



# Olam Fair Employment Policy

September 2018

# Olam Fair Employment Policy

Olam is committed to providing a workplace where rights of all employees are respected. Our approach on Fair Employment is aligned to our Core Purpose of Growing Responsibly and is in full compliance with the conventions of the International Labor Organization (ILO) and United Nations Global Compact's (UNGC) guiding principles on human rights and labor.

## 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 labor and forced labor
- Provide safe and healthy working conditions and promote the health of workers

## For the management and implementation of this and all policies, we will:

- Require all levels of Olam management to be accountable for applying the policy in their business decisions
- Ensure all managers, supervisors, employees, and contractors understand this policy and their own responsibilities and accountabilities and receive appropriate training and support for success
- Establish strategies and management systems to create and prioritize measurable objectives and execute improvement plans that address our significant risks, impacts and opportunities
- Communicate and publicly report meaningful and accurate information regarding our performance to demonstrate continual progress towards commitments made in our policies
- Regularly review

# Fair Employment Standard I

## Prohibition of Child Labor and Forced Labor

### 1. Definitions

- 1.1. Child Labor: refers to employment of children in an industry or business, for work that deprives them of their childhood, their potential and their dignity, and that is harmful to physical and mental development
- 1.2. Minimum Age: the minimum age required by law for a person to work in a given jurisdiction.
- 1.3. Forced labor is any work or service which is exacted from any person which is not offered voluntarily. Providing wages or other compensation to a worker for such a service does not make it not forced or compulsory.

### 2. Standard Requirements

- 2.1. Any Olam workplace shall not allow use of child labor or forced labor, either directly or through a sub-contractor
- 2.2. Under no circumstances shall any Olam worksite employ an individual under the local legal minimum age for work determined by national laws or regulations or by the competent authority.
- 2.3. The minimum age for admission to any type of employment or work which by its nature or the circumstances in which it is carried out is likely to jeopardize the health, safety or morals the individual shall not be less than 18 years.
- 2.4. Any Olam workplace shall not allow physical punishment, abuse, or involuntary servitude of any worker. Procedures are in place to ensure that workers enter into employment of their own free will and they are never prevented from leaving if they so wish
- 2.5. All Managers, supervisors and worker representatives shall be trained on the applicable definitions of child labor and forced labor

- 2.6. All Olam Labor-contractors shall maintain a roster of approved workers and only approved and verified workers are allowed access to Olam premises for rendering any work. Information maintained for verified workers must contain

2.6.1. Proof of age

2.6.2. Work authorization in case of migrant worker

2.6.3. Registration with applicable social security organization

### 3. Monitoring and Recordkeeping

- 3.1. Operations considered to have significant risk for incidents of:
  - 3.1.1. child labor;
  - 3.1.2. young workers exposed to hazardous work.
- 3.2. Measures taken to contribute to the effective abolition of child labor
- 3.3. Operations and suppliers considered to have significant risk for incidents of forced or compulsory labor
- 3.4. Measures taken to the elimination of all forms of forced or compulsory labor.

# Fair Employment Standard I

## 4. Standard Maturity Levels

Level 1	<ul style="list-style-type: none"> <li>• Under no conditions/circumstances whatsoever, at any Olam workplace.</li> <li>• A child is employed or allowed to work</li> <li>• A young person is exposed to hazardous work</li> <li>• Forced labor is employed, or anyone is coerced to perform work for Olam</li> <li>• All managerial and supervisor</li> </ul>
Level 2	<ul style="list-style-type: none"> <li>• All labor subcontractors have these provisions as a precondition for engaging their service</li> <li>• Defined mechanism, systems and processes exist for monitoring compliance by the labor contractors and are followed/audited on a regular basis</li> </ul>
Level 3	<ul style="list-style-type: none"> <li>• All business partners, vendors, suppliers and contributors to the workplace value chain have these provisions as a precondition for engaging their service</li> <li>• Defined mechanism, systems and processes exist for monitoring compliance by the labor contractors and are followed/audited on a regular basis</li> </ul>

