



Global Reporting Initiative Referenced Standards – Introduction

A wide range of social and environmental risks exist which could have an impact on our business either directly or indirectly through our supply chains. We therefore have to manage an ever-evolving set of issues. We seek to ensure balanced reporting of the environmental, social and commercial aspects of our business activities, and be transparent in the process. Much of this is covered in our [2019 Annual Report](#) with its focus on Financial and the non-Financial Capitals – Manufactured, Human, Social, Natural, Intellectual and Intangible.

There is an ongoing challenge in annual reporting, however, in terms of balancing detail and readability, transparency and concise content; easy-to-find information with an engaging format. Following positive feedback for 2016, 2017 and 2018, we are continuing to use the Global Reporting Initiative Standards as an additional reporting tool, responding directly to disclosure topics and relevant indicators. This process is also helpful when responding to stakeholders who ask us to complete similar assessments.

This report comments on the topics most material to our business. It should be read in conjunction with the 2019 Annual Report available here: <https://www.olamgroup.com/investors/investor-library.html>. Note, this year some energy, emissions and water data was not available in the timeframe. This report therefore references GRI Standards 2016 as indicated in the contents table below and, unlike previous years, has not been submitted as ‘in accordance ‘core’.

We welcome feedback on this report and the 2019 Annual Report via crs@olamnet.com.

Images on front cover:

1. *The Olam Re-imaginers, refer to the Group CEO Review in the [2019 Annual Report, Strategy Report, printed page 18](#)*
2. *National Farmers Day in Uganda, refer to Intangible Capital in the [2019 Annual Report, Strategy Report, printed page 120](#)*

Content Index – the material in this report references the following 2016 management approaches and disclosures

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GENERAL DISCLOSURES

102.1 Name of company

Olam International Ltd

102.2: Activities, brands, products and services

Overview

Olam International is a leading food and agri-business supplying food, ingredients, feed and fibre to over 25,000 customers worldwide. Our value chain spans over 60 countries and includes farming, direct and indirect sourcing network of an estimated 5 million farmers, processing, distribution and trading operations. We are organised by two operating groups – Olam Food Ingredients (OFI) and Olam Global Agri (OGA) both held by the parent Olam International Ltd (OIL) which provides both stewardship and acts as an accelerator incubating new growth engines.

A full description of the products and services provided under these operating groups can be found in the 2019 Annual Report, [Strategy Report, Accelerated Growth, Re-organisation of Olam, printed pages 22 to 46](#).

Through our purpose to 'Re-imagine Global Agriculture and Food Systems', Olam aims to address the many challenges involved in meeting the food, feed and fibre needs of a growing global population, while achieving positive impact for farming communities, our planet and all our key stakeholders.

Headquartered and listed in Singapore, Olam currently ranks among the top 30 largest primary listed companies in terms of market capitalisation on SGX-ST.

Brands

Across our portfolio, we have a number of business to business brands, such as the DeZaan, Unicao, Joannes and Huysman [cocoa powder brands](#). We also have a range of consumer brands for products sold only in Africa under the [Packaged Foods business](#). These include Tasty Tom tomato paste, Mama Gold Rice, Egglicious Noodles, Milky Magic Biscuits, Nutrisnax Biscuits and many others which are listed on the [Olamgroup.com](#) website. For more detailed examples, see the Intangible Capital section of the 2019 Annual Report, [Strategy Report, printed pages 122 to 123](#).

In 2018, we also launched a customer service product called AtSource which we believe to be one of the most comprehensive sustainable sourcing solutions for B2B food and fibre manufacturers. Read more via the dedicated AtSource website: [www.atsource.io](#) and in our 2019 Annual Report under:

Strategy Report:

- [Intangible Capital, printed page 119](#)
- [Intellectual Capital, printed page 124](#)

For a more detailed overview of our operations, please refer to the following pages in the 2019 Annual Report

Strategy Report:

- Business model, [inside front cover](#)
- Accelerating growth: [Re-organisation of Olam, printed page 22 to 47](#)
- Group CFO Review, [printed page 48 to 63](#)

Many of the crops we source and grow such as oil palm, cocoa, coffee, cashew and cotton have sectoral issues such as farmer poverty, labour and human rights issues, as well as environmental issues including deforestation. These are of interest to stakeholders including customers, investors and NGOs and we cover them extensively in our [2019 Annual Report](#), particularly under [Human](#), [Social](#) and [Natural](#) Capital sections. One area of continuing debate in the agricultural sector is genetically modified crops – a number of countries across the world prohibit their production. Olam continues to monitor the science in this area.

102.3: Location of headquarters; 102.4: Location of operations

7 Straits View; Marina One East, Tower #20-01; Singapore 018936T: (+65) 6339 4100F: (+65) 6339 9755

Countries with significant operations, and a priority for our sustainability reporting, include:

Europe: Germany, Netherlands, Poland, Spain, Slovenia, Turkey, UK

North Eurasia: CIS, Russia, Ukraine

Africa: Benin, Cameroon, Côte d'Ivoire, Democratic Republic of Congo, Egypt, Gabon, Ghana, Mozambique, Nigeria, Republic of Congo (Brazzaville), Senegal, Tanzania, Togo, Uganda, Zambia

Asia and Australia: China, India, Indonesia, Japan, Laos, Myanmar, Papua New Guinea, Singapore, Thailand, Vietnam

Americas: Argentina, Brazil, Colombia, Ecuador, Guatemala, Honduras, Mexico, Nicaragua, Peru, Uruguay, USA

To read more about operations in these countries, please see: <https://www.olamgroup.com/locations.html>

102.5: Ownership and legal form

Listed on Singapore Exchange in 2005. We have a diversified, supportive shareholder group with a long-term investment horizon. Please see the Governance Report of the 2019 Annual Report for full details on shareholders, [printed page 50](#).

102.6: Markets served

Olam serves multi-national and national food, textile and manufacturing companies across Europe, North America, South America, Asia, Australasia and Africa. This includes industries associated with rubber and wood products. In Africa only we manufacture and sell products such as pasta, rice, dairy drinks and biscuits directly to the consumer.

See the following sections in the 2019 Annual Report for more information:

Strategy Report:

- Business model, [inside front cover](#)
- Accelerating growth: Re-organisation of Olam, [printed page 22 to 47](#)
- Group CFO Review, [printed page 48 to 63](#)

102.7: Scale of organisation

Olam employs around 87,600 permanent staff, and seasonal, contract and temporary workers in more than 60 countries.

| Region | Primary workforce 2019 | Primary workforce 2018 | Primary workforce 2017 | Secondary workforce 2019 | Secondary workforce 2018 | Secondary workforce 2017 |
|---------------|------------------------|------------------------|------------------------|--------------------------|--------------------------|--------------------------|
| Africa | 54% | 55% | 58% | 81% | 73% | 72% |
| Asia | 28% | 26% | 26% | 13% | 18.76% | 18.6% |
| Australasia | 1% | 1% | 0.75% | 1% | 0.9% | 1.05% |
| Europe | 4% | 4% | 3.9% | 1% | 0.9% | 0.94 |
| Middle East | 0.02% | 0.1% | 0.16% | 0% | 0% | 0% |
| North America | 5% | 5% | 4.6% | 1% | 1.8% | 2.7% |
| South America | 8% | 8% | 6.75% | 3% | 4.6% | 4.4% |

See also the Human Capital section of the 2019 Annual Report, Strategy Report, [printed page 90](#).

For an overview of products and organisation structure please refer to:

Strategy Report:

- Business model, [inside front cover](#)
- Accelerating growth: Re-organisation of Olam, [printed page 22 to 47](#)
- Group CFO Review, [printed page 48 to 63](#)

2019 Financials

Volume by segment and region: 2019 Annual Report, Strategy Report, Financial and Performance Highlights, [printed page 2](#).

Revenue by segment and region: 2019 Annual Report, Strategy Report, Financial and Performance Highlights, [printed page 3](#).

See also the [2019 Financial Report](#) within the 2019 Annual Report for Debt and Equity breakdown etc.

102.8: Information on employees and other workers

Olam's overall team strength is around 87,600 people. Just over 50% are a secondary workforce engaged in contract, seasonal and temporary roles, typical of an agricultural and processing company. The secondary workforce will vary dependent on crop size and volume.

Total primary workforce strength by gender: see 2019 Annual Report, Strategy Report, Human Capital section, [printed page 89](#)

Total primary workforce by region and by gender

| Primary workforce | Africa | Asia | Australasia | Europe | Middle East | North America | South America |
|---------------------|--------|------|-------------|--------|-------------|---------------|---------------|
| Men (2017) | 78% | 57% | 73% | 69% | 85% | 70% | 75% |
| Men (2018) | 79% | 52% | 70% | 69% | 81% | 69% | 77% |
| Men (2019) | 80% | 51% | 70% | 68% | 80% | 68% | 74% |
| Women (2017) | 22% | 43% | 27% | 31% | 15% | 30% | 25% |
| Women (2018) | 21% | 48% | 30% | 31% | 19% | 31% | 23% |
| Women (2019) | 20% | 49% | 30% | 32% | 20% | 32% | 26% |

Contract types – primary workforce, by gender

| | 2019 | 2018 | 2017 |
|---|-------|-------|-------|
| Managers (Band E & above) \ Primary Workforce – Male | 3% | 3.3% | 2.9% |
| Managers (Band E & above) \ Primary Workforce – Female | 0.4% | 0.4% | 0.3% |
| Other Managers (below Band E) \ Primary Workforce – Male | 3% | 3.5% | 2.3% |
| Other Managers (below Band E) \ Primary Workforce – Female | 1% | 0.6% | 0.5% |
| Officers on Expat terms (O/T grades) \ Primary Workforce - Male | 1% | 0.85% | 0.6% |
| Officers on Expat terms (O/T grades) \ Primary Workforce – Female | 0.18% | 0.02% | 0.03% |
| Staff \ Primary Workforce – Male | 27.2% | 24.5% | 22% |
| Staff \ Primary Workforce – Female | 7.3% | 6.9% | 6% |
| Permanent non seasonal workers \ Primary Workforce – Male | 36% | 39% | 42% |
| Permanent non seasonal workers \ Primary Workforce – Female | 21% | 20.7% | 24% |

Total secondary workforce strength 2019 = 46,800 (In 2018 = 40,500; some re-categorisation took place in 2018)

For the first time, we report this year on the gender split in the secondary workforce: 24%

102.9: Supply Chain

We buy from around 10,600 large-scale and 5 million small-scale farmers across North and South America, Africa, Europe, Australia, and Asia (a slight increase on 2018 which equalled 8,600 large-scale and 4.8 m small-scale respectively).

We buy from many directly but also via many intermediaries and other traders. We also engage in exchange based trading. See the Social Capital section of the 2019 Annual Report, Strategy Report, [printed page 94](#), and related disclosures in this document for more information.

Certain sections of our supply chain are particularly labour intensive such as cashew processing where mechanisation is only slowly becoming feasible. Equally, crops such as hazelnuts, cashew, coffee and cocoa depend on labour for harvesting. Our palm oil operations in Gabon demand significant levels of labour – we employ a team of over 11,000 permanent and seasonal workers.

102.10: Significant changes to the organisation and its supply chain

Please see the following sections of the 2019 Annual Report which cover our 2019 – 2024 Strategic Plan (announced January 2019), and the announcement of the Re-organisation of Olam (January 2020):

Strategy Report:

- Chairman's Letter, [printed page 8](#)
- Group CEO Review, [printed page 10](#)
- Accelerating growth: Re-organisation of Olam, [printed page 22](#)
- Group CFO Review, [printed page 48](#)

102.11: Precautionary Principle or approach

As a global agri-business we, and our suppliers, are dependent on the earth's natural resources. We are signatories to the UN Global Compact and seek to uphold Principle 7 on the Precautionary Approach.

Maintaining sustainable yields and growing our business means that we have to act as responsible stewards of the environment and encourage third-parties to do the same. Our own operations must avoid or mitigate potential negative impacts, therefore all investment cases for any new developments must undergo environmental and social impact assessments and implement the relevant management plans. For our existing operations, we are guided by our Risk Appetite Framework, as well as a suite of Policies, Codes and Standards. Our Governance structure ensures that we adhere to these principles and that we undertake regular audits and gap assessments. See the following sections of the 2019 Annual Report as well as the Environmental disclosures of this report.

