



## Global Reporting Initiative – Introduction

A wide range of social and environmental risks exist which could have an impact on our business either directly or indirectly through our supply chains. We therefore have to manage an ever-evolving set of issues. We seek to ensure balanced reporting of the environmental, social and commercial aspects of our business activities, and be transparent in the process. Much of this is covered in our [2020 Annual Report](#) with its focus on Financial and the non-Financial Capitals – Manufactured, Human, Social, Natural, Intellectual and Intangible.

There is an ongoing challenge in annual reporting, however, in terms of balancing detail and readability, transparency and concise content; easy-to-find information with an engaging format. Following positive feedback for 2016, 2017, 2018 and 2019, we are continuing to use the Global Reporting Initiative Standards as an additional reporting tool, responding directly to disclosure topics and relevant indicators. This process is also helpful when responding to stakeholders who ask us to complete similar assessments.

This report comments on the topics most material to our business. It should be read in conjunction with the 2020 Annual Report available here: <https://www.olamgroup.com/investors/investor-library.html>. It has been prepared in accordance with the GRI Standards: Core option.

We welcome feedback on this report and the 2020 Annual Report via [crs@olamnet.com](mailto:crs@olamnet.com).

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

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## GENERAL DISCLOSURES

**102.1: Name of company:** Olam International Ltd

**102.2: Activities, brands, products and services**

### Overview

Olam International is a leading food and agri-business supplying food, ingredients, feed and fibre to 17,300 customers worldwide. Our value chain spans over 60 countries and includes farming, a direct and indirect sourcing network of an estimated five million farmers, processing, distribution and trading operations. We are organised by two operating groups – Olam Food Ingredients (OFI) and Olam Global Agri (OGA) both held by the parent Olam International Limited (OIL) which provides stewardship and acts as an accelerator, incubating new growth engines.

Through our Purpose to ‘Re-imagine Global Agriculture and Food Systems’, Olam aims to address the many challenges involved in meeting the food, feed and fibre needs of a growing global population, while achieving positive impact for farming communities, our planet and all our key stakeholders. Headquartered and listed in Singapore, Olam currently ranks among the top 30 largest primary listed companies in terms of market capitalisation on SGX-ST.

Since June 2020, Olam has been included in the FTSE4Good Index Series, a global sustainable investment index series developed by FTSE Russell, following a rigorous assessment of Olam’s supply chain activities, impact on the environment and governance transparency. The FTSE4Good Index Series identifies companies that demonstrate strong Environmental, Social and Governance (ESG) practices and is used by a variety of market participants to create and assess responsible investment funds.

A full description of the products and services provided under these operating groups can be found here:

| Report Chapter  | Section        | Printed page                   |
|-----------------|----------------|--------------------------------|
| Strategy Report | Business Model | <a href="#">Printed page 2</a> |
| Strategy Report | OFI            | <a href="#">Printed page 3</a> |
| Strategy Report | OGA            | <a href="#">Printed page 3</a> |
| Strategy Report | OIL            | <a href="#">Printed page 2</a> |

### Brands

Across our portfolio, we have a number of business-to-business brands, such as the deZaan, Unicao, Joannes and Huysman cocoa powder brands. In 2020, Olam Cocoa launched deZaan for Professionals: [www.dezaan.com/en/pro/](http://www.dezaan.com/en/pro/) and specialty cocoa business Twenty Degrees: [www.twentydegreescacao.com/](http://www.twentydegreescacao.com/)

| Report Chapter  | Section | Printed Page                       |
|-----------------|---------|------------------------------------|
| Strategy Report | OFI     | <a href="#">Printed page 38-39</a> |

We also have a range of consumer brands for products sold only in Africa under the Packaged Foods business. These include Tasty Tom tomato paste, Mama Gold Rice, Egglicious Noodles, Milky Magic Biscuits, Nutrisnax Biscuits and many others which are listed on the [Olamgroup.com](http://Olamgroup.com) website.

Similarly, our Grains business has B2B and consumer brands for the West Africa market, while our Rice business has more than 30 consumer brands. More information on these brands and their performance can be found here:

| Report Chapter  | Section | Printed Page                    |
|-----------------|---------|---------------------------------|
| Strategy Report | OGA     | <a href="#">Printed page 51</a> |

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

| Report Chapter  | Section              | Printed Page                         |
|-----------------|----------------------|--------------------------------------|
| Strategy Report | Intellectual Capital | <a href="#">Printed page 104-105</a> |

For a more detailed overview of our operations, please refer to the following pages in the 2020 Annual Report:

| Report Chapter  | Section            | Printed Page                       |
|-----------------|--------------------|------------------------------------|
| Strategy Report | Business Model     | <a href="#">Printed page 2-3</a>   |
| Strategy Report | Group CFO’s review | <a href="#">Printed page 20-27</a> |

Many of the crops we source and grow such as oil palm, cocoa, coffee, cashew and cotton have sectoral issues such as farmer poverty, labour and human rights issues, as well as environmental issues including deforestation. These are of interest to stakeholders including customers, investors and NGOs and we cover them extensively in our 2020 Annual

Report, particularly under the Human, Social and Natural Capital sections. One area of continuing debate in the agricultural sector is genetically modified crops – a number of countries across the world restrict and regulate their production and marketing. Olam continues to monitor and we are aiming to update our website with a position statement in 2021 under the [Sustainable Supply Chains](#) section.

| 2020 Annual Report Chapter | Section         | Printed Page                         |
|----------------------------|-----------------|--------------------------------------|
| Strategy Report            | Human Capital   | <a href="#">Printed page 76-87</a>   |
| Strategy Report            | Social Capital  | <a href="#">Printed page 106-121</a> |
| Strategy Report            | Natural Capital | <a href="#">Printed page 88-103</a>  |

### 102.3: Location of headquarters; 102.4: Location of operations

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

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

**North Eurasia:** CIS, Russia, Ukraine

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

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

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

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

### 102.5: Ownership and legal form

Listed on Singapore Exchange in 2005. We have a diversified, supportive shareholder group with a long-term investment horizon.

| 2020 Annual Report Chapter | Section                  | Printed Page                         |
|----------------------------|--------------------------|--------------------------------------|
| Governance Report          | Shareholding Information | <a href="#">Printed page 44 - 45</a> |

### 102.6: Markets served

Olam serves multi-national and national food, textile and manufacturing companies across Europe, North America, South America, Asia, Australasia and Africa. This includes industries associated with rubber and wood products. In Africa, we manufacture and sell products such as pasta, rice, dairy drinks and biscuits directly to the consumer. In 2020, we began selling rice directly to Indian consumers.

| 2020 Annual Report Chapter | Section        | Printed Page                     |
|----------------------------|----------------|----------------------------------|
| Strategy Report            | Business Model | <a href="#">Printed page 2-3</a> |
| Strategy Report            | OFI            | <a href="#">Printed page 3</a>   |
| Strategy Report            | OGA            | <a href="#">Printed page 3</a>   |
| Strategy Report            | OIL            | <a href="#">Printed page 2</a>   |

### 102.7: Scale of organisation

| Reporting Indicators                                 | 2020 Annual Report Chapter       | Section              | Printed Page                     |
|--|----------------------------------|----------------------|----------------------------------|
| Total number of employees by region                  | Strategy Report                  | Human Capital        | <a href="#">Printed page 87</a>  |
| Total number of operations                           | Strategy Report                  | Manufactured Capital | <a href="#">Printed page 122</a> |
| Net sales by region                                  | Strategy Report                  | Highlights           | <a href="#">Printed page 4</a>   |
| Net capitalisation                                   | <a href="#">Financial Report</a> |                      |                                  |
| Quantity of products and services provided by region | Strategy Report                  | Highlights           | <a href="#">Printed page 4</a>   |



## 102.8: Information on employees and other workers

Olam's overall team strength is around 81,600 people. Just over 50% are a secondary workforce engaged in contract, seasonal and temporary roles, typical of an agricultural and processing company. The secondary workforce will vary dependent on crop size and volume.

| Reporting Indicators   | 2020 Annual Report Chapter | Section       | Printed Page                    |
|--|----------------------------|---------------|---------------------------------|
| Total employees by contract type (primary and secondary) by region | Strategy Report            | Human Capital | <a href="#">Printed page 87</a> |
| Total employees primary workforce by gender and by region          | Strategy Report            | Human Capital | <a href="#">Printed page 87</a> |
| Total employee secondary workforce by gender and by region         | Strategy Report            | Human Capital | <a href="#">Printed page 87</a> |
| Total employees by operating group                                 | Strategy Report            | Human Capital | <a href="#">Printed page 87</a> |

### Additional indicator breakdowns

Primary workforce by role – 39,200

| Managers Band E and above | Other Managers Band E and below | Officers on expat terms | Staff | Non-seasonal workers |
|---------------------------|---------------------------------|-------------------------|-------|----------------------|
| 4%                        | 5%                              | 1%                      | 39%   | 51%                  |

Primary workforce by role and gender

|   | 2020  | 2019  | 2018  | 2017  |
|---|-------|-------|-------|-------|
| Managers (Band E & above) – Male        | 3%    | 3%    | 3.3%  | 2.9%  |
| Managers (Band E & above) – Female      | 0.5%  | 0.4%  | 0.4%  | 0.3%  |
| Other Managers (below Band E) – Male    | 4%    | 3%    | 3.5%  | 2.3%  |
| Other Managers (below Band E) – Female  | 1%    | 1%    | 0.6%  | 0.5%  |
| Officers on Expat terms – Male          | 1%    | 1%    | 0.85% | 0.6%  |
| Officers on Expat terms – Female        | 0.03% | 0.18% | 0.02% | 0.03% |
| Staff – Male                            | 30.7% | 27.2% | 24.5% | 22%   |
| Staff – Female                          | 8%    | 7.3%  | 6.9%  | 6%    |
| Permanent non seasonal workers – Male   | 35%   | 36%   | 39%   | 42%   |
| Permanent non seasonal workers – Female | 17%   | 21%   | 20.7% | 24%   |

Secondary workforce – 42,450

| Temporary staff | Contract non-seasonal workers | Casual or temporary non-seasonal workers | Permanent seasonal workers | Contract seasonal workers | Casual or temporary seasonal |
|-----------------|-------------------------------|--|----------------------------|---------------------------|------------------------------|
| 3.37%           | 23%                           | 22.95%                                   | 4.05%                      | 12.38%                    | 34%                          |

Data not available for further breakdown by gender.

## 102.9: Supply Chain

We estimate that we buy from approximately 5.16 million farmers across North and South America, Africa, Europe, Australia, and Asia (a slight increase on 2019 (5.04m)). The vast majority are small-scale farmers.

We buy from many directly but also via many intermediaries and other traders. We also engage in exchange based trading.

Certain sections of our supply chain are particularly labour intensive such as cashew processing where mechanisation is only slowly becoming feasible. Equally, crops such as hazelnuts, cashew, coffee and cocoa depend on labour for harvesting.

## 102.10: Significant changes to the organisation and its supply chain

Please see the following sections of the 2020 Annual Report which cover progress on our Strategic Plan, including divested assets, as well as the Re-organisation of Olam:

| 2020 Annual Report Chapter | Section          | Printed Page                         |
|----------------------------|------------------|--------------------------------------|
| Strategy Report            | Business Model   | <a href="#">Printed page 2-3</a>     |
| Strategy Report            | Group CEO Review | <a href="#">Printed page 10-17</a>   |
| Strategy Report            | Group CFO Review | <a href="#">Printed page 20 - 27</a> |



### 102.11: Precautionary Principle or approach

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

Maintaining sustainable yields and growing our business means that we have to act as responsible stewards of the environment and encourage third-parties to do the same. Our own operations must avoid or mitigate potential negative impacts, therefore all investment cases for any new developments must undergo environmental and social impact assessments and implement the relevant management plans. For our existing operations, we are guided by our Risk Appetite Framework, as well as a suite of Policies, Codes and Standards. Our Governance structure ensures that we adhere to these principles and that we undertake regular audits and gap assessments. See the following sections of the 2020 Annual Report as well as the Environmental disclosures of this report.

| 2020 Annual Report Chapter | Section          | Printed Page                        |
|----------------------------|------------------|-------------------------------------|
| Strategy Report            | Group CEO Review | <a href="#">Printed page 10-17</a>  |
| Strategy Report            | Risk Management  | <a href="#">Printed page 64-69</a>  |
| Strategy Report            | TCFD             | <a href="#">Printed page 68-69</a>  |
| Strategy Report            | Natural Capital  | <a href="#">Printed page 88-103</a> |
| Strategy Report            | OFI Purpose      | <a href="#">Printed page 40</a>     |
| Strategy Report            | OGA Purpose      | <a href="#">Printed page 52</a>     |
| Strategy Report            | OIL Purpose      | <a href="#">Printed page 62</a>     |

### 102.12: External Initiatives

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

- In January 2020 CEO Sunny Verghese was reappointed the Chair of the World Business Council for Sustainable Development (WBCSD) for a second 2-year term
- Also in 2020 CEO Sunny Verghese was appointed Co-Chair of Champions 12.3 for Food Loss and Waste
- We continue to be signatories to the UN Global Compact which commits us to upholding its Ten Principles. We are also aligning our sustainability strategy to the UN Sustainable Development Goals
- In January 2019, we endorsed the UN Women's Empowerment Principles
- We are founding signatories of CocoaAction and Cocoa & Forests Initiative
- We are board members (vice chair) of the Sustainable Rice Platform
- We are a member of the Round Table on Sustainable Palm Oil and alternate board of governance members
- We have reported to CDP for 10 years
- We signed up to the Science Based Targets Initiative in June 2017
- We are a signatory to the Taskforce on Climate-related Financial Disclosure (TCFD)

