

Corporate Governance Report

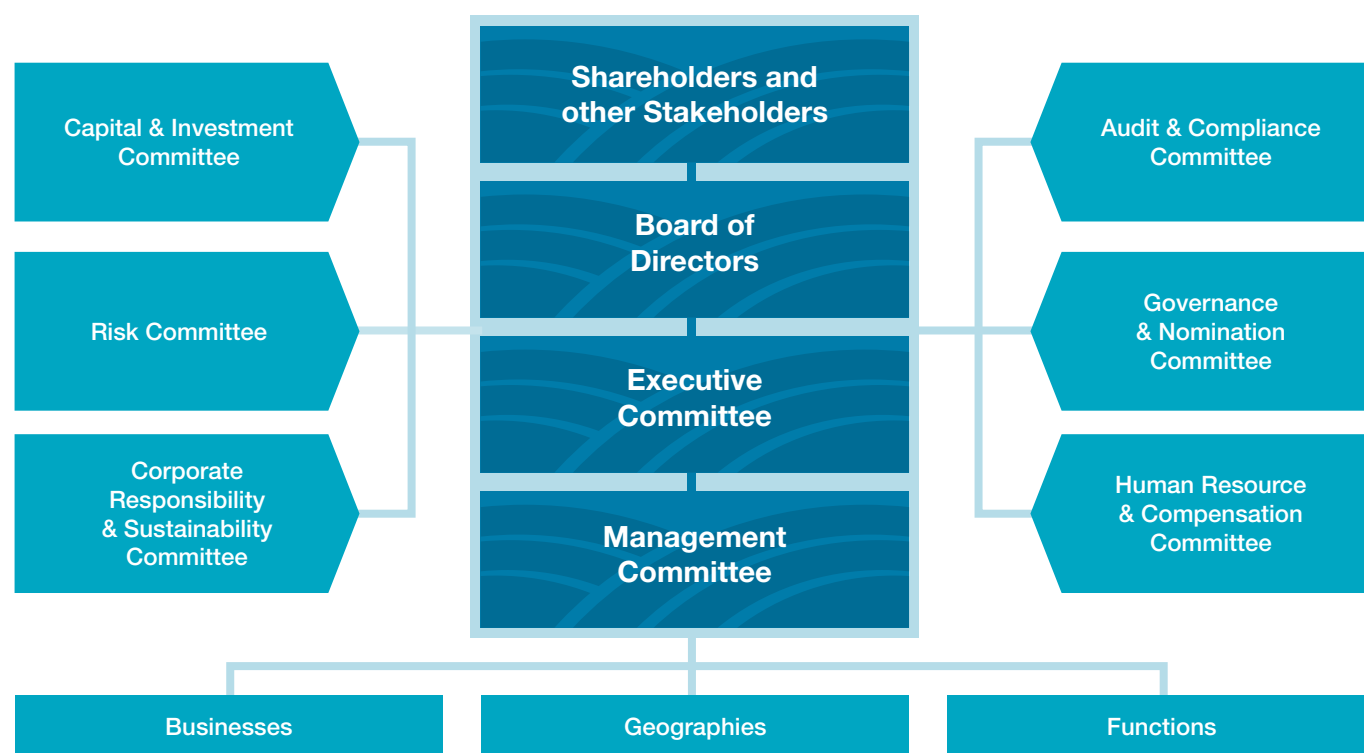
Olam International Limited ('Olam' or the 'Company') is committed to observing a high standard of corporate governance in keeping with its overarching philosophy of delivering sustainable profitable growth and building capabilities with integrity. The Board constantly reviews the Company's corporate governance practices and seeks to align its practices with the developments and changes in the Code of Corporate Governance. The revised Code of Corporate Governance was issued on 2 May 2012 (the 'Code') which takes effect from financial year commencing 1 November 2012 and is only applicable to the Company for its Annual Report in 2014.

In keeping with its commitment, Olam has since 2012 complied with key revised guidelines in the Code such as the appointment of a lead independent director, the proportion of independent directors on the Board, engagement of key stakeholders, poll voting at shareholder meetings, having in place a Board Corporate Responsibility

& Sustainability Committee as well as a Board Risk Committee. In 2013, the Board announced the renewal of the Board in line with the Board succession plan and bearing in mind Guideline 2.4 of the Code on the tenure of Independent Directors. Independent Directors who have served on the Board beyond nine years will be retired

gradually with a view to refreshing the Board. The additional steps taken to align the Company with the Code include organising investor days as well as the extensive engagement with stakeholders. The Company continues to focus on the substance and spirit of the Code while continuing to deliver on the Company's vision and objectives.

Our Current Corporate Governance Structure



BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

Olam is led by a proficient Board with representatives from varied nationalities and diverse international business backgrounds. The Board oversees the affairs of the Company and provides leadership and support to the Senior Management team. Collectively, the Board and the Senior Management Team ensure the long-term success of the Company. Apart from discharging their statutory and fiduciary responsibilities, both individually and collectively, the key functions of the Board are:

- a. To provide entrepreneurial leadership, set strategic objectives, and ensure that the necessary financial and human resources are in place for the Company to meet its objectives, as well as to regularly review the execution and the implementation of the revised strategy plan;
- b. To oversee the process and framework for evaluating the adequacy of internal controls, risk management, financial reporting and compliance and satisfy itself as to the adequacy and effectiveness of such processes and framework;
- c. To review the performance of the Senior Management and the compensation framework of the Board, Executive Directors and Senior Management;
- d. To oversee the succession plans for the Board, CEO and Senior Management;
- e. To ensure the Company's compliance with laws and regulations as may be relevant to the business;
- f. To assume responsibility for corporate governance;
- g. To set the Company's value and standards, and ensure that obligation to shareholders and others are understood and met, from time to time;

- h. To oversee and consider corporate responsibility and sustainability issues, policies, standards and strategy in the context of the Company's activities that may have an impact on environmental and social issues; and
- i. To identify the key stakeholder groups and consider their perceptions.

As an established practice, the material matters that require the specific review and approval of the Board are:

- Acquisitions, divestments and capital expenditure exceeding the authority limits established under an internal policy adopted by the Board, while delegating authority for transactions below those limits to Board Committees and the Executive Committee;
- Capital planning and raising, annual budgets and update to strategy plan;
- Banking facilities and corporate guarantees; and
- Share issuances, dividend distribution, share buyback and other returns to shareholders.

The Board is assisted by various Board Committees for the effective discharge of their responsibilities. The Board Committees established to date are the Audit & Compliance Committee, Governance & Nomination Committee, Human Resource & Compensation Committee, Risk Committee and Corporate Responsibility & Sustainability Committee. Each of these Board Committees has clear written Terms of Reference which set out the role, authority, qualifications for committee membership and process of each committee. All the Board Committees are actively engaged and play an important role in ensuring good corporate governance in the Company. The detailed involvement of each Board Committee is set out in this report.

The Terms of Reference of the Board Committees may be reviewed annually by each committee taking into consideration the changing needs in the business and operations of the Company, relevant laws and regulations, etc.

Ad hoc committees of the Board may from time-to-time be formed as part of

the Board's commitment to engage and provide leadership to Management in areas concerning the business and operations of the Company. The Commodity Financial Services Committee, the Project Financing Committee and the Independent General Committee for purpose of the Voluntary General Offer by Breedens Investments Pte. Ltd. in March 2014, which comprises Independent Directors and are supported by the Executive team, were the ad hoc committees constituted previously. In November 2012, a committee of the Board was constituted to conduct a detailed internal review into the assertions made and widely reported in the media, and submit their findings to the Board. These ad hoc committees add to the effectiveness and strength of the Company's governance practices as well as took into consideration the interests and perspectives of the various stakeholders of the Company.

Directors are expected to exercise independent and objective judgement in the best interests of the Company. In the annual Board and peer performance evaluation exercise, the ability to objectively discharge their duties and responsibilities at all times as fiduciaries in the interests of the Company, as well as the ability to objectively listen and discuss issues with one another, are important assessment criteria.

Board and Board Committee Meetings

The regular meetings of the Board and Board Committees including the Annual General Meeting are scheduled one year in advance. The Board sets aside a full day in each quarter to review and evaluate the Company's business, operations and performance and address key policy matters. These quarterly Board meetings include presentations by Senior Management Team members and the executive team from the business units and functions and, on occasions, external consultants, on strategic issues relating to specific business areas or legal issues, thus providing the Board with important updates and an understanding of the Group's businesses as well as the platform to engage with

the key executives and managers. The Board also sets aside time at each regular Board meeting to meet without the presence of Management and the Executive Directors. In addition to the regular meetings, ad hoc meetings as well as informal discussions of the Board and Board Committees are held as and when required, with Board members participating in person and via telephone conference and video conference. An Annual Board Offsite visit is also organised in locations where the Company operates for Directors to gain an in-depth understanding of the activities and business on the ground. Ad hoc visits by the Board Committees are organised wherever required to better facilitate the review of issues delegated

by the Board. The Company's Articles of Association and the Terms of Reference of the Board Committees provide for Board meetings and meetings of the Board Committees to be conducted via telephone conference and video conference or other similar modes of communication. Besides meetings of the Board, the Board pursuant to the Company's Articles of Association and the Board Committees under their Terms of Reference may also make decisions by way of resolution by circulation. The nature of the current Directors' appointments on the Board and details of their membership on Board Committees are set out below.

Tables showing the number of Board, Board Committees and Non-Executive

Directors' meetings held during the year under review along with the attendance of Directors are provided on the next page. Throughout the year, Directors individually and collectively, actively engage with members of the Board, the CEO, Senior Management team and external consultants to gain deeper insights into the industry and the business of the Company. The contribution to and involvement of each Director in Board affairs and growth of the Company cannot be quantified simply by their attendance. Their input and engagement in the affairs of the Company far outweighs their attendance at Board and Board Committee meetings. Attendance of the Directors should not be the sole yardstick used to measure the effectiveness of a Director.

Membership on Board Committees

Name	Board Membership	Audit & Compliance Committee	Capital & Investment Committee	Corporate Responsibility & Sustainability Committee	Governance & Nomination Committee	Human Resource & Compensation Committee	Board Risk Committee
R. Jayachandran	Non-Executive Chairman	–	Member	–	Member	Member	–
Kwa Chong Seng ⁽¹⁾	Deputy Chairman Independent Director	–	Member ⁽¹⁾	–	Member ⁽¹⁾	Chairman ⁽¹⁾	–
Narain Girdhar Chanrai	Non-Executive Director	Member	Member	Member ⁽²⁾	Member ⁽²⁾	–	–
Michael Lim Choo San	Lead Independent Director	Chairman	–	–	Chairman	–	Member
Mark Haynes Daniell ⁽³⁾	Independent Director	Member ⁽³⁾	–	Member ⁽³⁾	Member ⁽³⁾	Chairman ⁽³⁾	–
Robert Michael Tomlin ⁽⁴⁾⁽⁵⁾	Independent Director	Member	Member ⁽⁵⁾	Member	–	–	Chairman ⁽⁴⁾
Wong Heng Tew ⁽³⁾	Independent Director	Member ⁽³⁾	–	–	Member ⁽³⁾	Member ⁽³⁾	–
Jean-Paul Pinard	Independent Director	–	Member	Chairman	–	Member	–
Sanjiv Misra ⁽⁶⁾	Independent Director	–	Chairman ⁽⁶⁾	–	–	Member ⁽⁶⁾	Member ⁽⁶⁾
Nihal Kaviratne CBE ⁽⁷⁾	Independent Director	Member ⁽⁷⁾	–	Member ⁽⁷⁾	–	–	–
Tse Po Shing Andy ⁽⁸⁾	Independent Director	–	Member ⁽⁸⁾	–	–	–	Chairman ⁽⁸⁾
Sridhar Krishnan ⁽⁸⁾	Executive Director	–	–	Member ⁽⁸⁾	–	–	Member ⁽⁸⁾
Sunny George Verghese	Executive Director Group MD & CEO	–	Member	–	–	–	Member
Shekhar Anantharaman	Executive Director	–	Member	Member	–	–	–

⁽¹⁾ Kwa Chong Seng was appointed as Non-Executive & Independent Director and Deputy Chairman with effect from 1st October 2014. The various memberships on the Board Committees are effective on 30th October 2014

⁽²⁾ N. G. Chanrai will remain as a member of the Governance & Nomination Committee till 30th October 2014 and will be appointed as a member of the Corporate Responsibility & Sustainability Committee with effect from 30th October 2014