- Group CEO Review, [printed page 10](#)
- Risk Management, [printed page 64](#)
- Enabling our strategy: Sustainability, [printed page 72](#)
- Social Capital, [printed page 94](#)
- Natural Capital, [printed page 106](#)
- Governance Report, [page 40](#)

102.12: External Initiatives

Economic, environmental and social charters, principles, or other initiatives to which Olam subscribes, or endorses:

- In January 2020 CEO Sunny Verghese [was reappointed the Chair of the World Business Council for Sustainable Development \(WBCSD\)](#) for a second 2 year term
- Olam is co-chair for the Climate Smart Agriculture Working Group for WBCSD
- We continue to be signatories to the [UN Global Compact](#) which commits us to upholding its Ten Principles. We are also aligning our sustainability strategy to the UN Sustainable Development Goals
- In January 2019, we endorsed the [UN Women's Empowerment Principles](#)
- CEO Sunny Verghese is a Champion 12.3 for Food Loss and Waste, as well as a Business Sustainable Development Commissioner
- We are founding signatories of [CocoaAction](#) and [Cocoa & Forests Initiative](#)
- We are a member of the Round Table on Sustainable Palm Oil
- We have reported to CDP for 9 years
- We signed up to the Science Based Targets Initiative in June 2017

See also 2019 Annual Report, Strategy Report, Intangible Capital, [printed page 121](#)

For others, please see 102.13 below.

102.13 Membership of associations

For a full list see <https://www.olamgroup.com/sustainability/reimagine/memberships-and-partnerships.html>

102.14: A statement from the most senior decision-maker about the relevance of sustainability and strategy to address

Please refer directly to the CEO Review of the 2019 Annual Report, Strategy Report, [printed page 10 to 21](#) in which sustainability is extensively covered by Sunny Verghese.

102.15: Key impacts, risks, and opportunities

As stated in our [Living Landscapes Policy](#) (launched in 2018), unsustainable conversion or over-exploitation of forests and other natural habitats for food, fibre and other commodities threatens our natural life support systems, including soil, air, water, all living things, and the global climate, with serious implications for future generations. A response based on doing less harm, eliminating unacceptable practices such as deforestation at the scale of individual farms, plantations and concessions, or incremental improvements by companies representing a small fraction of the supply chain, will not be sufficient to meet these challenges, as we have seen over the last 2 decades.

As defined in our Company Purpose, Olam believes we therefore need to **Re-imagine Global Agriculture and Food Systems** so as to produce food and fibre sustainably within planetary boundaries, alleviate poverty, and provide employment and decent livelihood opportunities in rural areas, whilst also conserving natural habitats and biodiversity.

The CEO Review, Sustainability Q&A with Dr Christopher Stewart and the Natural Capital sections in the Strategy Report of our 2019 Annual Report, and other sections of this report, detail the extensive risks, and negative as well as positive impacts in both our direct (Olam-managed) and indirect (third party sourcing) operations.

Strategy Report:

- Group CEO Review, [printed page 10](#)
- Enabling our Strategy: Sustainability, [printed page 72](#)
- Natural Capital, [printed page 106](#)

In summary, as a global agri-business, our potential environmental impacts are linked to production on the land with its impact soil and nutrients, natural habitats, forests; extraction and use of water; contribution to climate change such as through energy emissions, over-use of fertiliser, and emissions-heavy agricultural practices such as synthetic fertilisers and flooding fields (e.g. rice production).

Potential social impacts include community engagement issues; farmers not seeing Olam as a good partner; labour issues, and food safety problems such as pesticide residues. Many of these are discussed in detail later in this document and in the Social Capital section of the Strategy Report in the 2019 Annual Report:

- Social Capital, [printed page 94](#)
- External perspectives, [printed page 104](#)

Companies that are able to demonstrate how they are contributing to overcoming these issues through sustainability benefit by:

- Securing supplies of quality crops into the future
- Offering customers sustainable and certified product which can be marketed as such
- Securing long-term contracts with customers and potentially engaging in partnerships on the ground
- Advancing in-house knowledge through partnerships with expert certification bodies, NGOs and research institutions
- Accessing finance from Development Finance Institutions and other funders such as government development agencies and foundations
- Protecting reputation (of both Olam and our customers)
- Attracting employees who want to work for a company with purpose

In 2019 our annual reporting continued to take an integrated approach, reporting against both Financial and the 6 non-Financial Capitals – Manufactured, Human, Social, Natural, Intellectual, and Intangible (brand). Each of these sections includes extensive analysis of sustainability issues and risks as identified by our 10 Sustainability Material Areas, both long-term and during the 2019 reporting period. This graphic from [page 130](#) of the 2019 Annual Report, Strategy Report shows how the Capitals, Sustainability Framework and SDGs come together with our Purpose, Vision and Governing Objective.

For detail on the Material Areas under each Capital see the 2019 Annual Report sections as follows:

- Human Capital, [printed page 84](#)
- Social Capital, [printed page 94](#)
- Natural Capital, [printed page 106](#)
- Intangible Capital, (brand) [printed page 118](#)
- Intellectual Capital, [printed page 124](#)
- Integrated Impact Statement, [printed page 131](#)

Read more on stakeholder engagement report:

- Strategy Report, [printed page 104](#)
- Governance Report, [printed page 40](#)

102.16: A description of the organisation's values, principles, standards, and norms of behaviour

The 2019 Governance Report within the 2019 Annual Report details Olam's overall approach to Governance, Integrity and norms of behaviour, including anonymous whistleblowing ([printed page 35](#)) without fear of reprisal or retaliation:

Ethics and Integrity are also covered in the Strategy Section of the 2019 Annual Report under Intangible Capital, [printed page 118](#).

Olam's operations are underpinned by a suite of Codes, Standards and Policies. These include:

- **The Olam Code of Conduct** provides one of the guiding frameworks. It sets out the Group's commitment to 'do what is right'. It helps employees make informed decisions should they ever be faced with an ethical dilemma, as well as giving the knowledge and courage to speak out should they ever feel that others are not operating to the same standards. In fact, as outlined on page 10 it is a violation of the Code not to speak out – <https://www.olamgroup.com/sustainability/policies-codes-standards/code-of-conduct.html>. A simple communication channel allows anonymous reporting of any Fraud or Misappropriation which the Internal Audit department receives immediately. Alternatively, the Internal Audit team can be contacted directly.
- **The Market Compliance Office (MCO)** is responsible for ensuring regulatory compliance for the derivative trading units. The MCO carries out regular trader training courses to ensure familiarity with prevailing exchange rules globally and ensures that all new hires are comprehensively trained in Olam's Trading Compliance Manual.
- **Anti-Bribery and Corruption Policy:** Almost 8,500 people in 2018 and 2019 undertook training led by the Compliance teams.
- **Fair Employment Policy:** In 2018, we launched a [Global Fair Employment Policy](#) which sets out expectations regarding Human Rights etc. More can be read under the Human Capital section of the 2019 Annual Report, Strategy Report, [printed page 84](#)

Olam's values

At the heart of our drive for success are our values, the tangible expression of our corporate culture. We live our values with both conviction and enthusiasm, making it a shared workplace philosophy to live and breathe them daily. Over the years, our six values and the everyday behaviours that institutionalise these values in the company (see below) have helped us build a distinctive culture, shaping how we work and setting the standards for what it means to be part of Olam. We have always competed on the basis of the organisational advantage that this unique culture has provided us. We are currently in the process of reviewing our existing values to see how they should be refreshed to remain relevant as we go forward and our evolving priorities.

Entrepreneurship – 'we dare to dream'

- We continuously seek unique opportunities and act upon them at every level in the organisation
- We promote intelligent risk taking when the potential rewards are great
- We make it safe for our managers to fail occasionally as a learning process
- We eat our own cooking. We encourage our people to participate in the risk and rewards of the business by putting their net worth at risk through taking equity stakes in the business

Stretch & Ambition – 'our passion for doing more'

- We instil ambition and aspire for high standards of success
- We shape our ambition through inducting a unique point of view of the future of our businesses
- We embed the desire to achieve that which seems beyond our grasp
- We demonstrate discretionary effort and passion for doing more than expected

Partnerships – 'we strive to develop positive and long-term relationships with our partners'

- We understand and respect our customers' and suppliers' needs
- We strive to develop positive and long-term relationships with our customers and suppliers.
- We endeavour to achieve high customer and supplier satisfaction

Mutual Respect & Teamwork – 'we treat each other the way we want to be treated'

- We show respect for each other and points of view through responsible, open, two way communication
- We value the diversity among our colleagues in style, language and talent
- We actively share information and ideas in a boundary-less manner regardless of business unit or self-interest.
- We encourage widespread participation in our decision making process

Integrity – 'we stay true to what we believe, say and do'

- We always strive to do the right thing
- We are committed to fostering sustainable and responsible business practices

- We promote ideas, projects and people based on merit in an objective and unbiased way

Ownership – ‘We take responsibility as if we were founders of the business’

- We demonstrate ownership mindset in everything we do
- We show an intensity to win
- We deliver on our role and responsibilities. We make and deliver on commitments
- We set high standards for execution excellence through continuous improvement
- We strive to organise to get things right the first time

102.18 – 102.39: Governance Structure

The 2019 Annual Report has a dedicated Governance Report, which details all matters relating to Olam’s governance and board. It covers many of the requirements for Disclosure topics 102.19 to 102.39. See in particular:

Principle 1: The Board’s Conduct of Affairs, [printed page 12](#)

Principle 2: Board Composition and Guidance, [printed page 17](#)

Principle 3: Chairman and Group Chief Executive Office, [printed page 19](#)

See also the Chairman’s Statement in the 2019 Strategy Report of the Annual Report, [printed page 8](#)

Principle 4: Board Membership, [printed page 20](#)

Principles 6, 7 and 8: Procedures for developing remuneration policies; level and mix of remuneration; disclosure on remuneration, [printed page 24](#)

Corporate Responsibility & Sustainability Committee (CRSC), [printed page 40](#)

Delivery of the Corporate Responsibility & Sustainability (CR&S) strategy

The Executive CR&S Committee reports to the CR&S Board Committee. It has representation from across the geographical regions, as well as experts from across our upstream operations, smallholder supply chains, as well as Treasury. The Committee is chaired by Gerard Manley, who has over 30 years’ experience in the cocoa and chocolate industry and, through his many industry memberships, has helped to advance sustainability across the cocoa supply chain.

The activities of the CR&S Committee and the Function itself are managed by Dr Christopher Stewart, Global Head of CR&S. Both Gerard Manley and Christopher Stewart report directly to the CR&S Board Committee. The CR&S Committee and Function also work closely with other functions including Olam Digital; Manufacturing Operations, Innovation and Procurement (non-commodity); Risk and Internal Audit; Human Resources; Treasury; Corporate Affairs; Corporate Communications; and Investor Relations. All relevant product and country staff have CR&S objectives included in their individual performance appraisals.

102.40: A list of stakeholder groups engaged by Olam

This includes:

- Employees
- Investors
- Large and small-scale farmer suppliers
- Rural communities
- Customers from multi-national brands and retailers to SMEs
- Campaigning NGOs
- Technical NGOs who are partners in many cases
- Financiers, including Development Finance Institutions
- Governments
- Regulatory bodies such as the commodity exchanges
- Industry standard bodies
- Trade associations
- Certification partners
- Foundations
- Research Institutions

102.41: Percentage of total employees covered by collective bargaining agreements.

In 2019, 32% of employees in our primary workforce (40,800) were covered by collective bargaining agreements, primarily

in processing and plantation operations. This compares to 36% in 2018 (38,000); 33% in 2017 (40,500); 30% in 2016 (35,000) and 40% of 26,300 people in 2015.

102.42: State the basis for identifying and selecting stakeholders with whom to engage.

Olam has a vast global network of stakeholders: customers, farmer suppliers and their communities, investors, employees, NGOs, financiers, foundations, trade bodies, industry platforms and governments. Business units, functions and country teams interact with them every day.

In the 2019 Annual Report we summarise stakeholder engagement in both the Strategy and Governance sections here:

Strategy Report

- External perspectives, [printed page 104](#)

Governance Report

- Principles 11 to 13, [printed page 41](#)

Consultation

As an agricultural company, how we manage social and environmental issues are common questions from across the stakeholder spectrum. We have a dedicated Corporate Responsibility & Sustainability (CR&S) Function, as well as sustainability experts embedded in businesses across the world. Achieving our CR&S ambition to be a net positive company requires the support of stakeholders in strategic alliances and partnerships to catalyse system change together.

In 2019, we established the multi-stakeholder Living Landscapes Forum - see the 2019 Annual Report, Strategy Report printed pages [72](#) and [104](#).

Where possible we try to engage with most stakeholders, such as NGOs, either directly, or by submitting written responses. We also contact other stakeholders who might be concerned about any points being made.

102.43: Report the organisation's approach to stakeholder engagement

See 102.42 above.