For others, please see:

| 2020 Annual Report Chapter | Section                         | Printed Page                    |
|----------------------------|---------------------------------|---------------------------------|
| Strategy Report            | Our Capitals and Material Areas | <a href="#">Printed page 75</a> |

### 102.13: Membership of associations

For a full list see [www.olamgroup.com/sustainability/reporting/memberships-and-partnerships.html](http://www.olamgroup.com/sustainability/reporting/memberships-and-partnerships.html)

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

| 2020 Annual Report Chapter | Section                      | Printed Page                       |
|----------------------------|------------------------------|------------------------------------|
| Strategy Report            | Chairman's Letter            | <a href="#">Printed page 8-9</a>   |
| Strategy Report            | Group CEO's Review           | <a href="#">Printed page 10-19</a> |
| Strategy Report            | OFI Q&A with CEO A. Shekhar  | <a href="#">Printed page 29-35</a> |
| Strategy Report            | OGA Q&A with CEO S. Verghese | <a href="#">Printed page 43-50</a> |
| Strategy Report            | OIL Q&A with CEO S. Verghese | <a href="#">Printed page 55-59</a> |

### 102.15: Key impacts, risks, and opportunities

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

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

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

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

| 2020 Annual Report Chapter | Section            | Printed Page                         |
|----------------------------|--------------------|--------------------------------------|
| Strategy Report            | Chairman's Letter  | <a href="#">Printed page 8-9</a>     |
| Strategy Report            | Group CEO's Review | <a href="#">Printed page 10-19</a>   |
| Strategy Report            | Risk Management    | <a href="#">Printed page 64-69</a>   |
| Strategy Report            | TCFD               | <a href="#">Printed page 68-69</a>   |
| Strategy Report            | Natural Capital    | <a href="#">Printed page 88-103</a>  |
| Strategy Report            | Social Capital     | <a href="#">Printed page 106-121</a> |
| Strategy Report            | OFI Purpose        | <a href="#">Printed page 40</a>      |
| Strategy Report            | OGA Purpose        | <a href="#">Printed page 52</a>      |
| Strategy Report            | OIL Purpose        | <a href="#">Printed page 62</a>      |

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

The 2020 Governance Report within the 2020 Annual Report details Olam's overall approach to Governance, Integrity and norms of behaviour. They are also stated on our website: [www.olamgroup.com/about-olam/our-values.html](http://www.olamgroup.com/about-olam/our-values.html)

Olam's operations are underpinned by a suite of Codes, Standards and Policies, many of which are available on our website: [www.olamgroup.com/about-olam/ethics-and-compliance.html](http://www.olamgroup.com/about-olam/ethics-and-compliance.html). These include:

- **The Olam Code of Conduct** provides one of the guiding frameworks. It sets out the Group's commitment to 'do what is right'. It helps employees make informed decisions should they ever be faced with an ethical dilemma, as well as giving the knowledge and courage to speak out should they ever feel that others are not operating to the same standards. In fact, as outlined on page 10 it is a violation of the Code not to speak out – <https://www.olamgroup.com/sustainability/policies-codes-standards/code-of-conduct.html>. A simple communication channel allows anonymous reporting of any Fraud or Misappropriation which the Internal Audit department receives immediately. Alternatively, the Internal Audit team can be contacted directly.
- **The Market Compliance Office (MCO)** is a global function whose role is to ensure that the Group is fully compliant with regulations as they apply on the world's listed derivative exchanges.
- **[Anti-Bribery and Corruption Policy](#)**
- **[Supplier Code](#)**: provides a comprehensive set of conditions to support Olam's goal to purchase raw materials, products, services and various supplies ('supplies') that are produced in a manner that is socially responsible, economically profitable and environmentally sustainable.
- **Fair Employment Policy**: In 2018, we launched a [Global Fair Employment Policy](#) which sets out expectations regarding Human Rights etc.
- **Responsible Marketing Policy**: In 2020, we launched a [Responsible Marketing Policy](#). Our commitments apply to all products of the Olam Group and herein comply with the International Food & Beverage Alliance Global Policy on Marketing Communications to Children.

#### **Olam's values**

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

#### **Entrepreneurship – 'we dare to dream'**

- We continuously seek unique opportunities and act upon them at every level in the organisation
- We promote intelligent risk taking when the potential rewards are great
- We make it safe for our managers to fail occasionally as a learning process

- We eat our own cooking. We encourage our people to participate in the risk and rewards of the business by putting their net worth at risk through taking equity stakes in the business

**Stretch & Ambition – ‘our passion for doing more’**

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

**Partnerships – ‘we strive to develop positive and long-term relationships with our partners’**

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

**Mutual Respect & Teamwork – ‘we treat each other the way we want to be treated’**

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

**Integrity – ‘we stay true to what we believe, say and do’**

- We always strive to do the right thing
- We are committed to fostering sustainable and responsible business practices
- We promote ideas, projects and people based on merit in an objective and unbiased way

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

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

**102.18 – 102.39: Governance Structure**

The 2020 Annual Report has a dedicated Governance Report, which details all matters relating to Olam’s governance and board. It covers many of the Disclosure topics 102.18 to 102.39. See in particular:

| 2020 Annual Report Chapter | Section   | Printed Page                       |
|----------------------------|---|------------------------------------|
| Governance Report          | <b>Principle 1:</b> The Board’s Conduct of Affairs  | <a href="#">Printed page 10-14</a> |
| Governance Report          | <b>Principle 2:</b> Board Composition and Guidance  | <a href="#">Printed page 15-16</a> |
| Governance Report          | <b>Principle 3:</b> Chairman and Group Chief Executive Office   | <a href="#">Printed page 16-17</a> |
| Governance Report          | <b>Principle 4:</b> Board Membership  | <a href="#">Printed page 18-19</a> |
| Governance Report          | <b>Principle 4:</b> Board Performance   | <a href="#">Printed page 19-20</a> |
| Governance Report          | <b>Principles 6, 7 and 8:</b> Procedures for developing remuneration policies; level and mix of remuneration                          | <a href="#">Printed page 20-24</a> |
| Governance Report          | <b>Principle 9:</b> Risk Management and Internal Controls   | <a href="#">Printed page 25-26</a> |
| Governance Report          | <b>Principle 10:</b> Audit Committee  | <a href="#">Printed page 27-33</a> |
| Governance Report          | <b>Principle 11,12 and 13:</b> Shareholders’ rights and engagement, Engagement with shareholders, Managing stakeholders relationships | <a href="#">Printed page 36-42</a> |
| Governance Report          | Corporate Responsibility & Sustainability Committee (CRSC)  | <a href="#">Printed page 35-42</a> |
| Strategy Report            | Chairman’s Letter   | <a href="#">Printed page 8-9</a>   |

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

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

The activities of the CR&S Committee and the Function itself are managed by Dr Christopher Stewart, Global Head of CR&S. Both Gerard Manley and Christopher Stewart report directly to the CR&S Board Committee.

The CR&S Committee and Function also work closely with other functions including Olam Digital; Manufacturing Operations, Innovation and Procurement (non-commodity); Risk and Internal Audit; Human Resources; Treasury; Corporate Affairs; Corporate Communications; and Investor Relations. All relevant product and country staff have CR&S objectives included in their individual performance appraisals.

**102.40: A list of stakeholder groups engaged by Olam**

This includes:

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

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

See [page 83 of the Strategy Report](#) in the 2020 Annual Report.

| Year                               | 2015   | 2016   | 2017   | 2018   | 2019   | 2020   |
|------------------------------------|--------|--------|--------|--------|--------|--------|
| Size of primary workforce          | 26,300 | 35,000 | 40,500 | 38,000 | 40,800 | 39,200 |
| % covered by collective bargaining | 40%    | 30%    | 33%    | 36%    | 32%    | 45%    |

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

Olam has a vast global network of stakeholders: customers, farmer suppliers and their communities, investors, employees, NGOs, financiers, foundations, trade bodies, industry platforms and governments. Business units, functions and country teams interact with them every day. As an agricultural company, how we manage social and environmental issues are common questions from across the stakeholder spectrum. We have a dedicated Corporate Responsibility & Sustainability (CR&S) Function, as well as sustainability experts embedded in businesses across the world. Achieving our CR&S ambition to be a net positive company requires the support of stakeholders in strategic alliances and partnerships to catalyse system change together.

| 2020 Annual Report Chapter | Section                                   | Printed Page                         |
|----------------------------|---|--------------------------------------|
| Strategy Report            | OFI                                       | <a href="#">Printed page 3</a>       |
| Strategy Report            | Intangible Capital: Solidaridad and Oxfam | <a href="#">Printed page 126-128</a> |
| Strategy Report            | Natural Capital                           | <a href="#">Printed page 88-103</a>  |
| Strategy Report            | Social Capital                            | <a href="#">Printed page 106-121</a> |
| Governance Report          | Principles 11 to 13                       | <a href="#">Printed page 36-42</a>   |

### 102.43: Report the organisation’s approach to stakeholder engagement

Olam has many stakeholder groups as listed on page 70 of the 2020 Annual Report, Strategy Report. This table gives examples of how we engage. Further information is available in the 2020 Annual Report, Governance Report, Principle 13, [page 36](#).

| Stakeholder Group | Examples of engagement   | Examples of focus areas  | Read more in the 2020 Annual Report   |
|-------------------|--|--|---|
| <b>Customers</b>  | <p>COVID sourcing and shipment updates</p> <p>Origin and plant tours pre-COVID-19 with virtual engagement since</p> <p>Newsletters e.g. Olam Coffee quarterly e-newsletter; <a href="http://www.olamnuts.com/nut-prices-market-reports">www.olamnuts.com/nut-prices-market-reports</a></p> <p>Market reports: e.g. <a href="http://www.olamspices.com/sustainability-newsletters">www.olamspices.com/sustainability-newsletters</a></p> <p>Customer audits</p> <p>Virtual exhibition</p> <p>Surveys e.g. around the Re-organisation and OFI offer</p> <p>Webinars, including with media partners e.g. AtSource with FoodIngredientsFirst.com</p> <p>Improving digital capabilities / ordering especially for emerging market customers</p> <p>Through trade association and sector platforms especially around sustainability challenges e.g. World Cocoa Foundation, WBCSD etc</p> <p>Marketing campaigns especially for B2C products</p> | <p>Security of supply</p> <p>Efficiency savings</p> <p>Risk management solutions</p> <p>Innovation and quality solutions</p> <p>Traceability</p> <p>Sustainability partnerships to support farmer livelihoods and re-generate landscapes</p> <p>Support to achieve sustainability targets and ethical positioning</p> <p>Training to maximise product use (e.g. training support for bakers, fish and poultry farmers in Africa)</p> | <p><a href="#">Supporting our Stakeholders through COVID-19</a></p> <p><a href="#">OFI: Perspective from Aldi</a></p> <p><a href="#">OFI: New customer types and offering</a></p> <p><a href="#">OGA: Nigerian aquaculture industry doubles with AFP</a></p> <p><a href="#">OIL: Kick-starting the smallholder digital revolution</a></p> <p>Also view: <a href="https://ofixperience.com/">https://ofixperience.com/</a></p> |
| <b>Employees</b>  | <p>Internal intranet with communities and opportunities for sharing content, webinars etc; weekly e-newsletter</p> <p>Physical and virtual staff meetings ('Town Halls') – by product, function, country and company wide</p> <p>CEO Perspective – twice per year – 'ask me anything'; plus COVID-19 updates</p> <p>Post Results briefings by the CFO to help employees understand performance</p> <p>Employee performance reviews and ongoing conversations</p> <p>Unions and workplace councils</p> <p>External social media channels e.g. <a href="#">Linkedin@Olam</a></p>   | <p>Health &amp; Safety (COVID-19 related but also other areas e.g. occupational)</p> <p>Re-organisation – what it means for each employee in terms of opportunities</p> <p>Diversity and equal opportunities – gender, race</p> <p>Work life balance / future of work</p> <p>Well-being during the pandemic</p> <p>Salaries / remuneration / other benefits</p> <p>Leadership</p> <p>Labour relations</p>                            | <p><a href="#">Supporting our Stakeholders through COVID-19</a></p> <p><a href="#">Human Capital</a></p> <p><a href="#">Integrated Impact Statement</a></p>   |
| <b>Suppliers</b>  | <p>Co-operative engagement</p> <p>One to one meetings / virtual esp with large growers</p> <p>Trainings</p>  | <p>COVID-19 support – health, access to markets</p> <p>Engagement on the Supplier Code</p>   | <p><a href="#">Supporting our Stakeholders through COVID-19</a></p> <p><a href="#">Social Capital</a></p> <p><a href="#">OFI Purpose</a></p>  |

