



# Introduction to Olam

June 2014

# Supplying a diverse portfolio

## Edible Nuts, Spices & Beans

- Cashew
- Peanuts
- Almonds
- Hazelnuts
- Spices & Dehydrates
- Pulses & Beans
- Sesame



## Confectionary & Beverage Items

- Coffee
- Cocoa
- Shea
- Specialty Fats



## Food Staples & Packaged Foods

- Sugar
- Rice
- Dairy Products
- Grains
- Packaged Foods

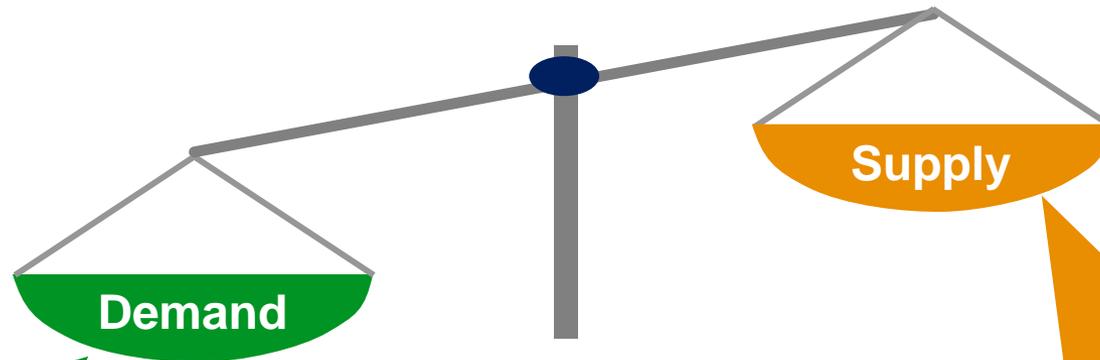


## Industrial Raw Materials

- Cotton
- Wool
- Wood Products
- Rubber



# Agri-commodity demand and supply



**Demand**

- Growing population
- Increasing food consumption per capita with rising income
- Dietary shift to protein and fat rich diets
- Rapid urbanisation resulting in higher per capita consumption
- Growing use of biofuel

**Supply**

- Decline in agricultural productivity
- Declining arable land
- Urbanisation impact
- Water constraints
- Carbon constraints
- Impact of climate change
- Environmental constraints
- Logistics and storage chokes

# Our 6 Focus Areas

## Land

- Selecting and managing land responsibly

## Labour

- Providing a safe workplace where everyone's rights are respected

## Water

- Establishing landscape level water management

## Climate change

- Adapting to climate risks and opportunities for Olam and communities

## Livelihoods

- Supporting thriving communities

## Food security and safety

- Improving access to safe and affordable food

# Olam Sustainability Standard

## - An Overview

### Purpose:

Manage our environmental and social risks, and maximise opportunities

### What:

- Corporate policies, codes and standards to provide guidance
- Framework for incorporating sustainability into investments
- Framework for setting and reviewing our objectives and targets
- Applies to all aspects of our business from seed to shelf