In terms of the 2019 Annual Reporting process, we sought to address various points raised by internal and external stakeholders:

- **Better linking the non-financial Capitals to our Material Areas and Goals**

See all non-financial Capitals, starting from [printed page 78](#) of the Strategy Report

- **Including more third party perspectives**

See for example:

- GIZ, [printed page 41](#)
- Oxfam, [printed page 104](#)

- **Including more trend data over time**

See for example:

- Social Capital, [printed page 99](#)
- Natural Capital, [printed page 111](#)

- **Including more examples of impact rather than just out-put**

See for example:

- Rice case study, [printed page 41](#)
- IFAD case study, [printed page 100](#)

As outlined in the Intangible Capital section of the 2019 Strategy Report ([printed page 121](#)), we were proud to win awards in 2019 for sustainability and governance reporting.

102.44: Key topics and concerns that have been raised through stakeholder engagement

In 2019, we responded to various reports including:

Danwatch (human rights): <https://translate.google.com/translate?hl=en&sl=da&u=https://danwatch.dk/hasselnoedderne-i-din-hollybar-kan-vaere-plukket-af-boern-ned-til-7-aar/&prev=search>

Public Eye Report (human rights) – statement available here: <https://www.business-humanrights.org/en/business-model-of-agricultural-traders-in-switzerland-raises-human-rights-concerns-according-to-ngo-report-urging-tougher-rules>

Global Witness Money to Burn Report (deforestation); Norwegian Government Pension Fund (deforestation) – statement available here: <https://www.business-humanrights.org/en/norways-government-pension-fund-announces-risk-based-divestments-companies-invited-to-respond-0>

WRM (deforestation and human rights) – statement available here: <https://www.olamgroup.com/content/olamgroup/en/home-page/news/all-news/news-bites/false-allegations-about-olams-palm-plantations-in-gabon.html>

See also the Palm Oil Grievance Log: <https://www.olamgroup.com/content/dam/olamgroup/products/food-staples/edible-oils/sustainable-palm-oil/sustainable-palm-oil-pdfs/olam-grievance-monitoring-log-30-mar-2020.pdf>

Further the Social Capital section of the 2019 Annual Report, Strategy Report, [printed page 97](#).

102.45: Report the entities included in the organisation's consolidated financial statements

See the Financial Report in the 2019 Annual Report. Subsidiary companies listed from [page 57](#).

102.46: Provide an explanation of the process for defining the report content and the topic boundaries

Completeness

Our annual reporting covers both our direct operations – farming, plantations, processing etc, as well as our indirect third party supply chain which consists of farmers from whom we buy crops. We cannot buy from all directly, and based on volumes, estimate 5 million farmers in our 2019 supply chain. The vast majority being smallholders in emerging markets.

We approach the report through the lens of financial and non-financial capitals. Within this we ran extensive Q&As with leaders in the business discussing the relevant materials areas under each capital and our progress against specific goals and targets.

Our Capitals: a summary ([printed page 130](#)) – shows how our Purpose, Vision, Governing Objective, Capitals and Material Areas come together.

Case studies at the end of each non-financial Capital section demonstrate how we seek to create and protect value for Olam and stakeholders.

This year we also provided our first Integrated Impact Statement case study for cocoa: see [printed pages 131 to 135](#).

Further, we sought to link the Strategic Plan with its Sustainability enabler, plus the Re-organisation of Olam with the Capitals and Material Areas in a logical fashion for the reader.

Stakeholder Inclusiveness

We made efforts to ensure that stakeholder interests were addressed throughout the 2019 Annual Report, particularly our approach to:

- Smallholder livelihoods
- Gender
- Deforestation
- Labour issues

We asked international NGO Oxfam to give their perspective on our approach and this was included in full – Strategy Report, [printed pages 104 to 105](#).

Sustainability Context

The [Group CEO Review](#) in the Strategy Report of the 2019 Annual Report seeks to lay out the context and external factors

impacting our business. This includes an explanation of how sustainability is embedded in our business as a commercial driver. See, in particular, printed pages [11](#), [15](#) to [20](#). Further, the chapter on the [Re-organisation of Olam](#) shows the importance of transparent and traceable supply chains to the value propositions for Olam Food Ingredient and Olam Global Agri. [Printed pages 46 to 47](#) detail new initiatives based on the sustainability context.

Materiality

Under Human, Social and Natural Capital we have included a Material Areas issues overview box, highlighting those of particular interest to stakeholders during the year. On page 104 we explain how 2019 saw the launch of the multi-stakeholder Living Landscapes Forum which will contribute to our materiality process going forward.

Our sustainability risks are also listed under the Board Strategic Risk Assessment on [printed page 66](#) of the Strategy Report.

See also [printed page 72](#): Enabling our Strategy: Sustainability Q&A with Dr Christopher Stewart

On [printed page 28](#) of the Strategy Report, we highlight that Olam Cocoa launched its own sustainability ambition, Cocoa Compass, with its three priority (material) areas of living income, child labour and deforestation. Cocoa Compass can be viewed here: <https://www.olamgroup.com/products/confectionery-beverage-ingredients/cocoa/sustainability-in-cocoa.html>

102.47: Report a list of the material topics identified in the process for defining report content

See [printed page 130](#) of the 2019 Annual Report, Strategy Report for our sustainability framework.

102.48: Restatements of information

[See printed page 136](#) of the 2019 Annual Report, Strategy Report.

102.49: Significant changes from previous reporting periods in material topics and topic Boundaries

None.

102.50: Reporting period for the information provided

1st January to 31st December 2019

102.51: Date of most recent previous report (if any)

The 2018 Annual Report [was launched on 8th April 2018](#). The 2018 GRI Report was published on the same date.

102.52: Reporting cycle

Annual

102.53: Contact for the report

Email: crs@olamnet.com

Nikki Barber, Group Head of Public Relations, nikki.barber@olamnet.com

102.53: Report the 'in accordance' option the organisation has chosen.

Unlike previous years, we are not submitting as 'in accordance core'. This is because some of the emissions and water data for Disclosures 302 and 303 was not available in the timeframe.

SPECIFIC DISCLOSURES

Management approach Economic Performance

For our 2019 Economic performance please refer to the 2019 Annual Report, especially the following in the Strategy Report:

- Financial and performance highlights, [printed pages 2 to 7](#)
- Chairman's Letter, [printed pages 8 to 9](#)
- Group CEO Review, [printed pages 10 to 21](#)
- Accelerating Growth: Re-organisation of Olam, [printed pages 22 - 47](#)
- Group CFO Review, [printed pages 48 to 63](#)

Please also refer to the separate 2019 Annual Report sections

- [Financial Report](#)
- [Governance Report](#)
- Relevant policies: [Olam Code of Conduct](#)

201.1: Direct economic value generated and distributed

See the 2019 Annual Report Strategy Report, Financial Statements and Governance Report for revenues, operating costs, wages and benefits.

The Social Capital section of the 2019 Annual Report details the approach we take to helping to generate economic value, in particular the case studies on page

See also:

- [printed page 41 on rice](#)
- [printed page 96 on cotton](#)
- [printed page 74 on Olam Direct](#)
- [printed page 100 on rice](#)

201.2 Financial implications and other risks and opportunities for the organisation's activities due to climate change

Climate change has profound effects on agriculture and global food security in terms of its availability, accessibility and stability of supply. Farmers, especially smallholders, are on the front line of changing weather patterns with limited capacity to adapt to its impacts. Conversely agriculture is a major contributor to climate change. The Agriculture, Forestry and Other Land Use sector is responsible for 24% of global greenhouse gas emissions (GHG). These risks and Olam's approach for mitigation and adaptation in both our direct and indirect supply chains are explained in full in the 2019 Annual Report on the following pages of the Strategy Report:

- Group CEO Review, printed pages [12](#), [16](#), [18](#), [20](#)
- Re-organisation of Olam, [printed pages 46 to 47](#)
- Risk, [printed pages 64 to 66](#)
- Natural Capital, [printed pages 106 to 117](#)

During 2018 and 2019, a cross function Task Force from Risk, Finance, CR&S, Corp Comms and HR worked on methodologies to produce an Integrated Impact Statement that will enable us to better factor in and anticipate potential future costs, including Natural Capital and associated potential taxes. See [printed pages 131 to 135](#) of the Strategy Report in the 2019 Annual Report for our first case study.

GRI 202 Market Presence

202.2: Proportion of senior management hired from the local community at significant locations of operation

New management hires for **2019** from the local community (Band E and above) = 67 (Côte d'Ivoire (10), Egypt, Ghana, Nigeria (8), Zambia, India (7), Singapore (10), Vietnam, UK, Netherlands (4), Brazil, Uruguay)

New management hires for **2018** from the local community (Band E and above) = 76 (Cameroon, Côte d'Ivoire, Republic of Congo, Egypt, Gabon, Ghana, Mozambique, Nigeria, Uganda, China, India, Malaysia, Singapore, Vietnam, UK, Netherlands, Brazil)

New management hires for **2017** from the local community = 149 (Egypt, Ghana, Mozambique, Nigeria, Senegal, Togo, Zambia, India, Malaysia, Vietnam, Singapore, Germany, UK, Netherlands, Switzerland, Brazil)

Local = national rather than expatriate.

Management = Band E and above

Significant operation = processing facility; upstream plantations / farming; major country of origin for procurement.

GRI 203 Indirect Economic Impacts

Management Approach (2019 Annual Report, Social Capital, Material Areas = Economic Opportunity, Education and Skills, Nutrition & Health)

Olam endeavors to generate economic prosperity, contribute positively to social welfare and manage our stewardship of the environment in a sustainable way, so as to assure the creation of real long-term value for all. We depend on an estimated 5 million farmers, as well as wider agricultural communities, for our volumes. We need them (especially the younger generation) to view farming and rural processing as viable sources of income. We focus on catalysing economic opportunity, inclusion, and good health. We call this 'unlocking mutual value'. The first and second outcomes of our Purpose to Re-imagine Global Agriculture and Food Systems directly relate to the livelihoods of the farmers and communities in our supply chains:



We are also guided by the ILO, Fair Labour Association, RSPO, FSC, IFC and the UN Global Compact.

All other relevant publicly available policies and codes are available [here](#).

203.1: Development and impact of infrastructure investments and services supported

Olam does not collate the value of infrastructure investments and services provided at a global level across multiple supply chains.

For examples, refer to the 2019 Annual Report, Strategy Report

- Manufactured Capital, [printed pages 82 to 83](#)
- Social Capital, [printed pages 100 to 101](#)

203-2: Significant indirect economic impacts, including the extent of impacts

Given our dependence on 5 million farmers, the vast majority being smallholders in emerging markets, the definition of Social Capital by the OECD as "networks together with shared norms, values and understandings that facilitate co-operation within or among groups" is particularly resonant. Much of our focus therefore is on lifting smallholders out of poverty. To

secure the crops for customers tomorrow, we must help rural communities to thrive today. In turn, this delivers economic value for the countries where we operate. Large-scale farmers also face many challenges. Often 3rd or 4th generation family farms, they have grown through hard work, perseverance and sacrifice. While Olam's extensive farm-gate experience means we are well-placed to support farmers from America to Uganda, we must work in partnership to achieve the scale of transformational change required in the agricultural sector.

On [printed pages 72 to 73](#) Dr Christopher Stewart, Global Head of Corporate Responsibility & Sustainability (CR&S) explains the challenges of measuring social impact rather than simply out-puts. This has led us to work on developing methodologies to account for non-financial capitals, at this stage Human, Social and Natural Capitals.

Please also read the following sections:

- Group CEO Review, [printed pages 10 to 21](#)
- Living our Purpose, [printed page 41](#)
- Enabling our Strategy: Sustainability, [printed pages 72 to 73](#)
- Enabling our Strategy: Digital, [printed pages 74 to 75](#)
- Social Capital, [printed pages 94 to 103](#)
- Natural Capital, [printed pages 106 to 117](#)
- Integrated Impact Statement, [printed pages 131 to 135](#)

GRI 204 Procurement Practices

Management Approach Procurement

Olam is committed to fair practices with suppliers. The [Olam Code of Conduct](#) and www.AtSource.io guide our approach with both small and large-scale farmers. We strive to be a good counter-party as it is crucial for our supply chains that farmers wish to work with Olam rather than sell to a competitor. We are also keen to support local communities set up supporting businesses.

Read how we seek to help farmers reach a living income in the 2019 Annual Report, Social Capital, [printed page 94](#).

We also expect our suppliers to ensure that fair practices are observed in their supply chains. The [Olam Supplier Code](#) was launched in 2014. Within our priority products (cocoa, coffee, hazelnut, palm, rubber, cotton and cashew) 79% of volumes are covered under the Olam Supplier Code. This is slightly lower than in 2018 (82%) due to significantly increased cotton volumes following the start of operations in Tchad. Most priority products have attained > 90% OSC coverage.

We do not disclose total payments to suppliers as competitive information. We do not collect data at the local level regarding other procurement such as equipment, office supplies etc as it is not considered material.