|  |  |  |  |
|--|--|--|--|
|  | COVID-19 survey among smallholders<br>Digital platforms e.g. Olam Direct   | Productivity support<br>Procurement<br>Social benefits and environmental stewardship know-how  | <a href="#">OGA Purpose</a><br><a href="#">Intangible Capital</a>  |
| <b>Communities</b>   | Dedicated social officers around farming operations such as palm and coffee meet with communities – see Living Landscapes Policy on FPIC etc<br>Village/community meetings<br>Engagement via local media e.g. newspapers and radio programmes especially for health messaging<br>Increasing engagement with women's groups | COVID-19 support<br>Health, education and other infrastructure<br>Water access<br>Employment opportunities<br>Processing operations – environmental stewardship  | <a href="#">Supporting our Stakeholders through COVID-19</a><br><a href="#">Social Capital</a><br><a href="#">OFI Purpose</a><br><a href="#">OGA Purpose</a><br><a href="#">OIL Purpose</a><br><a href="#">Integrated Impact Statement</a>   |
| <b>Capital providers (shareholders, creditors, analysts)</b>     | Website and webcasts<br>Conference calls / meetings (virtual)<br>Quarterly results (virtual)<br>Annual Report<br>AGM (virtual)<br>Surveys<br>Written Q&As  | Business and financial performance<br>COVID-19 updates<br>Update on the Re-organisation<br>Update on engagement with NGOs  | <a href="#">Governance Report, Principle 13</a><br><a href="#">Chairman's Letter</a><br><a href="#">Group CEO's Review</a><br><a href="#">Group CFO's Review</a><br><a href="#">OFI</a><br><a href="#">OGA</a><br><a href="#">OIL</a>        |
| <b>Not for profit organisations; Civil Society; ESG analysts</b> | Living Landscapes Forum<br>Bilateral meetings (virtual)<br>Sustainability partnerships<br>Scorecard and questionnaire submissions<br>Other written responses<br>Conference participation<br>Annual Report<br>Product specific impact reports e.g. Cocoa; Palm etc  | Farmer livelihoods<br>Child labour<br>Women's empowerment<br>Deforestation and biodiversity<br>Human rights<br>COVID-19 impact   | <a href="#">Group CEO's Review</a><br><a href="#">OFI Purpose</a><br><a href="#">OGA Purpose</a><br><a href="#">Human Capital</a><br><a href="#">Natural Capital</a><br><a href="#">Social Capital</a><br><a href="#">Intangible Capital</a> |
| <b>Governments / regional and local authorities</b>              | Bilateral meetings<br>Visits and tours<br>Engagement on expansion / new sites<br>Participation in round tables<br>Sector initiatives via trade associations<br>Responses to consultations  | COVID-19 support<br>Opportunities to develop / help stimulate local economies, including reducing imports / self-sufficiency<br>Advancing sustainability in the sector / leadership<br>Permits and legislation | <a href="#">Supporting our Stakeholders through COVID-19</a><br><a href="#">OGA Rice Vietnam case study</a><br><a href="#">OGA Purpose</a><br><a href="#">Governance Report</a>  |

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

| 2020 Annual Report Chapter | Section         | Printed Page                         |
|----------------------------|-----------------|--------------------------------------|
| Strategy Report            | Natural Capital | <a href="#">Printed page 88-103</a>  |
| Strategy Report            | Social Capital  | <a href="#">Printed page 106-121</a> |

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

See the [Financial Report](#) in the 2020 Annual Report. Subsidiary companies listed from page 59.



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

### *Completeness*

Our annual reporting covers both our direct operations – farming, plantations, processing etc, as well as our indirect third party supply chain which consists of farmers from whom we buy crops. We cannot buy from all directly, and based on volumes, estimate 5.16 million farmers in our 2020 supply chain. The vast majority being smallholders in emerging markets.

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

Our Capitals: a summary ([printed page 70](#)) – shows how our Purpose, Vision, Governing Objective, Capitals and Material Areas come together.

Case studies throughout the Strategy Report demonstrate how we seek to create and protect value for Olam and stakeholders in line with our Purpose.

This year we also provided our first Integrated Impact Statement case study for Human Capital Accounting: see [printed page 130](#).

Further, we sought to bring greater understanding of the new operating groups, OFI and OGA, under the Re-organisation of Olam while still linking to our Capitals and Purpose.

### *Stakeholder Inclusiveness*

We made efforts to ensure that stakeholder interests were addressed throughout the 2020 Annual Report, particularly our approach to:

- Smallholder livelihoods
- Gender
- Deforestation
- Labour issues

We asked international NGO Solidaridad to give their perspective on our approach and this was included in full – Strategy Report, [printed page 126](#).

### *Sustainability Context*

The [Group CEO's Review](#) in the Strategy Report of the 2020 Annual Report seeks to lay out the context and external factors impacting our business. This includes an explanation of how sustainability is embedded in our business as a commercial driver. See, in particular, [printed pages 15 to 17](#).

Further, the dedicated chapters on [OFI](#), [OGA](#) and [OIL](#) show the importance of transparent and traceable supply chains to the strategy and value propositions of these operating groups. [Printed page 60 to 61](#) detail new 'engines for growth' based on the sustainability context.

### *Materiality*

In 2020 we included a more detailed update on our Materiality process: [printed pages 70 to 75](#).

Our sustainability risks are also listed under the Risk Management section which also includes our response for TCFD of the Strategy Report: [printed page 68 to 69](#).

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

See [printed pages 70 to 75](#) of the 2020 Annual Report, Strategy Report.

## 102.48: Restatements of information

See [printed page 135](#) of the 2020 Annual Report, Strategy Report.

## 102:49: Significant changes from previous reporting periods in material topics and topic Boundaries

None.

## 102:50: Reporting period for the information provided

1<sup>st</sup> January to 31<sup>st</sup> December 2020.



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

The 2019 Annual Report was launched on the [14 April 2019](#). The 2019 GRI Report was published on the same date.

**102.52: Reporting cycle**

Annual

**102.53: Contact for the report**

Email: [crs@olamnet.com](mailto:crs@olamnet.com)

Nikki Barber, Group Head of Public Relations, [nikki.barber@olamnet.com](mailto:nikki.barber@olamnet.com)

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

In accordance core.

## SPECIFIC DISCLOSURES

### Management approach Economic Performance

For our 2020 Economic performance please refer to the 2020 Annual Report, especially the following:

| Report Chapter  | Section                              | Printed page                        |
|-----------------|--------------------------------------|-------------------------------------|
| Strategy Report | Financial and performance highlights | <a href="#">Printed page 4-7</a>    |
| Strategy Report | Chairman's Letter                    | <a href="#">Printed page 8-9</a>    |
| Strategy Report | Group CEO's Review                   | <a href="#">Printed page 10-19</a>  |
| Strategy Report | OFI Q&A with CEO A. Shekhar          | <a href="#">Printed page 29-35</a>  |
| Strategy Report | OGA Q&A with CEO S. Verghese         | <a href="#">Printed page 43-50</a>  |
| Strategy Report | OIL Q&A with CEO S. Verghese         | <a href="#">Printed page 55-59</a>  |
| Strategy Report | Capitals Section                     | <a href="#">Printed page 70-128</a> |

### 201.1: Direct economic value generated and distributed

See the 2020 Annual Report Strategy Report, Financial Statements and Governance Report for revenues, operating costs, wages and benefits.

The followings sections of the 2020 Annual Report detail the approach we take to helping to generate economic value:

| Report Chapter  | Section                                      | Case study / theme                             | Printed page                           |
|-----------------|--|--|--|
| Strategy Report | Supporting our stakeholders through COVID-19 | Full section                                   | <a href="#">Printed page 18-19</a>     |
| Strategy Report | OFI  | In-house app connects farmers to markets       | <a href="#">Printed page 37</a>        |
| Strategy Report | OFI  | Purpose  | <a href="#">Printed page 40</a>        |
| Strategy Report | OGA  | Nigerian aquaculture industry doubles with AFP | <a href="#">Printed page 49</a>        |
| Strategy Report | OGA  | Purpose  | <a href="#">Printed page 52</a>        |
| Strategy Report | OIL  | New engines for growth                         | <a href="#">Printed page 60</a>        |
| Strategy Report | OIL  | Purpose  | <a href="#">Printed page 62</a>        |
| Strategy Report | Social Capital                               | Full section                                   | <a href="#">Printed page 106 - 121</a> |
| Strategy Report | Intangible Capital                           | Full section                                   | <a href="#">Printed page 126-128</a>   |

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

Climate change has profound effects on agriculture and global food security in terms of its availability, accessibility and stability of supply. Farmers, especially smallholders, are on the front line of changing weather patterns with limited capacity to adapt to its impacts. Conversely agriculture is a major contributor to climate change. The Agriculture, Forestry and Other Land Use sector is responsible for 24% of global greenhouse gas emissions (GHG). These risks and Olam's approach for mitigation and adaption in both our direct and indirect supply chains are explained in full in the 2020 Annual Report on the following pages of the Strategy Report:

| Report Chapter  | Section                       | Case study / theme     | Printed page                          |
|-----------------|-------------------------------|------------------------|---------------------------------------|
| Strategy Report | Chairman's Letter             |                        | <a href="#">Printed page 8-9</a>      |
| Strategy Report | Group CEO's Review            |                        | <a href="#">Printed page 10-19</a>    |
| Strategy Report | OFI                           | Purpose                | <a href="#">Printed page 40</a>       |
| Strategy Report | OGA                           | Purpose                | <a href="#">Printed page 52</a>       |
| Strategy Report | OIL                           | New engines for growth | <a href="#">Printed page 60</a>       |
| Strategy Report | OIL                           | Purpose                | <a href="#">Printed page 62</a>       |
| Strategy Report | Risk management: our approach | Response to TCFD       | <a href="#">Printed page 68 to 69</a> |

### 202: Market Presence

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

We have reported on this disclosure in 2017, 2018 and 2019. Data for 2020, however, is incomplete, partly due to the Re-organisation as well as a change in data collection processes. We can however, provide examples of managers Band E and above hired from the local community in 2020: Cote d'Ivoire (4), Ecuador (2), China (2), Chad (1), Cameroon (1), Thailand (1), and Germany (1).

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

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

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

Local = national rather than expatriate.

Management = Band E and above

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

### 203: Indirect Economic Impacts

#### Management Approach

Olam endeavors to generate economic prosperity, contribute positively to social welfare and manage our stewardship of the environment in a sustainable way, so as to assure the creation of real long-term value for all. We depend on an estimated 5.16 million farmers, as well as wider agricultural communities, for our volumes. We need them (especially the younger generation) to view farming and rural processing as viable sources of income. We focus on catalysing economic opportunity, inclusion, and good health. We call this 'unlocking mutual value'. The first and second outcomes of our Purpose to Re-imagine Global Agriculture and Food Systems directly relate to the livelihoods of the farmers and communities in our supply chains:



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

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

#### 203.1: Development and impact of infrastructure investments and services supported

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

For examples, refer to the 2020 Annual Report, Strategy Report

- Manufactured Capital, [Printed page 122-125](#)
- Social Capital, [Printed page 106 - 121](#)

#### 203.2: Significant indirect economic impacts, including the extent of impacts

Given our dependence on 5.16 million farmers, the vast majority being smallholders in emerging markets, the definition of Social Capital by the OECD as "networks together with shared norms, values and understandings that facilitate co-operation within or among groups" is particularly resonant. Much of our focus therefore is on lifting smallholders out of poverty. To secure the crops for customers tomorrow, we must help rural communities to thrive today. In turn, this delivers economic value for the countries where we operate. Large-scale farmers also face many challenges. Often 3<sup>rd</sup> or 4<sup>th</sup> generation family farms, they have grown through hard work, perseverance and sacrifice. While Olam's extensive farm-gate experience means we are well-placed to support farmers from America to Uganda, we must work in partnership to achieve the scale of transformational change required in the agricultural sector.

| Report Chapter  | Section                                      | Case study / theme                                 | Printed page                       |
|-----------------|--|--|------------------------------------|
| Strategy Report | Supporting our stakeholders through COVID-19 | Full section                                       | <a href="#">Printed page 18-19</a> |
| Strategy Report | OFI  | In-house app connects farmers to markets           | <a href="#">Printed page 37</a>    |
| Strategy Report | OFI  | Purpose  | <a href="#">Printed page 40</a>    |
| Strategy Report | OGA  | Nigerian aquaculture industry doubles with AFP     | <a href="#">Printed page 49</a>    |
| Strategy Report | OGA  | Purpose  | <a href="#">Printed page 52</a>    |
| Strategy Report | OIL  | New engines for growth                             | <a href="#">Printed page 60</a>    |
| Strategy Report | OIL  | Purpose  | <a href="#">Printed page 62</a>    |
| Strategy Report | Social Capital                               | Goals dashboard                                    | <a href="#">Printed page 108</a>   |
| Strategy Report | Social Capital                               | Economic Opportunity                               | <a href="#">Printed page 110</a>   |
| Strategy Report | Social Capital                               | Intellectual Capital: Olam Direct                  | <a href="#">Printed page 111</a>   |
| Strategy Report | Social Capital                               | Better with bees                                   | <a href="#">Printed page 112</a>   |
| Strategy Report | Social Capital                               | Diversity and inclusion                            | <a href="#">Printed page 115</a>   |
| Strategy Report | Social Capital                               | Education and skills                               | <a href="#">Printed page 116</a>   |
| Strategy Report | Social Capital                               | AtSource Infinity                                  | <a href="#">Printed page 117</a>   |
| Strategy Report | Social Capital                               | How are you addressing living incomes for farming? | <a href="#">Printed page 118</a>   |
| Strategy Report | Intangible Capital                           | Stakeholder perspective: Oxfam                     | <a href="#">Printed page 128</a>   |
| Strategy Report | Integrated Impact Statement                  |  | <a href="#">Printed page 129</a>   |

## 204: Procurement Practices

### Management Approach Procurement

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

Read how we seek to help farmers reach a living income in the 2020 Annual Report, Social Capital, [printed page 118](#).