⁽³⁾ Mark Haynes Daniell and Wong Heng Tew will step down on 30th October 2014

⁽⁴⁾ Robert Tomlin was appointed Chairman of the Board Risk Committee with effect from 1st November 2013

⁽⁵⁾ Robert Tomlin stepped down as Chairman of the Capital & Investment Committee on 1st November 2013 and will step down as its member on 30th October 2014

⁽⁶⁾ Sanjiv Misra was appointed as Non-Executive & Independent Director with effect from 1st November 2013

⁽⁷⁾ Nihal Kaviratne CBE was appointed as Non-Executive & Independent Director with effect from 1st October 2014. The various memberships on the Board Committees are effective on 30th October 2014

⁽⁸⁾ Tse Po Shing Andy and Sridhar Krishnan stepped down as Directors on 30th October 2013

Attendance at Board and Non-Executive Directors' Meetings held as at 30 June 2014

Name	Scheduled Board Meetings	Ad Hoc Board Meetings	Non-Executive Directors Discussions
R. Jayachandran	4/4	8/8	4/4
Narain Girdhar Chanrai	3/4	7/8	4/4
Michael Lim Choo San	4/4	8/8	4/4
Robert Michael Tomlin	4/4	8/8	4/4
Mark Haynes Daniell	4/4	7/8	4/4
Wong Heng Tew	4/4	7/8*	4/4
Jean-Paul Pinard	4/4	6/8*	4/4
Sanjiv Misra ⁽¹⁾	3/4	5/8*	3/4
Tse Po Shing Andy ⁽²⁾	1/4	1/8	1/4
Sridhar Krishnan ⁽²⁾	1/4	2/8	
Sunny George Verghese ⁽³⁾	4/4	8/8	
Shekhar Anantharaman ⁽³⁾	4/4	7/8*	

⁽¹⁾ Sanjiv Misra was appointed as Non-Executive & Independent Director with effect from 1st November 2013

⁽²⁾ Tse Po Shing Andy and Sridhar Krishnan stepped down as Directors on 30th October 2013

⁽³⁾ Executive Directors

* Attendance at one of the ad-hoc meetings not required

Attendance at Board Committee Meetings held as at 30 June 2014

Name	Audit & Compliance Committee	Capital & Investment Committee	Corporate Responsibility & Sustainability Committee	Governance & Nomination Committee	Human Resource & Compensation Committee	Board Risk Committee	Ad-hoc Independent Committee
R. Jayachandran		5/5		1/1	6/6		
Narain Girdhar Chanrai	5/6	4/5		0/1			
Michael Lim Choo San	6/6			1/1		4/4	7/7
Robert Michael Tomlin	6/6	5/5	3/3			4/4	7/7
Mark Haynes Daniell	5/6		2/3	1/1	6/6		7/7
Wong Heng Tew	6/6			1/1	6/6		
Jean-Paul Pinard		5/5	3/3		5/6		6/7
Sanjiv Misra ⁽¹⁾		4/5			5/6	3/4	7/7
Tse Po Shing Andy ⁽²⁾		1/5				1/4	
Sridhar Krishnan ⁽²⁾			1/3			1/4	
Sunny George Verghese ⁽³⁾		5/5				4/4	
Shekhar Anantharaman ⁽³⁾		5/5	3/3				

⁽¹⁾ Sanjiv Misra was appointed Non-Executive & Independent Director with effect from 1st November 2013

⁽²⁾ Tse Po Shing Andy and Sridhar Krishnan stepped down as Directors on 30th October 2013

⁽³⁾ Executive Directors

Induction and Orientation of Directors

Newly appointed directors are issued with formal letters upon their appointment, which outline their duties and obligations as Directors and are issued with an appointment pack that contains vital information about their appointment and the Company. They will undergo a comprehensive and tailored onboarding process which includes briefings by the Board Chairman and CEO, industry, business and operations briefings by Senior Management team, visits to the Group's key operations, briefing on governance matters, etc. The newly appointed directors are further assisted by the Board Secretariat Office to enable them to appropriately discharge their statutory and fiduciary duties.

Directors' Training

To keep the Directors abreast of developments in the industry as also in the Company's global operations, country visits and interactions with business and geography teams are amongst the different types of exposures provided to the Directors. Directors are invited to participate in sessions and talks conducted by specialists and experts on trends, developments and issues concerning the sectors in which the Company operates. Furthermore, Directors are taken through detailed presentations on the development and progress of the Group's key operations. Regular updates on directors' duties and responsibilities and changes to the relevant laws and regulations such as the Listing Rules of the Singapore Exchange Securities Trading Limited ('SGX-ST'), Code of Corporate Governance, Companies Act, etc. are also provided to the Board.

During the year under review, the Board was briefed on the new SGX-ST requirements, changes and developments in the accounting standards by the external auditors and was briefed and updated on risks management, health & safety, environmental & social risks, market compliance and insurance.

The Board also visited the Company's key operations (cocoa, cashew and dairy) in Côte d'Ivoire. The 5-day visit included a visit to the rubber and palm operations of its strategic partners as well as meetings with key stakeholders and government representatives.

Principle 2: Board Composition and Guidance

To align with the extensive geographical spread and depth of the business, the existing Board comprises of directors with diverse skills and expertise. Our Directors bring with them wide-ranging experience in finance and accounting, banking, investment, business, management, strategic planning, retail and industry knowledge. The size, composition and blend of experience of the current Board allow discussions on matters of policy, strategy and performance to be informed, critical and constructive. A brief profile and the key information of each Director is given on pages 14 to 17 and 81 to 84 of this Annual Report.

Board Size

Our Board currently consists of 10 members with more than 50% being independent directors. This takes into account the changes arising from Board renewal announced on 26th September 2014. The Governance

& Nomination Committee ('GNC') carries out a yearly examination of the Board size to ensure that it is appropriate for effective decision making. The Board reviewed and opined that, given the magnitude, nature and depth of the Group's business and operations, the Board should have between 10 and 12 members, who as a group, possess the required capabilities, skills and experience for the Board to discharge its duties and responsibilities effectively as well as to make objective decisions.

Independence

The GNC determines on an annual basis a Director's independence bearing in mind the definition of an Independent Director under the Code and guidance as to relationships that may exist of which would deem a director to be non-independent. A Director who has no relationship with the Group or its officers and 10% shareholders of the Company that could interfere, or be reasonably perceived to interfere, with the exercise of his independent business judgement in the best interests of the Company, is considered to be independent. The Code further requires the independence of any director who has served on the Board beyond nine years to be rigorously reviewed. The basis of determination by the GNC takes into account the annual confirmation of independence (the Confirmation) completed by each Independent Director. Each Independent Director is required under the Confirmation to critically assess his independence and to confirm in the checklist whether he considers himself independent. Each member of the Board is also required to complete a peer assessment of the independence of each director who has served on the Board beyond nine

years. The peer assessment considers, amongst others, the contribution by the director, the uniqueness of his skills and his participation at meetings. The Board having carried out their review for FY2014 and taking into account the views of the GNC, determines that with the exception of the two Non-Executive Directors and two Executive Directors, the remaining six Non-Executive and Independent Directors are considered independent.

The Board has determined that Mr. Mark Haynes Daniell, Mr. Michael Lim Choo San, Mr. Robert Michael Tomlin and Mr. Wong Heng Tew be considered independent notwithstanding that they have served on the Board beyond nine years. These Non-Executive and Independent Directors have contributed effectively by providing impartial and autonomous views, advice and judgment. They have continued to demonstrate strong independence in character and mind.

Renewal of the Board

In line with the Board renewal plan, Mr. Mark Haynes Daniell and Mr. Wong Heng Tew, both Non-Executive and Independent Directors, who have served on the Board for 11 years and 8 months, and 10 years and 8 months, respectively as at the financial year ended 30 June 2014, will be stepping down as Directors of the Company immediately after the close of the forthcoming Annual General Meeting ('AGM') to be held on 30th October 2014. The remaining long serving Independent Directors will retire progressively with new Independent Directors to be appointed in their place. To fill the offices vacated by both Mr. Mark Haynes Daniell and Mr. Wong Heng Tew, the Board had on 1st October 2014 appointed Mr. Kwa Chong Seng and Mr. Nihal Kaviratne CBE as Non-Executive and Independent Directors.

Mr. Kwa Chong Seng was also appointed as Deputy Chairman on the same day. The new Independent Directors were appointed subsequent to a thorough review of the Board and the GNC following a rigorous selection process. Both Mr. Kwa Chong Seng and Mr. Nihal Kaviratne CBE will submit themselves for re-election and re-appointment at the forthcoming AGM.

Non-Executive Director

The Non-Executive, Independent Directors fulfill a pivotal role in corporate accountability. Their role is particularly important as they provide unbiased and independent views, advice and judgement to take care of the interests, not only of the Company but also of shareholders, employees, customers, suppliers and the many communities in which the Company conducts business. The Board has in 2013 reduced the number of executive directors from 3 to 2 to have more independent representation on the Board. During the year under review, the Non-Executive Directors met quarterly, without the presence of Management, to review, amongst others, the performance of Management and the reporting of the Company's performance by Management. An annual offsite meeting of the Non-Executive Directors, without the presence of Management, is held to discuss the strategic objectives of the Company, performance of the Company, Management's performance, quality of information furnished to the Board, Board succession plans, senior management succession plans and leadership development, etc.

Principle 3: Chairman and Chief Executive Officer

The Chairman, Mr. R. Jayachandran is a Non-Executive Director and is not related to the Chief Executive Officer ('CEO'), Mr. Sunny Verghese or other members of the Senior Management team. There is a clear division of responsibility between the Chairman and CEO to ensure a balance of power and authority. The Chairman is responsible for ensuring the effectiveness of the Board and Board Committees as well as the governance process. The CEO is at the helm of the Management team and has overall responsibility of the Company's operations and organisational effectiveness. The CEO remains accountable to the Board for the decisions and actions taken, as well as for the performance of the Group. The Chairman works closely with the CEO on matters to be tabled at meetings as well as in ensuring that Board members receive accurate, timely and clear information. Under the leadership of the Chairman, the Board held robust, open and constructive discussions at its meetings with adequate time allocated to sufficiently review the issues tabled. The Chairman instituted quarterly non-executive directors' discussions after each Board meeting and organised an offsite meeting of the non-executive directors annually. Along with the CEO, the Chairman monitors the translation of the Board's decisions, requests and recommendations into executive action. As part of the Chairman's oversight, he ensures that constructive communication and engagement with shareholders take place at every general meeting. The Chairman may direct any members of the Board to participate in briefings and meetings with other stakeholders to explain publicly available material information.

Lead Independent Director

Mr. Michael Lim Choo San, Chairman of the GNC was appointed as the Lead Independent Director since 2010. The appointment of a Lead Independent Director is part of the Board succession planning in order to provide continuity of leadership at the Board level in the absence of the Chairman and Deputy Chairman. The Lead Independent Director together with the Deputy Chairman also acts as a bridge between the Independent Directors and the Chairman and is also available to shareholders if they have concerns relating to matters which contact through the normal channels of the Chairman, CEO or Executive Directors has failed to resolve, or where such contact is inappropriate.

Principle 4: Board Membership

Governance & Nomination Committee (GNC)

Michael Lim Choo San, *Chairman*
R. Jayachandran
Kwa Chong Seng ⁽¹⁾
Mark Haynes Daniell ⁽²⁾
Narain Girdhar Chanrai ⁽²⁾
Wong Heng Tew ⁽²⁾

⁽¹⁾ Effective 30th Oct 2014

⁽²⁾ Cessation 30th Oct 2014

The GNC is chaired by the Lead Independent Director. The GNC is comprised entirely of Non-Executive Directors, majority of whom are independent Directors. The GNC is guided by its written Terms of Reference with principal functions as follows:

- a. To review the size, skills and composition of the Board to ensure there is adequate representation in respect of issues and challenges, without compromising Board effectiveness and participation. In addition, the GNC seeks to identify the critical needs in terms of expertise and skills, as well as knowledge of the jurisdictions in which Olam operates;
- b. To recommend the appointment and re-appointment of Directors with a view to refreshing the Board;
- c. To conduct an annual review of the independence of each Director bearing in mind the relationships and the tenure limits under the Code;
- d. To assess the effectiveness of the Board and its members;
- e. To review and recommend performance criteria for evaluating the Board's performance;
- f. To recommend membership for Board committees;
- g. To consider and review Company's corporate governance principles;
- h. To consider questions of possible conflicts of interest of board members and senior executives; and
- i. To review and recommend to the Board the induction program for new directors and ongoing training and development needs of the directors and the Board as a whole.