GRI 205 Anti-Corruption

Management Approach

Olam takes a zero-tolerance approach to bribery and corruption, even if it is considered to be local practice. Olam requires that all company employees and associated Persons act professionally, fairly and with integrity in all their business dealings and relationships wherever they operate.

Olam has to operate in some countries where the request for bribes in order to do business may occur. Payment of such bribes, no matter how small, will only ensure that this negative practice prevails. If such a request arises, our [Code of Conduct](#) and our [Anti-Bribery and Corruption \(ABC\) Policy](#) states that the employee should inform their manager who should discuss it with the relevant authorities.

Bribery is defined as: gaining unfair advantage by promising, offering or giving a public official (or other person of relevance) something of value in return for a service, either directly or indirectly through a third party. This applies whether the employee is being asked for the bribe or whether such an offer is instigated by an employee to the potential recipient.

The [Code of Conduct](#) states:

"To avoid finding yourself in a situation where a third party could try to illicit a bribe you should:

- Ensure all the third parties that you deal with are aware of and acknowledge Olam's zero tolerance to fraud and

- corruption (and are aware of applicable anti-bribery laws) before you enter into a new relationship with them.
- Carry out appropriate due diligence on third parties before you enter into a deal or relationship – be alert for any suppliers with poor practices.
- Be alert to close relationships between parties in the supply chain (e.g. agent/distributor) or with government officials.
- Seek a breakdown of all fees/costs upfront and question anything which appears unusual.
- Maintain complete and accurate books and records of account recording all business transactions and dealings entered into for or on behalf of or conducted in connection with the Company.”

The Code and the ABC Policy also detail guidance on the acceptance of gifts and hospitality, as well as political donations.

205.2: Communication and training about anti-corruption policies and procedures

All employees must uphold the Olam Code of Conduct and it is part of inductions for new employees. As stated in the Intangible Capital section of the 2019 Annual Report, Strategy Report on [printed page 118](#), between 2018 and 2019 we have carried out Anti-bribery and Corruption training of more than 8,500 employees.

GRI 301 Materials

Management Approach Environmental

As a global agri-business we, and our suppliers, are dependent on the earth’s natural resources. Maintaining sustainable yields and growing our business means that we have to act as responsible stewards of the environment and encourage third-parties to do the same. Our own operations must avoid or mitigate potential negative impacts, therefore all investment cases for any new developments must undergo environmental and social impact assessments and implement the relevant management plans. For our existing operations, we are guided by our Risk Framework, as well as a suite of [Policies, Codes and Standards](#). Our Governance structure ensures that we adhere to these principles and that we undertake regular audits and gap assessments.

For more detail, please read the Natural Capital section in our 2019 Annual Report, [printed pages 106 to 117](#).

Our Integrated Impact Statement first case study also demonstrates our approach to valuing natural capital, [printed pages 131 to 135](#).

301.1 Materials used by weight or volume

Olam is primarily a producer, buyer and processor of raw agricultural products, which include crops (grown from natural resources) such as cocoa, palm oil and wood products. Refer to the Strategy Report in the 2019 Annual Report, [printed page 2](#) for total 2019 volumes by segment and by region. Also, [printed page 6](#) for a comparison with previous years. We do not break out individual product volumes due to commercial sensitivity, but we do provide combined information in the Group CFO’s review, 2019 Annual Report, Strategy Report, [printed pages 58 to 63](#).

To date, packaging materials have not been deemed as a priority materiality topic for Olam although initiatives are undertaken at a local level.

302 Energy

Management Approach (2019 Annual Report, Natural Capital, Material Area = Climate Action)

Olam recognises that by reducing energy consumption, particularly the use of fossil fuels, we will reduce greenhouse gas emissions (GHG), vital in the effort to reduce climate change. We are committed to aligning our goals with internationally agreed science-based targets which includes operating within Planetary Boundaries and reducing our contribution to the 13% of Greenhouse Gas emissions contributed by farms globally. Our strategy focuses on four pathways:

- **Mitigate:** Drive towards being a carbon positive business based on science based targets set in line with a 1.5C pathway
- **Adapt:** Integrate climate-related risks and opportunities into all Olam business and investment decisions
- **Advocate:** Uses its leadership to advocate locally, nationally and globally through multi-stakeholder processes and industry platforms
- **Regenerate:** Re-imagine Global Agriculture and Food Systems through the [Olam Living Landscapes Policy](#)

As detailed in the Natural Capital section of the 2019 Annual Report, Strategy Report, we have specific goals and targets, which include increasing the use of renewables and maximising biowaste. See page [111](#) and [116](#) for 2019 results on Climate Action goals and targets, as well as [printed pages 106 to 117](#) overall.

Olam has also reported to the Carbon Disclosure Project for 9 years.

CDP Climate 2019 = C (2018 = C).

CDP stated our score "is EQUAL to the Agricultural commodities average of C, and EQUAL to the Asia regional average of C."

CDP Forests 2019 = B timber and palm (2018 = B)

CDP stated our score "is HIGHER than the Agricultural commodities average of C, and HIGHER than the Asia regional average of C".

CDP Water 2019 = Not scored (2018 = B-)

Olam's submitted CDP Water response for 2019 was not scored as submitted post deadline but it can be viewed here:

<https://www.cdp.net/en/responses?utf8=%E2%9C%93&queries%5Bname%5D=olam>

302.1: Energy consumption

In 2019, the data was not available in the required timeframe for this disclosure. For renewable and biomass resources, see [printed page 111](#) of the 2019 Annual Report, Strategy Report, Natural Capital.

303 Water

Management approach (Natural Capital, 2019 Annual Report, Material Area = Water)

Freshwater Use context-based target setting

Globally agriculture is the largest user of water, consuming about 70% of accessible freshwater, whilst industry consumes about 23%. Competition for water use is rising, due to population increases, demand from agriculture and industry, declining aquifer levels and abstraction of non-renewable ground water. Furthermore climate change is expected to exacerbate water stress by 2050, through a combination of reduced river base flows, increased flooding and rising sea levels.

Planetary Boundary (see Stockholm Resilience Centre)

The planetary boundary for water is a maximum amount of consumption of blue water use globally is 4,000 km³/year. Further basin-level targets should be developed in the form of blue water withdrawal as a percentage of mean monthly river flow.

Water Usage at Olam

See the 2019 Annual Report, [printed page 110](#) of the Strategy Report, Natural Capital section for our approach and page 111 for surface and groundwater use.

See also case studies in the 2019 Annual Report, Strategy Section, [printed page 112](#).

Water Stewardship

To manage water risk Olam adopts the Alliance for Water Stewardship definition of water stewardship:

"The use of water that is socially equitable, environmentally sustainable and economically beneficial, achieved through a stakeholder-inclusive process that involves site and catchment-based actions. Good water stewards understand their own water use, catchment context and shared risk in terms of water governance, water balance, water quality and important water-related areas; and then engage in meaningful individual and collective actions that benefit people and nature."

These articles show Olam putting AWS into action:

- <https://www.olamgroup.com/content/olamgroup/en/home-page/news/all-news/blog/getting-a-world-class-education-in-water-stewardship.html>
- <https://a4ws-africa.org/aws-impact/olam-tanzania>
- <https://a4ws.org/certification/certified-sites/>
- <https://a4ws-africa.org/our-impact>

Risk-screening map

In 2019, we updated our bi-yearly water risk assessments using the newly revised World Resources Institute Aqueduct Tool and we then incorporated a further site-specific assessment based on key elements of the Alliance for Water Stewardship (AWS) standard to help us maintain and increase our focus where it will be needed the most. The risk assessments have allowed us to prioritise enhanced support required by 14 of our processing operations. What is striking for me is that we are not faced with a single high priority risk (quality, quantity, regulation, reputation and readiness), or a single high priority product or a single high priority geography. Those 14 operations span different risks, products and geographies in Brazil, Côte d'Ivoire, Egypt, India, Indonesia, Mozambique, Spain, USA and Vietnam. We have begun the process of revising our action plans and we will be working to align our approaches with the AWS standard to address our shared resource challenges.

Helping smallholders reduce water while improving yields

Although many smallholder crops are naturally rain fed such as cocoa and cotton, others such as rice and sugar are renowned for water consumption, either because they are thirsty or because water is used liberally in production methods. Through our sustainability programmes, we train farmers to develop water management plans that mitigate risk and minimise adverse impacts on water supply. In 2019, we trained ~103,000 smallholders on good water practices.

303.1: Water withdrawal by source

Source type data for 2019 (e.g. groundwater, municipal etc) was not fully available in the timeframe so we have not been able to complete this disclosure.

304 Biodiversity

Management approach (2019 Annual Report, Natural Capital, Material Areas = Healthy Ecosystems)

Olam has always understood that we have significant responsibility in terms of land and biodiversity stewardship, coupled with ensuring that the rights of communities are upheld. This responsibility is also a business benefit, helping to ensure we do not jeopardise our own operations through soil degradation, loss of pollinators and increasing global temperatures through the loss of carbon sequestration by forests. Many issues relating to land are also interconnected with livelihoods, water and climate change.

Plants, birds, insects and mammals all help to create the ecosystems upon which we depend, so protecting biodiversity by minimising our impact and safeguarding areas of habitat is vital. All new developments are subject to independent Environmental and Social Impact Assessments, and we are committed to managing our farms and plantations according to best practice. Our approach to land development is encapsulated in the Olam [Plantations, Concessions and Farms Code](#) and the [Living Landscapes Policy](#):

Aims of the LLP:

- **Prosperous farmers and food systems** e.g. economically viable production that sustains a decent livelihood for farmers and agricultural workers, including safe and decent employment opportunities, access to training and finance, and fair pricing
- **Thriving communities** e.g. revitalising rural communities to live well, enjoying access to essential services such as health, education, and sanitation, and securing nutritious food for all
- **Regenerating the living world** e.g. maintaining or restoring healthy ecosystems that support viable populations of animals and plants (biodiversity), enhancing local ecosystem services (e.g. water regulation, soil fertility and erosion control), and regulating the global climate (carbon storage and greenhouse gas emissions)

Read more about the implementation of the LLP in the 2019 Annual Report, Strategy Report, [printed pages 108 to 109](#).

Elimination of unacceptable practices in Land management

The following unacceptable land use practices are not permitted in our operations or third party supply chains, and if present, must be eliminated:

- No illegal activities:
- Full compliance with applicable national and international laws, including human and labour rights
- Respect Legally Protected Areas or Internationally Recognised Areas
- No conversion or degradation of critical habitats such as High Conservation Value (HCV) areas and other nationally recognised conservation priorities.
- No conversion or degradation of peatlands of any depth.
- No conversion or degradation of other natural habitats with high levels of organic carbon such as High Carbon Stock (HCS) forests.
- No use of fire in land preparation including planting and replanting.
- No development without the Free, Prior, and Informed Consent (FPIC) of indigenous peoples and/or local communities, recognising traditional and customary rights.

Forest Loss Risk Index

In 2018, as part of our commitment to achieve our Living Landscapes Policy targets, and to further tackle unacceptable land use practices we developed a methodology called the Forest Loss Risk Index (FLRI) to prioritise action to be taken before trees are lost.

Read about the progress made in the 2019 Annual Report, Strategy Report, [printed pages 114 to 115](#).

Other ways in which we engage with third parties on deforestation

Under [AtSource](#) and other sustainability programmes we work with smallholders to recognise the benefits of maintaining the ecosystem, including the benefits of biodiversity. This includes using Integrated Pest Management techniques and respecting large mammals such as elephants and apes.

Through the [Olam Supplier Code](#), we expect suppliers to ensure that the natural environment is respected. Read about our approach to dealing with suppliers who are found to be using unacceptable practices in the [Living Landscapes Policy](#).

In 2017, Olam Cocoa was a founding member of the [Cocoa & Forests Initiative](#) (CFI) launched by The Prince of Wales' International Sustainability Unit, working in partnership with the World Cocoa Foundation and IDH the Sustainable Trade Initiative. In 2018 Olam Cocoa was the first cocoa company to sign a Letter of Intent with the Ivorian Ministry of Forests and Water, followed by a Memorandum of Understanding, supporting the preservation and rehabilitation of 460,000 ha of forêts classées Rapides Grah and Haute Dodo.

In 2019 Olam Cocoa launched its sustainability ambition Cocoa Compass which includes reducing natural capital costs by 2030 and an increase in tree carbon stock: <https://www.olamgroup.com/products/confectionery-beverage-ingredients/cocoa/sustainability-in-cocoa.html>

In the 2019, Annual Report, Strategy Report, [printed pages 131 to 135](#), Olam's first case studies for our Integrated Impact Statement tool are given for 'the hidden cost to society of GHG emissions from cocoa production' and 'the hidden cost of ecosystem services in cocoa agricultural production'.

