

Joint Statement

Update from Olam International and Mighty Earth on engagement process following visit to Olam palm plantations in Gabon

London, July 24, 2017 – Conservation NGO Mighty Earth and Olam International have completed a 5 day series of meetings and visits in Gabon as part of their agreement, announced in February 2017, to move forward on models for responsible agricultural development in highly forested countries.

Mighty Earth's CEO Glenn Hurowitz and Olam's Global Head of Corporate Responsibility and Sustainability, Dr Christopher Stewart, participated in a series of intensive and constructive meetings with key decision-makers in the Gabon central and provincial governments, facilitated by Mighty's local partner NGO Brainforest and by Olam Gabon, as well as a round-table of Gabonese NGOs belonging to the environmental and human rights civil society platform: "Gabon, Ma Terre, Mon Droit " (Gabon, My Lands, My Rights).

Glenn Hurowitz, CEO of Mighty Earth, said, "Thank you to Olam for organising an eye-opening, worthwhile, and inclusive visit to Gabon. We appreciated the opportunity to join Brainforest, WWF, TFT and other groups to see Olam's Mouila plantations, conservation activities, and discuss sustainable development with local communities and government officials. The visit was a valuable input into our ongoing discussions with Olam and many other stakeholders around the world to refine an enduring conservation standard for high forest cover countries. In Mouila, we saw evidence that while there remain important issues to resolve, Olam has created jobs, and is taking efforts to protect those conservation areas it has set aside, and also working to resolve important community concerns. However, the visit also raises serious questions about whether large-scale plantation agriculture is a good model for heavily forested landscapes and other biodiverse, carbon rich ecosystems. We look forward to exploring this question further with Olam, the High Carbon Stock Approach group, other companies operating in Africa and elsewhere, and a range of environmental and community groups, including the upcoming Forest Dialogue in Gabon."

Christopher Stewart, Olam's Global Head of Corporate Responsibility and Sustainability, said "I would like to thank Glenn Hurowitz for visiting our palm plantations in Gabon, and for his positive and helpful contributions to the fundamentally important debates about responsible agriculture. It was also a rare and extremely valuable opportunity for us and the conservation NGOs to participate together in high-level political discussions on Gabon's long term economic and land use strategy. I do not underestimate the evolving market demands and expectations surrounding sustainable agriculture in developing tropical countries like Gabon or the local challenges that are created by the development of our plantations and the GRAINE project. We are already looking to a series of further technical and policy discussions with the multi-stakeholder group and I expect that a mutually reciprocated spirit of openness and respectful dialogue will help us to converge on solutions, that serve both the urgent developmental needs of Gabon and the imperative to conserve its globally critical forest landscapes and wildlife for future generations."

The meetings with senior officials included the Minister of Agriculture, the Parliamentary Sustainable Development Commission, the Secretary-General of the National Parks Agency, the Head of the National Climate Council, the Minister in Charge of Presidential Affairs, and the Director General of the Environment. The Ministers, parliamentarians and Agency Heads welcomed Mighty's visit to Gabon and Olam's proactive effort to understand and respond to their concerns, encouraging the local NGOs to embrace the challenges raised by the revitalisation of Gabon's agricultural sector, and enter into monitoring partnerships with Olam.

Over the course of 2 days of substantive discussions, they also laid out the history of land and natural resource use in Gabon, the urgent and inevitable need to diversify Gabon's economy away from fossil fuels, the social dangers of dependency on oil, Gabon's significant (and regionally unmatched) commitments to long-term conservation of its forests and reduction of its greenhouse gas emissions, and the primary importance of agriculture (both large and small-scale) in Gabon's National Strategic Plan. The tone of these meetings was both constructive and cordial, despite many differences of opinion that still need to be resolved.

Olam Gabon, Mighty Earth and its local partner Brainforest convened a round table including additional members of the "Ma Terre Mon Droit" platform, WWF Gabon, FENSED, IDRC Africa and Croissance Saine-Environnement. The key environmental and social impacts of plantation agriculture were debated at length and NGOS expressed both strong support for the social development benefits of export crop plantations, and strong reservations about the biodiversity and climate impacts, and potential human rights impacts, of large scale plantation agriculture as a basis for the renewal of Gabon's rural economy. NGOs demanded transparency and better participation in decision-making, as well as capacity building initiatives, strengthening partnerships for monitoring the plantation impacts and improving local livelihoods.

