
2. Significant IA observations and Management's response thereto; and
3. Budget and staffing for the IA functions.

The AC reviewed the adequacy of the IA function and is satisfied that the IA team is adequately resourced. The AC also reviewed the training costs and programmes attended by the internal auditors to ensure that IA staff continue to update their technical knowledge and auditing skills.

Interested person transactions

The AC reviewed the Group's IPTs for FY2014 to ensure that the transactions were carried out on normal commercial terms and are not prejudicial to the interests of the Company or its non-controlling shareholders. On a quarterly basis, Management reports to the AC, the IPTs in accordance with the IPT Mandate.

The Group Head of IA informed the AC that the internal control procedures for determining the transaction prices of IPTs have not changed since the date of the last AGM, at which the IPT Mandate was last renewed.

The AC is satisfied that the internal controls in respect of the identification, evaluation, review, approval and reporting of IPTs are effective.

The aggregate value of transactions entered into by the Group with interested persons as defined in the SGX-ST Listing Manual for FY2014 are as follows:

Name of Interested Person	Aggregate value of all Interested Person Transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all Interested Person Transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
	FY2014 US$'000	FY2014 US$'000
Archer Daniels Midland Group	NIL	2,872,130
Associates of Kuok Khoon Hong & Martua Sitorus	22,187	74,203
Kuok Khoon Ean's Associates#	34,909	5,611
Martua Sitorus' Associates	NIL	450,962
Kuok Khoon Hong's Associates	15,000	1,381
PPB Group Berhad	63,158	NIL
Kuok Brothers Sdn Berhad	NIL	NIL

The IP associates for Mr Kuok Khoon Chen and Mr Kuok Khoon Ean are substantially the same, and are not disclosed separately to avoid duplication.

Whistle-blowing policy

The Company has in place a Whistle-Blowing Policy ("Policy") since 2013. The objective of the Policy is to ensure that relevant processes are in place to provide guidance for staff to raise concerns about dishonesty, fraudulent acts, corruption and improper conduct that may cause financial or non-financial loss to the Group, without fear of reprisal and to facilitate independent investigations of such concerns and initiate the appropriate follow-up actions.

All whistle-blowing cases reported were objectively assessed and investigation and appropriate remedial measures were taken, where warranted. Whistle-blowing matters, if substantiated, are reported to the AC. The IA Department will report to the AC immediately on matters requiring immediate or urgent attention.

The implementation of the Policy has been communicated to employees of the Group. On an ongoing basis, the Policy is covered during staff training as part of the Group's efforts to promote awareness of fraud control.

D. SHAREHOLDERS' RIGHTS AND RESPONSIBILITIES

Principle 14: Shareholder rights

The Company is committed to treat all shareholders fairly and equitably to facilitate the exercise of their ownership rights and to provide them with adequate, timely and sufficient information pertaining to changes in the Group's business which could have a material impact on the Company's share price.

All shareholders receive the Company's annual report and notice of AGM as well as shareholders' circular(s) and notice(s) of extraordinary general meeting(s) ("EGMs") within the prescribed notice periods set out in the Company's AOA and the prevailing laws and regulations. The notices are also released via SGXNet and published in local newspapers, as well as uploaded on the Company's website.

Besides exercising their voting rights at the general meetings convened by the Company, shareholders are encouraged to participate actively and also voice their concerns on any matters relating to the Company and the Group.

Principle 15: Communication with shareholders

Disclosure of information on a timely basis

The Company is committed to maintaining high standards of corporate disclosure and transparency. The Company values dialogue sessions with its shareholders. In addition to the AGM, which used to be the main forum for dialogue with shareholders, the Company held an "Investor Day" event after the conclusion of its 2014 AGM/EGM on 25 April 2014. The aim of this event was to provide shareholders with a better understanding of the Group's operations and offer them the opportunity to air their views and have their concerns addressed. The event was well received and the Company plans to hold another Investor Day event following its AGM in April 2015.

Material information is disclosed in a comprehensive, accurate and timely manner through the release of announcements and media releases posted on the SGX website. Shareholders and the investing public can access the Company's announcements, media releases, presentation materials disseminated at briefings and other corporate information that have been uploaded on its website www.wilmar-international.com. The website provides an effective method of reaching a wide audience and also allows users to sign up for alerts to such disclosures, providing an easy and timely way to stay updated on the latest corporate developments.