CFI Action plan for Olam Cocoa can be found here:

<https://www.olamgroup.com/content/dam/olamgroup/files/uploads/2019/03/Olam-Cocoa-CFI-Narrative.pdf>

And progress report here: <https://www.olamgroup.com/news/all-news/blog/our-progress-towards-tackling-deforestation.html>

304-1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas

Olam Palm Gabon – plantations

We entered into two joint ventures with the Republic of Gabon in 2010, to develop large scale sustainable palm plantations to RSPO standards, as well as rubber plantations. The geographical locations can be found here:

<https://www.olamgroup.com/products/food-staples/edible-oils/palm-plantations.html>

Our approach is summarised here:

- Select broad areas in landscapes that are far from national parks and where the natural environment has already been degraded
- Within specific sites, ensure that we identify the land that is of High Conservation Value (HCV) for biodiversity, community or cultural reasons
- Prioritise the 'least value' land for development and invest heavily in conserving the high value areas. We actively manage these HCV areas, helping to prevent poaching and illegal hunting
- Engage the local communities to ensure that they agree with our analysis and with the project
- Validate our assessments through broad-based consultations with NGOs and experts.
- Create positive social and economic impact in the local communities through employment, capacity building, and rural infrastructure development.
- Ensure we are 100% RSPO certified from new planting through to mill completion with no burning for land clearance.

The following links all contain further information about our approach and our 2019 progress:

- 2019 Annual Report, Strategy Report, Re-organisation of Olam, [printed page 45](#)
- 2019 Annual Report, Strategy Report, Natural Capital, [printed page 116](#)
- <https://www.olamgroup.com/news/all-news/press-release/olam-achieves-rspo-certification-for-first-oil-palm-plantation.html>

- <https://www.olamgroup.com/content/olamgroup/en/home-page/news/all-news/press-release/olam-achieves-rspo-certification-for-its-fourth-palm-plantation.html>
- <https://www.olamgroup.com/products/food-staples/edible-oils/sustainable-palm-oil.html>

Olam Rubber Gabon (Bitam) – plantation

The development of the plantation is in line with the Government's proposed National Land Use plan as it seeks to develop an economy less dependent on fossil fuels, as well as providing private sector employment. However, for the development of agriculture, Gabon has the challenge that more than 85% of its land is covered by forest. Of the remaining non-forested land, much of it is swamp or infertile. Through the Plan, Gabon has identified sufficient areas of highly degraded forests and abandoned fallows along the main populated axes to meet its needs for agriculture and agri-business, while preserving and sustainably managing all of its high conservation value and high carbon stock and old-growth forests.

The OPG rubber concession lies within an area of abandoned agricultural fallows and mixed secondary forests, in a hilly landscape dissected by broad, flat swamps and rivers. We conducted an Environmental and Social Impact Assessment in 2011 which went through a public consultation before land preparation. As a result of these surveys, we were able to identify 11,000 ha of plantable lands on the flatter hills, favouring wherever possible the rattan scrub, but also including some areas of secondary forests. The best-quality habitats (maturing and high-biomass forests), as well as all wetlands, have been protected in an extensive, well connected network of core habitat and buffer zones (approximately 13,400 ha of conserved terra firma forest, including village use areas (318 ha) and 9,500 ha of swamp forests and wetlands). The ratio of protected ecosystems is approximately 67% of the concession. A strict no-hunting policy has been put in place to ensure that these forests gradually recover from historical overhunting.

In January 2018 we renewed our agreement with Mighty Earth to suspend further land clearing of forest in Gabon for palm and rubber plantations for a year (a period that can be extended).

Plantation location can be viewed here: <https://www.olamgroup.com/products/industrial-raw-materials/rubber/rubber-plantations.html>

Community Development Projects

ORG is supporting the rural communities with pumps, road access for villages, and the rehabilitation of schools. Outside of the Social Contract, ORG also set up a Social Fund, managed by a similar tripartite committee, to support community development projects generated by the community on an ongoing basis.

Congolaise Industrielle des Bois (CIB) – natural forest concessions in Republic of Congo

CIB has been a pioneer in Responsible Forest Management in the Congo Basin. Our operations are headquartered in the northern region of the country, in Pokola, Republic of Congo. Our concessions cover around 2 million hectares (ha). Refer to the Olamgroup.com website for updates on FSC® certification and concession maps:

<https://www.olamgroup.com/products/industrial-raw-materials/wood-products/forest-concessions.html>

Indigenous communities are able to carry out their traditional hunting and fishing activities everywhere, except in strictly protected areas. More information is available here: <https://www.olamgroup.com/products/industrial-raw-materials/wood-products/engaging-and-supporting-communities.html>

Additional links:

- <https://www.olamgroup.com/content/olamgroup/en/home-page/news/all-news/blog/the-goualougo-triangle.html>
- <https://www.olamgroup.com/content/olamgroup/en/home-page/news/all-news/blog/seed-to-song.html>

FSC® license codes: <https://www.olamgroup.com/content/dam/olamgroup/pdf/files/product-pdf/wood/License-numbers-wood.pdf>

Certification resources: <https://www.olamgroup.com/products/industrial-raw-materials/wood-products/forest-concessions.html>.

Coffee plantations – Brazil, Laos, Tanzania and Zambia certified Rainforest Alliance Utz

Brazil: ~4,500 ha under Olam management with over 1,000 ha protected

Laos: ~2,000 ha under Olam management with over 400 ha protected

Tanzania: ~2,000 ha under Olam management with over 600 ha protected

Zambia: ~7,000 ha under Olam management with over 1,400 ha protected

See this link for coffee estates geography: <https://www.olamgroup.com/products/confectionery-beverage-ingredients/coffee/origin-footprint.html>

Pesticide and fertiliser use are a significant cost for the plantations. These are dramatically reduced by natural and scientific approaches. Shade trees inside the coffee field, along with maintenance of habitats along streams and hills, attract pest-eating insects and birds. These predators – supported by a team of pest scouts – result in a reduction in the use of pesticides. Regular soil and foliar analysis optimises fertiliser application and cuts down on over-use.

Read more:

- <https://www.atsource.io/impact/the-common-ground-between-coffee-and-chickens.html>
- <https://www.atsource.io/impact/making-gender-equality-work-for-everyone.html>

Other plantation operations with biodiversity focus:

In Nigeria we run a large rice farm with integrated mill (12,290 h under Olam management). Although there is no high conservation land in the area, we have made considerable efforts to ensure the surrounding landscape is not impacted by our activities.

Farm geography:

<https://www.google.co.uk/maps/d/viewer?mid=1uJJ1soDM4gGFbh0xUizFCtJ8dsyDO7eA&ll=7.874850621897341,8.32453950000014&z=13>

In Australia and California we operate large-scale almond ranches (total planted area = 19,500 ha). Pollinators, particularly bees are a major focus: 2019 Annual Report, Strategy Report, Natural Capital, [printed page 113](#)

304.2: Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas

Given our tropical wood concessions in the Republic of Congo, and palm and rubber plantations in the Republic of Gabon, we are extremely mindful that we work alongside the habitats of incredibly diverse and rich wildlife. We work hard to ensure negative impacts do not occur, and indeed that positive impacts are generated such as protection against poaching and hunting. Please refer to our Living Landscapes Policy: <https://www.olamgroup.com/sustainability/policies-codes-standards.html>

Republic of Congo, Natural Forest Concessions

Olam subsidiary Congolaise Industrielle des Bois (CIB) supports eco-guards, who are employed by the government and other organisations, to protect against illegal logging and prevent the poaching of animals, such as large apes and elephants. In partnership with the international NGO, the Wildlife Conservation Society, CIB conducts sensitisation campaigns to educate employees and the community about the importance of protecting the environment and to explain the fauna legislation and their rights. CIB maintains dedicated areas within the concessions to enable indigenous people to continue their traditional subsistence hunting of small game in the region, excluding the buffer zones around the National Parks.

Read how CIB is helping to protect the Goualougo Triangle: <https://www.olamgroup.com/content/olamgroup/en/home-page/news/all-news/blog/the-goualougo-triangle.html>

Republic of Gabon, palm oil operations

Gabon is home to the central chimpanzee and western lowland gorilla: these species can be found throughout the country, with a few individuals even surviving within a few km of the capital Libreville. Their strongholds are the great ape priority landscapes identified in the Regional Action Plan for the Conservation of Western Lowland Gorillas and Central Chimpanzees. Whilst our concessions are well outside these priority landscapes, our ape surveys (during the planning phase and as part of ongoing monitoring) show that both ape species are sparsely present in the High Conservation Value areas of at least 3 of our concessions.

Great apes were a high priority to our teams well before our operations started. We commissioned independent experts to conduct great ape surveys as part of our High Conservation Value assessments, which are essential to the RSPO New Plantings Procedure and our planning process. We consulted extensively with the Gabon National Parks Agency, national NGOs such as WWF, the Wildlife Conservation Society and others, to advise us on the results of the surveys.

Our surveys found ape signs of both species (nests, tracks and sightings), especially in the more remote areas, consistent with low population densities, and also found direct evidence of illegal hunting of apes for bushmeat. Gorilla signs were particularly sparse or absent across the various surveys, as this species is highly vulnerable to hunting pressure. Following expert recommendations, we created a connected network of HCV areas, suitable to provide permanent habitat for apes, and designed in landscape connectivity as part of the spatial layout of the plantations. Almost all of these HCV areas are

previously logged forest, with a mix of secondary and old-growth species (there is no unlogged, primary forest of any significant scale within our concession boundaries). These forests represent the best natural areas within our concessions, and are directly connected to the adjacent forested landscape, allowing free movement of animals through the landscape.

We regulate access to the concessions with manned barriers and have halted the activity of illegal commercial hunters, who previously used old logging roads to get deep into the HCV forest and supply pick-up trucks of smoked or fresh bushmeat to local and national markets. All plantation workers are strictly forbidden to hunt within the HCV areas. Breaching our internal code of conduct is strongly sanctioned, and any violations of the law are reported to the relevant authorities. As our teams have no legal enforcement powers we have also implemented a partnership with the Government of Gabon (supported by technical training from WWF) to conduct routine patrols, work with local villagers, and enforce wildlife laws in our plantations.

It's worth highlighting here that hunting wild animals (including apes), for meat, is a deeply ingrained local custom. So apart from setting aside and managing the conservation spaces related to our plantations, it is vital to educate and create awareness amongst the local communities of the importance of respecting all protected species. We do this through continual engagement but we also recognise that villagers need a source of protein. We have encouraged and invested in animal husbandry projects to reduce pressure on bushmeat hunting.

Our ape management plan can be summarised as follows:

Every country is different and companies are not experts on great ape conservation. It is therefore essential to work with recognised experts and conservation bodies to develop an ape management plan. Our plan has six pillars:

- (1) Identify suitable ape habitat and range areas, preserve large core areas of good quality forest, and connect them with broad habitat corridors
- (2) Ensure robust baseline and ongoing monitoring protocols
- (3) Schedule land preparation and planting operations to enable wildlife to move to HCV areas
- (4) Implement protocols that mitigate potential for disease transmission between apes and humans
- (5) Impose strict hunting controls and raise awareness among local communities
- (6) Support the development of subsistence programmes to promote alternatives to hunting.

In 2019, we optimised biodiversity management plans specific for each concession, allowing a close monitoring and an enhancement programme for critical environmental values. Our team of experts are constantly adapting to new national and international conservation recommendations, such as the evolution of a species status according to IUCN red-list authority. This was the case in 2019 when the red-capped Mangabey was newly classified as "endangered", displaying a worldwide increased pressure on the species. We are proud to host many within our protected areas, freely moving through the ecological corridors we created. We also contributed to the rediscovery of supposedly extinct species in the region. In 2016, the Southern Reedbuck was found within our protected area, not spotted since 1961. This year, hippopotamus footprints were reported by our HCV team, running along a protected river buffer. A national inventory carried out in 2013 declared the hippo non-existent in this region with no sightings reported since 1949, making this a very exciting discovery.

Read also the 2019 Annual Report, Strategy Report, [printed page 116](#) and <https://www.olamgroup.com/products-services/olam-global-agri/edible-oils/palm-plantations.html>

304.3: Habitats protected or restored

See 304.1 and 304.2 above for our own operations. Halting deforestation in third party supply chains has become an imperative.