We also expect our suppliers to ensure that fair practices are observed in their supply chains. The [Olam Supplier Code](#) was launched in 2014. By 2020, 90% to 100% of directly originated volumes in the priority supply chains were responsibly sourced through suppliers we engaged on the Olam Supplier Code. The exception was Cotton (66%), because in 2019 and 2020 we added very large numbers of cotton smallholders in Chad and Togo, and we are working to bring these suppliers up to the same standard as our other risk priority products. We do not disclose total payments to suppliers as competitive information. We do not collect data at the local level regarding other procurement such as equipment, office supplies etc as it is not considered material when compared to the investment in buying commodities directly from local communities.

## 205: Anti-Corruption

### Management Approach

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

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

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

The [Code of Conduct](#) states:

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

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

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

Further, Olam has a Conflicts of Interest Policy which requires that any employee who believes they have a conflict of interest must declare this conflict. Olam also specifically requests an annual declaration from all senior managers (Band B+). Any declarations are followed up with the person, their manager and legal functions and, if needed, action taken and documented to safeguard the company.

All new counterparties, including charities, are screened prior to engaging in business/providing a donation. A requirement to do this is set out in the Third Party Due Diligence Policy and getting approval to provide charitable contributions is set out in the Government Interactions Policy.

Refer also to the 2020 Annual Report, Governance Report, [printed page 31](#).

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

All members of the board and executive committee have been provided with a copy of Olam’s ABC Policy and Olam Code of Conduct which refers to key elements of the ABC Policy. All managers band B+ up to the CEO attest to the Code of Conduct annually.

The ABC Policy is made available to all employees on the company internal web page. Key principles of the ABC Policy are referred to in the Olam Code of Conduct which is also on the company’s internal webpage. All new starters are provided with a copy of the Olam Code of Conduct by the HR function on joining and all Olam employees who have access to system and an Olam email address, are provided with Anti-Bribery and Corruption (ABC) training within one month of joining Olam.

The Olam ABC Policy and Code of Conduct requirements are set out in the [Olam Supplier Code](#) which is issued to all Olam’s main suppliers – it covers 90-100% of priority products including cashew, cocoa, coffee, hazelnuts, palm, rice and rubber. The exception was Cotton (66%), because in 2019 and 2020 we added very large numbers of cotton smallholders in Chad and Togo, and we are working to bring these suppliers up to the same standard as our other risk priority products. The ABC Policy and Code of Conduct are also readily available to all organisations whether they engage with Olam or not. This is published on Olam’s Compliance and Ethics page of the company’s website. <https://www.olamgroup.com/about-olam/ethics-and-compliance.html>

### Training

All Governance body members have received training on ABC.

ABC training is issued to all Olam employees who have an email address on a rolling 3-year programme. We do not have all the data to break down the information by category but do have it by region.

| Region for ABC training      | Number of people trained between 2017 and 2020 for 3 year programme |
|------------------------------|---|
| Africa including Middle East | ~4,860  |
| Asia and Oceania             | ~3,650  |
| Americas                     | ~2,025  |
| Europe                       | ~1,050  |

Fraud training is issued to all members of Finance, and managers band B and above.

| Region for Fraud training    | Number of people trained from 2019 to 2020 |
|------------------------------|--|
| Africa including Middle East | ~365                                       |
| Asia and Oceania             | ~950                                       |
| Americas                     | ~75  |
| Europe                       | ~140                                       |

## 301: Materials

### Management Approach Environmental

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

| 2020 Annual Report Chapter | Section                       | Case study / theme           | Printed page                          |
|----------------------------|-------------------------------|------------------------------|---------------------------------------|
| Strategy Report            | Natural Capital               | Full section                 | <a href="#">Printed page 88-103</a>   |
| Strategy Report            | OFI                           | Purpose                      | <a href="#">Printed page 40</a>       |
| Strategy Report            | OGA                           | Purpose                      | <a href="#">Printed page 52</a>       |
| Strategy Report            | OIL                           | New engines for growth       | <a href="#">Printed page 60</a>       |
| Strategy Report            | OIL                           | Purpose                      | <a href="#">Printed page 62</a>       |
| Strategy Report            | Risk management: our approach | Response to TCFD             | <a href="#">Printed page 68 to 69</a> |
| Strategy Report            | Intellectual Capital          | AtSource                     | <a href="#">Printed page 104-105</a>  |
| Strategy Report            | Intangible Capital            | AtSource Infinity case study | <a href="#">Printed page 127</a>      |

#### 301.1: Materials used by weight or volume

Olam is primarily a producer, buyer and processor of raw agricultural products, which include crops (grown from natural resources) such as cocoa, palm oil and wood products. Refer to the Strategy Report in the 2020 Annual Report, [printed page 4](#) for total 2020 volumes by segment and by region. Also, [printed page 6](#) for a comparison with previous years. We do not break out individual product volumes for commercial reasons. The most relevant product for this disclosure is Wood Products:

In 2020, subsidiary Congolaise Industrielle des Bois (CIB) achieved Forest Stewardship Council (FSC)-certification for the Mimbeli-Ibenga forestry concession in the Republic of Congo (RoC). This means that the concessions are 100% certified. Overall, CIB manages ~2 million hectares of forest, which also includes non-certified areas for communities and a REDD+ project. CIB became the first to achieve FSC-certification in RoC in 2006 as part of its commitment to responsible and sustainable forestry. Around a quarter of its certified concessions are permanently protected and reserved for the communities. In harvestable areas it is committed to strict Reduced Impact Logging techniques and selective harvesting at levels significantly below those permitted by national regulations. License numbers are here: <https://www.olamgroup.com/content/dam/olamgroup/products-and-services/oil/wood-products/wood-products-pdfs/olam-wood-license-numbers-mar2021.pdf>

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

## 302: Energy

### Management Approach

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

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

Olam has reported to the Carbon Disclosure Project for 10 years.

**CDP Climate 2020 = A-** (2019 = C).

*“Olam International received an A- which is in the Leadership band. This is higher than the Asia regional average of D, and higher than the Trading, wholesale, distribution, rental and leasing sector average of C.”*

**CDP Supplier Engagement (on climate) 2020 = B**

Olam International received a B which is in the Management band. This is higher than the Asia regional average of B-, and higher than the Trading, wholesale, distribution, rental and leasing sector average of B-.”

**CDP Forests 2020 = B** timber and palm (2019 =B); **C** for soy (first year)

“Olam International received a B for Palm oil which is in the Management band. This is higher than the Asia regional average of C, and higher than the Trading, wholesale, distribution, rental and leasing sector average of C.”

“Olam International received a B for Timber which is in the Management band. This is higher than the Asia regional average of B-, and higher than the Trading, wholesale, distribution, rental and leasing sector average of C.”

“Olam International received a C for Soy which is in the Awareness band. This is same as the Asia regional average of C, and lower than the Trading, wholesale, distribution, rental and leasing sector average of B.”

### 302.1: Energy consumption

The main area for fuel consumption is in our processing operations:

#### i) Scope 1

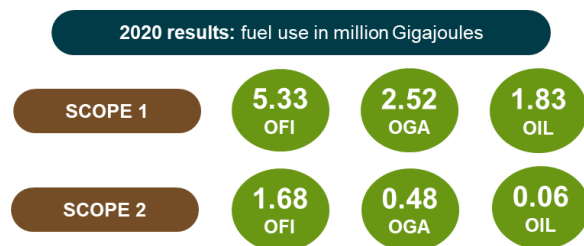
| Type of fuel used in Gigajoules | FY20      | FY19      | FY18      | FY17      |
|---------------------------------|-----------|-----------|-----------|-----------|
| Coal                            | 803,082   | 2,699,307 | 2,602,694 | 2,569,982 |
| Oil                             | 105,650   | 79,648    | 72,425    | 93,623    |
| Natural gas                     | 5,285,613 | 6,325,838 | 5,848,551 | 4,634,854 |
| Petrol                          | 70,384    | 52,259    | 41,675    | 50,697    |
| LPG (Liquefied Petroleum Gas)   | 144,035   | 184,734   | 183,204   | 301,632   |
| Diesel                          | 1,108,478 | 866,480   | 1,075,510 | 1,535,801 |
| Propane                         | 26,373    | 16,847    | 72,425    | 54,618    |
| Biomass wood                    | 212,257   | 248,292   | 66,883    | 76,392    |
| Biomass spent coffee grounds    | 618,632   | 557,421   | 558,577   | 418,546   |
| Biomass cocoa shell             | 229,452   | 257,363   | 172,917   | na        |
| Biomass rice husks              | 239,227   | 179,834   | 78,522    | 128,912   |
| Biomass palm fibre and kernel   | 528,159   | 481,194   | na        | na        |
| Biomass cashew shell            | 38,800    | 78,134    | na        | 248,549   |
| Bagasse                         | 182,379   | 570,813   | 561,568   | 818,203   |
| Biomass coffee husks            | 60,943    | na        | na        | na        |
| Biomass walnut shell            | 25,014    | na        | na        | na        |



ii) Scope 2

| Type of Fuel Used in Gigajoules | FY20      | FY19      | FY18         | FY17      |
|---------------------------------|-----------|-----------|--------------|-----------|
| Grid electricity (non-green)    | 1,463,930 | 2,539,845 | 1,683,401.87 | 1,517,181 |
| Steam                           | 236,914   | 166,080   | 1,215,037.19 | 543,178   |
| Heating                         | 4,108     | 8,476     | 8,903.12     | 10,145    |
| Cooling                         | 0         | 2,026     | 1,178.93     | 181       |
| Geothermal                      | 4,022     | 269,074   | 4,545.97     | 430,566   |
| Solar                           | 537       | 529       | 31.82        | 18        |
| Hydro                           | 3,607     | 1,479     | na           | na        |
| Green grid electricity          | 509,824   | 314,737   | 104,817.32   | na        |

iii) 2020 baseline by operating group (first year of reporting):

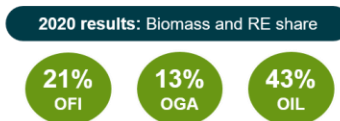


iv) Use of biomass and renewable energy in processing:

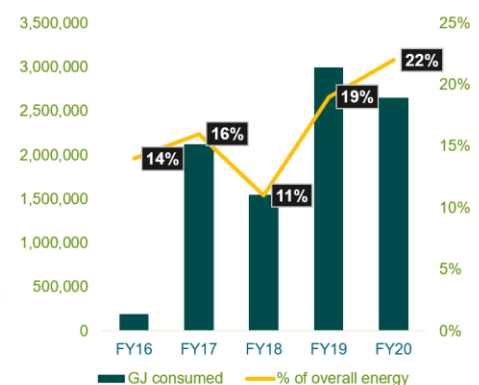
Biomass and Renewable Energy 2020  
(in Gigajoules)

|     | Biomass   | RE      | Total     |
|-----|-----------|---------|-----------|
| OFI | 1,007,372 | 451,658 | 1,459,030 |
| OGA | 325,760   | 53,333  | 379,094   |
| OIL | 801,730   | 12,998  | 814,728   |

Share of Biomass and renewable energy has **increased**. Renewable energy [RE] use has increased by **62%** from last year and Biomass from spent coffee grounds **11%**, rice husks **33%** and palm fibre and kernel **10%**.



Biomass and Renewable Energy share  
(in Total Energy use)



For these calculations we have followed previous methodologies this year and have not calculated energy consumption using higher heating values (HHV), also known as gross calorific values (GCV), which are directly measured or taken from the Intergovernmental Panel on Climate Change (IPCC), the U.S. Department of Energy (DOE), or the U.S. Energy Information Administration (EIA). Our biomass is not necessarily certified as it often comes from our own procurement from smallholders or our estates which may or may not be certified.

303: Water

Management approach

Freshwater use context-based target setting

Globally agriculture is the largest user of water, consuming about 70% of accessible freshwater, whilst industry consumes

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

*Planetary boundary (see Stockholm Resilience Centre)*

The planetary boundary for water is a maximum amount of consumption of blue water use globally is 4,000 km<sup>3</sup>/year. Further basin-level targets should be developed in the form of blue water withdrawal as a percentage of mean monthly river flow.

| 2020 Annual Report Chapter | Section         | Case study / theme                                       | Printed page                          |
|----------------------------|-----------------|--|---------------------------------------|
| Strategy Report            | Natural Capital | Water (management approach, including high risk mapping) | <a href="#">Printed pages 99 -100</a> |
| Strategy Report            | OFI             | Purpose  | <a href="#">Printed page 40</a>       |

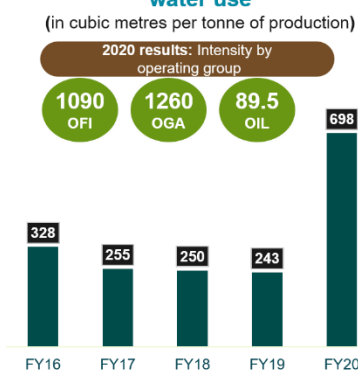
Olam has reported to the [Carbon Disclosure Project Water](#) for 8 years.

