



July 3, 2016

Bunge has engaged in frank and active dialogue with IOI management regarding corrective measures and changes to the company's overall sustainability policies and approaches. We have also provided specific feedback on the company's recently circulated, draft Sustainable Palm Oil Policy.

Effective immediately, Bunge will not enter into new purchase contracts with IOI Group or its affiliates until the company:

- Agrees to apply the High Carbon Stock Approach methodology in its operations and development projects until a successful convergence of the HCSA and HCS+ methodologies is achieved
 - We understand that IOI intends to conduct comparative studies of these methodologies at its KPAM development. These studies should be done in a transparent manner.
- Launches a public dashboard through which customers and third parties can gain easy access to critical information. The dashboard should progressively cover the group's entire operations and include:
 - Traceability statistics, mill and plantation lists (owned and 3rd party) with GPS coordinates,
 - Grievance processes and updates on current grievance cases,
 - Non-compliant supplier processes and updates on current cases,
 - Geographic information, including concession boundaries and GPS coordinates, for new planting projects
- Issues an updated sourcing policy that incorporates robust environmental, community and labor provisions
- Publicly communicates a policy implementation plan with clear deliverables and timelines for each activity, including strategy and plans for implementing the policy across IOI's own operations and its 3rd party supply
- Implements a public grievance process that includes all existing grievances against IOI group and an action plan for each grievance.

We understand that IOI Group is taking steps to address the issues and concerns raised by the Roundtable for Sustainable Palm Oil (RSPO) and civil society and we support these steps.

We will continue to engage with IOI to provide input, assess progress and discuss broader issues related to sustainable sourcing and Bunge's requirements and plans.

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