



Palm Business

2019 Annual Sustainability Report

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Through 2019 we continued our progress to deliver on our commitment to sustainable palm oil production and a transparent and traceable palm oil supply chain.

Our environmentally and socially responsible approach has been fundamental since we commenced our palm oil operations, and during the past year we made further advances by achieving RSPO certification for our Mouila Lot 3 and Makouke plantations. We remain on track for all our plantations to be RSPO certified by 2021.

In 2019, 36% of our traded palm supply chains were traceable to plantation and we are focused on increasing transparency and traceability in our supply chain. This will continue to advance as we prioritise sourcing from RSPO members, whose grower members now have a requirement under the RSPO Principals & Criteria to trace all the sources of fresh fruit bunches (FFB) that enter into the supply chain.

Our plantations in Gabon hold a unique position amongst palm producers globally as they are significantly climate positive, in that they draw down more CO₂ than they emit (negative CO₂ emissions). The implementation of SMART monitoring, in cooperation with WWF Gabon, is enabling us to continue to adapt and enhance conservation efforts to maintain wildlife corridors and to protect endangered species, such as forest elephants and the rare primate, the red-capped Mangabey.

Regular and open engagement with our local communities is vital for our continued success. We work closely with 60 villages in close proximity to our plantations, enabling us to create mutually respectful and beneficial working relationships. We are on track with our social contracts for the delivery of activities agreed with the local communities, which are improving access to education, healthcare, fresh water and infrastructure.

The safety and well-being of our workers is of paramount importance to Olam. We are investing in training to develop the range of new skills required within our plantation and our palm operations. We have initiated specific programmes to engage and support female workers, which make up 32% of our total workers at our palm operations.

We are proud of our progress to date, and our contribution to protecting landscapes and communities both on our own plantations and in our third-party supply chain.

We acknowledge the challenges that remain to driving further transformation in the global palm sector and we are committed to making a positive and constructive contribution to engage with suppliers and stakeholders on sustainability. We specifically support the participation of smallholders and communities in sustainable development, and further dialogue on implementing no deforestation in high forest cover countries.

Protecting forests and areas of high conservation value and eliminating unacceptable land use practices is a priority for Olam across our agricultural supply chains worldwide, as outlined in our Living Landscapes Policy.

Since beginning our palm oil business, our Sustainable Palm Oil Policy has set out our commitment to sustainable palm oil production and sourcing, and to protecting forests and areas of high conservation value both in our own plantations and through our third-party supply chain.

Our vision is for oil palm plantations to coexist with natural ecosystems and communities in carefully planned and managed landscapes, and ultimately to have a net positive impact on local livelihoods and communities, biodiversity conservation, and climate.

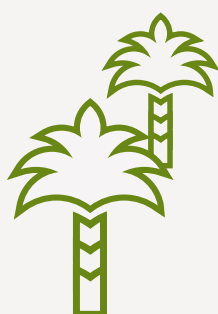
We are working towards a traceable and transparent palm oil supply chain that supports:



Since January 2017, we have upheld a moratorium on any further greenfield palm development or expansion until all our plantations have achieved RSPO certification in 2021.

We manage four plantation areas (Awala, Makouke, Mouila, Ndende) in Gabon as a joint venture partnership with the Republic of Gabon, known as Olam Palm Gabon and SOTRADER.

Olam Palm Gabon Plantation Statistics ^Δ



Plantations^Δ

202,000 ha Concession land area

63,000 ha planted

112,455 ha Certified

100% Certification by 2021



100%
Upstream
Carbon
Neutral



2 mills owned
100% traceable
to plantation

1 Kernel Crushing Plant

4 Refineries

1 Processing Unit



2 RSPO
certified mills

1 Kernel crushing
plant certified

1 Processing unit
certified

On target

^Δ From 2012 to Q4 2019 (includes Ndende)

Awala and Mouila are new plantations developed since 2011; Makouke is an older plantation acquired by Olam in 2016; whilst Ndende is a new planting developed 100% in grasslands to incorporate with cooperative smallholders' concept. Our planted area covers about 64,000 hectares, i.e. 0.28% of Gabon's land area. 99,000 hectares or 50% of our concessions are protected as High Conservation Value areas.