To ensure a level playing field and provide confidence to shareholders, unpublished price sensitive information is not selectively disclosed. In the event that unpublished material information is inadvertently disclosed to a select group in the course of the Group's interactions with the investing community, a media release or announcement will be released to the public via SGXNet.

Interaction with shareholders

The Group has a dedicated investor relations (IR) team which focuses on facilitating communications with shareholders and analysts on a regular basis and attending to their queries or concerns in a timely manner.

The IR team conducts road shows together with key management personnel and participates in investor seminars and conferences to keep the market and investors apprised of the Group's corporate developments and financial performance.

During FY2014, the IR team, together with senior management, engaged with close to 200 Singapore and foreign investors at conferences, as well as one-on-one and group meetings. The aims of such engagements are to:

1. Provide shareholders and investors with relevant information promptly, to enable them to have a better understanding of the Group's businesses and performance; and
2. Solicit feedback from the investment community, including shareholders, on a range of strategic and topical issues. Such engagements provide invaluable insights to the Board and Management on investors' views and concerns. It also helps the Group to identify areas of improvement for investor communication.

Dividend policy

The Company has been declaring dividends twice a year to its shareholders at half-year and final year-end. In considering the level of dividend payments, the Board takes into account various factors including but not limited to the projected levels of capital expenditure and other investment plans, as well as the Group's working capital requirements and general financing condition. For FY2013, the Company increased its dividend payout to more than 30% of its annual profit, compared to around 20% historically. The Board aims to increase the dividend payout over time when factors are favorable to do so. For FY2014, total dividend declared was more than 30%.

Principle 16: Conduct of shareholders' meetings

The Company's AOA allows:

1. A shareholder to appoint up to two proxies to attend its general meetings and vote on his/her/its behalf.
2. Corporations which provide custodial or nominee services are not constrained by the two-proxy rule. These corporations can appoint more than two proxies. Shareholders, who hold shares through these corporations, may attend its general meetings as proxies upon the presentation of proxy forms and/or official letters issued by the said corporations.

Shareholders, who have used their monies from the Central Provident Fund ("CPF") Board to purchase shares in the Company, ("CPF Investors") should contact their CPF Approved Nominees ("Nominees") if they wish to attend as observers at the Company's general meetings. CPF Investors who also wish to vote should submit their voting instructions to their Nominees to enable the aforesaid Nominees to vote on their behalf at the Company's general meetings.

As the authentication of shareholder identity information and other related security issues still remain a concern, voting in absentia by mail, email or fax has not been implemented.

In accordance with the provisions of the Singapore Companies Act, every matter requiring approval from the shareholders is proposed as a separate resolution and is voted on individually. Each item of special business included in every Notice of AGM is accompanied by an explanation for the proposed resolution. For FY2014, all Directors of the Company, legal advisors and the external auditors were present at the AGM and EGM held by the Company to address queries from shareholders who attended the general meetings. Minutes of general meetings that include relevant and substantial comments from shareholders relating to the agenda of the meetings and responses from Directors are available upon request.

While acknowledging that voting by poll is integral in the enhancement of corporate governance and leads to greater transparency of the level of support for each resolution, the Company is concerned about the cost effectiveness and efficiency of manual polling procedures which are logistically and administratively burdensome. Electronic polling is efficient in terms of speed but is expensive. The Board will comply with the requirements of the SGX-ST Listing Manual requiring all resolutions to be voted on by poll for general meetings held on or after 1 August 2015.

MATERIAL CONTRACTS

During the financial year, there were no material contracts entered into by the Company or any of its subsidiaries involving the interests of any Director or a controlling shareholder of the Company except those IPTs announced via SGXNet from time to time in compliance with the SGX-ST Listing Manual.

Save as mentioned above, there are no other material contracts entered into by the Company or any of its subsidiaries involving the interest of the Director or controlling shareholder, which are either subsisting at the end of FY2014 or, if not then subsisting, entered into since the end of the previous financial year ended 31 December 2013.

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