Succession Planning

In a joint review of the Terms of Reference of the Board Committees by the Board along with the recommendations of the GNC, the review of the Board succession plans including the Chairman shall remain as a principal role of the GNC while review of the succession plans for key positions in the Group including the CEO is delegated to the Human Resource & Compensation Committee. The GNC actively reviews the present Board composition and the necessity of refreshing the Board. The GNC is of the view that any renewal and refreshment of the Board must be carried out progressively and in an orderly manner to ensure continuity. A formal plan for the renewal of the Board and the process for selection of new directors were put in place after having been recommended to and approved by the Board. The key recommendations approved by the Board for implementation are effective from 1 July 2013 and were announced in October 2013, as follows:

- i. Longest serving Independent Director will be retired gradually at each AGM over the next three years starting from the 2013 AGM;
- ii. New Independent Directors who possess the required skills and capabilities will be appointed to fill the vacancies of the outgoing Independent Directors after such appointment is reviewed by the GNC and in concurrence with the Board;
- iii. All newly appointed Independent Directors would be subject to a term of office comprising two terms of three years each, with an additional term of three years at the sole discretion of the Board subject to a maximum tenure of no more than nine years; and

- iv. All directors whether executive, non-executive or independent remain subject to an annual performance evaluation notwithstanding the term of office. Independent Directors may be retired prior to completion of the term of office if so determined by the Board taking into consideration the recommendation of the GNC.

Retirement and Re-election

All Directors submit themselves for retirement and re-election at least once every three years. Pursuant to the Articles of Association of the Company, one third of the Directors shall retire from office at the Company's AGM. A retiring Director is eligible for re-election at the AGM. The Group Managing Director/CEO, as a Director, is subject to the same retirement by rotation provision as the other Directors. In addition, the Company's Articles of Association also provides that a newly appointed Director must submit himself for re-election at the AGM following the appointment. At the 2014 AGM, Mr. N. G. Chanrai, Mr. Michael Lim Choo San and Mr. Shekhar Anantharaman will retire pursuant to Article 103 of the Company's Articles of Association ('AA') and will be eligible for re-election by the shareholders at the AGM. Mr. Kwa Chong Seng who was appointed as Deputy Chairman and Non-Executive and Independent Director on 1 October 2014 and Mr. Sanjiv Misra who was appointed as Non-Executive and Independent Director on 1 November 2013 will retire pursuant to Article 109 and will be eligible for re-election by the shareholders at the AGM. Mr. R. Jayachandran and Mr. Nihal Kaviratne who have attained the age of 70 will submit themselves for re-appointment at the AGM.

In addition, Mr. Mark Haynes Daniell and Mr. Wong Heng Tew, both Non-Executive and Independent Directors, will be stepping down as Directors of the Company immediately after the close of the 2014 AGM.

New Appointments, Selection and Re-nomination of Directors

All new appointments, selection and re-nomination of Directors are reviewed and proposed by the GNC. The GNC has access to external search consultants and resources to identify potential candidates. Board members may also make recommendations to the GNC. Shortlisted candidates are met by the GNC Chairman along with the Board Chairman and CEO prior to the approval at the Board level. Some of the criteria considered by the GNC while evaluating Directors' appointments are:

- a. The candidate should possess knowledge and experience in any one area, namely, accounting or finance, business or management, industry knowledge, strategic planning and customer-based experience or knowledge;
- b. The candidate should have the aptitude or experience to understand fully the fiduciary duties of a director and the governance processes of a publicly listed company;
- c. Independence of mind;
- d. Capability and how he/she could meet the needs of the Company and simultaneously complement the skill set of the other Board members;
- e. Experience and track record in multi-national companies;
- f. Ability to commit time and effort toward discharging his/her responsibilities as a Director; and
- g. Reputation and integrity.

Membership on other Boards

The GNC, in assessing the performance of the individual Director, considers whether sufficient time and attention has been given by the Director to the affairs of the Company. It has regard to the Director's other Board memberships and commitments. No limit on the number of Board representations which a Director may hold has been imposed by the GNC as Directors have demonstrated their commitment and effectiveness in discharging their duties and responsibilities and avoiding actual or potential conflicts of interest from serving on other Boards.

Key Information Regarding Directors

Key information regarding Directors, such as academic and professional qualifications, board committees served on (as a member or chairman), date of first appointment as a director, date of last re-election as a director, directorships both present and past held over the preceding three years in other listed companies and other major appointments, is disclosed on pages 81 to 84 of this Corporate Governance report. Information relating to Directors' shareholding and interests in the Group is disclosed in the Directors' Report of this Annual Report.

Principle 5: Board Performance

The Board considers the importance of putting the right people, with the range of skills, knowledge and experience together for effective governance of the Group's business. The GNC assists the Board in ensuring that the Board is comprised of individuals whose background, skills, experience and personal characteristics enhance the effectiveness of the current Board and meet its future needs.

Based on the recommendations of the GNC, the Board has laid down a preliminary set of assessment criteria to assess the effectiveness of the Board as a whole and contribution of each director to the effectiveness of the Board. The assessment criteria for the Board evaluation covers amongst other criteria, Board performance in relation to discharging its principal functions, its effectiveness in ensuring the long term success of the Company, composition of the Board, relationship amongst Board members and the adequacy and performance of Board Committees in relation to discharging the responsibilities set out in their respective terms of reference. The individual Directors' assessment criteria are in relation to their industry and functional expertise, level of involvement, contribution, objectivity and interactive skills when working with Board members and participation at Board meetings. During the year, the GNC carried out an evaluation of the effectiveness of the Board, the individual Board Members and the Chairman of the Board. The results of the evaluations are critically reviewed by the GNC and the Board with proposed follow-up actions planned and taken. The follow-up actions are undertaken by the GNC Chairman along with the Chairman of the Board. Meetings between the individual Director and the Board Chairman, as well as the GNC Chairman may be set up with a view to sharing feedback and comments received and to work out action plans to address specific issues raised.

Principle 6: Access to Information

Principle 10: Accountability

The agenda for each Board and Board Committee meeting along with all board papers, related materials and background materials are sent to the Directors in a timely manner. This is sent sufficiently in advance to enable the Directors to obtain further details and explanations where necessary. The Board is briefed and updated on the execution of the Company's strategic plan, performance of its investments, variance in budgets, etc. Members of the Management team are invited to be present at the Board and Board Committee meeting to provide additional insight into the matters tabled for deliberation. Global Heads of the Business Units are scheduled wherever required to update the Board on platform wise performance and plans.

Directors have direct access to the Management, Board Secretariat and the Company Secretary and are provided with their contact details. Non-Executive Directors meet with Senior Management independently to be briefed on various issues. Additional information, documents and materials are provided to the Directors as and when required to enable them to make informed decisions.

Board members are invited to participate in the Annual Management Committee Meetings to interact with Management as well as to gain industry insight through external speakers. Presentations on the Group's business and activities are provided to the Board throughout the year by the Company's Management team. The Board takes independent professional advice, with expenses borne by the Company, as and when necessary

to enable it or the Directors individually to discharge their responsibilities effectively.

The role of the Company Secretary is clearly defined. The Board Secretariat together with the Company Secretary ensures that all board procedures are followed and that applicable rules and regulations such as the Company's Memorandum and Articles of Association, Securities Dealing Policy, the Singapore Companies Act, Securities & Futures Act and the Listing Manual of the SGX-ST, are complied with. The Board Secretariat manages, attends and prepares all minutes of meetings of the Board and Board Committees. They play a key role in ensuring efficient and timely information flow to the Board and Board Committees. In addition, the Board Secretariat facilitates the appointment and induction of new director, ongoing training and development of the Board and coordinates with Legal, Market Compliance and any external consultants on advice in respect of changes in regulation or law, as circumstances require. The appointment and removal of the Company Secretaries are subject to the approval of the Board.

The Board has adopted a policy of openness and transparency in the conduct of the Company's affairs while preserving the commercial interests of the Company. The Company has been reporting its financial results quarterly and holding media and analyst meetings to coincide with the quarterly results announcements. An Investor Day is also organised throughout the year to educate the external stakeholders on the businesses and operations of the Company.

Financial results and other price sensitive information are disseminated to shareholders via SGXNET, to the SGX-ST, press releases, the Company's website and through media and analyst briefings.

The Company has in place a comprehensive investor relations programme to keep investors informed of material developments in the Company's business and affairs beyond that which is prescribed, but without prejudicing the business interests of the Company.

Principle 7: Procedures for Developing Remuneration Policies

Principle 8: Level and Mix of Remuneration

Principle 9: Disclosure on Remuneration

Human Resource & Compensation Committee (HRCC)

Mark Haynes Daniell, *Chairman* ⁽¹⁾
Kwa Chong Seng, *Chairman* ⁽²⁾
R. Jayachandran
Jean-Paul Pinard
Sanjiv Misra
Wong Heng Tew ⁽¹⁾

⁽¹⁾ Cessation 30th Oct 2014

⁽²⁾ Effective 30th Oct 2014

Apart from Mr. R. Jayachandran who is the Non-Executive Chairman of the Board, all members of the HRCC, including the HRCC Chair, are Independent and Non-Executive Directors. Mr. Mark Haynes Daniell will

be stepping down as Chairman of the HRCC on 30th October 2014 and will be succeeded by Mr. Kwa Chong Seng.

The HRCC is established by the Board with the following principal functions:

- To review the executive leadership development process and program;
- To review and recommend executives' compensation framework and equity based plans;
- To review succession plans for key executives including the CEO;
- To establish and oversee the process for evaluating the performance of the CEO and key executives in the fulfillment of their responsibilities, meeting objectives and performance targets; and
- To review annually the remuneration framework and the adequacy of the fees paid to non-executive directors.

The HRCC carries out regular discussions with the CEO and the Board on succession planning at the senior management level including that of the CEO.

During the year, the HRCC actively engaged with the CEO, key members of the Human Resources function and an external consultant, Carrots Consulting to review the existing executives' remuneration framework, which included a proposed new Share Grant Plan. Apart from their engagement as remuneration consultants for this exercise, Carrots Consulting does not have any existing relationships with the Company which will affect their independence and objectivity.

Remuneration Policy for Non-Executive Directors

The existing remuneration framework for non-executive directors adopted by the HRCC consists of a base fee for membership on the Board, chairing the Board and as Lead Independent Director, fees for membership of Board committees, fees for chairing Board committees and an attendance fee for Board offsite meetings. The last review by an external consultant, Freshwater Adviser was commissioned by the HRCC in 2011. The existing fee structure is set out below.

Nature of Appointment	\$
Board of Directors	
Base Fee (Chairman)	160,000
Base Fee (Member)	60,000
Audit & Compliance Committee Capital & Investment Committee	
Chairman's fee	50,000
Member's fee	25,000
Governance & Nomination Committee Human Resource & Compensation Committee Corporate Responsibility & Sustainability Committee	
Risk Committee	
Chairman's fee	30,000
Member's fee	15,000
Lead Independent Director	15,000
Attendance Fee at Board Offsite	2,500

To facilitate timely payment of Directors' fees, the fees are paid in advance on a quarterly basis for the current financial year once approval is obtained from shareholders at the AGM.

The fees paid to the Non-Executive Directors for the financial year ended 30 June 2014 quarterly in advance and entirely in cash amounted to \$1,400,250 (FY 2013: \$1,215,000), which included special fees paid to the Non-Executive and Independent Directors (excluding Mr. Wong Heng Tew) who were appointed to the Independent Committee established during the year under review for purpose of the Voluntary Cash Offer by Breedens Investments Pte. Ltd. The breakdown of the fees paid to the Non-Executive Directors for the financial year ended 30 June 2014 including fees paid to the Non-Executive Director(s) appointed to the subsidiary of the Company is tabled below.

Fees Paid to Non-Executive Directors for the financial year ended 30 June 2014

Name	Directors' Fees \$
R. Jayachandran	217,500
Narain Girdhar Chanrai	127,500
Michael Lim Choo San	217,500
Mark Haynes Daniell	183,500
Robert Michael Tomlin	196,000
Wong Heng Tew	117,500
Jean-Paul Pinard	168,500
Sanjiv Misra ⁽¹⁾	141,000
Tse Po Shing Andy ⁽²⁾	31,250
Paid by Subsidiary:	
Sanjiv Misra	50,000
Robert Michael Tomlin	40,000

(1) Appointed on 1 November 2013.
Pro-rated fees paid.