# Fair Employment Standard II

## Workplace Conditions

### 1. Definitions

- 1.1. Working conditions: include physical infrastructure and environment, conducive to the work being carried out in the workplace,
  - 1.1.1. Where applicable, it includes safe housing conditions, with access to potable drinking water, adequate sanitation, and emergency medical care
- 1.2. Safe working environment: refer to complete physical and mental well-being of the employees. It includes a welcoming workplace free of abuse (including sexual harassment) and the prevention of risk to health caused by working conditions.
- 1.3. Human Rights: Human rights are the basic rights and freedoms that belong to every person in the world. They are based on important principles like dignity, fairness, respect and equality. They are universal and inalienable and apply to everyone in equal and non-discriminatory manner.

### 2. Standard Requirement

- 2.1. All Olam workplaces shall treat employees with dignity, fairness and respect, and our employee and employment related practices shall be guided by our shared value of Mutual Respect, and Olam Code of Conduct.
- 2.2. All Olam workplaces shall provide a safe working environment to employees, with documented safety & health measures and standard operating processes covering all relevant aspects of work posing potential risks to employee physical and mental safety and health.
- 2.3. All Olam employees should receive training on workplace safety, as defined under the Standard "Safe System of Work" under Olam's Health and Safety Policy.

- 2.4. All Olam workplaces shall comply with applicable local laws related to maximum number of working days, standard working hours and overtime hours
- 2.5. All Olam employees, shall be provided with a written, understandable, and legally binding employment contract and the terms and conditions as specified in the contract shall be respected
- 2.6. All workplaces shall have in place a written process for grievance resolution
  - 2.6.1. It shall clearly specify responsible authority, escalation mechanism and process for resolving issues raised
  - 2.6.2. It shall have provision for keeping the name of the complainant confidential
  - 2.6.3. There shall not be any discrimination or punitive action against any employee raising a grievance
  - 2.6.4. The grievance process should be clearly communicated to all employees
- 2.7. Undertake training of top leadership, managers supervisors and team leaders on human rights, employment law framework in jurisdiction, industry best practices and associated ILO conventions

### 3. Monitoring and Recordkeeping

- 3.1. Human Rights
  - 3.1.1. Total number and percentage of operations that have been subject to human rights reviews, including instances of sexual harassment, or human rights impact assessments, by location.
- 3.2. Employee Safety and Hafety
  - 3.2.1. Details of all safety related incidents as described under Olam's Health and Safety Policy

# Fair Employment Standard II

## Workplace Conditions

### 3. Monitoring and Recordkeeping

#### 3.3. Employee Grievances

3.3.1. Details of all grievances received during the reporting period, including those made anonymously. This should include complaints of sexual harassment as raised through procedure defined in company's policy against sexual harassment

3.3.2. Investigation report and action taken

#### 3.4. Employee Records

3.4.1. Total number and rate of new employee hires during the reporting period, by age group, gender and location

3.4.2. Total number and rate of employee turnover during the reporting period, by age group, gender and location

3.4.3. Total number of employees without a legal contract, by gender and location

#### 3.5. Training and Education

3.5.1. Total number of hours in the reporting period devoted to training on human rights policies or procedures concerning aspects of human rights that are relevant to operations.

3.5.2. Percentage of employees trained during the reporting period in human rights policies or procedures concerning aspects of human rights that are relevant to operations.

