

News Release

Olam meets growing demand from specialty coffee customers for certified Arabica

Coffee plantations in Tanzania and Zambia achieve Rainforest Alliance and UTZ certification

London, January 20, 2017 - Two Olam International (“Olam”) coffee plantations in Africa have achieved Rainforest Alliance and UTZ certification for over 2,500 hectares (ha) of planted Arabica coffee. Subsidiaries Aviv in Tanzania, and the Northern Coffee Corporation Ltd (“NCCL”) in Zambia, now meet the growing demand from international specialty coffee customers for single-estate, certified, traceable volumes.

A global agri-business, Olam is one of the world’s largest coffee suppliers, with plantations in Africa, South America and Asia, as well as procuring green coffee from a global network of smallholder farmers. In Africa, Olam is the leading originator and exporter of coffee, supplying all of the world’s major consuming countries.

Aviv is a 2,000 ha plantation in the Songea Rural District of Southern Tanzania with 1,025 ha of planted Arabica coffee and a wet mill processing facility. Aviv expects to produce 1,600 metric tonnes (MT) of coffee from Rainforest Alliance Certified™ farms in 2017 (overall Tanzania production of Arabica is 38,500MT/yr). Aviv volumes will be supplemented with a smallholder coffee programme which currently has 1,665 farmers, most of whom are already embraced by the Olam Livelihood Charter¹ and who will be supported for future certification schemes. At peak season, the Aviv plantation employs up to 1,500 people.

NCCL is one of Africa’s largest Arabica plantations. Situated at Kasama, in Zambia’s Northern Province, over 1,500 ha have been planted with a target of 2,700 ha. It employs 600 permanent members of staff increasing to 2,500 at peak season, has wet and dry mill processing facilities and an outgrower programme supported by Olam. NCCL is already the largest producer and exporter of coffee in Zambia, and expects to produce 2,500MT of Rainforest Alliance Certified coffee in 2017. NCCL is the only plantation in the country with Rainforest Alliance and UTZ certification and is responsible for 88% of the country’s 900 MT total certified production.

Varun Mahajan, Vice President and Commercial Head of Olam Coffee Plantations in East Africa said: “Tanzania and Zambia have exceptional growing conditions to produce fine Arabica coffee, but historically both countries suffered from limited investment, leading to lower volumes.

“By committing from the start to develop our plantations responsibly, and support surrounding smallholders to improve yields and income, we have been able to enhance the coffee production of both countries, putting them firmly on the coffee connoisseur map.

“The Rainforest Alliance and UTZ certification now gives our specialty coffee customers that extra layer of reassurance of third party verification on top of our consistent quality.”

Stuart Singleton-White, Head of Communications at the Rainforest Alliance, said: “The specialty coffee market is hugely important, as where it goes today, the rest of coffee markets follows tomorrow. This commitment by Olam to put sustainability at the heart of their specialty coffee, by working with Rainforest Alliance and UTZ, is key to helping consumers know they can have the coffees they love and support the sustainability of coffee farmers into the future.”

UTZ Executive Director Han de Groot said: “The Olam commitment to UTZ and Rainforest Alliance coffee is an inspiring example of how different certification programs can complement each other and jointly strengthen a company’s road towards sustainability.

“We are working together to create opportunities for coffee producers worldwide to better market their product and improve their livelihoods. At UTZ we are proud to work with companies like Olam; it is because of them we are able make a difference for an increasing number of farmers ultimately making sustainable farming the norm.”

To achieve certification, Aviv and NCCL have to meet specific social and environmental criteria². Measures taken by Aviv and NCCL include:

- **Environmental protection:** The plantation was the first site in Africa to achieve the [Alliance for Water Stewardship Standard](#) illustrating its efforts to adopt sustainable water management at site and sub-catchment level through diligent water stewardship. Aviv also maintains a large portion of its land for conservation purposes, where only certain activities are allowed in order to maintain natural habitats where necessary. Added to the buffer zones maintained along the streams, protected areas represent more than 15% of the land under Aviv management. At NCCL, 1,400 hectares of conservation areas are protected.
- **Social equity:** Aviv has helped to build a village dispensary with consultation room and pharmacy serving 3,000 people. NCCL is working with an international NGO to develop a local school and support surrounding communities, including health and sanitation projects.
- **Economic viability for farmers:** Pesticide and fertiliser use are a significant cost for the plantation. These are dramatically reduced by natural and scientific approaches. Shade trees inside the coffee field, along with maintenance of habitats along streams and hills, attract pest-eating insects and birds. These predators - supported by a team of pest scouts - result in a reduction in the use of pesticides. Aviv and NCCL undertake regular soil and foliar analysis³, which optimises the fertiliser application and cuts down on over-use. Aviv combines fertilisation and irrigation, called fertigation, to allow micro-release of nutrients in a targeted and timely manner. Both plantations also have Village Development Committees where innovative projects in the areas surrounding Aviv and NCCL are given financial support.

Certification means the Rainforest Alliance Certified green frog seal and the UTZ logo can both be displayed on packaging and consumers can be reassured of the highest quality product, while improving sustainable farming practices and enhancing farmer welfare.

Issued on behalf of Olam International Limited by: Gong Communications, 1 Blandford Street, London, W1U 3DA

For further information, please contact:

Nikki Barber, General Manager, Group Public Relations, +44 207 484 8994

nikki.barber@olamnet.com

Gong Communications

Libby Wyman, Account Director, +44 207 935 4800, libby@gongcommunications.com

Notes to Editors

The Olam Livelihood Charter (OLC)

¹ The OLC currently embraces approximately 345,000 smallholder farmers across the world. It has 8 Principles which must be fulfilled for a programme to achieve OLC status. Read more [here](#).

² <http://www.rainforest-alliance.org/faqs/what-does-rainforest-alliance-certified-mean>

<https://www.utz.org/what-we-offer/certification/>

³ Foliar analysis is when samples of leaves assessed to determine the internal composition. The results show which nutrient to apply to prevent any deficiency.

About Olam International Limited

Olam International is a leading agri-business operating across the value chain in 70 countries, supplying various products across 16 platforms to over 16,200 customers worldwide. From a direct sourcing and processing presence in most major producing countries, Olam has built a global leadership position in many of its businesses. Headquartered in Singapore and listed on the SGX-ST on February 11, 2005, Olam currently ranks among the top 50 largest listed companies in Singapore in terms of market capitalisation. In 2016 Fortune recognised Olam at #23 in its 'Change the World' list.

More information on Olam can be found at www.olamgroup.com.

Olam is located at 9 Temasek Boulevard #11-02 Suntec Tower Two Singapore 038989. Telephone: +65 63394100, Facsimile: +65 63399755.

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