(2) Stepped down on 30 October 2013.
Pro-rated fees paid.

Revision to the Fees Framework for Non-Executive Directors

The HRCC may commission an independent review by an external consultant on the remuneration framework of directors as well as key management personnel.

In view of the Non-Executive Director fees having remained unchanged for the last three years, the Board has during the year, in conjunction with the HRCC, carried out a thorough review on the adequacy of the level and framework of remuneration of Non-Executive Directors. The review included discussions with key stakeholders as well as benchmarking fees paid to peers companies and companies with similar size and market capitalisation. Consequent to the extensive review, the Board approved the revision to the remuneration framework for Non-Executive Directors. The revised framework will include an upward adjustment of the base fees for Board Chairman, Lead Independent Director, directors and fees for chairmanship and membership on Board Committees, base fees for Deputy Chairman and introduction of attendance fees for all meetings held.

Details of the revised fees framework for Non-Executive Directors are provided below. The recommendations were made to bring the remuneration for Non-Executive Directors in line with the peers companies and those whom we benchmarked against. The revised fees framework for Non-Executive Directors reflect an equitable and adequate remuneration on account of increased responsibilities and increase in the average amount of time spent by a Director at Board and Board Committee meetings as well as their separate discussions with Management in the discharge of their responsibilities.

Nature of Appointment

\$

Board of Directors

Base Fee (Chairman)	180,000
Base Fee (Deputy Chairman)	130,000
Base Fee (Member)	70,000
Lead Independent Director	25,000

Audit & Compliance Committee

Capital & Investment Committee

Chairman's fee	50,000
Member's fee	25,000

Board Risk Committee

Human Resource &

Compensation Committee

Chairman's fee	35,000
Member's fee	20,000

Governance & Nomination Committee

Corporate Responsibility

& Sustainability Committee

Chairman's fee	30,000
Member's fee	15,000

Attendance Fee

Home City Meeting:	
– Board	3,000
– Committee	1,500
Out Region Meeting:	
– Board	4,500
– Committee	2,250
Conference Call	
– Board	600
– Committee	400
Conference Call (Odd hours)	
– Board	1,200
– Committee	750
Board Offsite	6,000

The aggregate directors' fees for Non-Executive Directors are subject to shareholders' approval at the Annual General Meeting. The Non-Executive Directors will refrain from making any recommendation on, and being shareholders, shall abstain from voting on the ordinary resolution for the aggregate directors' fees. The Directors shall also decline to accept appointment as proxies for any shareholder to vote in respect of this resolution unless the shareholder concerned shall have given instructions in his proxy form as to the manner in which his votes are to be cast in respect of this resolution.

Remuneration Policy for Executive Directors and Other Key Executives

Executive Directors are not entitled to either base fees or fees for membership in Board Committees. Remuneration for Executive Directors currently comprises a base salary, performance bonus tied to the Company's and the individual's performance and participation in share option scheme.

The Company advocates a performance based remuneration system that is flexible and responsive to the market. The remuneration is linked to the Company's and individual executive's performance.

The total remuneration comprises three components: an annual fixed cash component, an annual performance incentive and a long term incentive. The annual fixed component consists of

the annual basic salary and other fixed allowances. The annual performance incentive is tied to the Company's and individual executive's performance, while the long term incentive is granted based on the individual's performance and contribution made.

To remain competitive, it would be our aim to benchmark our executive's compensation with that of similar performing companies and remain in the top 25 percentile. The compensation structure would be so designed that as one moves up the corporate ladder, the percentage of his/her total remuneration at risk increases. The Company currently has eight top key executives who are not also directors. In considering the disclosure of remuneration of the Executive Directors and top eight key executives of the Company who are

not also directors, the HRCC regarded the industry conditions in which the Company operates, as well as the confidential nature of the Executive Directors and key executives' remuneration. The Company believes that the disclosure of remuneration of its Executive Directors and top eight key executives as recommended by the Code would be prejudicial to the Company's interests and hamper its ability to retain and nurture the Group's talent pool. The Company has instead disclosed the breakdown in percentage terms of the individual Executive Director's remuneration within appropriate bands whilst the remuneration of the top eight key executives (who are not also directors of the Company) are presented only in a baseline remuneration band.

Level and Mix of Remuneration of the Executive Directors for the financial year ended 30 June 2014

Remuneration Band & Name of Executive Director	Base/ fixed salary	Variable or performance related income/ bonuses	Benefits in kind	Total	Share Option held under ESOS
\$1,800,000 and above					
Sunny George Verghese	20%	77%	3%	100%	15,000,000 ⁽¹⁾
\$500,000 and above					
Shekhar Anantharaman	45%	55%	—	100%	5,000,000 ⁽³⁾

⁽¹⁾ The subscription/exercise price of \$2.35 per share for 15,000,000 share options is the price equal to the average of the last dealt prices for a share for the five consecutive market days preceding the date of grant.

⁽²⁾ The subscription/exercise price of \$2.28 per share for 1,750,000 share options and \$1.76 per share for 3,250,000 share options is the price equal to the average of the last dealt prices for a share for the five consecutive market days preceding the date of grant.

Remuneration Band of the Top Eight Key Executives for the Year Ended 30 June 2014

Remuneration Band	No. of Executives
\$500,000 and above	8

Remuneration of employees who are immediate family members of a Director or the CEO

No employee of the Company and its subsidiaries was an immediate family member of a Director or the CEO and whose remuneration exceeded \$50,000 during the year under review. Immediate family member means the spouse, child, adopted child, step-child, brother, sister and parent.

Employee Share Scheme

The Company has an existing share option plan, the ESOS 2005 which will expire on 3 January 2015.

Details of employee share schemes which include size of grants, methodology of valuing stock options, exercise price of options that were granted as well as outstanding, whether the exercise price was at the market or otherwise on the date of grant and vesting schedule are disclosed in the Directors' Report and the notes to financial statements in this Annual Report.

In view of the impending expiry of the ESOS 2005, the Board, with the concurrence of the HRCC, is recommending the adoption of a new Share Grant Plan by Shareholders at the 2014 Annual General Meeting.

The proposed Share Grant Plan is important to retain employees whose contributions are essential to the well-being and prosperity of the Group and to give recognition to outstanding employees and Executive Directors of the Group who have contributed to the growth of the Group. The proposed Share Grant Plan will give employees an opportunity to have a personal equity interest in the Company and will help to achieve the following positive objectives:

- motivate employees to optimise their performance standards and efficiency, maintain a high level of contribution to the Group and strive to deliver long-term shareholder value;
- align the interests of employees with the interests of the Shareholders of the Company;
- retain key employees and executive directors of the Group whose contributions are key to the long-term growth and profitability of the Group;
- instil loyalty to, and a stronger identification by employees with the long-term prosperity of, the Company; and
- attract potential employees with relevant skills to contribute to the Group and to create value for the Shareholders of the Company.

Details of the proposed Share Grant Plan are set out in the Letter to Shareholders dated 15 October 2014 accompanying the Notice of AGM.

Accountability and Audit

Principle 11: Risk Management and Internal Controls

Principle 12: Audit Committee

The Board, supported by the ACC and BRC, oversees the Group's system of internal controls and risk management.

Board Risk Committee (BRC)

Robert Michael Tomlin, Chairman
Michael Lim Choo San
Sunny Verghese
Sanjiv Misra

The Board is responsible for the governance of risk. To assist the Board in carrying out its responsibility of overseeing the Company's risk management framework and policies, the Risk Committee was established in 2005. The BRC met four times during the year under review and it has oversight of the following matters:

- To review with Management the Group's guidelines, policies and systems to govern the process for assessing and managing risks;
- To review and recommend risk limits and budgets;
- To review benchmarks for and major risk exposures from such risks;
- To request, receive and review reports from Management on risk exposures;
- To identify and evaluate new risks at an enterprise level and to table a report to the Board;
- To review the Enterprise Risk Scorecard bi-annually and determine the risks to be escalated to the Board;
- To review the framework and effectiveness of the Enterprise Risk Scorecard; and
- To review market compliance updates and issues reported.

Today, the Company is already complying with the recommendations contained in the Risk Governance Guidelines issued by the Corporate Governance Council such as the approach to risk governance for the Group and establishing the right mechanisms and framework to identify risks inherent in the Group's business model and strategy, risks from external factors, etc. monitoring the company's exposure to risk and the key risks that could impact the business, strategy, reputation and long-term viability of the Group. The Board along with the BRC, the Executive Risk team and Management has instilled the right culture throughout the company for effective risk governance.

The BRC has in the course of the year reviewed its Terms of Reference against the Risk Governance Guidelines and the Code, having consideration of the changing needs of the organisation. The BRC Chair actively engages with the Risk Management team on various risks matters as well as the matters to be discussed at each BRC meeting. A Board Risk Field day was organised during the year under review where the Board was refreshed on areas such as risk governance, risk identification, risk monitoring and control, risk management tools, market compliance, environmental & social risks, health & safety, the Enterprise Risk framework, etc.

The Committee is assisted by the Executive Risk Committee ('ERC'), which approves large exposures, provides support in the escalation process for limit breaches and promotes risk culture & awareness. The ERC comprises the Managing Director – Risk, Market Compliance & Internal Audit as its chair and has the Managing Directors of our cocoa, edible nuts and cotton businesses, along with the President of Internal Audit & Assurance as its members. During the year under review, the BRC carried out a rigorous review of the Enterprise Risk Scorecard and engaged Management actively in ensuring the adequacy, effectiveness and relevance of the Enterprise Risk Scorecard against the business and operations of the Group.

Audit & Compliance Committee (ACC)

Michael Lim Choo San, *Chairman*
Mark Haynes Daniell ⁽¹⁾
Narain Girdhar Chanrai
Robert Michael Tomlin
Wong Heng Tew ⁽¹⁾
Nihal Kaviratne CBE ⁽²⁾

⁽¹⁾ Cessation 30th Oct 2014

⁽²⁾ Effective 30th Oct 2014

All the members of the Audit & Compliance Committee ('ACC') are Non-Executive Directors with a majority of its members including the ACC Chair being independent. Mr. Michael Lim, who is also the Chairman of the Singapore Accountancy Commission and the Accounting Standards Council, along with the members of the ACC have significant and varied experience and background in accounting and financial management related fields.

Besides the formal briefing to the full Board held twice in FY 2014, the external auditors also update the committee at its quarterly meeting on the changes to accounting standards and developments in issues with a direct impact on financial statements.

The ACC met six times during the year under review. The ACC has an established Terms of Reference approved by the Board and has explicit authority to investigate any matter within its terms of reference. The key functions of the ACC are to:

- a. Assist the Board in discharging its statutory and other responsibilities on internal controls, financial and accounting matters, operational and compliance controls, and business and financial risk management policies and systems, and to ensure that a review of the effectiveness of the same (which may be carried out by the external or internal auditors) is conducted at least annually;
- b. Review with the external auditors their audit plan, their evaluation of the system of internal controls, their audit report, their management letter, the Company management's response and allocation of audit resources according to the key business and financial risk areas as well as the optimum coverage and efforts between the external and internal auditors;
- c. Review the quarterly and annual financial statements before submission to the Board of Directors for approval, focusing in particular, on changes in accounting policies and practices, major operating risk areas and overview of all group risk on an integrated basis, significant adjustments resulting from the audit, the going concern statement, compliance with accounting standards as well as compliance with any Singapore Exchange and statutory/regulatory requirements;
- d. Review the proposed scope of the Internal Audit function, the performance of the Internal Audit function, Internal Audit findings and the Internal Audit Plan semi-annually;
- e. Review the internal controls and procedures and ensure co-ordination between the external auditors and the Company management, reviewing the assistance given by the management team to the auditors, and discussing problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of the management where necessary);
- f. Review and discuss with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has, or is likely to have, a material impact on the Group's operating results or financial position, and the management's response to the same;
- g. Consider the appointment or re-appointment of the external auditors and matters relating to resignation or dismissal of the auditors;
- h. Review the scope and results of the audit and its cost effectiveness and the independence and objectivity of the external auditors annually;

- i. Review interested party transactions falling within the scope of Chapter 9 of the SGX Listing Rules for potential conflicts of interest;
- j. Undertake such other reviews and projects as may be requested by our Board of Directors and report to the Board of Directors its findings from time to time on matters arising and requiring the attention of the ACC; and
- k. Undertake such other functions and duties as may be required by statute or the Listing Manual, and by such amendments made thereto from time to time.