3.5.3. Percentage of Managers/Team leaders trained during the reporting period in applicable employment laws and associated ILO conventions

3.5.4. Average hours of training that the organization's employees have undertaken during the reporting period, by:

3.5.4.1. Gender

3.5.4.2. Employee category

3.5.5. Type and scope of programs implemented, and assistance provided to upgrade employee skills.

3.5.6. Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period

### 4. Standard Maturity Audit Level

Level 1	<ul style="list-style-type: none"> <li>The worksite adheres to applicable local laws related to maximum number of working days, standard working hours and overtime hours</li> <li>The worksite has clearly specified and written down process for ensuring safe and healthy work environment</li> </ul>
Level 2	<ul style="list-style-type: none"> <li>All employees are provided with a written, understandable, and legally binding employment contract before they begin their employment</li> <li>The worksite has a written and clearly defined grievance resolution mechanism</li> <li>Defined mechanism, systems and processes exist for monitoring compliance by the labor contractors and are followed/audited on a regular basis</li> </ul>
Level 3	<ul style="list-style-type: none"> <li>All employees have access to materials that informs them about Human Rights, and their rights and entitlements within the local employment regulations</li> <li>Specific measures are taken to welcome employees returning after a long leave due to parental duties and measures required for their assimilation in the workplace is provided</li> </ul>

# Fair Employment Standard III

## Wages and Benefits

### 1. Definitions

- 1.1. Minimum Wage is the lowest remuneration that employers must legally pay their workers in any given jurisdiction
- 1.2. Industry Wage is the standard wages prevalent in any given sector or industry in a given region
- 1.3. Equal Remuneration for men and women workers for work of equal value refers to rates of remuneration established without discrimination based on sex.

### 2. Standard Requirements

- 2.1. Each Olam workplace, shall seek and keep a copy of the rate of minimum wages applicable to that workplace. This clarification should cover
  - 2.1.1. the specified monthly/daily/hourly rate of wages
  - 2.1.2. All possible exceptions and exemptions as applicable under law
- 2.2. Each Olam workplace shall comply with the minimum wages, and ensure that wages are paid on time and in full, with all legally mandated deductions, such as taxes or social insurance, deposited to the legally stipulated accounts or agencies as required by law

- 2.3. In cases where there is no minimum wage defined, the management shall pay Industry wages as applicable for the location
- 2.4. Management shall ensure that both women and men have the right to equal remuneration for work of similar nature or equal value. This includes all additional income including rate of overtime payment.

### 3. Monitoring and Recordkeeping

- 3.1. Audit of payroll to ensure compliance to minimum wages
  - 3.1.1. Record of all the violation of minimum wages in a specified time period
  - 3.1.2. Measures taken by the organization in the reporting period intended to ensure such violations are not repeated

### 4. Standard Maturity Audit Level

Level 1	• Minimum wages and overtime rates as defined under local regulations are strictly adhered to for all workers under its scope
Level 2	• Wages paid are as per standards followed by the local industry, sector or the geography to which the workplace belongs to
Level 3	• A fair compensation system is in place for all workers, which categorizes workers according to qualifications, skill and experience; recognizes and rewards them for performance through wage and non-wage benefits/incentives



# Fair Employment Standard IV

## Diversity & Inclusion

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

### 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

### 3. 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 organization;
  - 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.

### 4. Standard Maturity Audit Level

Level 1	<ul style="list-style-type: none"> <li>• Equal opportunity employer: the worksite is an equal opportunity employer and there is no discrimination against any minority group in any of the processes like recruitment, promotions, wages etc</li> </ul>
Level 2	<ul style="list-style-type: none"> <li>• Specific measures are being taken to promote diversity in the worksite e.g. recruitment of women and minorities in the workforce</li> <li>• Special allowances are made for reasonable accommodation of employees with specific needs e.g. caring for infants/young children, employees in advanced age category</li> </ul>
Level 3	<ul style="list-style-type: none"> <li>• The workplace design makes reasonable accommodation for employees with special needs like ease of access for those with disabilities, or those needing special equipment for facilitating their productivity</li> </ul>