Palm

In line with our palm oil policy commitments of no deforestation, no peat, no fire and no exploitation (NDPE), we have implemented rigorous sourcing requirements with our third party suppliers. We have made significant progress on our commitment towards traceable and sustainable supply chains of our third party suppliers with 100% traceability to mill for all direct suppliers and 36% traceability to plantation. See the quarterly palm dashboard:

<https://www.olamgroup.com/content/dam/olamgroup/products/food-staples/edible-oils/edible-oils-pdfs/olam-palm-dashboard.pdf>

Cocoa

In 2017, Olam Cocoa was a founding member of the [Cocoa & Forests Initiative](#) (CFI) launched by The Prince of Wales' International Sustainability Unit, working in partnership with the World Cocoa Foundation and IDH the Sustainable Trade Initiative. In 2018 Olam Cocoa was the first cocoa company to sign a Letter of Intent with the Ivorian Ministry of Forests and Water, followed by a Memorandum of Understanding, supporting the preservation and rehabilitation of 460,000 ha of forêts classées Rapides Grah and Haute Dodo.

In 2019, Olam Cocoa launched its sustainability ambition Cocoa Compass which includes reducing natural capital costs by 2030 and an increase in tree carbon stock: <https://www.olamgroup.com/products/confectionery-beverage-ingredients/cocoa/sustainability-in-cocoa.html>

In the 2019, Annual Report, Strategy Report, [printed pages 131 to 135](#), Olam Cocoa provides case studies for 'the hidden cost to society of GHG emissions from cocoa production' and 'the hidden cost of ecosystem services in cocoa agricultural production'.

CFI Action plan for Olam Cocoa can be found here:

<https://www.olamgroup.com/content/dam/olamgroup/files/uploads/2019/03/Olam-Cocoa-CFI-Narrative.pdf>

And, progress report here: <https://www.olamgroup.com/news/all-news/blog/our-progress-towards-tackling-deforestation.html>

Coffee

In 2018, we joined with WCS and other companies to tackle deforestation from illegal coffee production inside Indonesia's Bukit Barisan Selatan (BBS) National Park. <https://newsroom.wcs.org/News-Releases/articleType/ArticleView/articleId/11241/Worlds-Leading-Coffee-Companies-Commit-to-Tackle-Deforestation-in-Indonesia.aspx>.

In 2019, we shared our Olam Farmer Information System technology with WCS to improve coffee farmer productivity and livelihoods while reducing pressure on the Park. Read more here: <https://www.olamgroup.com/content/olamgroup/en/home-page/news/all-news/press-release/olam-shares-tech-with-wildlife-conservation.html>

And, in the 2019 Annual Report, Strategy Report, [printed pages 113 to 115](#).

Other examples:

- <https://www.atsource.io/impact/blending-coffee-with-agroforestry-for-sustainable-landscapes.html>
- <https://www.atsource.io/impact/protecting-coffee-ecosystems-for-a-greener-brew.html>

305 Emissions

Management Approach (2019 Annual Report, Natural Capital; Material Area: Climate Action)

Decoupling carbon from business growth in direct operations

As we grow our business, we cannot allow emissions from our operations to grow at the same pace. As detailed in our 2019 Annual Report, Natural Capital, [printed page 116](#), by 2030 we aim to reduce greenhouse gas (GHG) emissions by 50% both in own operations and third party supply chains.

- Increasing operational efficiency
- Avoiding High Carbon Stock approach to lands for development
- Adopting Climate-Smart Agricultural Practices

See also Management Approach 302: Energy.

305.1: Direct greenhouse gas (GHG) emissions (scope 1)

Not completed in 2019 timeframe

305.2: Energy indirect greenhouse gas (GHG) emissions (scope 2)

Not completed in 2019 timeframe

305.4: Greenhouse gas (GHG) emissions intensity

[Refer to printed page 111](#) in the Natural Capital section of the 2019 Annual Report, Strategy Report.

306 Effluents and Waste

Management Approach (2018 Annual Report, Natural Capital; Material Area: Water)

In our farms and plantations, water can run off the surface of the land, washing away valuable top soil, nutrients, fertilisers and insecticide, which in turn can then impact on the quality of nearby watercourses. We incorporate all activities that could affect wastewater quality into our Integrated Water Resource Management plans and our Soil Management plans. In our plantations, we use remote sensing, sophisticated modelling and ground surveys to map streams, rivers and seasonal wetlands, which we protect with a system of interconnected buffer zones. In our factories we have wastewater quality standards for the water we discharge. It goes without saying that all Olam locations must comply with their legal license to operate.

306.5 Water bodies affected by water discharges and/or runoff

Today more than half of crops globally are grown using synthetic fertiliser containing Nitrogen and Phosphorus (N&P) and 60% of nitrogen pollution is thought to come from crop production. They have supported the increase in global agricultural production since they were discovered in the early twentieth century. However, when too much fertiliser is applied, or applied at the wrong time this can lead to environmental pollution, groundwater contamination, eutrophication of freshwater ecosystems, the release of nitrogen oxides and ammonia gas. Poor management of N&P contributes to GHG emissions and water contamination, therefore improvements in this area will help Olam to achieve targets in GHGs and freshwater.

In line with the [Olam Living Landscapes Policy](#) and [Plantations, Farms and Concessions Code](#), and [Alliance for Water Stewardship Standard](#), Olam has extensive management plans in place to protect water bodies and water courses from fertiliser run-off and pesticide run-off. Currently, however, there is no breakdown of the global boundary into operational boundaries which business can use so Olam is adopting Nitrogen Use Efficiency (NUE) methods and Phosphorus Use Efficiency (PUE) to help us optimise our use efficiency. (See this link for background: <https://fertiliser-society.org/Proceedings/UK/Prc773.HTM>). Our focus is to put metrics in place for all Olam farms and plantations and then to explore how to do this for smallholders. This will be very difficult for smallholders so will require Olam to build a suite of practices that farmers can employ for which we have quantified the contribution for NUE/PUE. Overall, we can reduce the risk to water bodies by improving soil health – this is one of our material areas and is covered on [printed page 109](#) of the 2019 Annual Report, Strategy Report.

308 Supplier Environmental Assessment

Management Approach: Supplier Environmental Assessment

Olam has a supply base of 5 million farmers the vast majority being small-scale farmers in emerging markets. Such scale means that we face significant challenges in ensuring that each supplier is following good environmental practices, all of the time. However, we tackle this in the following ways:

AtSource and our sustainability programmes

AtSource, and the Living Landscape Policy provide a formal framework for improving social and environmental impacts in agri supply chains.

Refer the 2019 Annual Report, Strategy Report, Natural Capital, [printed pages 108 to 115](#).

The Olam Supplier Code

We actively pursue long-term relationships with suppliers based on responsible business practices and trust. In 2014, we began the roll-out of the Olam Supplier Code (OSC) to priority products in key origins – cocoa, coffee, cashew, cotton, palm, rubber, and hazelnut.

The OSC provides a comprehensive set of conditions to support Olam's goal to purchase raw materials and products that are produced in a manner that is socially responsible, economically profitable and environmentally sustainable, establishing the standard to which all suppliers of Olam raw materials and products shall adhere. It demands that suppliers:

- Commit to corporate governance and integrity
- Guarantee the quality of goods and services they supply
- Uphold labour standards and human rights
- Respect the natural environment
- Conduct their business in a way that honours local communities
- Ensure compliance

After updating the OSC (in 2018) with new elements of the LLP, in 2019 we designed and rolled out mandatory training on the OSC to our procurement staff in 40 countries, with 74% completing training to date. Within our priority products (cocoa, coffee, hazelnut, palm, rubber, cotton and cashew) 79% of volumes are covered under the Olam Supplier Code. This is slightly lower than in 2018 (82%) due to significantly increased cotton volumes following the start of operations in Tchad. Most priority products have attained > 90% OSC coverage.

Key challenges in rolling out the Code include:

Ensuring that smallholder farmers, many of whom have very low levels of literacy, understand what they are signing.

To overcome this, our teams on the ground:

- have turned the Code into pictorial posters which are clearly displayed at co-op buildings
- empower the cooperatives to sign the Code on behalf of the farmers. The cooperatives then train and audit the farmers to ensure that they comply.

308.1 Percentage of new suppliers that were screened using environmental criteria

Given the scale of our supply base (5 million farmers), made up primarily of smallholders in rural emerging markets, it is not commercially practical to break out data for 2019 specifically on new suppliers, particularly as many will be selling to intermediaries who then sell to Olam. Within our priority products (cocoa, coffee, hazelnut, palm, rubber, cotton and cashew) 79% of volumes are covered under the Olam Supplier Code. This is slightly lower than in 2018 (82%) due to significantly increased cotton volumes following the start of operations in Tchad. Most priority products have attained > 90% OSC coverage.

We also provide sustainability support to 740,000 smallholders, providing training, seedlings and other measures to improve environmental impact. In 2019, Olam and partners distributed over 7 million crop seedlings and over 575,000 forest or other seedlings. Over 179,000 smallholders were trained specifically on conservation practices.

It is also worth highlighting here the Olam Farmer Information System (OFIS) – our revolutionary technology solution for collecting and applying farm-gate level data. Until now, accessing detailed information about farms has been a struggle with our vast network of smallholders living in remote areas. Previously, our field staff have had to painstakingly collect information using pen and paper, a highly laborious process, significantly limiting use and scalability. OFIS solves this issue by providing a revolutionary tech innovation for collecting and analysing smallholder farm data. Using GPS mapping and on side surveys OFIS can identify potential environmental hotspots with farmers.

Read more about OFIS and the Forest Loss Risk Index in the Natural Capital section of the 2019 Annual Report, Strategy Report, [printed pages 114 to 115](#).

308.2: Significant actual and potential negative environmental impacts in the supply chain and actions taken

As stated above, with a supply base of approximately 5 million farmers it is not feasible to subject each one to a full Environmental Impact Assessment. We therefore rely on supplier contracts (especially with large-scale farmers), and the [Olam Supplier Code](#). However, third party supply chains of particular note are Palm, Cocoa and Coffee. Please refer to 304.3 above.

30.8.2 Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms.

Grievance procedures are important for dealing with any complaints. We investigate and take appropriate action. If a complaint is submitted via a third party, we also investigate. For a full list of palm related grievances see the log here: <https://www.olamgroup.com/content/dam/olamgroup/products/food-staples/edible-oils/sustainable-palm-oil/sustainable-palm-oil-pdfs/olam-grievance-monitoring-log-30-mar-2020.pdf>

For deforestation related entries about suppliers see 102.44 above.

401 Employment

Management Approach (2018 Annual Report, Human Capital, Material Area = Safe & Decent Work)

Olam has 40,800 permanent employees and 46,800 seasonal, temporary and contract workers across more than 60 countries. We depend on the engagement, motivation and safety of our workforce to create responsible growth. Equally, we are working with suppliers to ensure that human rights are respected in their supply chains. Our commitment to human rights is guided by the United Nations Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and related international covenants. In 2018 we published a [global Fair Employment Policy](#) provides our full management approach. It states:

Our Goal

- To treat all our employees with dignity and fairness
- To take a proactive approach to protecting the rights of people in all our workplaces

To achieve this goal, we will:

- Ensure compliance with all applicable national employment laws and international standards
- Create a fair and non-discriminatory workplace that provides equal opportunity to everyone
- Establish, maintain, and improve the worker-management relationship and ensure employees' rights to self-representation
- Protect workers, including vulnerable categories such as migrant workers, and workers engaged through third parties
- Prohibit the use of child labour and forced labour
- Provide safe and healthy working conditions and promote the health of workers

Note on remuneration

Salaries and employee benefits can be viewed in the [Financial Statements](#) of the 2019 Annual Report

Page 7 of the Fair Employment Policy details expectations regarding minimum wages.

<https://www.olamgroup.com/content/dam/olamgroup/pdf/olam/Fair-Employment-Policy.pdf>

We are conscious that in some operations, such as plantations where workers are engaged in picking coffee cherries or other such tasks, we are paying the national minimum wage which may not necessarily be a 'living wage.' Please refer to [printed page 88](#) of the 2019 Annual Report, Strategy Report, Human Capital.

For more detail on our overall approach to employment, please see the 2019 Annual Report, Human Capital, [printed pages 84 to 91](#).

The majority of resignations and new hires occur in the plantations businesses in Africa (Tanzania, Zambia and Gabon) where workers are seasonal, and many have other responsibilities such as their own smallholdings. In the case of Olam Palm Gabon, the vast majority of the workforce have never held a full-time job. There is also some turnover in manual processing operations.

401.3: Return to work and retention rates after parental leave, by gender

| | 2019 | 2018 | 2017 |
|--|-------------|-------------|-------------|
| Number of male employees who took parental leave (primary workforce) | 109 | 290 | 230 |
| Number of male employees who returned to work following parental leave | 100 | 257 | 217 |
| Number of female employees who took parental leave (primary workforce) | 233 | 253 | 174 |
| Number of female employees who returned to work following parental leave | 194 | 173 | 155 |

Other data not collected globally.