The ACC has full access to and cooperation of the Management and full discretion to invite any Director or executive officer to attend its meetings. The Executive Director for Finance and Business Development, President and Global Head of Corporate Finance, Managing Director – Risk, Compliance & Internal Audit, President of Internal Audit and the external auditors are invited to attend these meetings.

The Company has an Internal Audit team which together with the external auditors, reports their findings and recommendations independently to the ACC. During the year, the ACC reviewed the unaudited financial statements of the Company before the announcement of the financial results and the audited financial statements prior to despatch to the shareholders. During the year, the ACC along with Management reviewed the adequacy, structure and content of its results announcements to enable easier interpretation and analysis by its stakeholders. The ACC also reviewed the proposed Accounting Policy and Procedures Manual to formalise enterprise-wide practices, policies and procedures drawn up by Management with the assistance of the external auditors.

Internal Audit

The ACC regularly reviews the resource adequacy and the effectiveness of the internal audit function as well as the areas of audit undertaken by the internal audit team. During the year under review, the ACC is satisfied that the team has appropriate standing within the Company. The Committee met with the internal audit team during the year under review, without the presence of management, to discuss with them any issues of concern.

External Auditors

The Committee met with the external auditors during the year under review, without the presence of management, to discuss with them any issues of concern. The ACC also reviewed the nature and extent of all non-audit services performed by the external auditors to establish whether their independence has in any way been compromised as a result. From the review, the ACC has confirmed that the non-audit services performed by the external auditors would not affect their independence. Details of the fees payable to the external auditors in respect of audit and non-audit services are set out in the notes to financial statements of this Annual Report. The Company has complied with Rule 712, and Rule 715 read with Rule 716 of the SGX Listing Manual in relation to its auditing firms.

As a part of good corporate governance practices, the ACC during the year carried out a review of the external audit services provided. Taking all relevant factors into consideration, the ACC made its recommendation to the Board, and the Board accepted the recommendation for the re-appointment of the current auditors.

Whistle-Blowing

On the recommendation of the ACC and the approval of the Board, the Company has formalized a Code of Conduct for the Company with the objective of conducting business in compliance with the letter and spirit of the law and other accepted standards of business conduct and to maximise shareholder value for its continuing shareholders in an ethical and environmentally sustainable manner. It provides the key standards and policies that everyone working in and for the Company should adhere to. This Code also encourages and provides a channel for employees to report possible improprieties, unethical practices, etc. in good faith and confidence without fear of reprisals or concerns. All information and reports are received confidentially to protect the identity and the interest of all whistle-blowers. Different modes of reporting are provided in the Code including an internal compliance hotline and email. To ensure that all incidents that are reported are adequately brought to the notice of the stakeholders concerned as well as to initiate corrective action, a reporting structure is provided in detail in the Code.

Internal Controls

The Company's internal controls structure consists of the policies and procedures established to provide reasonable assurance that the organisation's related objectives would be achieved.

The Standard Operating Procedure ('SOP') and Field Operations Manual ('FOM') policies prescribe the process and documentation requirement for all our procurement, grading, sorting, processing, storage, transits and shipment of our products. Strict adherence to the SOP and FOM is the key to our control over financial and operational risks. To ensure that this is happening, we have periodical internal and external audit reviews.

To round off the process, we link the Internal Audit findings into the manager's performance evaluation system, to ensure the desired influence on behaviour.

The Company's Enterprise Risk Management ('ERM') framework covers Market Risks, Credit & Counter Party Risks, Operational Risks, Information Risks, Sovereign Risks, Health & Safety Risks, Legal & Regulatory Risks and other tail risks. The Market Compliance team puts in place a Market Compliance and Procedures Manual and an annual e-training session to provide guidance to officers and employees of the Group who are involved in the trading of commodity futures contracts and options on commodity futures contracts on the exchanges. The Market Compliance and Procedures Manual is periodically reviewed and updated for changes in exchanges rules and regulations. The Company has a Risk Committee and an independent Risk Control function to measure and monitor Market Risks and Credit & Counter Party Risks. Our risk management system is outlined on pages 54 and 55.

During the year, an assessment was carried out on the Company's risk management framework, systems and policies and processes including financial, operational, compliance and information technology controls.

The Board has received assurance from the CEO/Group Managing Director and the Executive Director for Finance and Business Development that:

- a. the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and

- b. from their review with the risk owners of their assessments of the standard operating procedures framework, escalation reporting, breaches and assurance processes, they are satisfied with the adequacy and effectiveness of the Company's risk management and internal control systems.

Based on the work performed by the internal and external auditors, the internal controls and risk management systems established and reviewed by Management, as well as the regular reviews undertaken by various Board Committees, the Board, with the concurrence of the ACC, is of the opinion that the internal controls, addressing the financial, operational, information technology and compliance risks of the Company are adequate to meet the needs of the Group in its current business environment.

Whilst the internal audit and the internal controls systems put in place by Management provide reasonable assurance against material financial mis-statements or loss, reliability, relevance and integrity of information (including financial information), completeness of records, safeguarding of assets, effectiveness and efficiency of operations and compliance with applicable policies, laws and regulations, it is opined that such assurance cannot be absolute in view of the inherent limitations of any internal audit and internal controls systems against the occurrence of significant human and system errors, poor judgment in decision-making, losses, fraud or other irregularities.

Principle 13: Internal Audit

The internal audit function is established to support the Governance Process and provide a source of confidence to both Management and the ACC that there is sound managerial control over all aspects of the operations of Olam including statutory compliances, accounting, asset management and control systems.

The Managing Director – Risk, Market Compliance & Internal Audit and President of Internal Audit & Assurance reports directly to the Chairman of the ACC and administratively to the CEO of the Company. The Internal Audit team comprised of members with the relevant qualifications and experience and specialised audits may be outsourced to reputable accounting/auditing firms. Internal Audit is carried out according to the standards set by nationally or internationally recognised professional bodies including the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors. The Internal Audit team has full, free and unrestricted access at all times to all books, personnel, documents, accounts, property, vouchers, records, correspondence and other data of the Company. The Internal Auditors also have the right, to enter any premises of the Group and to request any officer to furnish all information and such explanations deemed necessary for them to form an opinion on the probity of action, adequacy of systems and/or of controls.

The scope of the Internal Audit carried out by the Internal Audit Team is comprehensive to enable the effective and regular review of all operational, financial and related activities. The Internal Audit coverage extends to all areas of the Company and its controlled entities and includes financial,

accounting, administrative, computing and other operational activities. An internal compliance monitoring system was developed as a self-assessment tool for monitoring the performance of the business units on key control aspects and processes.

The ACC reviews the proposed scope of the Internal Audit function, the performance of the Internal Audit function, internal audit findings and management response and the Internal Audit Plan semi-annually. It ensures that no limitation on audit has been interposed. The Internal Audit's summary of findings, recommendations and actions taken are reviewed and discussed at the ACC meetings.

The ACC is assisted in the discharge of this function by the Executive Audit Committee ('EAC'). The EAC has the Managing Director – Risk, Market Compliance & Internal Audit as its chair and the Managing Director – Africa & Middle East, the President of Internal Audit & Assurance and the President of Finance & Accounts as its members.

Capital & Investment Committee (CIC)

Sanjiv Misra, *Chairman*
R. Jayachandran
Kwa Chong Seng ⁽¹⁾
Narain Girdhar Chanrai
Jean-Paul Pinard
Sunny Verghese
Shekhar Anantharaman
Robert Michael Tomlin ⁽²⁾

⁽¹⁾ Effective 30th Oct 2014

⁽²⁾ Cessation 30th Oct 2014

The CIC met every quarter and as and when required either by way of physical meetings or via telephone conference. The CIC is governed by an established Terms of Reference and has oversight of the following matters:

- a. To review and recommend financial strategies, policies, gearing and financial risks, new business risks, and capital structure of the Company;
- b. To review and recommend equity capital raising plans;
- c. To review and recommend debt capital raising plans and significant banking arrangements;
- d. To review investment policy guidelines and capital expenditure plans;
- e. To review and assess the adequacy of foreign currency management;
- f. To review and recommend on mergers, acquisitions and divestments;
- g. To evaluate periodically the performance of the businesses in relation to the capital allocated; and
- h. To review and recommend the Annual Budget.

The committee has access to any member of the Management team in their review of investments and divestments, and actively engages the Management team and consultants when deliberating any investment and divestment proposal.

During the year, the CIC reviewed its Terms of Reference and the existing policy governing authority limit of the committee and CEO.

Corporate Responsibility & Sustainability Committee (CRSC)

Jean-Paul Pinard, *Chairman*
Robert Michael Tomlin
Shekhar Anantharaman
Narain Girdhar Chanrai ⁽¹⁾
Nihal Kaviratne CBE ⁽²⁾
Mark Haynes Daniell ⁽²⁾

⁽¹⁾ Effective 30th Oct 2014

⁽²⁾ Cessation 30th Oct 2014

At Olam, we believe that profitable growth needs to be combined with a way of doing business. At its heart, it involves creating value in an ethical, socially responsible and environmentally sustainable basis – we have called this ‘Growing Responsibly’.

The CRSC met three times during the year. The Terms of Reference of this committee includes:

- a. To review and recommend to the Board the CR&S vision and strategy for the Group;
- b. To oversee the integration of CR&S perspectives into the Company's strategy and businesses;
- c. To review global CR&S issues and trends and assess their potential impact on the Group;
- d. To monitor implementation, through the Executive CR&S committee, the strategy as well as the policies and investments in the CR&S area;
- e. To review the progress made on various initiatives;
- f. To support Management's response to crisis, where required;
- g. To review the Company's annual Corporate Responsibility & Sustainability Report and its Livelihood Charter; and
- h. To review the adequacy of the CR&S function.

The CRSC engages the Executive CR&S committee comprising of Gerry Manley, Managing Director for Cocoa, Sugar & Natural Sweeteners and Chris Brett, Senior Vice President and Head of Corporate Responsibility & Sustainability, in the formulation and implementation of various sustainability policies and projects.

The committee actively monitors corporate responsibility and sustainability issues and the report by Management on such issues in the Company's pursuit of various investments. As part of the CRSC vigorous engagement in corporate responsibility and sustainability matters concerning the Group's business and

operations, the Chairman of the CRSC visited some of the Company's global operations during the year along with members of the Management team, to gain deeper insights into the CR&S activities on the ground.

Principle 14: Shareholder Rights

Principle 15: Communication with Shareholders

Principle 16: Conduct of Shareholder Meetings

Enhancing investor communication: A key priority

At Olam, we believe it is important for us to communicate our business, strategic developments, financial and non-financial information to shareholders, investors, analysts (collectively referred to as the investing community) and key intermediaries (including financial media, brokers and independent research organisations) who provide research and information on the Company. Concurrently, we aim to understand their perspectives and requirements for decision-making and improve the two-way process.

In the Strategic Plan for FY2014–2016, one of the four key priorities is to promote a better understanding of Olam's business by enhancing stakeholder communication. To achieve this, we will:

1. Supplement our existing company disclosure with details on investment performance;
2. Set up a calendar of investor days and field visits to Olam's operational sites globally; and
3. Improve the structure and content of our results announcements to facilitate better understanding and analysis.

The Investor Relations department has lead responsibility in achieving these outcomes with the active involvement of the CEO and Executive Director, Finance and Business Development and in consultation with the Corporate Affairs department on financial reporting and the Corporate Responsibility and Sustainability department on Environmental, Social and Governance issues.

Delivering quality and timely information in a transparent manner

With the above objectives in mind, from FY2014 onwards we introduced a quarterly Management Discussion and Analysis (MD&A) statement, which includes a business commentary, key operational and financial highlights as well as a detailed review of the financial performance. In order to track and measure progress against our targets as stated in the Strategic Plan, we also introduced new key financial metrics.

Besides enhancing the quality of our financial information, we aim to deliver such information to the investing community and key intermediaries in a timely manner. We hold media and analysts conferences quarterly to announce our financial and operating results. These quarterly results briefings are webcast live to cater to global audiences. (The full financial statements, press releases, MD&A and presentation materials provided at the conferences are disseminated through the SGXNET onto the SGX-ST website outside trading hours. The same are also uploaded onto the Company's website and disseminated by email to subscribers of our news alerts.)