# Fair Employment Standard V

## Workplace Health and Nutrition

### 1. Definitions

- 1.1. Diversity: is acceptance of a range of human
  - 1.1.1. Access: refers to physical availability and access to food at workplace
- 1.2. Sufficient: refers to quantity of food that is sufficient to meet daily calorific needs of the workers, particularly of those engaged in hard physical labor, or those having special needs
- 1.3. Safe: refers to clean and potable water, and to food prepared and stored in hygienic conditions
- 1.4. Nutritious: food that provides essential carbohydrates, proteins, vitamins and minerals required as part of healthy diet

### 2. Standard Requirements

- 2.1. All Olam worksites shall ensure that all employees have access to adequate clean, potable water, and safe, hygienic food during working hours
- 2.2. Annually assess each worksite to gauge employee access to
  - 2.2.1. clean and potable water
  - 2.2.2. safe and hygienic food during working hours
- 2.3. Define priority actions for any gaps identified in the assessment, and budget for, and implement, the identified actions

### 3. Monitoring and Recordkeeping

- 3.1. Maintain records of the annual assessment, actions planned, and actions implemented
  - 3.1.1. Location where in violation of the standard
  - 3.1.2. Corrective actions taken

### 4. Standard Maturity Audit Level

Level 1	<ul style="list-style-type: none"> <li>• All employees have access to sufficient and hygienic source for food and water during their working hours</li> </ul>
Level 2	<ul style="list-style-type: none"> <li>• A separate, clean and hygienic space is provided for consumption of food at the workplace</li> <li>• Needs of employees with specific needs are taken care of e.g. pregnant women, those having medical condition or those involved in physical labor</li> </ul>
Level 3	<ul style="list-style-type: none"> <li>• Employees are educated on importance of hygiene</li> <li>• Employees are educated on importance of nutritious &amp; healthy food habits ensuring intake of major essentials like carbohydrates, proteins and minerals</li> </ul>

# Fair Employment Standard VI

## Freedom of Association and Right to Collective Bargaining

### 1. Definitions

- 1.1. Freedom of Association refers to the right of all workers to join, or to refrain from joining, an association representing their collective interests
- 1.2. Collective Bargaining is the way management and worker representatives agree on conditions of employment and provisions governing workplace affairs

### 2. Standard Requirements

- 2.1. Workers, shall have the right to join, or to refrain from joining, representative associations of their choice and to bargain collectively
- 2.2. A worker's choice to form or join an association will not compromise their equal treatment at work
- 2.3. Where the right to freedom of association and collective bargaining is restricted under law, the management shall develop alternate internal processes for collaborating with workers in managing workplace affairs, e.g. Joint Consultative Council defined under level 2 of maturity level
- 2.4. Conduct training of Managers, Supervisors, and worker representatives on applicable definitions, rights and procedures as defined under the local jurisdictions

## 3. Monitoring and Recordkeeping

- 3.1. No of total workforce under protected category (if applicable)
  - 3.1.1. Percentage of protected workers covered under union
  - 3.1.2. Percentage of protected workers covered under a collective bargaining agreement
- 3.2. No and types of awareness training conducted
- 3.3. Operations and suppliers in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk either in terms of:
  - 3.3.1. type of operation (such as manufacturing plant) and supplier;
  - 3.3.2. countries or geographic areas with operations and suppliers considered at risk.
- 3.4. Measures taken by the workplace in the reporting period intended to support rights to exercise freedom of association and collective bargaining

## 4. Standard Maturity Audit Level

Level 1	<ul style="list-style-type: none"> <li>• Employees have the right to join, or to refrain from joining, an association representing their collective interest without threat of intimidation or victimization</li> </ul>
Level 2	<ul style="list-style-type: none"> <li>• Workers' association is provided with facilities and time to carry out their activities</li> <li>• Joint Consultative Councils are formed to promote regular interaction with the association and site management representatives</li> </ul>
Level 3	<ul style="list-style-type: none"> <li>• Social dialogue on all aspects of work is established with employees</li> </ul>