**CDP Water 2020 = A-** (2019 = not scored as submitted post deadline)

"Olam International received an A- which is in the Leadership band. This is higher than the Asia regional average of B, and higher than the Trading, wholesale, distribution, rental and leasing sector average of B."

### 303.1: Water withdrawal by source

#### Plantations, concessions and farms water use



#### Blue water use

(in cubic metres)

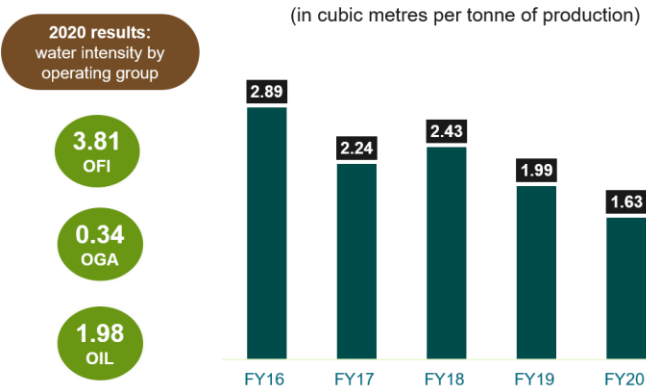
| Stage           | FY2020      |
|-----------------|-------------|
| Plantations     | 8,176,936   |
| Processing      | 944,483,833 |
| Green Water Use | na          |

#### Processing: absolute water use

(in cubic metres)

| Type of fuel Used in Gigajoules  | FY20      | FY19      | FY18      | FY17      |
|--|-----------|-----------|-----------|-----------|
| Total volume of water withdrawn for processing from groundwater, including well and borehole | 4,195,188 | 4,295,383 | 4,572,644 | 4,446,724 |
| Total volume of water withdrawn for processing from municipal supply                         | 3,227,816 | 4,508,121 | 4,643,344 | 3,631,164 |
| Total volume of water withdrawn for processing from surface water supply (dam/river/stream)  | 730,202   | 855,304   | 662,406   | 644,587   |
| Total volume of water withdrawn for processing that is brought on site in tanker trucks      | 23,730    | 46,244    | 31,684    | 20,257    |
| Total volume of water withdrawn for processing from other sources                            | 0         | 14,876    | 0         | 0         |

#### Processing: surface and ground water use



Unfortunately, supply chain data for Water was not available in the timeframe.

### 304: Biodiversity

#### Management approach

Olam has always understood that we have significant responsibility in terms of land and biodiversity stewardship, coupled with ensuring that the rights of communities are upheld. This responsibility is also a business benefit, helping to ensure we

do not jeopardise our own operations through soil degradation, loss of pollinators and increasing global temperatures through the loss of carbon sequestration by forests. Many issues relating to land are also interconnected with livelihoods, water and climate change.

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

*Aims of the LLP:*

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

*Elimination of unacceptable practices in Land management*

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

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

| 2020 Annual Report Chapter | Section         | Case study / theme                | Printed page                             |
|----------------------------|-----------------|-----------------------------------|--|
| Strategy Report            | Natural Capital | Land estimated to produce volumes | <a href="#">Printed page 89</a>          |
| Strategy Report            | Natural Capital | AtSource                          | <a href="#">Printed page 90-91</a>       |
| Strategy Report            | Natural Capital | AtSource Infinity                 | <a href="#">Printed page 96</a>          |
| Strategy Report            | Natural Capital | Healthy Ecosystems                | <a href="#">Printed page 93, 96 – 98</a> |
| Strategy Report            | OFI             | Purpose                           | <a href="#">Printed page 40</a>          |
| Strategy Report            | OIL             | Purpose                           | <a href="#">Printed page 62</a>          |

**Other examples in 2020 of how we address deforestation risks:**

i) Launch of Olam Coffee [LENS: Standing for 'Livelihoods, Education and Nature at Scale'](#)- LENS sets Olam Coffee's first formal sustainability targets for 2025 across its global, direct coffee supply chain, covering 18 origins and a sourcing network of an estimated 424,000 farmers.

Aligned with the United Nation's Sustainable Development Goals (SDGs), Coffee LENS focusses on four priority areas to improve economic opportunity, education and skills, climate action and ecosystems in the coffee sector, with the following goals:

- 200,000 households benefitting from improved productivity and incomes
- All children of coffee farmers in Olam's supply chain have access to education and young people are engaged in vocational training
- Greenhouse Gas emission intensity from Olam Coffee's global footprint is reduced by 15%
- All of Olam's coffee supply chains are deforestation-free with improved soil health and biodiversity at landscape level

ii) OFI Cocoa: [Progress towards tackling deforestation](#)

iii) OFI Superfoods [sustainability report](#)

**304.1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity**

## value outside protected areas

### **Olam Palm Gabon – plantations**

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

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

For 2020 data for concession and conservation areas see the dashboard here: \_

[www.olamgroup.com/content/dam/olamgroup/products-and-services/oga/edible-oils/edible-oils-pdfs/olam-palm-dashboard-sep2020.pdf](http://www.olamgroup.com/content/dam/olamgroup/products-and-services/oga/edible-oils/edible-oils-pdfs/olam-palm-dashboard-sep2020.pdf)

Our approach is summarised here:

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

### **Olam Rubber Gabon (Bitam) – plantation**

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

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

Plantation location can be viewed here: [www.olamgroup.com/products/industrial-raw-materials/rubber/rubber-plantations.html](http://www.olamgroup.com/products/industrial-raw-materials/rubber/rubber-plantations.html)

### *Community Development Projects*

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

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

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

[www.olamgroup.com/products/industrial-raw-materials/wood-products/forest-concessions.html](http://www.olamgroup.com/products/industrial-raw-materials/wood-products/forest-concessions.html)

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

Additional links:

- [www.olamgroup.com/content/olamcorp/oil/uk/en/news/all-news/blog/oka-listening-to-the-congo-basin.html](http://www.olamgroup.com/content/olamcorp/oil/uk/en/news/all-news/blog/oka-listening-to-the-congo-basin.html)
- [www.olamgroup.com/content/olamcorp/oil/uk/en/news/all-news/news-bites/project-lisanga.html](http://www.olamgroup.com/content/olamcorp/oil/uk/en/news/all-news/news-bites/project-lisanga.html)
- [www.olamgroup.com/content/olamgroup/en/home-page/news/all-news/blog/the-goulougo-triangle.html](http://www.olamgroup.com/content/olamgroup/en/home-page/news/all-news/blog/the-goulougo-triangle.html)
- [www.olamgroup.com/content/olamgroup/en/home-page/news/all-news/blog/seed-to-song.html](http://www.olamgroup.com/content/olamgroup/en/home-page/news/all-news/blog/seed-to-song.html)

| 2020 Annual Report Chapter | Section         | Case study / theme                | Printed page                    |
|----------------------------|-----------------|-----------------------------------|---------------------------------|
| Strategy Report            | Natural Capital | Land estimated to produce volumes | <a href="#">Printed page 89</a> |
| Strategy Report            | OIL             | Purpose                           | <a href="#">Printed page 62</a> |

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

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

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

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

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

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

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

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

### **Other plantation operations with biodiversity focus:**

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

Farm geography:

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

In Australia and California we operate large-scale almond ranches (total area = ~38,000 ha including some chickpeas). Pollinators, particularly bees are a major focus: 2020 Annual Report, Strategy Report, Natural Capital, [printed pages 96 -97](#).

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

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

#### **Republic of Congo, Natural Forest Concessions**

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

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

#### **Republic of Gabon, palm oil operations**

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

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

Our surveys found ape signs of both species (nests, tracks and sightings), especially in the more remote areas, consistent with low population densities, and also found direct evidence of illegal hunting of apes for bushmeat. Gorilla signs were particularly sparse or absent across the various surveys, as this species is highly vulnerable to hunting pressure. Following expert recommendations, we created a connected network of HCV areas, suitable to provide permanent habitat for apes, and designed in landscape connectivity as part of the spatial layout of the plantations. Almost all of these HCV areas are previously logged forest, with a mix of secondary and old-growth species (there is no unlogged, primary forest of any significant scale within our concession boundaries). These forests represent the best natural areas within our concessions, and are directly connected to the adjacent forested landscape, allowing free movement of animals through the landscape.

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

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

Our ape management plan can be summarised as follows:

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

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

In 2019, we optimised biodiversity management plans specific for each concession, allowing a close monitoring and an enhancement programme for critical environmental values. Our team of experts are constantly adapting to new national and international conservation recommendations, such as the evolution of a species status according to IUCN red-list authority. This was the case in 2019 when the red-capped Mangabey was newly classified as "endangered", displaying a worldwide increased pressure on the species. We are proud to host many within our protected areas, freely moving through the ecological corridors we created. We also contributed to the rediscovery of supposedly extinct species in the region. In 2016, the Southern Reedbuck was found within our protected area, not spotted since 1961.

Read also the 2020 Annual Report, Strategy Report, OIL Purpose, [printed page 62](#).

Examples in our third party supply chains through AtSource Plus and Infinity programmes:

- [www.atsource.io/impact/revitalising-livelihoods-landscapes-and-some-of-the-world-rarest-coffees.html](http://www.atsource.io/impact/revitalising-livelihoods-landscapes-and-some-of-the-world-rarest-coffees.html)
- [www.atsource.io/impact/agroforestry-in-the-amazon-incentivising-cocoa-farmers-to-protect-and-restore-forest.html](http://www.atsource.io/impact/agroforestry-in-the-amazon-incentivising-cocoa-farmers-to-protect-and-restore-forest.html)
- [www.atsource.io/impact/incentivising-cocoa-farmers-to-protect-and-restore-forest-ghana.html](http://www.atsource.io/impact/incentivising-cocoa-farmers-to-protect-and-restore-forest-ghana.html)

### 304.3: Habitats protected or restored

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

#### **Palm**

In line with our palm oil policy commitments of no deforestation, no peat, no fire and no exploitation (NDPE), we have implemented rigorous sourcing requirements with our third party suppliers. We have made significant progress on our commitment towards traceable and sustainable supply chains of our third party suppliers with 100% traceability to mill for all direct suppliers and 36% traceability to plantation. See the quarterly palm dashboard for 2019 data with 2020 update in 2021: [www.olamgroup.com/content/dam/olamgroup/products/food-staples/edible-oils/edible-oils-pdfs/olam-palm-dashboard.pdf](http://www.olamgroup.com/content/dam/olamgroup/products/food-staples/edible-oils/edible-oils-pdfs/olam-palm-dashboard.pdf)



## Cocoa

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

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

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

CFI Action plan for Olam Cocoa can be found here:

[www.olamgroup.com/content/dam/olamgroup/files/uploads/2019/03/Olam-Cocoa-CFI-Narrative.pdf](http://www.olamgroup.com/content/dam/olamgroup/files/uploads/2019/03/Olam-Cocoa-CFI-Narrative.pdf)

And, progress report here: [www.olamgroup.com/news/all-news/blog/our-progress-towards-tackling-deforestation.html](http://www.olamgroup.com/news/all-news/blog/our-progress-towards-tackling-deforestation.html)

In 2020, Cocoa achieved 100% traceability for its directly sourced cocoa beans: [www.olamgroup.com/news/all-news/press-release/olam-cocoa-hits-100-percent-traceability-target-across-its-direct-global-supply-chain.html](http://www.olamgroup.com/news/all-news/press-release/olam-cocoa-hits-100-percent-traceability-target-across-its-direct-global-supply-chain.html)

Cocoa, also published a Cocoa Compass update here: [www.olamgroup.com/content/dam/olamgroup/products-and-services/ofi/cocoa/sustainability-cocoa/sustainability-cocoa-pdfs/cocoa-compass-anchoring-our-progress.pdf](http://www.olamgroup.com/content/dam/olamgroup/products-and-services/ofi/cocoa/sustainability-cocoa/sustainability-cocoa-pdfs/cocoa-compass-anchoring-our-progress.pdf)

AtSource Infinity programmes are explained here:

- [www.atsource.io/impact/incentivising-cocoa-farmers-to-protect-and-restore-forest-ghana.html](http://www.atsource.io/impact/incentivising-cocoa-farmers-to-protect-and-restore-forest-ghana.html)
- [www.atsource.io/impact/agroforestry-in-the-amazon-incentivising-cocoa-farmers-to-protect-and-restore-forest.html](http://www.atsource.io/impact/agroforestry-in-the-amazon-incentivising-cocoa-farmers-to-protect-and-restore-forest.html)

## Coffee

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

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

Watch the video published in 2021 here: [www.wcs.org/our-work/bbs-sustainable-commodities-partnership](http://www.wcs.org/our-work/bbs-sustainable-commodities-partnership)

In 2020, coffee progressed AtSource Infinity projects

- [www.atsource.io/impact/blending-coffee-with-agroforestry-for-sustainable-landscapes.html](http://www.atsource.io/impact/blending-coffee-with-agroforestry-for-sustainable-landscapes.html)
- [www.atsource.io/impact/circular-coffee-cultivation-from-farm-to-cup.html](http://www.atsource.io/impact/circular-coffee-cultivation-from-farm-to-cup.html)

## 305: Emissions

### Management Approach

#### *Decoupling carbon from business growth in direct operations*

As we grow our business, we cannot allow emissions from our operations to grow at the same pace. As detailed in our 2020 Annual Report, Natural Capital, [printed page 92](#), and [94-95](#), by 2030 we aim to reduce greenhouse gas (GHG) emissions by 50% both in own operations and third party supply chains. We will achieve this by:

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

See also Management Approach 302: Energy.