In addition to these quarterly events, we hold media and analysts conferences and teleconference calls to communicate important corporate developments. Such media and analysts conferences are also webcast live.

Engaging the investing community

Apart from these forums, we hold frequent dialogues through meetings, telephone and video conference calls with the investing community and organise investor days to facilitate their understanding of the Company's business model and growth strategies.

We aim to reach out to a broad spectrum of investors across the globe as part of our efforts to achieve a geographically diversified shareholder base. As part of this aim, we actively engage analysts with the objective of extending research coverage and thereby our reach to investors. As of end FY2014, 16 research institutions cover Olam. We actively and continuously engage other leading international, local and independent research firms to initiate coverage on our stock.

Investment roadshows are held regularly on an ongoing basis to meet the investing community. We believe these roadshows enhance the visibility of Olam among diverse groups of investors and provide the investing community with access to the Management team, thereby addressing their concerns and helping them to better understand our business environment, business model and growth potential.

In Singapore, we hold investment roadshows and attend investment conferences on a selective basis. Investment roadshows or conferences in other major, targeted investing countries, such as Hong Kong, Malaysia, UK, Continental Europe and the USA, are also scheduled along with these activities to reach out to shareholders and prospective investors in these locations.

Where necessary, the frequency of conducting such roadshows and attending investment conferences may increase to meet the Company's requirements to communicate important key messages and address market concerns.

The calendar of investor relations activities for FY2014 is given below.

Apart from these scheduled programmes, the Investor Relations department periodically receives investor/analyst requests for meetings or conference calls to discuss the Company. Generally, we accede to all requests for meetings/calls where our schedule permits, provided these meetings/calls do not fall within the closed periods prior to the announcement of financial results.

While Olam actively pursues an outreach programme to institutional investors who account for the largest percentage of the Company's public shareholder base,

it does not neglect its relations with the smaller employee and retail shareholders. We keep our employee shareholders informed of our Company's performance and investor relations activities via our employee intranet and employee communications programmes. Interaction with retail investors are facilitated by the shareholder communication services of the Securities Investors' Association ('SIAS') of Singapore.

Tracking changes in the shareholder base and interaction with the investing community

We track and monitor changes in our shareholder base monthly so that we may approach and engage shareholders who have come up on the register, as well as sellers of the stock to understand their reasons for the exit.

We maintain an active electronic database of the investing community, which allows us to target investors and track every investor meeting so that we can measure the frequency and quality of each interaction. This system also enables us to deliver our Company results and announcements to the investing community electronically at the same time as these are disseminated through the SGXNET so that investors have access to our information on a timely basis.

As the internet, social media and other electronic means of communication have become more accessible, we continue to leverage such means to achieve a greater and faster reach to the investing community and facilitate their research by providing online easy-to-access financial and non-financial information, resources and tools.

Date	Event
2 July 2013	DBS The Pulse of Asia Conference, Singapore
12–13 September 2013	Goldman Sachs Global Commodities Conference, Singapore
24 September 2013	CLSA Investors' Forum, Hong Kong
30 September 2013	Investor Day – Grains and Packaged Foods, Singapore
14–18 October 2013	Analysts' Field Visit to Nigeria and Gabon
26–27 January 2014	Nomura ASEAN All Access Conference, Singapore
12 June 2014	Citi ASEAN Investor Conference, Singapore
25 June 2014	Debt Non-deal Roadshow, Hong Kong
26 June 2014	OSK DMG ASEAN Corporate Day, Singapore

Obtaining and acting on feedback from the investing community

We conduct investor perception surveys to seek the investing community's feedback on the Company. The study we initiated in FY2013 to support our 2013 Strategy Review continued through FY2014 to track the past and current sentiments of the investing community.

Encouraging greater shareholder participation at Annual General Meetings (AGM)

We regard the AGM as an opportunity to communicate directly with shareholders. We are committed to efforts to establish more effective ways of communicating with our shareholders around the AGM. Shareholders are informed of these meetings through notices published in the newspapers or through circulars. To encourage more shareholder participation, our AGMs are held in Singapore's city centre that is easily accessible by most shareholders.

Board members including the Chairman of the Audit & Compliance Committee, the Human Resource & Compensation Committee and the Governance & Nomination Committee and key executives of the Senior Management team attend the AGM. Our external auditors are also present at the AGM to assist the Directors in addressing shareholders' queries.

We treat shareholder issues, particularly those that require shareholders' approval, such as the re-election of Directors and approval of Directors' fees, as distinct subjects and submit them to the AGM as separate resolutions.

In support of greater transparency and toward an efficient voting system, the Company has been conducting electronic poll voting since 2011. Shareholders who are present in person or represented at the meeting will be entitled to vote on a one-share, one-vote basis on each of the resolutions by poll, using an electronic

voting system. The results of all votes cast for and against in respect of each resolution are instantaneously displayed at the meeting and announced to the SGX-ST immediately following the AGM. Voting in absentia by mail or electronic means requires careful study and is only feasible if there is no compromise to either the integrity of the information and/or the true identity of the shareholder.

Detailed minutes of the AGM are prepared and are available to shareholders upon their request.

Accolades

Most transparent company

Olam was named the runner-up of the 14th SIAS Investors' Choice Award – Most Transparent Company Award 2013 – in the Food & Beverages category for its outstanding efforts in improving transparency standards. SIAS had appointed Singapore Management University, Sim Kee Boon Institute to conduct a research using the Singapore Corporate Governance Index (SCGI), a balanced weighted index which covers five aspects in accordance with OECD principles as stage 1 selection process. Companies were then short-listed in their respective industry classification benchmark sub-sector, followed by a stage 2 nomination from financial journalists, analysts, fund managers and retail investors represented by SIAS. The selection committee comprised of senior financial journalists, brokers, fund managers and SIAS.

Securities Transactions

The Company is committed to transparency, fairness and equity in dealing with all shareholders and in ensuring adherence to all laws and regulations that govern a company listed and trading on the Singapore Exchange Securities Trading Limited ('SGX-ST'). The Employee Share Dealing Committee ('ESDC') was set up to formulate and

review the best practices in the dealing of securities by directors, executives and employees. The ESDC is chaired by Ranveer Singh Chauhan with V. Srivathsan as the co-chair and Joydeep Bose, N. Muthukumar and Sriram Subramanian as its members. The ESDC reports to the CEO.

Through the ESDC, the Company has issued a policy on dealings in securities of the Company in line with the SGX Listing Rules to its Directors and employees setting out the implications of insider trading and guidance on such dealings. The policy provides that the Company, its Directors and employees undertake not to deal in the Company's securities at any time after a price sensitive development has occurred, or has been the subject of a decision, until the price sensitive decision has been publicly announced. Directors and employees are discouraged from short-term speculative trading in the Company's securities; personal investment decisions should be geared towards long-term investment. In particular the Company, its Directors and executives will not deal in the Company's securities during the following period:

- a. commencing two weeks prior to making public of the quarterly financial results and ending at the close of trading on the date of the announcement of the relevant results; and
- b. commencing one month prior to making public the annual financial results and ending at the close of trading on the date of the announcement of the relevant results.

In keeping with the policy, Directors, executives and employees of the Company are notified of close periods for dealing in the Company's securities.

Voluntary General Offer

On 14 March 2014, Credit Suisse (Singapore) Limited, DBS Bank Ltd. and United Overseas Bank Limited announced for and on behalf of Breedens Investments Pte. Ltd., the proposed voluntary conditional cash offer (the 'Offer') for (i) all the ordinary shares in issue in the capital of the Company, (ii) new Shares unconditionally issued or to be issued pursuant to the valid conversion of the Convertible Bonds (as defined herein), and (iii) new Shares unconditionally issued or to be issued pursuant to the valid exercise of the options granted under the Olam Employee Share Option Scheme.

So as not to prejudice the Directors and employees of the Company and to enable them to participate in the Offer, the closed dealing period in connection with its third quarter ended 31 March 2014 unaudited financial results issued on 15 May 2014 was waived under the policy on dealings in securities. Directors and employees were permitted to tender their shares, convertible bonds and warrants in acceptance of the Offer; and share option holders were permitted to exercise their options in acceptance of the Offer but excluding any exercise of options which will result in the immediate sale of the resultant shares.

Material Contracts

There was no material contracts entered into by the Company or any of its subsidiaries involving the interests of any Director or controlling shareholder.

Interested Person Transactions

The Company has established procedures to ensure that all transactions with interested persons are reported on a timely manner to the ACC and that the transactions are carried out on a normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders. The Company's disclosure in respect of interested person transactions for the financial year ended 30 June 2014 are as follows:

Name of interested person	Aggregate value of all interested person transactions (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920)
Chanrai Nigeria Limited	\$1,248,193.00	Not applicable – the Company does not have a shareholders' mandate under Rule 920
Singapore Telecommunications Limited	\$1,088,772.81	
Neptune Orient Line Limited:	\$779,819.37	
• APL Co. Pte.Ltd		
• APL (India) Private Limited		
• APL-NOL (Vietnam) Ltd		
Total	\$3,116,785.18	

Key Information Regarding Directors

Rangareddy Jayachandran

Non-Executive Chairman

Date of first appointment as a Director: 4 July 1995
Date of appointment as Chairman: 11 February 2006
Date of last re-election as a Director: 30 October 2013
Date of next re-appointment as a Director: 30 October 2014
Age as at 30 June 2014: 70
Length of service as a Director: 19 years (as at 30 June 2014)

Board committee(s) served on:

Capital & Investment Committee (Member)
 Governance & Nomination Committee (Member)
 Human Resource & Compensation Committee (Member)

Academic & Professional Qualification(s):

Bachelor of Commerce, University of Madras
 Institute of Chartered Accountants of India
 Advanced Management Program, Harvard University

Directorship in Other Listed Company:

Redington India Ltd (Non-Executive Director)

Other Principal Commitments:

Aquarius Investment Advisors Pte Ltd (Executive Chairman)
 Kewalram Singapore Limited (Non-Executive Director)
 Napier Healthcare Solutions Pte Ltd (Executive Chairman)
 Napier Healthcare Solutions (India) Ltd (Non-Executive Chairman)
 Kewalram Chanrai Holdings Limited (Non-Executive Director)

Major Appointments (other than Directorships):

Hindu Endowments Board (Chairman)
 Singapore High Commissioner to Mauritius (Non Resident)
 ASPIRE Steering Committee, Ministry of Education
 – Applied Study in the Polytechnics and ITE Review

Directorship in other listed company held over the preceding three years:

Nil

Past Key Appointment:

National Heritage Board (Member)

Narain Girdhar Chanrai

Non-Executive Director

Date of first appointment as a Director: 4 July 1995
Date of last re-election as a Director: 28 October 2011
Date of next re-election as a Director: 30 October 2014
Age as at 30 June 2014: 66
Length of service as a Director: 19 years (as at 30 June 2014)

Board committee(s) served on:

Audit & Compliance Committee (Member)
 Capital & Investment Committee (Member)
 Governance & Nomination Committee (Member)
 Governance & Nomination Committee (Member)

(Stepping down on 30 Oct 2014)

Corporate Responsibility & Sustainability Committee

(Appointed with effect from 30 Oct 2014)

Academic & Professional Qualification(s):

Bachelor of Economics, University of London

Directorship in Other Listed Company:

Nil

Other Principal Commitments:

Kewalram Singapore Limited (Managing Director)
 Afri Ventures Ltd (Non-executive Director)
 Eco Oils Ltd (Non-executive Director)

Major Appointments (other than Directorships):

Kewalram Chanrai Foundation (Trustee)
 Jaslok Hospital & Research Centre (Trustee)

Directorship in other listed company held over the preceding three years:

Nil

Michael Lim Choo San

Non-Executive and Lead Independent Director

Date of first appointment as a Director: 24 September 2004
Date of last re-election as a Director: 28 October 2011
Date of first appointment as lead independent Director: May 2010
Date of next re-election as a Director: 30 October 2014
Age as at 30 June 2014: 67
Length of service as a Director: 9 years and 9 months
 (as at 30 June 2014)

Board committee(s) served on:

Audit & Compliance Committee (Chairman)
 Governance & Nomination Committee (Chairman)
 Risk Committee (Member)

Academic & Professional Qualification(s):