Olam's Corporate Responsibility and Sustainability team agreed on these points and the need to continually improve its outreach processes, including communicating technical documentation in a way that is more accessible to all stakeholders. Olam also set out the many opportunities for NGO involvement that are in place, not least the systematic local and national consultation processes on social and environmental impacts, open-access publications on all its plantation operations, the joint elaboration with national NGOs of the Gabonese RSPO National Standard, and its national-scale GRAINE support programme for cooperative farming, in which most of the NGOs present had played a framing role.

A large NGO delegation including Mighty, The Forest Trust (TFT), and local NGOs Brainforest, WWF-Gabon, FENSED, and Muyissi Environnement also spent 2 days visiting Olam's palm oil plantations and the landscape and communities of Ngounie Province, southern Gabon. They were given an overview of the plantation operations and progress to date by the General Manager of Olam Palm Gabon, and visited operations including the planting area, mechanically assisted harvesting teams, an innovative drip fertigation project, and the 90-tonne Mouila Mill, which was inaugurated in 2016. They also visited a small part of the 18,000 ha conservation set-aside within Lot 1, and learned about Olam's environmental action plan since 2013 to restore the logged forests of the set-asides, including prevention and monitoring of illegal logging and hunting of protected species (both of which are a continuing threat to forests and wildlife in this area).

A highlight of the field visit was the exploration of Olam Palm Gabon's Mouila Lot 3, where Olam has established a 14,000 ha savannah plantation compliant with the requirements RSPO's New Plantings Procedures, on a strict zero-deforestation basis . This also includes the first High Conservation Value savannah ecosystem mosaic under active management in the RSPO system, and Olam's pioneering research in this under-appreciated ecosystem (in partnership with Missouri Botanical Gardens) has

already laid the groundwork for a new National Park in the area, under the leadership of the National Parks Agency.

The NGO delegation also held village meetings in 3 villages chosen and organised by Brainforest, which are among a total of 87 villages which have Free Prior and Informed Consent procedures and Social Contracts with Olam. The villagers expressed themselves without reservation on both positive and negative social impacts of the plantation developments: on the one hand they largely welcomed the employment opportunities and investment in social infrastructure provided by Olam, whilst expressing their strong need for better access to essential services including schooling, healthcare, clean water provision, electrification, building materials and opportunities for promotion within the Olam structure.

A recurring theme was the concern on the impact of plantations on natural streams and lakes, which are a key source of water – villages in this region suffer from annual water shortages in the dry season as seasonal streams and artesian wells dry up. The NGO delegation urged Olam to act on these concerns and provide better solutions for water provision, more transparency in its water quality monitoring process, and rehabilitation in the case of accidental damage to natural water bodies. However, they were satisfied to observe that Olam's social team has strong connections to the villages and has previously addressed and documented both the grievances expressed and the solutions proposed. Olam agreed immediately to investigate renewed concerns expressed in the village of Ferra relative to the Rembo river, a key dry-season drinking water source, which villagers feared might be impacted by a nursery upstream from their village.

Notes to Editors

About Mighty Earth

Mighty Earth is a global environmental campaign organization that works to protect forests, conserve oceans, and address climate change. We work in Africa, Southeast Asia, Latin America, and North America to drive large-scale action towards environmentally responsible agriculture that protects native ecosystems, wildlife, and water, and respects local community rights. Mighty Earth's global team has played a decisive role in persuading the world's largest food and agriculture companies to dramatically improve their environmental and social policies and practices. More information on Mighty Earth can be found at www.mightyearth.org

About Olam International Limited

Olam International is a leading agri-business operating across the value chain in 70 countries, supplying various products across 18 platforms to 23,000 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 30 largest primary listed companies in Singapore in terms of market capitalisation. In 2016, Fortune magazine recognised Olam at #23 in its 'Change the World' list. More information on Olam can be found at <u>www.olamgroup.com</u>