402 Labour / Management Relations

Management Approach (2019 Annual Report, Human Capital, Material Area = Safe & Decent Work)

Given the growth in our upstream farming and plantation operations, we now have an extensive workforce engaging in tending and harvesting crops.

Equally, we now have over 180 major manufacturing and processing facilities with a workforce including machine operators, lab technicians, supervisors, engineers and logistics operators.

As outlined in the Human Capital Section of the 2019 Annual Report, and our [Fair Employment Policy](#), we commit to the following labour practices across our supply chains:

- Compliance to relevant labour national laws and international agreements (covering wages, working hours and conditions, freedom of association, collective bargaining, no discrimination, gender and age equality)
- A grievance mechanism accessible to all workers without retribution
- An accessible communication framework of policies to the workforce
- The application of these requirements to contracted, seasonal and migrant workers where relevant

402.1: Minimum notice periods regarding operational changes, including whether these are specified in collective agreements

As with any business, restructuring is sometimes necessary. Whenever this occurs we seek to ensure that employees and their representatives are given notice of any significant changes. This may vary between countries and also on the significance of the change, so it might be 2–12 weeks. Information on collective agreements will be addressed locally.

403 Occupational Health & Safety

Management Approach (2019 Annual Report, Human Capital, Material Area = Safe & Decent Work)

Olam is committed to providing a healthy and safe workplace for our employees, contractors and visitors. Our vision of embedding a 'zero harm culture' is delivered through safety leadership and embodied in 'Our Shared Values'. Our approach and commitment is detailed in our 2019 Annual Report in the Human Capital section of the Annual Report, [printed pages 92 and 93](#).

403.2: Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender

Please also refer to the article by Shankar Rao in the 2019 Annual Report, Strategy Report, [printed page 92](#).

Tier 1 Facilities - Large Processing Plants

The Lost Time Injury Frequency rate (LTIFR) in large processing plants was reduced to 0.21 in 2019 from 0.29 in 2018. The table below shows the safety data of the 78 large processing plants. The top five immediate causes for lost time injury (LTI) include Contact with Machinery, Slip/Trip, Manual Handling, Contact with Hot Surface as well as Fall from Height.

| Region | First Aid Cases (FAC) | Medical Treatment Cases (MTC) | Restricted Work Cases (RWC) | Lost Time Injury (LTI) | LTIFR | TRFR |
|----------------------|-----------------------|-------------------------------|-----------------------------|------------------------|----------|------------|
| Africa | 61 | 15 | 1 | 21 | 3 | 0.2 |
| Americas | 299 | 42 | 35 | 19 | 4 | 3.7 |
| Asia Pacific | 11 | 5 | 1 | 4 | 7 | 0.1 |
| Europe & Middle East | 35 | 9 | 3 | 12 | 9 | 0.9 |
| Total | 406 | 71 | 40 | 56 | 1 | 0.6 |

Tier 2 Facilities – includes upstream operations, processing plants, infrastructure business and R&D facilities

| Region | First Aid Cases (FAC) | Medical Treatment Cases (MTC) | Restricted Work Cases (RWC) | Lost Time Injury (LTI) | LTIFR | TRFR |
|--------------|-----------------------|-------------------------------|-----------------------------|------------------------|-------------|-------------|
| Africa | 2058 | 1129 | 13 | 928 | 4.76 | 10.62 |
| Americas | 52 | 19 | 8 | 94 | 1.34 | 1.73 |
| Asia Pacific | 95 | 28 | 7 | 41 | 0.40 | 0.74 |
| EME | 1 | 0 | 0 | 0 | - | - |
| Total | 2206 | 1176 | 28 | 1063 | 2.76 | 5.89 |

The table below shows the total number of work-related fatalities, by region and gender.

| Region | Country | No. of Fatalities | Gender |
|----------|------------|-------------------|--------|
| Africa | Brazil | 1 | Male |
| | Honduras | 1 | Male |
| Americas | Congo | 1 | Male |
| | Mozambique | 1 | Male |

Notes:

A software platform is used to record and report accident statistics in Olam. QEHS Management System Standard "Incident Notification and Escalation" M-001 governs the communication process in the event of an incident. First Aid injuries are excluded in the calculation of injury rate (IR). The number of First Aid injuries are tracked instead. Fatalities are included in the calculation of injury rate (IR).

- Number of Lost days are required to input when an event is being logged into the system.
- Days means scheduled work days. Lost days begin the day after the accident

403.3: Workers with high incidence or high risk of diseases related to their occupation

We take the health of employees seriously and have goals for Nutrition & Health, particularly given our large footprint in emerging markets. With the prevalence of diseases such as malaria, HIV etc in communities, this is a major focus for the company. In developed nations we focus on fitness, healthy eating and related activities. Individual HR departments will address any issues that could be termed as occupational.

Helping to deliver good health and wellbeing in Olam operations and rural communities

Life expectancy in developing countries remains low, compounded by poor nutrition and lack of access to healthcare. This is not just unacceptable for the affected individuals and their families, but has a direct economic cost for the individual and the country. In 2019, we continued to roll out the Olam Healthy Living Campaign in countries such as Nigeria, Ghana and Zambia. Teams in numerous countries held sensitisation sessions with workers and communities on how to prevent malaria, diarrhoea, HIV and other common diseases.

By the end of the year, we had reached over 215,000 people with the Healthy Living Campaign with sensitisation, screening and treatments (this includes workers, farmer suppliers and communities). Read more in the 2019 Annual Report, Strategy Report, [printed pages 87 to 88](#) (Human Capital) and [100](#) (Social Capital).

404 Training and Education

Management Approach (2019 Annual Report, Human Capital)

Fulfilling our vision to be the most differentiated and valuable agri-business by 2040 depends on our workforce of 87,600 people, many in emerging markets. Through our values and culture, we have attracted leaders with vision, inventiveness and entrepreneurialism, but we recognise that we need to invest further in Human Capital to establish the inspired and high performing workforce we need.

Learning and Development initiatives at Olam are largely led by Business and Organisation priorities. Hence the initiatives are usually custom-designed for building leadership capability and/or change interventions that strengthen our unique culture and values.

We place a strong emphasis on developing a deep bench-strength among managers and leaders. We understand that success stems from the ability of our people to execute our multiple growth initiatives, so our people are empowered to grow their careers across multiple businesses and geographies, maximising their learning and development from different roles and business contexts. This means each time a new business is started, a new geography is opened, or a new value chain initiative is developed, we are able to deploy a core team of leaders and managers who have the capabilities to spearhead the opportunity.

Effectively integrating new employees into the unique culture of Olam has always been a critical factor in ensuring high team performance. A systematic on-boarding process called Cultivate has helped in reducing attrition for new employees and elevating performance levels. This process facilitates the new employee to immediately build strong psychological bonds within the organisation. In the 2019 Annual Report, we detail the efforts we are taking to advance our Leadership & Talent. See:

- Enabling our Strategy: Leadership & Talent; [printed pages 76 to 77](#):
- Human Capital, [printed pages 84 to 85](#)

We also undertook significant levels of training under the Operational Excellence programme. See the 2019 Annual Report, Strategy Report; Enabling Our Strategy, [printed pages 70 to 71](#).

404.3: Percentage of employees receiving regular performance and career development reviews, by gender and by employee category

Data includes main employee categories who received review in 2019:

| Managers (Band E & above) \ Performance and Career Development Review - Male | Managers (Band E & above) \ Performance and Career Development Review - Female | Other Managers (below Band E) \ Performance and Career Development Review - Male | Other Managers (below Band E) \ Performance and Career Development Review - Female | Staff \ Performance and Career Development Review - Male | Staff \ Performance and Career Development Review - Female | Permanent non seasonal workers \ Performance and Career Development Review - Male | Permanent non seasonal workers \ Performance and Career Development Review - Female |
|--|--|--|--|--|--|---|---|
| 97% | 97% | 97% | 90% | 86% | 83% | 92% | 76% |

405 Diversity and Equal Opportunity

Management Approach (2018 Annual Report, Human Capital; Material Area = Diversity & Inclusion)

In mid 2018 we launched our [Global Fair Employment Policy](#) which states the following on page 8:

Diversity & Inclusion

Olam is an equal opportunity employer and we strive to promote diversity and inclusiveness at all levels in the organisation.

1. Definitions

1.1. Diversity: is acceptance of a range of human differences, including but not limited to race, ethnicity, country of origin, gender, sexual orientation, socio-economic status, age, physical abilities, religious beliefs, political beliefs, or other ideologies

1.2. Inclusion: is about focusing on the needs of every individual and ensuring the right conditions are in place for each person to achieve his or her full potential

2. Standard Requirements

2.1. All Olam workplaces shall be equal opportunity employer and all employee life-cycle related processes/decisions would ensure there is no discrimination based on race, ethnicity, country of origin, gender, sexual orientation, socio-economic status, age, physical abilities, religious beliefs, political beliefs, or other ideologies

2.2 Olam workplaces shall make reasonable allowances in providing opportunities for work arrangements that accommodate the diverse needs of individuals at different career and life stages

2.3. Undertake training of managers, supervisors and team leaders on concept, benefits and practice of behaviors and processes that promote diversity and inclusiveness

Monitoring and Recordkeeping

3.1. Total number of incidents of discrimination during the reporting period.

3.2. Status of the incidents and actions taken regarding the following:

- 3.2.1. Incident reviewed by the organisation;
- 3.2.2. Remediation plans being implemented;
- 3.2.3. Remediation plans that have been implemented, with results reviewed
- 3.2.4. Internal management review processes;
- 3.2.5. Incident no longer subject to action

The Policy states that we will communicate and publicly report meaningful and accurate information regarding our performance to demonstrate continual progress towards commitments made in our policies. Please refer to the [Policy](#) for the monitoring points and maturity levels.

Within our third party supply chains, we also advocate for diversity and inclusion, particularly for women in smallholder communities, although this must be addressed with cultural sensitivities. In the Re-organisation section of the 2019 Annual Report, there are various examples of the number of female farmers in sustainability programmes – see for example Coffee on printed page 29.

For more detailed discussion on gender and diversity, see the following sections of the 2019 Annual Report:

- Human Capital, [printed pages 87 to 91](#).
- Social Capital, [printed pages 96 to 97](#).

405.1 Diversity of governance bodies and employees

Governance bodies by gender and age: please refer to [printed pages 4 to 10](#) of the Governance Report in the 2019 Annual Report:

See also Principle 2 on Board Composition and Guidance, Board Diversity, [printed page 17](#).

For employees, see 102.8 above.

407 Freedom of Association and Collective Bargaining

Management Approach (2019 Annual Report, Human Capital, Material Area = Safe & Decent Work)

In our own operations we abide by Fair Employment Policy and Code of Conduct. In 2019, 32% of our primary workforce were covered by collective bargaining agreements. This compares to 36% of the primary workforce in 2018 and 33% in 2017. Countries include Cameroon, Republic of Congo, Ghana, Côte d'Ivoire, Nigeria, Mozambique, Zambia, Indonesia, India, Vietnam, Australia, Germany, Netherlands, Spain, USA, Argentina, Brazil and Uruguay.

Our Business Units, Country Teams, Internal Audit Team and HR team record and address all grievances, not just related to collective bargaining.

In our third party supply chains, our [Living Landscapes Policy](#) and [Olam Supplier Code](#) (updated April 2018) stipulate that Human Rights must be observed. The [Olam Sustainable Palm Oil Policy](#) also specifically references No Exploitation.

407.1 Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights

In Gabon we have palm and rubber plantations which employ many people. Gabon as a country does not have collective bargaining structures in place. In early 2017, Olam Gabon signed an agreement with over 9,500 employees.

408 Child labour

Management Approach (2019 Annual Report, Social Capital, Material Areas = Safe & Decent Work; Education and Skills)

Child labour is a risk in our third party smallholder supply chains, especially for crops like cocoa. While there have been incremental efforts to shift cultural norms so that globally the number of child labourers has declined by one third since 2000 from 246 million to 168 million children (ILO), child labour is still mostly found in agriculture.

“About 100 million boys and girls are engaged in child labour in farming, livestock, forestry, fishing or aquaculture, often working long hours and facing occupational hazards.” (FAO)

FAO further defines child labour as *“work that is inappropriate for a child’s age, affects children’s education, or is likely to harm their health, safety or morals. It should be emphasised that not all work carried out by children is considered child labour. Some activities may help children acquire important livelihood skills and contribute to their survival and food security. However, much of the work children do in agriculture is not age-appropriate, is likely to be hazardous or interferes with children’s education. For instance, a child under the minimum age for employment who is hired to herd cattle, a child applying pesticides, and a child who works all night on a fishing boat and is too tired to go to school the next day would all be considered child labour.”*

Olam is committed to the responsible and sustainable management of our supply chains from seed to shelf. At the heart of this commitment, Olam is against all forms of child exploitation and the use of forced or trafficked labour, respecting and abiding by the ILO conventions No 182 on the Worst Forms of Child Labour and No. 138 on the Minimum Age for Admission to Employment and Work.