Bachelor of Commerce & Administration,
 Victoria University of Wellington, New Zealand
 Chartered Accountant, New Zealand
 Fellow, Institute of Certified Public Accountants of Singapore

Directorship in other Listed Company:

Nomura Holdings Inc, Japan (Non-Executive Director)

Other Principal Commitments:

Land Transport Authority (Chairman)
 Nomura Singapore Limited (Chairman)

Major Appointments (other than Directorships):

Accounting Standards Council (Chairman)
 Singapore Accountancy Commission (Chairman)
 Public Service Commission (Member)

Directorship in other listed company held over the preceding three years:

Chemoil Energy Limited

Past Key Appointments:

PricewaterhouseCoopers, Singapore (Executive Chairman)
 National Healthcare Group Pte Ltd (Chairman)
 Legal Service Commission (Member)
 PSA International Pte Ltd (Director)
 Nanyang Technological University (Trustee)

Robert Michael Tomlin

Non-Executive and Independent Director

Date of first appointment as a Director: 24 September 2004

Date of last re-election as a Director: 30 October 2013

Age as at 30 June 2014: 69

Length of service as a Director: 9 years and 9 months
(as at 30 June 2014)

Board committee(s) served on:

Risk Committee (Chairman)
Audit & Compliance Committee (Member)
Capital & Investment Committee (Member)
(stepping down on 30 Oct 2014)
Corporate Responsibility & Sustainability Committee (Member)

Academic & Professional Qualification(s):

Bachelor in Modern Language, Downing College Cambridge
Business Management Graduate, Harvard Business School

Directorship in Other Listed Company:

Nil

Other Principal Commitments:

Lepercq de Neufilze Asia Pte Ltd (Vice Chairman)
Dane Court Pte Ltd (Executive Director)
Lasalle College for the Arts Limited (Non-Executive Director)

Major Appointments (other than Directorships):

DesignSingapore Council (Chairman)
Singapore Management University (Trustee)
Singapore Repertory Theatre (Chairman)
Yong Siew Toh Conservatory (Governor)

Directorship in other listed company held over the preceding three years:

Nil

Past Key Appointments:

Mediacorp Pte Ltd (Director)
Aviva Ltd (Director)
Aviva Life Insurance Co. Ltd (Director)

Mark Haynes Daniell

Non-Executive and Independent Director

Date of first appointment as a Director: 31 October 2002

Date of last re-election as a Director: 31 October 2012

Date of next re-election as a Director: Stepping down as Director
on 30 October 2014

Age as at 30 June 2014: 59

Length of service as a Director: 11 years and 8 months
(as at 30 June 2014)

Board committee(s) served on:

Human Resource & Compensation Committee (Chairman)
Audit & Compliance Committee (Member)
Governance & Nomination Committee (Member)
Corporate Responsibility & Sustainability Committee (Member)

Academic & Professional Qualification(s):

Bachelor's Degree, Amherst College
Bachelor's and Masters Degrees in Jurisprudence,
University College, Oxford University
Juris Doctor Degree, Harvard Law School
Qualified Attorney in the Commonwealth of Massachusetts

Directorship in Other Listed Company:

Sacoven PLC (Chairman)

Other Principal Commitments:

The Cuscaden Group Pte Ltd (Chairman)
Aquarius Investment Advisors Pte Ltd (Vice Chairman)
Raffles Family Wealth Trust Pte Ltd (Executive Chairman)
Tiryaki Agro Gida San. Ve Tic.A.S. (Non-Executive Director)

Major Appointments:

Landon Corporativo (Advisory Board)
Diagenics SE (Business Advisory Board)

Directorship in other listed company held over the preceding three years:

Nil

Wong Heng Tew

Non-Executive and Independent Director

Date of first appointment as a Director: 10 October 2003

Date of last re-election as a Director: 31 October 2012

Date of next re-election as a Director: Stepping down as Director
on 30 October 2014

Age as at 30 June 2014: 62

Length of service as a Director: 10 years and 8 months
(as at 30 June 2014)

Board committee(s) served on:

Audit & Compliance Committee (Member)
Governance & Nomination Committee (Member)
Human Resource & Compensation Committee (Member)

Academic & Professional Qualification(s):

Bachelor of Engineering, University of Singapore
Program for Management Development, Harvard Business School

Directorship in Other Listed Company:

Vietnam Growth Fund Limited (Non-Executive Director)

Other Principal Commitments:

Mercatus Co-operative Limited (Non-Executive Director)
Heliconia Capital Management Pte Ltd (Non-Executive Director)
NTUC Fairprice Co-operative Limited (Non-Executive Director)
Industrial & Services Co-Operative Society Ltd
(Non-Executive Director)
ASEAN Potash Mining Public Company Limited
(Non-Executive Director)
Asean Bintulu Fertilizer Sdn Bhd (Non-Executive Director)

Major Appointments (other than Directorships):

Nil

Directorship in other listed company held over the preceding three years:

Nil

Past Key Appointments:

Certis Cisco Security Pte Ltd (Director)
Surbana Fund Management Pte Ltd (Director)
Surbana Township Development Fund Pte Ltd (Director)
Surbana Corporation Pte Ltd (Director)

Jean-Paul Pinard

Non-Executive and Independent Director

Date of first appointment as a Director: 29 October 2008**Date of last re-election as a Director:** 30 October 2013**Age as at 30 June 2014:** 64**Length of service as a Director:** 5 years and 8 months
(as at 30 June 2014)**Board committee(s) served on:**

Corporate Responsibility & Sustainability Committee (Chairman)

Capital & Investment Committee (Member)

Human Resource & Compensation Committee (Member)

Academic & Professional Qualification(s):

PhD in Economics, University of California

Diplome d'Ingenieur, Ecole Polytechnique Paris

Directorship in Other Listed Company:

Nil

Other Principal Commitments:

Nil

Major Appointments (other than Directorships):

Nil

Directorship in other listed company held over the preceding three years:

Yantai Changyu Pioneer Wine Company Limited (Director)

Sanjiv Misra

Non-Executive and Independent Director

Date of first appointment as a Director: 1 November 2013**Date of last re-election as a Director:** Not Applicable**Date of next re-election as a Director:** 30 October 2014**Age as at 30 June 2014:** 54**Length of service as a Director:** 7 months (as at 30 June 2014)**Board committee(s) served on:**

Capital & Investment Committee (Chairman)

Human Resource & Compensation Committee (Member)

Risk Committee (Member)

Academic & Professional Qualification(s):Bachelor's Degree in Economics, St Stephen's College,
University of Delhi, IndiaPostgraduate Degree in Management, University of Delhi,
Indian Institute of Management, AhmedabadMaster in Management, J.L. Kellogg Graduate School of
Management, Northwestern University**Directorship in Other Listed Company:**

Edelweiss Financial Services Ltd (Independent Director)

OUE Hospitality Trust Management Pte. Ltd. (Independent Director)

OUE Hospitality REIT Management Pte. Ltd. (Independent Director)

Other Principal Commitments:

Phoenix Advisers Pte. Ltd. (President and Director)

Edelweiss Capital (Singapore) Pte Ltd (Independent Director)

Major Appointments (other than Directorships):

Singapore Management University (Trustee)

National University Health System (Board Member)

Directorship in other listed company held over the preceding three years:

Dart Energy Ltd (ASX listed)

Sunny George Verghese

Executive Director

Group Managing Director and Chief Executive Officer

Date of first appointment as a Director: 11 July 1996**Date of last re-election as a Director:** 30 October 2013**Age as at 30 June 2014:** 54**Length of service as a Director:** 18 years (as at 30 June 2014)**Board committee(s) served on:**

Capital & Investment Committee (Member)

Risk Committee (Member)

Academic & Professional Qualification(s):Postgraduate Degree in Business Management, Indian Institute
of Management, Ahmedabad

Advanced Management Program, Harvard Business School

Directorship in Other Listed Company:

Société SIFCA (Non-Executive Director)

Other Principal Commitments:

Nil

Major Appointments (other than Directorships):

Human Capital Leadership Institute (Chairman)

Directorship in other listed company held over the preceding three years:

PureCircle Limited (Non-Executive Director)

Past Key Appointments:

Cityspring Infrastructure Management Pte Ltd (Chairman)

International Enterprise Singapore (Chairman)

National University of Singapore (Trustee)

Shekhar Anantharaman

Executive Director

Date of first appointment as a Director: 1 April 1998**Date of last re-election as a Director:** 28 October 2011**Date of next re-election as a Director:** 30 October 2014**Age as at 30 June 2014:** 51**Length of service as a Director:** 16 years (as at 30 June 2014)**Board committee(s) served on:**

Capital & Investment Committee (Member)

Corporate Responsibility & Sustainability Committee (Member)

Academic & Professional Qualification(s):Bachelor Degree in Aeronautical Engineering,
Panjab University, IndiaPostgraduate Degree in Business Management,
Panjab University, India

Advanced Management Program, Harvard Business School

Directorship in Other Listed Company:

Nil

Other Principal Commitments:

Nil

Major Appointments (other than Directorships):

Nil

Directorship in other listed company held over the preceding three years:

Nil

Kwa Chong Seng

Deputy Chairman

Non-Executive and Independent Director

Date of first appointment as a Director: 1 October 2014

Date of appointment as Deputy Chairman: 1 October 2014

Date of last re-election as a Director: Not Applicable

Date of next re-election as a Director: 30 October 2014

Age as at 30 June 2014: 67

Board Committee(s) served on with effect from 30th Oct 2014:

Human Resource & Compensation Committee (Chairman)

Capital & Investment Committee (Member)

Governance & Nomination Committee (Member)

Academic & Professional Qualification(s):

Bachelor of Engineering (Mechanical), University of Singapore

Fellow of the Academy of Engineering Singapore

Directorship in Other Listed Company:

Neptune Orient Lines Limited (Chairman)

Singapore Technologies Engineering Ltd (Chairman)

Singapore Exchange Ltd (Lead Independent Director)

Other Principal Commitments:

APL Co. Pte Ltd (Chairman)

APL Logistics Ltd (Chairman)

APL (Bermuda) Ltd. (Chairman)

Automar (Bermuda) Ltd. (Chairman)

APL Limited (Chairman)

NOL Liner (Pte.) Ltd. (Chairman)

Seatown Holdings Pte Ltd (Director)

Delta Topco Limited (Director)

Fullerton Fund Management Company Ltd (Chairman)

Singapore Technologies Holdings Pte Ltd (Director)

Major Appointments (other than Directorships):

Public Service Commission, Singapore (Deputy Chairman)

Defence Science and Technology Agency (Board Member)

Directorship in other listed company held over the preceding three years:

DBS Bank (Hong Kong) Ltd (Chairman)

DBS Bank Ltd

DBS Group Holdings Ltd

Esso China Inc. (Chairman and President)

ExxonMobil Asia Pacific Pte Ltd (Chairman and Managing Director)

ExxonMobil Oil Singapore Pte Ltd

Sinopec SenMei (Fujian) Petroleum Co. Ltd

Temasek Holdings Pte Ltd (Deputy Chairman)

Nihal Vijaya Devadas Kaviratne CBE

Non-Executive and Independent Director

Date of first appointment as a Director: 1 October 2014

Date of last re-election as a Director: Not Applicable

Date of next re-appointment as a Director: 30 October 2014

Age as at 30 June 2014: 70

Board Committee(s) served on with effect from 30th Oct 2014:

Audit & Compliance Committee (Member)

Corporate Responsibility & Sustainability Committee (Member)

Academic & Professional Qualification(s):

Bachelor of Arts, Economics (Honours),

Bombay University, India

Directorship in Other Listed Company:

Akzo Nobel India Limited (Chairman)

DBS Group Holdings Ltd (Director)

GlaxoSmithKline Pharmaceuticals Ltd (Director)

SATS Ltd (Director)

StarHub Ltd (Director)

Other Principal Commitments:

DBS Bank Ltd (Director)

DBS Foundation Ltd (Director)

TVS Motor (Singapore) Pte. Limited (Director)

Wildlife Reserves Singapore Pte Ltd (Director)

PT TVS Motor Company (President Commissioner)

Bain & Company SE Asia, Inc (Member, Advisory Board for South East Asia/Indonesia)

Major Appointments (other than Directorships):

Private Sector Portfolio Advisory Committee in India of the UK

Government's Department for International

Development (Member)

Directorship in other listed company held over the preceding three years:

Titan Company Limited (Director)