#### **305.1: Direct greenhouse gas (GHG) emissions (scope 1); 305.2: Energy indirect greenhouse gas (GHG) emissions (scope 2); 305.4: Greenhouse gas (GHG) emissions intensity**

For own volumes (Scope 1 and 2), in 2020 we achieved a significant reduction in GHG emissions intensity in our processing



(0.13 TCO<sub>2</sub>e/T product, vs 0.19 in 2019), due to divestment of a high intensity Indonesian sugar plant, an increase in the renewable energy share, and increased volumes of low-energy grains processing.

However, this was balanced by an increase in the GHG intensity for own farms and estates (1.91 T CO<sub>2</sub>e/T product vs 1.22 in 2019), due to the increased volume production of high-intensity crops such as almonds. For third-party (Scope 3) volumes, which account for 95% of the total emissions (Scope 1, 2 and 3) of 72.3m MT of CO<sub>2</sub>e in 2020, achieved a significant reduction in GHG intensity in 2020 from 2.0 to 1.7 TCO<sub>2</sub>e/MT and an absolute reduction of 14.3m MT CO<sub>2</sub>e (from 82.9m MT in 2019 to 68.6m MT in 2020). This was partly due to an increase in the proportion of low-intensity crops in our total volumes. Our supported farmer programmes are being assessed for GHG reductions pathways that will be implemented systematically across Olam.

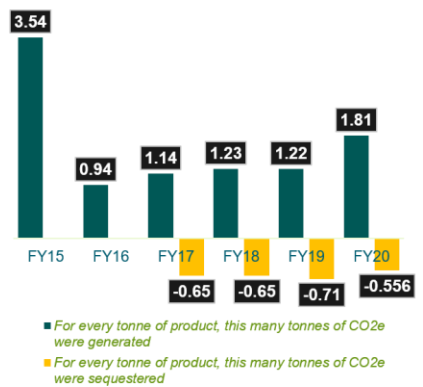
**Plantations, concessions and farms emissions in scope**  
(in million tonnes of CO<sub>2</sub>e)

|            | FY15 | FY16 | FY17 | FY18  | FY19  | FY20   |
|------------|------|------|------|-------|-------|--------|
| Scope 1    | 1.76 | 0.67 | 0.89 | 1.035 | 1.282 | 2.44   |
| Scope 2    | 0.08 | 0.06 | 0.05 | 0.03  | 0.201 | 0.002  |
| Scope 1, 2 | 1.84 | 0.73 | 0.94 | 1.065 | 1.483 | 2.4418 |
| Sequester  |      |      | 0.54 | 0.56  | 0.754 | 0.75   |

**GHG intensity has increased**  
Due to increase in volumes from products with higher emissions intensity (almonds and coffee)



**Plantations, concessions and farms emissions intensity**  
(in tonnes of CO<sub>2</sub>e/ tonne of a product)



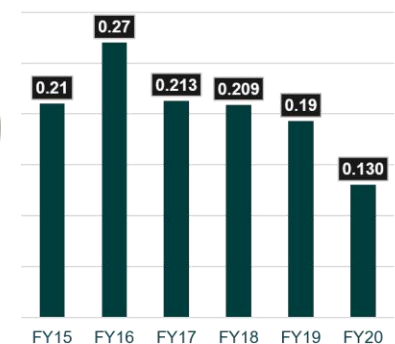
**Processing emissions in scope**  
(in million tonnes of CO<sub>2</sub>e)

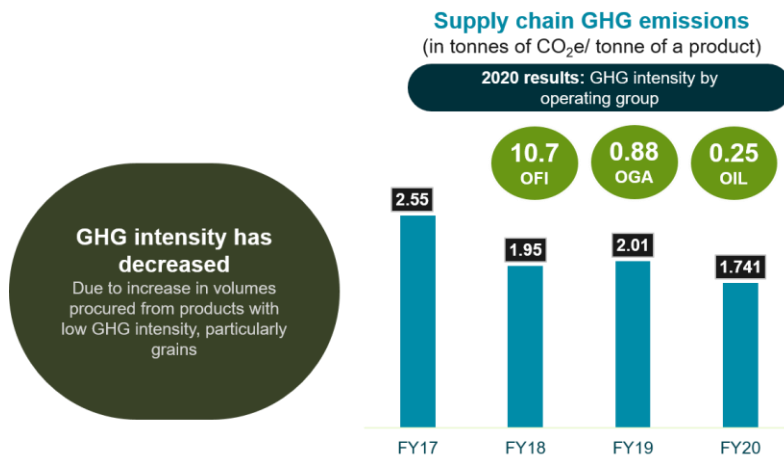
|            | FY15 | FY16 | FY17 | FY18  | FY19  | FY20  |
|------------|------|------|------|-------|-------|-------|
| Scope 1    | 0.33 | 0.67 | 0.66 | 0.661 | 0.695 | 0.471 |
| Scope 2    | 0.12 | 0.19 | 0.17 | 0.19  | 0.259 | 0.186 |
| Scope 1, 2 | 0.45 | 0.86 | 0.83 | 0.851 | 0.942 | 0.657 |

**Intensity decreased**  
While Grains have acquired new facilities, the product has low GHG intensity (so its volume increase therefore significantly reduced GHG intensity). Plus, as the Sugar facilities were divested/sold, this has led to a further drop in the GHG intensity



**Processing emissions intensity**  
(In tonnes of CO<sub>2</sub>e/ tonne of production)





Methodologies: In general the GHG Protocol Suite of Standards are used to calculate corporate GHG emissions.

For Plantations, Concessions and Farms:

- Primary Data on inputs and volumes harvested is collected from the origin operations team
- GHG & Water intensity values are extrapolated from AtSource, which uses crop specific models and Eco-Invent data on emission factors
- Absolute value = Intensity X Produced Volume

For Processing:

- Primary input data collected by the Manufacturing and Technical Services teams from global processing facilities
- GHG emissions calculated using Global Emission factors with guidance from Scope 2 GHG Protocol Standard
- Scope 1 & 2 categorised as per GHG Protocol Corporate Accounting Standard

For supply chain:

- Purchase volumes from each entity are audited and supplied by the Global finance team
- Eco-Invent database version 3, global emissions factors for each product are used to calculate Absolute Supply chain GHG emissions.

### 306: Effluents and Waste

#### Management Approach

In our farms and plantations, water can run off the surface of the land, washing away valuable top soil, nutrients, fertilisers and insecticide, which in turn can then impact on the quality of nearby watercourses. We incorporate all activities that could affect wastewater quality into our Integrated Water Resource Management plans and our Soil Management plans.

In our plantations, we use remote sensing, sophisticated modelling and ground surveys to map streams, rivers and seasonal wetlands, which we protect with a system of interconnected buffer zones. In our factories we have wastewater quality standards for the water we discharge. It goes without saying that all Olam locations must comply with their legal license to operate.

#### 306.5: Water bodies affected by water discharges and/or runoff

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

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

reduce the risk to water bodies by improving soil health – this is one of our material areas and is covered on [printed page 101](#) of the 2020 Annual Report, Strategy Report.

### 307: Environmental compliance

#### Management Approach

The Olam Environment Policy states that we will “conduct our business with integrity and in compliance with the relevant laws of the countries in which we operate and in accordance with recognised international and national standards, guidelines and processes”. This policy and that of the Living Landscapes policy sets out our approach:

Our goals:

- Increase water use efficiency
- Minimise the impact of wastewater discharges
- Mitigate greenhouse gas emissions from Olam sites
- Reduce indirect land impacts from third-party farmers and suppliers
- Increase business resilience through adaptation.

To achieve these goals, we will:

- Assess relevant risks in our day-to-day supply-chain and direct operations, proposed operational changes, acquisitions and new ventures
- Select and manage land responsibly
- Establish integrated water resource management and encourage water stewardship
- Increase the efficiency of all resources used including fuel, energy, water and land
- Increase the proportion of renewable and non-fossil fuels and energy and the utilisation of by-products consumed in our direct operations
- Reduce any impacts arising from our business activities on the environment and biodiversity through process innovation, and waste elimination, reduction, reuse and recycling
- Implement appropriate climate smart agricultural practices in those supply-chains and direct operations identified as having current or future climate associated risks
- Conduct periodic environmental footprint reviews for all Olam’s own operations and its key supply-chain activities
- Encourage and support our suppliers to improve the sustainability of their business
- Create a learning organisation where colleagues can share their successes and failures to drive improvement.

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

- Conduct our business with integrity and in compliance with the relevant laws of the countries in which we operate and in accordance with recognised international and national standards, guidelines and processes
- Require all levels of Olam management to be accountable for applying the policy in their business decisions
- Ensure all employees, business partners, contractors suppliers and visitors understand this Policy and their own responsibilities and accountabilities and receive appropriate training and support for success
- Establish strategies and management systems to create and prioritise measurable objectives and execute improvement plans that are aligned with our business goals and address our significant risks, impacts and opportunities Communicate and publically report meaningful and accurate information regarding our performance to demonstrate continual progress towards commitments made in our policies

#### 307.1: Dispute

| 2020 Annual Report Chapter | Section         | Case study / theme   | Printed page                     |
|----------------------------|-----------------|--|----------------------------------|
| Strategy Report            | Natural Capital | What role does stakeholder engagement play in your Natural Capital strategy? | <a href="#">Printed page 103</a> |

We had two minor incidents relating to discharges from processing facilities, both regarding the discharge of trade effluent without the correct consent. One incurred a fine of US\$1,500. In Mozambique, a contractor did not dispose of sludge correctly from the edible oils plant. This led to a fine from the municipality. The contract was terminated and a new contractor appointed.

### 308: Supplier Environmental Assessment

#### Management Approach: Supplier Environmental Assessment

Olam has a direct and indirect supply base of an estimated 5.16 million farmers, the vast majority being small-scale farmers in emerging markets. Such scale means that we face significant challenges in ensuring that each supplier is following good

environmental practices, all of the time. However, we tackle this in the following ways:

*AtSource and our sustainability programmes*

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

| 2020 Annual Report Chapter | Section              | Case study / theme   | Printed page                         |
|----------------------------|----------------------|--|--------------------------------------|
| Strategy Report            | Natural Capital      | How does AtSource help deliver your sustainability strategy? | <a href="#">Printed page 90-91</a>   |
| Strategy Report            | Natural Capital      | AtSource Infinity  | <a href="#">Printed page 98</a>      |
| Strategy Report            | Intellectual Capital | Commercialising sustainability                               | <a href="#">Printed page 104-105</a> |
| Strategy Report            | Social Capital       | How do you monitor supplier compliance?                      | <a href="#">Printed page 118</a>     |
| Strategy Report            | Intangible Capital   | Circular coffee  | <a href="#">Printed page 127</a>     |

*The Olam Supplier Code*

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

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

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

By 2020, 90% to 100% of directly originated volumes in the priority supply chains were responsibly sourced through suppliers we engaged on the Olam Supplier Code. The exception was Cotton (66%), because in 2019 and 2020 we added very large numbers of cotton smallholders in Chad and Togo, and we are working to bring these suppliers up to the same standard as our other risk priority products.

Key challenges in rolling out the Code include:

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

To overcome this, our teams on the ground:

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

**308.1: Percentage of new suppliers that were screened using environmental criteria**

Given the scale of our supply base (5.16 million farmers), made up primarily of smallholders in rural emerging markets, it is not commercially practical to break out data for 2020 specifically on new suppliers, particularly as many will be selling to intermediaries who then sell to Olam. Within our priority products (cocoa, coffee, hazelnut, palm, rubber, cashew) 90-100% of volumes are covered under the Olam Supplier Code (for cotton see above).

We also provide sustainability support to 773,000 smallholders, providing training, seedlings and other measures to improve environmental impact. It is also worth highlighting here the Olam Farmer Information System (OFIS) – our revolutionary technology solution for collecting and applying farm-gate level data. Until now, accessing detailed information about farms has been a struggle with our vast network of smallholders living in remote areas. Previously, our field staff have had to painstakingly collect information using pen and paper, a highly laborious process, significantly limiting use and scalability. OFIS solves this issue by providing a revolutionary tech innovation for collecting and analysing smallholder farm data. Using GPS mapping and on side surveys OFIS can identify potential environmental hotspots with farmers.

Of the 773,000 farmers receiving sustainability support, just under 597,500 have at least one certification such as Rainforest Alliance, Fairtrade, Organic, Better Cotton Initiative and Cotton Made In Africa. Total certified/audited raw material volumes procured in countries with farmer programmeG was ~1.3 million tonnes (includes among others almonds, cocoa, coffee, cotton, cashew, garlic, onion, palm oil, rice, sesame, spices, and sugar; excludes wood products and non-certified AtSource Plus volumes).

AtSource Plus and Infinity levels also have strict criteria and a verification protocol in place – read more in the 2020 Annual Report as per the links below.

For OFI, we included this year the proportion of directly sourced volumes that could be considered traceable, responsibly sourced or sustainably sourced – see OFI Purpose link below. OFI = Cocoa, Coffee, Dairy, Nuts and Spices.