In addition to ensuring this is applied across all of our direct operations (plantations, farms and processing units), Olam works proactively with others, including our suppliers, governments, specialist NGOs, such as the International Cocoa Initiative, and industry peers, to progressively eliminate these abuses in the labour markets related to agricultural supply chains, particularly in emerging markets such as Ghana, Côte d'Ivoire and Tanzania. Olam follows, and expects its suppliers to follow, the table on [page 6 of the Olam Supplier Code](#) as a direct reference to ILO Convention No 138 defining child labour.

Within our priority products (cocoa, coffee, hazelnut, palm, rubber, cotton and cashew) 79% of volumes are covered under the Olam Supplier Code. This is slightly lower than in 2018 (82%) due to significantly increased cotton volumes following the start of operations in Tchad. Most priority products have attained > 90% OSC coverage. Signing the Olam Supplier Code represents a commitment to follow the fair employment practices in compliance with all applicable local government rules

and regulations regarding Child Labour Laws, and an understanding that regular auditing will be carried out. In addition, Olam undertakes a raft of measures to mitigate the risk of child labour.

These include:

- Training farmers in good labour practices (204,000 in 2019)
- Helping farmers to increase yields through the provision of pre-finance, agri-inputs and training in Good Agricultural Practices, thus enabling them to hire adult labour and afford school fees. It is important to note that in most of our countries of operation, primary school is free whilst secondary school is not. So even if there is a secondary school in the region, most of our farmers are struggling to meet tuition costs.
- Through the Olam Farmer Information System (OFIS), surveying the community to identify where schools are lacking, and in turn working in collaboration with the governments and partners for their establishment, as well as ensuring long-term provision of teaching staff by the government.
- Providing adult literacy courses for farmers, not only to improve farm management capability but to demonstrate the value of education for their children
- Scaling-up initiatives by working with partners including customers, donors, governments and NGOs.

Other challenges that should be considered include:

A lack of birth certificates make it hard sometimes to identify the age of a child or teenager and keep operations in compliance with ILO convention No. 138 on the Minimum Age for Admission to Employment and Work. Not being registered at birth can also deprive children the possibility of ever accessing their local school system. This represents a major legal barrier local governments need to urgently address. If child labourers are identified, our policy is to immediately remove the child off the farm, and meet the parents to reinforce the No Child Labour policy. We explain that their actions are breaking the law and we must take remedial action.

Read more in the 2019 Annual Report, Strategy Report, [printed pages 96 and 101](#).

408.1: Operations and suppliers at significant risk for incidents of child labour

Smallholder supply chains in emerging market countries with limited schooling and much farmer poverty are at risk of child labour. Such supply chains for Olam include cocoa, cotton, cashew, and coffee in countries such as Côte d'Ivoire, Ghana, and Indonesia.

The hazelnut supply chain in Turkey is also of particular concern which is why Olam works with NGOs and has a monitoring programme with the Fair Labor Association (FLA). As background, 400,000 farmers in Turkey grow 70% of the world's hazelnuts. At harvest, farmers rely on a migrant workforce estimated as high as 1.5 million people. This brings challenges, including issues around child labour and fair wages and working practices. This is why Olam works with as many farmers as possible, plus NGOs, local authorities and other organisations to promote fair practices. They also help hazelnut farmers to grow more and better quality so they can earn more and pay fair wages to labourers. Additional outreach includes awareness raising, training for local authorities as well as labour contractors and teachers. Training is also given to the migrant workers on issues such as gender equality, child labour and financial literacy.

Read more: <https://www.olamgroup.com/products/edible-nuts/hazelnuts/Commitment-to-Responsible-Hazelnuts-Supply-Chain.html>

Read the full reports from the FLA here: <https://www.fairlabor.org/affiliate/olam>

Cocoa

Olam Cocoa is also an example of how we work with peers and customers to tackle child labour at a sector level, for example through the [CocoaAction](#) initiative (founding member) and the [International Cocoa Initiative](#). Read more about the efforts made by Olam Cocoa here: <https://www.olamgroup.com/products-services/olam-food-ingredients/cocoa/sustainability-in-cocoa.html>

409 Forced or Compulsory Labour

Management Approach

As a leading agri-business operating from seed to shelf in more than 60 countries, supplying food and industrial raw materials to 25,000 customers worldwide through a team of 87,600 permanent, seasonal, contract and temporary employees, the Olam group of companies has zero tolerance for slavery or human trafficking in its organisation and industry. We are committed to maintaining our work, as a global leader in many food and industrial raw material businesses, in engaging with others including suppliers, interest groups and Governments, to eliminate abuses in the labour markets where we operate or have influence. The 2019 UK Modern Slavery Statement is available here:

<https://www.olamgroup.com/content/dam/olamgroup/locations/europe/united-kingdom/united-kingdom---pdfs/olam-slavery->

[and-human-trafficking-statement-2019.pdf](#). Our global grievance procedures are available here: <https://www.olamgroup.com/sustainability/grievance.html>.

409.1 Operations and suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of all forms of forced or compulsory labour

See 408.1 above.

411 Rights of Indigenous Peoples

(Also combines response for 413 on communities)

Management Approach Rights of Indigenous People / Communities

Olam has always been committed to upholding the rights of indigenous and local people who live in the vicinity of our operations. This is particularly important given the extent of our footprint in emerging markets such as Gabon. The [Olam Plantations Concessions and Farms Code](#) has laid out our commitment for many years, as has the Olam Supplier Code, and these are now reinforced with the [Olam Living Landscapes Policy](#) which seeks to achieve a net positive benefit for farmers, communities and the planet. On page 15 of the policy it states:

Free, Prior, and Informed Consent (FPIC) of indigenous peoples and/ or local communities

We respect the customary and legal tenure and access rights of Indigenous Peoples or other Local Communities (IPLC) affected by our operations, and will work with such local communities to achieve a positive impact on their livelihoods and well-being:

- We will obtain the Free, Prior and Informed Consent (FPIC) from IPLC that may be affected by our plantations and farms, before developing any land that may be encumbered by such rights.
- We will follow evolving guidance on best practice in FPIC procedures and on Participatory Mapping, including planning for the future land and livelihood needs of communities.
- Our FPIC Process is the first step in an ongoing relationship based on Informed Consultation and Participation (ICP) with indigenous peoples and local communities. We view these local people as co-owners and partners of our Living Landscape conservation efforts.
- We will share and provide insights into the practical application of FPIC in our operations with our partners and parties dedicated to the continuous improvement of the FPIC process.
- We will offer and develop with IPLC appropriate opportunities to work with us or supply us where appropriate with goods and services, and contribute to community development, consistent with building social and human capital.

In our own operations such as the palm oil and coffee plantations, the national Corporate Responsibility & Sustainability teams engage regularly with communities. This includes addressing grievances but much of the work focuses on implementation of Social contracts which benefit the communities.

411.1: Total number of incidents of violations involving rights of indigenous peoples and actions taken

In 2019 we responded to allegations from the NGO WRM: <https://www.olamgroup.com/content/olamgroup/en/home-page/news/all-news/news-bites/false-allegations-about-olams-palm-plantations-in-gabon.html>

Also, refer to the palm grievance log here: <https://www.olamgroup.com/content/dam/olamgroup/products/food-staples/edible-oils/sustainable-palm-oil/sustainable-palm-oil-pdfs/olam-grievance-monitoring-log-30-mar-2020.pdf>

412 Human Rights

Management Approach Human Rights (2018 Annual Report, Human and Social Capital, Material Area = Safe & Decent Work)

We are committed to human rights as guided by the UN Declaration of Human Rights, the UN Global Compact, and the International Labour Organisation. This includes compliance with relevant laws and international agreements covering wages, working hours and conditions, freedom of association, collective bargaining, and discrimination. This was reinforced with a company-wide [Fair Employment Policy](#) launched in 2018.

Refer to [printed page 86](#) of the 2019 Annual Report, Strategy Report, Human Capital.

See also:

401 and 402 on Employment and our [Code of Conduct](#).

412.1: Number and percentage of operations that have been subject to human rights reviews or impact assessments

In the first half of 2019, we audited our significant work locations on adherence to the provisions of the Fair Employment Policy. A comprehensive checklist covering 72 line items across the six defined standards was used to self-audit over 100 locations employing more than 100 people (majority of Olam operations). The audit findings were shared with senior management and the Board.

Refer to [printed page 86](#) of the 2019 Annual Report, Strategy Report, Human Capital.

413 Local Communities

Management Approach (2019 Annual Report, Social Capital, Material Areas = Economic Opportunity, Education & Skills, Nutrition & Health)

See also 411 – Rights of Indigenous People

Olam is committed to selecting and managing land responsibly. Although land development is necessary to feed growing populations, expansion can negatively impact local communities and the environment unless essential precautions are taken. One of the greatest risks to the success of our upstream activities is if we fail to gain the acceptance of the communities. Not just at the start of the programme but every day going forward. We therefore adhere to the Free Prior and Informed Consent Process (FPIC) for all new developments, and aim to maintain that dialogue as a matter of course.

We always aim to bring positive impacts, not just in terms of labour but by catalysing improved agricultural production and food security in the region. Read more in the 2019 Annual Report, Strategy Report, Social Capital, [printed pages 94 to 102](#).

413.1 Percentage of operations with implemented local community engagement, impact assessments, and development programmes

At the end of 2019, we were providing sustainability support to over 740,000 smallholder communities. Case studies can be found in the 2019 Annual Report, Strategy Report as follows:

- Re-organisation of Olam, OGA, Rice, [printed page 41](#)
- Social Capital, [printed pages 96 to 101](#)
- Natural Capital, [printed page 113](#)

Other references include:

- The Impact section of the [AtSource website](#)
- <https://www.olamgroup.com/news/all-news/blog/connecting-cocoa-growers-for-national-farmers-day.html>
- <https://www.olamgroup.com/news/all-news/blog/partnership-re-imagining-the-rice-value-chain-in-nigeria.html>
- <https://www.olamgroup.com/news/all-news/blog/coffee-price-extremes-require-a-stable-remedy.html>
- <https://www.olamgroup.com/news/all-news/blog/building-cooperative-capacity-in-smallholder-farming-communities.html>
- <https://www.olamgroup.com/content/olamgroup/en/home-page/news/all-news/blog/untying-gender-constraints-the-cooperative-way.html>
- <https://www.olamgroup.com/news/all-news/blog/how-cocoa-farmers-are-saving-to-send-their-kids-to-school.html>
- <https://www.olamgroup.com/content/olamgroup/en/home-page/news/all-news/blog/how-the-netherlands-and-ethiopia-have-together-re-imagined-agric.html>

414 Supplier Assessment for Impacts on Society

Management Approach Supplier Assessment Society

See 308 – Supplier Environmental Impact Assessment as same process applies

414.1: Percentage of new suppliers that were screened using criteria for impacts on society

Given the scale of our supply base, made up primarily of smallholders, it has not been commercially practical to break out data for 2019 specifically on new suppliers. Instead we focus on all suppliers for priority products (see above), signing up to the [Supplier Code](#). Within our priority products (cocoa, coffee, hazelnut, palm, rubber, cotton and cashew) 79% of volumes are covered under the Olam Supplier Code. This is slightly lower than in 2018 (82%) due to significantly increased cotton volumes following the start of operations in Tchad. Most priority products have attained > 90% OSC coverage.

Under our sustainability programmes, 2014,000 smallholders were trained on good labour practices in 2019 and 153,000 were trained on gender and women's rights.

414.3: Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms

See 411

416 Customer health & safety

Management Approach (2019 Annual Report, Manufactured Capital)

Ensuring our ingredients and products are delivered to customers without contamination or adulteration is the bedrock of our quality and compliance programmes. Please refer to the Manufactured Capital section of the 2019 Annual Report, [printed pages 78 to 79](#).

416.1 Percentage of significant product and service categories for which health and safety impacts are assessed for improvement

We do not break the percentage for commercial reasons but a substantial part of our business is continuously assessed for health impacts, particularly across the 180 major manufacturing and processing facilities. These include: cocoa, coffee, edible nuts, dairy, packaged foods, spices and dehydrated vegetables, grains, rice, sesame, edible oils and sugar. Examples of businesses gaining certification can be found in the 2019 Annual Report, Strategy Report:

- Re-organisation of Olam; Edible Nuts, [printed page 30](#)
- Re-organisation of Olam; Grains, [printed page 36](#)
- Re-organisation of Olam; Rice, [printed page 40](#)