Corporate Information

Board of Directors

Non-Executive Chairman
Rangareddy Jayachandran

Deputy Chairman & Non-Executive and Independent Director
Kwa Chong Seng

Lead Independent Director
Michael Lim Choo San

Non-Executive and Independent Directors
Robert Michael Tomlin
Mark Haynes Daniell
Wong Heng Tew
Jean-Paul Pinard
Sanjiv Misra
Nihal Vijaya Devadas Kaviratne CBE

Non-Executive Director
Narain Girdhar Chanrai

Executive Directors
Sunny George Verghese (Group MD & CEO)
Shekhar Anantharaman

Audit & Compliance Committee

Michael Lim Choo San (Chairman)
Robert Michael Tomlin
Mark Haynes Daniell*

Wong Heng Tew*
Narain Girdhar Chanrai
Nihal Vijaya Devadas Kaviratne CBE

Governance & Nomination Committee

Michael Lim Choo San (Chairman)
Rangareddy Jayachandran
Kwa Chong Seng
Narain Girdhar Chanrai*
Mark Haynes Daniell*
Wong Heng Tew*

Human Resource & Compensation Committee

Mark Haynes Daniell (Chairman)*
Kwa Chong Seng (Chairman)
Rangareddy Jayachandran
Jean-Paul Pinard
Wong Heng Tew*
Sanjiv Misra

Capital & Investment Committee

Sanjiv Misra (Chairman)
Rangareddy Jayachandran
Kwa Chong Seng
Narain Girdhar Chanrai
Robert Michael Tomlin*
Jean-Paul Pinard

Sunny George Verghese
Shekhar Anantharaman

Risk Committee

Robert Michael Tomlin (Chairman)
Michael Lim Choo San
Sanjiv Misra
Sunny George Verghese

Corporate Responsibility & Sustainability Committee

Jean-Paul Pinard (Chairman)
Mark Haynes Daniell*
Robert Michael Tomlin
Shekhar Anantharaman
Nihal Vijaya Devadas Kaviratne CBE
Narain Girdhar Chanrai

Company Secretary

Yoo Loo Ping

Auditors

Ernst & Young LLP
One Raffles Quay
North Tower, Level 18
Singapore 048583

Partner-in-charge (since FY2013):
Vincent Toong

*Stepping down on 30 October 2014

Executive Committee

Sunny George Verghese
Sridhar Krishnan
Shekhar Anantharaman
Jagdish Achleshwar Prasad Parihar
Gerard Anthony Manley

Vivek Verma
Ashok Krishen
Ashok Hegde
Venkataramani Srivathsan
Ranveer Singh Chauhan

Management Committee

Sunny George Verghese
Sridhar Krishnan
Shekhar Anantharaman
Jagdish Parihar
Gerard Manley
Vivek Verma
Ashok Krishen
Ashok Hegde
Venkataramani Srivathsan
Ranveer Singh Chauhan
Abhishek Sahai
Alain Edmond Fredericq
Amit Khirbat
Amit Manikchand Agrawal
Amit Suri
Anupam Gupta
Anupam Jindel
Aravind VR
Arouna Coulibaly
Arun Sharma
Ashish Govil
Azeez Abdul Syed
Bob Dall'Alba
Brijesh Krishnaswamy
Charles Davis
Chris Brett
Chris Thompson
Damien Houllahan
Dave de Frank
Darshan Banubhai Raiyani
David Watkins
Deepak Kaul

Devashish Chaubey
Gagan Gupta
Girish Nair
Greg Estep
Hank Gray
Jagdish Parihar
Jayant Parande
Joe Kenny
Joydeep Bose
Juan Antonio Rivas
Kaushal Khanna
Keshav Chandra Suresh
Mahesh Menon
Manish Dhawan
Manvinder Singh
Michael Symth
Moochikal Ramesh
Mukul Mathur
Munish Minocha
Neelamani Muthukumar
Partheeban Theodore
Prakash Jhanwer
Prakash Kanth
Premender Sethi
Raj Kanwar Singh
Raj Vardhan
Raja Saoud
Rajeev Kadam
Rajeev Raina
Ramanarayanan Mahadevan
Ramesh Sundaresan
Ranjan Naik
Ravi Pokhriyal
Ray Steitz
Rishi Kalra
Sachin Sachdev
Sameer Patil
Sandeep Daga
Sandeep Hota
Sandeep Kumar Jain
Saurabh Mehra
Sathyamurthy Mayilswamy
Sanjay Sacheti
Shankar Rao
Shankar Athreya
Sivaswami Pattamadai
Raghavan
Sridhar Krishnan
Srinivasan Venkita
Padmanabhan
Sriram Subramanian
Stephen Driver
Supramaniam Ramasamy
Suresh Ramamurthy
Suresh Sundararajan
Tejinder Saraon
Thiagaraja Manikandan S
Thomas Gregersen
Vasanth Subramanian
Vibhu Nath
Vinayak Narain
Vipan Kumar

Head Office

Olam International Limited
9 Temasek Boulevard
#11-02 Suntec Tower Two,
Singapore 038989
Tel: (65) 6339 4100 Fax: (65) 6339 9755

Registered Office/Share Registrar

50 Raffles Place,
#32-01 Singapore Land Tower,
Singapore 048623
Tel: (65) 6536 5355 Fax: (65) 6536 1360

Principal Bankers

Australia and New Zealand
Banking Group Limited
Banco Bilbao Vizcaya Argentaria S.A
Barclays Bank PLC
BNP Paribas
Commerzbank AG
Credit Suisse AG
DBS Bank Ltd
ING Bank N.V.
JPMorgan Chase Bank, N.A.
National Australia Bank
Natixis
Oversea-Chinese Banking Corporation Limited
Rabobank International
Standard Chartered Bank
The Bank of Tokyo-Mitsubishi-UFJ, Ltd
The Hongkong and Shanghai
Banking Corporation Limited
The Royal Bank of Scotland Plc
United Overseas Bank

General Information

Our Annual Report 2014 presents an overview of the Company (Olam International Limited) and the Group's (Olam International Limited and its subsidiaries) financial performance in FY2014, compared to prior years. It includes a management discussion and analysis of our financial performance as well as our plans and strategies for the future. This General Information is intended to help readers understand the bases of our financial reporting and analysis.

Business Segmentation and Reporting

For financial reporting purposes, we organise our 16 business platforms into five segments – Edible Nuts, Spices & Vegetable Ingredients (formerly known as Edible Nuts, Spices & Beans); Confectionery & Beverage Ingredients; Food Staples & Packaged Foods; Industrial Raw Materials and Commodity Financial Services. The table below shows the distribution of platforms across these five segments.

5 Business Segments	16 Platforms
Edible Nuts, Spices & Vegetable Ingredients	1 Edible Nuts (cashew, peanuts, almonds, hazelnuts and sesame) 2 Spices & Vegetable Ingredients (including pepper, onion, garlic and tomato)
Confectionery & Beverage Ingredients	3 Cocoa 4 Coffee
Food Staples & Packaged Foods	5 Rice 6 Sugar and Natural Sweeteners 7 Grains (including wheat, corn and barley) 8 Palm 9 Dairy 10 Packaged Foods
Industrial Raw Materials	11 Natural Fibres (cotton and wool) 12 Wood Products 13 Rubber 14 Fertiliser 15 Special Economic Zone (SEZ)
Commodity Financial Services (CFS)	16 Commodity Financial Services (Market-making/volatility trading & risk management solutions and fund management)

In addition, we report our financial performance on the various value chain initiatives across three value chain segments as follows:

3 Value Chain Segments	Value Chain Activity
Supply Chain	Includes all activities connected with origination, sourcing, primary processing, logistics, trading, marketing (including value-added services) and risk management of agricultural products and the CFS business
Upstream	Includes all activities relating to farming (annual row crops), plantations (perennial tree crops), dairy farming and forest concessions
Midstream & Downstream	Includes all activities relating to secondary processing, contract manufacturing, branded distribution, private label activities and SEZ

Changes to Reporting Format

One of the strategic priorities identified in the Strategic Plan is to promote a better understanding of Olam's business by enhancing stakeholder communication. Up until FY2013, we had measured and tracked our profitability in terms of Gross Contribution (GC) and Net Contribution (NC) per tonne of product supplied. However, NC and NC per tonne could not adequately capture or communicate the underlying financial performance as the fixed asset intensity of the business increased, particularly as we expanded into the upstream and midstream segments. Accordingly, from FY2014 we discontinued the reporting of GC and NC metrics.

In order to track and measure progress against our targets as stated in the Strategic Plan, we had introduced two key financial metrics since FY2013 – Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) and EBITDA on average Invested Capital (EBITDA/IC), presented for the Group as well as across business segments and value chain segments.

Absolute EBITDA as a metric is a good indicator to track our progress towards our goal of generating free cash flows on a sustainable basis. EBITDA/IC provides a better visibility and link between the growth in earnings (as reflected by the growth in EBITDA) and the capital invested in each business segment and value chain segment. As the Invested Capital captures both the fixed and working capital directly attributed to the business segments and value chain segments, EBITDA/IC is a close proxy for Return on Invested Capital (ROIC).

To facilitate the comparison of financial performance against prior years, EBITDA and EBITDA/IC are presented for the period from FY2010 to FY2014.

Definitions for Key Financial Metrics

The definitions for the key financial metrics used in the Annual Report 2014 are as follows:

Sales Volume: Includes proportionate share of volumes from jointly controlled entities and associates, although there are no associated volumes for CFS and SEZ platforms.

Revenue: Sale of goods and services.

Net Changes in Fair Value of Biological Assets: Includes only operational changes in the fair value of biological assets. Non-operational changes (arising due to changes in the fair value model) which were formerly presented under this line item are now classified as exceptional items.

Exceptional Items: One-off, non-recurring items, including negative goodwill and related transaction costs, gain/loss on sale of assets/business, gain/loss on buyback of bonds, impairment loss, non-operational gain/loss from changes in fair value of biological assets, finance charges on pre-payment of loans and non-recurring business restructuring expenses. Tax expenses associated with these items are also presented as exceptional items.

Operational PATMI: Profit After Tax and Minority Interest (PATMI) excluding exceptional items.

EBITDA: Includes minority interest and excludes exceptional items.

Invested Capital: Excludes cash and bank balances, deferred tax assets, fixed deposits, other current/non-current assets (other than option premiums payable/receivable) and fair value of derivative assets on bonds.

EBITDA/IC: EBITDA on average Invested Capital based on beginning and end-of-period invested capital.

Net Gearing: Ratio of net debt (gross debt less cash) to equity (before fair value adjustment reserves).

Free Cash Flow to Firm (FCFF): Operating cash flow less changes in working capital, cash taxes, capital expenditures and investments.

Free Cash Flow to Equity (FCFE): FCFF less net interest paid.

Note: Due to rounding, some numbers presented in this Annual Report may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Disclaimer

Certain sections of our Annual Report 2014 have been audited. The sections that have been audited are set out on pages 90 to 197. Readers should note that legislation in Singapore governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Except where you are a shareholder, this material is provided for information purposes only and is not, in particular, intended to confer any legal rights on you. This Annual Report does not constitute an invitation to invest in the Company's shares. Any decision you make by relying on this information is solely your responsibility. The information given is as of the dates specified, is not updated and any forward-looking statement is made subject to the reservation specified in the following paragraph.

Cautionary Statement

This document may contain forward-looking statements. Words such as 'expects', 'anticipate', 'intends' or the negative use of these terms and other similar expressions of future performance or results and their negatives are intended to identify such forward-looking statements. These forward-looking statements are based upon current expectations and assumptions regarding anticipated developments and other factors affecting the Group. They are not historical facts, nor are they guarantees of future performance.

Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual reports to differ materially from those expressed or implied by these forward-looking statements, including among others, competitive pricing and activity, demand levels for the products that we supply, cost variances, the ability to maintain and manage key supplier and customer relationships, supply chain sources, currency values, interest rate, the ability to integrate acquisitions and complete planned divestitures, physical risks, environmental risk, the ability to manage regulatory, tax and legal matters and resolve pending matters within current estimates, legislative, fiscal and regulatory development, political, economic and social conditions in the geographic markets where the Group operates and new or changed priority of the Company's or its subsidiaries' Boards. Further details of potential risks and uncertainties affecting the Group are updated in the Group's Offering Circular on its US\$5.0 billion Euro Medium Term Note Programme dated 14 July 2014.

These forward-looking statements speak only as of the date of this document. Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revision to any forward-looking statements contained herein to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.