Read more detail in the 2020 Annual Report:

| 2020 Annual Report Chapter | Section              | Case study / theme  | Printed page                         |
|----------------------------|----------------------|---|--------------------------------------|
| Strategy Report            | OFI                  | Purpose   | <a href="#">Printed page 40</a>      |
| Strategy Report            | Natural Capital      | Land estimated to produce volumes   | <a href="#">Printed page 89</a>      |
| Strategy Report            | Natural Capital      | What are the biggest environmental impacts in Olam's operations and supply chain? | <a href="#">Printed page 89</a>      |
| Strategy Report            | Natural Capital      | Climate Action  | <a href="#">Printed page 94</a>      |
| Strategy Report            | Intellectual Capital | How does AtSource compare to other systems or certifications?                     | <a href="#">Printed page 104-105</a> |
| Strategy Report            | Social Capital       | Will all 773,000 smallholders transition to AtSource Plus?                        | <a href="#">Printed page 110</a>     |
| Strategy Report            | Social Capital       | How do you monitor supplier compliance?   | <a href="#">Printed page 118</a>     |

In addition, we can add the following for 2020 (excludes AtSource Plus and Infinity volumes):

- 99% of all Wood Product volumes are FSC® certified (<https://www.olamgroup.com/content/dam/olamgroup/products-and-services/oil/wood-products/wood-products-pdfs/olam-wood-license-numbers-mar2021.pdf>)
- ~11% of rice procured in India and Thailand is audited under the Sustainable Rice Platform
- ~10% of sugar volumes procured in India were Bonsucro Production Standard (803 farmers)
- For certified palm oil, the 2020 update is available at [www.rsपो.org](http://www.rsपो.org). The table below provides information for Palm from our Gabon plantation. Our 2020 dashboard for Edible Oils will be published in the coming months (2021).

|                   | Total Production, MT | Certified Production, MT | Certified Sales, MT  |
|-------------------|----------------------|--------------------------|----------------------|
| <b>Awala CPO</b>  | 22,546               | 18503 RSPO               | 4199 RSPO            |
| <b>Mouila CPO</b> | 47793                | 42716 RSPO; 11385 ISCC   | 3456 RSPO; 5953 ISCC |
| <b>Awala PKO</b>  | 1642                 | 1,493                    | 1944 RSPO            |
| <b>Mouila PKO</b> | 2,222                | 82                       | 0 RSPO               |

- In addition, Cocoa and Coffee will be publishing individual impact reports during 2021 which will discuss their certified and AtSource Plus/Infinity volumes for 2020. And Cashew and Hazels will be launching their individual sustainability strategies in 2021 and will incorporate their baselines. See for example, [page 7 of Olam Coffee LENS](#) launched in October 2020 which states “Sales of sustainable coffee have doubled since 2016, reaching over 19% of total sales in 2019”.

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

As stated above, with a supply base of approximately 5.16 million farmers it is not feasible to subject each one to a full Environmental Impact Assessment. We therefore rely on supplier contracts (especially with large-scale farmers), and the [Olam Supplier Code](#). However, third party supply chains of particular note are Palm, Cocoa and Coffee. Please refer to 304.3 above.

Grievance procedures are important for dealing with any complaints. We investigate and take appropriate action. If a complaint is submitted via a third party, we also investigate.

| 2020 Annual Report Chapter | Section         | Case study / theme   | Printed page                     |
|----------------------------|-----------------|--|----------------------------------|
| Strategy Report            | Natural Capital | What role does stakeholder engagement play in your Natural Capital strategy? | <a href="#">Printed page 103</a> |

|                 |                |  |                                  |
|-----------------|----------------|--|----------------------------------|
| Strategy Report | Social Capital | How do you ensure farmers and communities can file grievances? | <a href="#">Printed page 119</a> |
|-----------------|----------------|--|----------------------------------|

An example of action taken a non-farmer supplier in 2020, was in Mozambique, where the contractor did not dispose of sludge correctly from the edible oils plant. This led to a fine from the municipality. The contract was terminated and a new contractor appointed.

#### 401: Employment

##### Management Approach

Olam has 39,200 permanent employees and 42,450 seasonal, temporary and contract workers across more than 60 countries. We depend on the engagement, motivation and safety of our workforce to create responsible growth. Equally, we are working with suppliers to ensure that human rights are respected in their supply chains. Our commitment to human rights is guided by the United Nations Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and related international covenants. Our [global Fair Employment Policy](#) provides our full management approach. It states:

##### Our Goal

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

To achieve this goal, we will:

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

##### Note on remuneration

Salaries and employee benefits can be viewed in the [Financial Statements of the 2020 Annual Report](#).

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

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

In the 2020 Annual Report, our Integrated Impact Statement looks at Human Capital Accounting in terms of:

- Value of inspired / engaged employees
- Value of health and economic impact of wages and benefits

See [printed page 130](#).

For more detail on our overall approach to employment, please see the 2020 Annual Report, Human Capital, [printed pages 76 to 87](#).

The majority of resignations and new hires occur in the plantations/concessions/farming businesses in Africa (Republic of Congo and Gabon) as well as Uruguay dairy where workers are seasonal, and many have other responsibilities such as their own smallholdings. There is also some turnover in manual processing operations in countries such as Nigeria, Turkey, USA, and Vietnam.

|                                    | Under 30 years old \ New Hires - Male | Under 30 years old \ New Hires - Female | Under 30 years old \ Resignations - Male | Under 30 years old \ Resignations - Female | 30-50 years old \ New Hires - Male | 30-50 years old \ New Hires - Female | 30-50 years old \ Resignations - Male | 30-50 years old \ Resignations - Female |
|------------------------------------|---------------------------------------|---|--|--|------------------------------------|--------------------------------------|---------------------------------------|---|
| <b>Africa</b>                      | 330                                   | 78                                      | 157                                      | 39   | 1485                               | 101                                  | 857                                   | 99                                      |
| <b>Asia, Middle East &amp; Aus</b> | 568                                   | 458                                     | 413                                      | 258  | 582                                | 411                                  | 474                                   | 248                                     |
| <b>Europe</b>                      | 47                                    | 26                                      | 19                                       | 14   | 71                                 | 46                                   | 48                                    | 24                                      |
| <b>Americas</b>                    | 242                                   | 80                                      | 191                                      | 82   | 205                                | 55                                   | 192                                   | 75                                      |

|               | Over 50 years old \ New Hires - Male | Over 50 years old \ New Hires - Female | Over 50 years old \ Resignations - Male | Over 50 years old \ Resignations - Female |
|---------------|--------------------------------------|--|---|---|
| <b>Africa</b> | 266                                  | 47                                     | 169                                     | 18  |



|                         |    |    |    |    |
|-------------------------|----|----|----|----|
| Asia, Middle East & Aus | 59 | 17 | 80 | 29 |
| Europe                  | 14 | 7  | 31 | 11 |
| Americas                | 20 | 24 | 69 | 18 |

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

|  | 2020 | 2019 | 2018 | 2017 |
|--|------|------|------|------|
| Number of male employees who took parental leave (primary workforce)     | 210  | 109  | 290  | 230  |
| Number of male employees who returned to work following parental leave   | 195  | 100  | 257  | 217  |
| Number of female employees who took parental leave (primary workforce)   | 315  | 233  | 253  | 174  |
| Number of female employees who returned to work following parental leave | 245  | 194  | 173  | 155  |

Some country data is missing; other data not collected globally.

#### 402: Labour / Management Relations

##### Management Approach

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

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

As outlined in the Human Capital Section of the 2020 Annual Report, and our [Fair Employment Policy](#), we commit to the following labour practices across our supply chains:

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

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

As with any business, restructuring is sometimes necessary. Whenever this occurs we seek to ensure that employees and their representatives are given notice of any significant changes. This may vary between countries and also on the significance of the change, so it might be 2–12 weeks. One site stated it could be one week depending on the information. Information on collective agreements will be addressed locally. See also [page 83](#) of the 2020 Annual Report, Strategy Report.

#### 403: Occupational Health & Safety

##### Management Approach

Olam is committed to providing a healthy and safe workplace for our employees, contractors and visitors. Our vision of embedding a 'zero harm culture' is delivered through safety leadership and embodied in 'Our Shared Values'. Our approach and commitment is detailed in our 2020 Annual Report in the Human Capital section of the Annual Report:

| 2020 Annual Report Chapter | Section       | Case study / theme | Printed page            |
|----------------------------|---------------|--------------------|-------------------------|
| Strategy Report            | Human Capital | Safe & Decent Work | <a href="#">80 - 82</a> |

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

All tiers

|          | Sum of fatalities | Sum of combined LTI | Sum of restricted work cases (RWC) | Sum of medical treatment cases (MTC) | Sum of first aid cases (FAC) reported | Sum of LTIFR | Sum of TRFR |
|----------|-------------------|---------------------|------------------------------------|--------------------------------------|---------------------------------------|--------------|-------------|
| Africa   | 9                 | 987                 | 24                                 | 1268                                 | 1576                                  | 2.09         | 4.85        |
| Americas | 0                 | 78                  | 58                                 | 43                                   | 298                                   | 1.02         | 2.33        |



|              |           |             |           |             |             |             |             |
|--------------|-----------|-------------|-----------|-------------|-------------|-------------|-------------|
| Asia Pacific | 1         | 21          | 3         | 41          | 107         | 0.13        | 0.40        |
| Europe       | 0         | 15          | 5         | 3           | 40          | 0.51        | 0.78        |
| <b>Total</b> | <b>10</b> | <b>1101</b> | <b>90</b> | <b>1355</b> | <b>2021</b> | <b>1.48</b> | <b>3.45</b> |

Tier 1

| Row Labels         | Sum of Fatalities | Sum of Combined LTI | Sum of Restricted Work Cases (RWC) | Sum of Medical Treatment Cases (MTC) | Sum of First Aid Cases (FAC) reported | Sum of LTIFR | Sum of TRFR |
|--------------------|-------------------|---------------------|------------------------------------|--------------------------------------|---------------------------------------|--------------|-------------|
| Africa             | 5                 | 18                  | 2                                  | 7                                    | 229                                   | 0.09         | 0.16        |
| Americas           | 0                 | 12                  | 50                                 | 6                                    | 219                                   | 0.53         | 2.98        |
| Asia Pacific       | 0                 | 7                   | 2                                  | 7                                    | 21                                    | 0.13         | 0.30        |
| Europe             | 0                 | 14                  | 5                                  | 3                                    | 38                                    | 1.18         | 1.86        |
| <b>Grand Total</b> | <b>5</b>          | <b>51</b>           | <b>59</b>                          | <b>23</b>                            | <b>507</b>                            | <b>0.17</b>  | <b>0.47</b> |

Tier 2

| Row Labels         | Sum of Fatalities | Sum of Combined LTI | Sum of Restricted Work Cases (RWC) | Sum of Medical Treatment Cases (MTC) | Sum of First Aid Cases (FAC) reported | Sum of LTIFR | Sum of TRFR |
|--------------------|-------------------|---------------------|------------------------------------|--------------------------------------|---------------------------------------|--------------|-------------|
| Africa             | 4                 | 967                 | 20                                 | 1251                                 | 1142                                  | 3.87         | 8.98        |
| Americas           | 0                 | 66                  | 6                                  | 33                                   | 78                                    | 1.49         | 2.38        |
| Asia Pacific       | 1                 | 14                  | 1                                  | 34                                   | 85                                    | 0.16         | 0.56        |
| Europe             | 0                 | 1                   | 0                                  | 0                                    | 2                                     | 0.06         | 0.06        |
| <b>Grand Total</b> | <b>5</b>          | <b>1048</b>         | <b>27</b>                          | <b>1318</b>                          | <b>1307</b>                           | <b>2.62</b>  | <b>6.00</b> |

Tier 3

| Row Labels         | Sum of Fatalities | Sum of Combined LTI | Sum of Restricted Work Cases (RWC) | Sum of Medical Treatment Cases (MTC) | Sum of First Aid Cases (FAC) reported | Sum of LTIFR | Sum of TRFR |
|--------------------|-------------------|---------------------|------------------------------------|--------------------------------------|---------------------------------------|--------------|-------------|
| Africa             | 0                 | 1                   | 2                                  | 9                                    | 205                                   | 0.08         | 0.91        |
| Americas           | 0                 | 0                   | 2                                  | 4                                    | 1                                     | 0.00         | 1.38        |
| Asia Pacific       | 0                 | 0                   | 0                                  | 0                                    | 1                                     | 0.00         | 0.00        |
| <b>Grand Total</b> | <b>0</b>          | <b>1</b>            | <b>4</b>                           | <b>13</b>                            | <b>207</b>                            | <b>0.03</b>  | <b>0.61</b> |

Tier 4

| Row Labels         | Sum of Fatalities | Sum of Combined LTI | Sum of Restricted Work Cases (RWC) | Sum of Medical Treatment Cases (MTC) | Sum of First Aid Cases (FAC) reported | Sum of LTIFR | Sum of TRFR |
|--------------------|-------------------|---------------------|------------------------------------|--------------------------------------|---------------------------------------|--------------|-------------|
| Africa             | 0                 | 1                   | 0                                  | 1                                    | 0                                     | 0.34         | 0.67        |
| Americas           | 0                 | 0                   | 0                                  | 0                                    | 0                                     | 0.00         | 0.00        |
| Asia Pacific       | 0                 | 0                   | 0                                  | 0                                    | 0                                     | 0.00         | 0.00        |
| Europe             | 0                 | 0                   | 0                                  | 0                                    | 0                                     | 0.00         | 0.00        |
| <b>Grand Total</b> | <b>0</b>          | <b>1</b>            | <b>0</b>                           | <b>1</b>                             | <b>0</b>                              | <b>0.05</b>  | <b>0.11</b> |

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

| Region       | Country     | No. of fatalities | Gender |
|--------------|-------------|-------------------|--------|
| Africa       | Chad        | 2                 | Male   |
|              | Ivory Coast | 2                 | Male   |
|              | Nigeria     | 5                 | Male   |
| Asia         | Indonesia   | 1                 | Male   |
| <b>Total</b> |             | <b>10</b>         |        |

Notes:

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

Fatalities are included in the calculation of injury rate (IR).