# Olam Livelihood Charter (OLC)

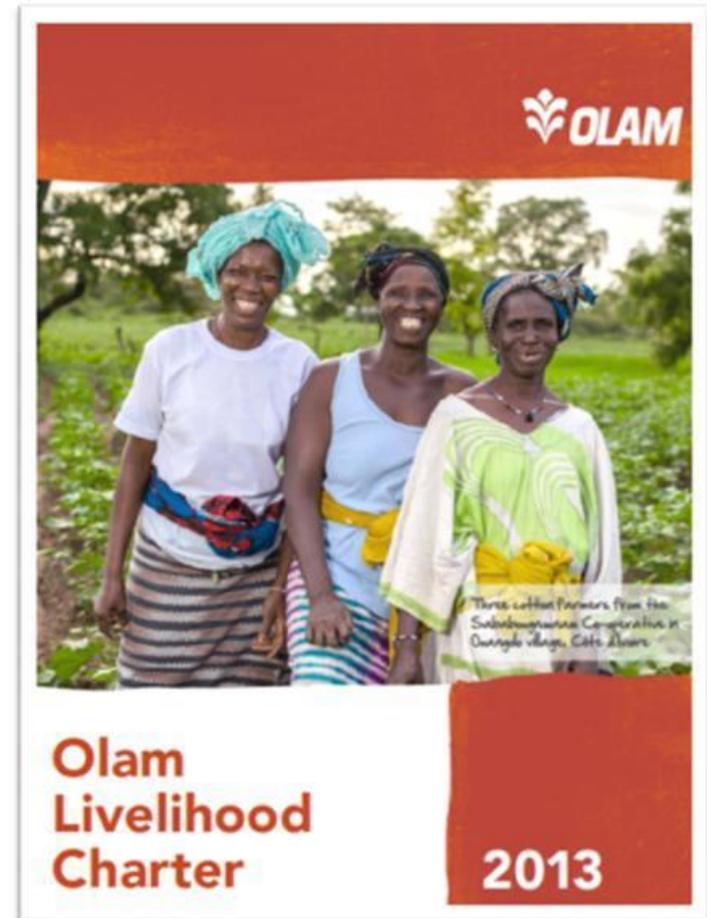
## Purpose:

Build resilient smallholder supply chains

## How:

Adopt 8 Principles;

1. Finance
2. Improved Yield
3. Labour Practices
4. Market Access
5. Quality
6. Traceability
7. Community Development
8. Environmental Impact



# Olam Livelihood Charter (OLC)

## - Highlights

OLC initiatives

20

Farmers

313,476

Hectares per farmer

1.65

Farmers with mobile phone

73%

Seedlings

1,425,850

Total hectares

516,425

Farmer groups

7,664

Women farmers

19.2%

Seeds

7,626 MT

Insecticide & herbicide

579,263 L

GPS mapped farms

37,682

Hectares of GPS mapped farms

10.6%

Training days

5,583

Investment in sustainability employees & their costs

US \$7.7m

Fertiliser bags

344,562

Financials 2013

Finance Short-term US \$117.1m

Micro-financing & advances for crop purchase

Finance Long-term US \$1.5m

Farm & asset investments

Market Access US \$267.2m

Farmer income

Quality US \$13.9m

Premium paid

Training US \$3.8m

Invested

Inputs US \$19.1m

Value supplied

Social Investment US \$1.6m

Community development

# Olam Plantations, Concessions and Farm Code (PCF Code)

**Purpose:** defines how to manage the environmental and social aspects across the project life cycle

**How:**

1. Assess and manage impacts
2. Biodiversity and habitats
3. Energy usage and carbon emissions
4. Natural resources
5. Waste and recycling
6. Chemicals
7. Labour and working conditions
8. Transport safety
9. Local community and economy
10. Animal welfare



# Olam Supplier Code

**Purpose:** Purchase raw materials and products in a manner which is socially responsible, economically profitable and environmentally sustainable

**How:**

- Commit to corporate governance and integrity
- Guarantee the quality of their goods and services
- Uphold labour standards and human rights
- Respect the natural environment
- Respect the local community
- Ensure legal compliance



# Current third-party certified products:

- **Rainforest Alliance** – cocoa & coffee
- **UTZ Certified** – coffee & cocoa
- **Fairtrade** – cocoa
- **Organic** – cocoa & cashew
- **4C** – coffee
- **CAFE** – coffee
- **Forest Stewardship Council** – timber
- **RSPO** – Palm
- **BCI** – Cotton
- **Bonsucro** - Sugar

There are further discussions to increase third-party certification across other products



# Summary



**“PLAN FOR  
THE FUTURE  
BECAUSE  
THAT'S WHERE  
YOU ARE  
GOING TO  
SPEND THE  
REST OF YOUR  
LIFE.”  
- MARK TWAIN**