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

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

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

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

Life expectancy in developing countries remains low, compounded by poor nutrition and lack of access to healthcare. This is not just unacceptable for the affected individuals and their families, but has a direct economic cost for the individual and the country. In 2020, we continued to roll out the Olam Healthy Living Campaign in countries such as Nigeria, Ghana and Zambia and also launched it globally. In addition to COVID-19 support, teams in numerous countries held sensitisation sessions with workers and communities on how to prevent malaria, diarrhea, HIV and other common diseases.

By the end of the year, we had reached over 995,000 people with the Healthy Living Campaign with sensitisation, screening and treatments (this includes workers, farmer suppliers and communities).

Read more in the 2020 Annual Report, Strategy Report, [printed pages 19 to 20](#) (Supporting our stakeholders through COVID-19), [printed page 85](#) (Human Capital) and [printed pages 116 to 117](#) and [121](#) (Social Capital).

#### **404: Training and Education**

##### **Management Approach**

Fulfilling our vision to be the most differentiated and valuable agri-business by 2040 depends on our workforce of 81,600 people, many in emerging markets. Through our values and culture, we have attracted leaders with vision, inventiveness and entrepreneurialism, but we recognise that we need to invest further in Human Capital to establish the inspired and high performing workforce we need.

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

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

Effectively integrating new employees into the unique culture of Olam has always been a critical factor in ensuring high team performance. A systematic on-boarding process called Cultivate has helped in reducing attrition for new employees and elevating performance levels. This process facilitates the new employee to immediately build strong psychological bonds within the organisation. In the 2020 Annual Report, we detail the efforts we are taking to advance our Leadership & Talent. See the 2020 Annual Report, Human Capital, [printed pages 76 to 79](#) and [86](#).

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

This year we are missing data for a number of countries as it was not collected in the timeframe, due in part to ongoing priorities under the Re-organisation of Olam.

#### **405: Diversity and Equal Opportunity**

##### **Management Approach**

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

*Diversity & Inclusion*

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

## 1. Definitions

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

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

## 2. Standard Requirements

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

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

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

In the 2020 Annual Report, we discuss new goals and strategy for Diversity & Inclusion: Human Capital, [printed pages 84](#). Within our third party supply chains, we also advocate for diversity and inclusion, particularly for women in smallholder communities, although this must be addressed with cultural sensitivities. In the 2020 Annual Report, there are various examples of the number of female farmers in sustainability programmes – see for example Infrastructure and Logistics on [printed page 63](#). For more detailed discussion on gender and diversity, see the following sections of the 2020 Annual Report: Social Capital, [printed page 115](#)

### 405.1: Diversity of governance bodies and employees

Governance bodies by gender and age: please refer to [printed pages 4 to 9](#) of the Governance Report in the 2020 Annual Report. See also Principle 2 on Board Composition and Guidance, Board Diversity, [printed page 15](#).

For employees, see 102.8 above.

### 407: Freedom of Association and Collective Bargaining

#### Management Approach

In our own operations we abide by Fair Employment Policy and Code of Conduct. In 2020, ~45% of our primary workforce were covered by collective bargaining agreements. This compares to 32% of the primary workforce in 2019, 36% in 2018 and 33% in 2017. Countries include Cameroon, Republic of Congo, Ghana, Côte d'Ivoire, Nigeria, Mozambique, Zambia, Indonesia, India, Vietnam, Australia, Germany, Netherlands, Spain, USA, Argentina, Brazil and Uruguay.

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

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

### 408: Child labour

#### Management Approach

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

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

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

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

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

By 2020, 90% to 100% of directly originated volumes in the priority supply chains were responsibly sourced through suppliers we engaged on the Olam Supplier Code. The exception was Cotton (66%), because in 2019 and 2020 we added very large numbers of cotton smallholders in Chad and Togo, and we are working to bring these suppliers up to the same standard as our other risk priority products. We do not disclose total payments to suppliers as competitive information. Signing the Olam Supplier Code represents a commitment to follow the fair employment practices in compliance with all applicable local government rules and regulations regarding Child Labour Laws, and an understanding that regular auditing will be carried out. In addition, Olam undertakes a raft of measures to mitigate the risk of child labour.

These include:

- Training farmers in good labour practices (more than 213,000 in 2020)
- Helping farmers to increase yields through the provision of pre-finance, agri-inputs and training in Good Agricultural Practices, thus enabling them to hire adult labour and afford school fees. It is important to note that in most of our countries of operation, primary school is free whilst secondary school is not. So even if there is a secondary school in the region, most of our farmers are struggling to meet tuition costs.
- Through the Olam Farmer Information System (OFIS), surveying the community to identify where schools are lacking, and in turn working in collaboration with the governments and partners for their establishment, as well as ensuring long-term provision of teaching staff by the government.
- Providing adult literacy courses for farmers, not only to improve farm management capability but to demonstrate the value of education for their children
- Scaling-up initiatives by working with partners including customers, donors, governments and NGOs.

Other challenges that should be considered include:

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

Read more in the 2020 Annual Report, particularly on studies implemented:

| 2020 Annual Report Chapter | Section        | Case study / theme | Printed page            |
|----------------------------|----------------|--------------------|-------------------------|
| Strategy Report            | Social Capital | Safe & Decent Work | <a href="#">112-114</a> |

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

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

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

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

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

## Cocoa

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

And in the 2020 Cocoa Compass Update Report: <https://www.olamgroup.com/content/dam/olamgroup/products-and-services/ofi/cocoa/sustainability-cocoa/sustainability-cocoa-pdfs/cocoa-compass-anchoring-our-progress.pdf>

| 2020 Annual Report Chapter | Section        | Case study / theme | Printed page            |
|----------------------------|----------------|--------------------|-------------------------|
| Strategy Report            | Social Capital | Safe & Decent Work | <a href="#">112-114</a> |

### 409: Forced or Compulsory Labour

#### Management Approach

As a leading agri-business operating from seed to shelf in more than 60 countries, supplying food and industrial raw materials to 25,000 customers worldwide through a team of 87,600 permanent, seasonal, contract and temporary employees, the Olam group of companies has zero tolerance for slavery or human trafficking in its organisation and industry. We are committed to maintaining our work, as a global leader in many food and industrial raw material businesses, in engaging with others including suppliers, interest groups and Governments, to eliminate abuses in the labour markets where we operate or have influence. The 2019 UK Modern Slavery Statement is available here: <https://www.olamgroup.com/content/dam/olamgroup/locations/europe/united-kingdom/united-kingdom---pdfs/olam-slavery-and-human-trafficking-statement-2019.pdf>. Our global grievance procedures are available here: <https://www.olamgroup.com/sustainability/grievance.html>. See also:

| 2020 Annual Report Chapter | Section        | Case study / theme | Printed page            |
|----------------------------|----------------|--------------------|-------------------------|
| Strategy Report            | Social Capital | Safe & Decent Work | <a href="#">112-114</a> |

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

See 408.1 above.

### 411: Rights of Indigenous Peoples

(Also combines response for 413 on communities)

#### Management Approach Rights of Indigenous People / Communities

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

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

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

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

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

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

In 2020 we continued to respond to allegations from the NGO WRM:

<https://www.olamgroup.com/content/olamgroup/en/home-page/news/all-news/news-bites/false-allegations-about-olams-palm-plantations-in-gabon.html>

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

| 2020 Annual Report Chapter | Section        | Material Area / Case study / theme                            | Printed page        |
|----------------------------|----------------|---|---------------------|
| Strategy Report            | Social Capital | How do you ensure farmers and communities can file grievances | <a href="#">119</a> |

## 412: Human Rights

### Management Approach Human Rights

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

Refer to the 2020 Annual Report, Strategy Report, [printed pages 82 to 83](#) (Human Capital) and [printed pages 112 to 114](#) (Social Capital).

See also:

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

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

Refer to [printed page 82](#) of the 2020 Annual Report, Strategy Report, Human Capital.



## 413: Local Communities

### Management Approach

See also 411 – Rights of Indigenous People

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

We always aim to bring positive impacts, not just in terms of labour but by catalysing improved agricultural production and food security in the region. Read more in the 2020 Annual Report, Strategy Report, Social Capital, [printed pages 106 to 121](#).

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

At the end of 2020, we were providing sustainability support to over 773,000 smallholder communities. Case studies can be found in the 2020 Annual Report, Strategy Report as follows:

| 2020 Annual Report Chapter | Section            | Case study / theme                          | Printed page                     |
|----------------------------|--------------------|---|----------------------------------|
| Strategy Report            | Group CEO's Review | Supporting our stakeholders through COVID19 | <a href="#">Printed page 18</a>  |
|                            | OFI                | Purpose                                     | <a href="#">Printed page 40</a>  |
|                            | OGA                | Purpose                                     | <a href="#">Printed page 52</a>  |
|                            | OIL                | Intellectual Capital                        | <a href="#">Printed page 60</a>  |
|                            | OIL                | Purpose                                     | <a href="#">Printed page 62</a>  |
|                            | Human Capital      | Nutrition & Health                          | <a href="#">Printed page 85</a>  |
|                            | Social Capital     | Full section                                | <a href="#">Printed page 106</a> |
|                            | Intangible Capital | Stakeholder perspective                     | <a href="#">Printed page 126</a> |

Other references include:

- The Impact section of the [AtSource website](#)
- <https://www.olamgroup.com/news/all-news/blog/seven-principles-for-improving-economic-opportunity-for-farmers-and-rural-communities.html?prevpage=allnews>
- <https://www.olamgroup.com/news/all-news/news-bites/project-lisanga.html>
- <https://www.olamgroup.com/news/all-news/blog/fighting-covid-19-fake-news-in-nigeria.html>
- <https://www.olamgroup.com/news/all-news/blog/promoting-wellness-through-health-and-nutrition.html?prevpage=allnews>

## 414: Supplier Assessment for Impacts on Society

### Management Approach Supplier Assessment Society

See 308 – Supplier Environmental Impact Assessment as same process applies

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

Given the scale of our supply base, made up primarily of smallholders, it is has not been commercially practical to break out data for 2020 specifically on new suppliers. Instead we focus on all suppliers for priority products (see above), signing up to the [Supplier Code](#). By 2020, 90% to 100% of directly originated volumes in the priority supply chains (cocoa, coffee, hazelnut, palm, rubber, cotton and cashew), were responsibly sourced through suppliers we engaged on the Olam Supplier Code. The exception was Cotton (66%), because in 2019 and 2020 we added very large numbers of cotton smallholders in Chad and Togo, and we are working to bring these suppliers up to the same standard as our other risk priority products.

Under our sustainability programmes, 213,200 smallholders were trained on good labour practices in 2020 and 129,500 were trained on gender and women's rights.

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

See 411

## 416: Customer health & safety

### Management Approach

Ensuring our ingredients and products are delivered to customers without contamination or adulteration is the bedrock of our quality and compliance programmes.

We outline our approach in the Manufactured Capital section of the 2020 Annual Report, [printed pages 122 to 125](#).

As we are buying from farmers, the vast majority being smallholders they tend not to be covered by recognised Global Food Safety Initiative (GFSI) certification. However, many are taught good agricultural practices that improve product safety – see the Manufactured Capital section link above.

The majority of our food processing and manufacturing facilities are certified as FSSC22000, BRC, SQF, FSMS ISO 22000:2018 or ISO 9001:2015. For example in 2020, 100% of Spices facilities were BRC certified; in Cocoa eight facilities are certified FSSC22000, and a ninth is SQF. The two soluble coffee processing facilities are both BRC certified, as are the majority of nuts facilities (75% of hazels facilities in Turkey and the walnuts facility will be underway in 2021). Our Packaged Foods business in Africa has achieved FSSC22000 certification for five out of nine facilities to date.

During the year, we liaised with customers to continuously improve quality. We had some instances involving quality points such as marginal pesticide residue levels, possibility of cross contamination and presence of micro particles of foreign matter. We investigate any such incident, considering all potential sources, and equipment and/or processes upgraded where necessary.

We did not have any consumer product recalls from ingredients manufactured through our processing facilities.

As we progress through the Re-organisation of Olam we will be looking to better centralise our food safety compliance reporting so that we can address indicators more comprehensively.

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

We do not break the percentage for commercial reasons but a substantial part of our business is continuously assessed for health impacts, particularly across the 146 major manufacturing and processing facilities. These include: cocoa, coffee, nuts, dairy, packaged foods, spices, grains, rice, sesame, edible oils and sugar.

Examples of food safety improvements include:

- Further controlling potential foreign material contamination, originating in the fields, by implementing additional mechanical 'front-end cleaning systems
- Upgrading machinery such as vibratory sieve screens at the raw material tipping station to smaller diameters
- Upgrading pathogen indicator organism testing
- Enhancing food safety culture training