We operate two palm mills and one palm kernel crushing plant in Gabon. Our palm oil mills source 99.99% of crop from own estates and

0.01% from independent smallholders (virtually absent in Gabon). All our oil is fully traceable to estate/farm. Olam also operates edible oil processing and refining facilities in the U.K., Gabon, Mozambique and Nigeria. These facilities, along with our palm trading activities based in Singapore and South Africa, supply customers in Africa, Europe and Asia. In 2019, we produced 55,000 mt of CPO, sourced and traded 393,000 mt of oil from third party suppliers. This is equal to 0.5% of global palm oil consumed in 2019.

Plantations

Our Mouila Lot 3 and Makouke plantations achieved RSPO certification in 2019 and we remain on track to achieve RSPO certification for all our plantations by 2021.

Olam Palm Gabon Plantation Statistics [^]

202,000 ha
concession land area
of which 112,455 ha
are certified



99,000 ha
are protected as
High Conservation
Value areas



60 villages
benefitting
from community
investment

[^] From 2012 to Q4 2019 (includes Ndende)

These certifications have strengthened Olam Palm Gabon (OPG) – a joint venture with the Republic of Gabon – as the largest certified producer in Africa with production capacity of 92,000 MT of certified sustainable palm oil (CSPO), 16,866 MT certified sustainable palm kernel (CSPK) and 6,500 MT of certified sustainable palm kernel oil (CSPKO).

The 38,363 hectare (ha) Mouila Lot 3 plantation is the first in Africa to be developed on 100% grassland area with over 18,765 ha of high conservation value (HCV) land being conserved. Based on the RSPO GHG calculator, the plantation is expected to make a net positive climate impact by fixing 236,000 metric tonnes (MT) of CO₂ over 25 years.

The majority of the 30-years old Makouke plantation –first planted in 1981 and acquired by OPG in 2016 – has been replanted with high-yielding, resistant varieties. Peer-reviewed High Conservation Value (HCV) and High Carbon Stock (HCS) assessments were conducted for an undeveloped 5,488 ha area within the plantation. The planted area of the concession is 5,934 ha with 1,016 ha conserved as HCV and a further 11,244 ha set aside for conservation and village use land, meaning 65% of the total concession is protected. The remaining area is allocated for infrastructure including facilities, roads and housing.

Plantations

Location	Total area	HCV and Buffer	Planted	Infrastructure and others
Awala	20,030	12,482	6,822	726
Mouila Lot 1	35,354	18,323	15,885	1,147
Mouila Lot 2	31,800	21,543	9,060	1,197
Mouila Lot 3 and Lot 3 extension	38,363	18,765	18,272	1,325
Makouke	18,707	1,016	5,933	11,758 <i>(513 for infrastructure, pending appropriate HCS procedure in High Forest Cover Countries for remaining area)</i>
Total plantation area	144,254	72,129	55,972	16,153
Ndende – smallholder scheme	58,400	27,279	7,500	726

Note: All figures in the table are in ha, as of 31 December 2019

As part of our focus on implementing practices to optimize productivity and reduce food loss and waste, we published a case study in July 2019 about crop losses from plantation production, transportation, and mill processing. More than one-third of all the food produced globally intended for human consumption is lost from the point of harvest. The case study has been incorporated into the global food loss and waste accounting and reporting standard developed by the World Business Council for

Sustainable Development (WBCSD) and the World Resources Institute (WRI). As outlined in this study, we have taken steps to strengthen procedures and implement best practices to minimise loss and waste on our plantations, and via a mobile app we are using real-time data and geotagging to track harvested and uncollected fresh-fruit bunches. This is resulting in a 60% reduction in post-harvest crop loss across all our palm plantation estates.

“The landscape conservation approach the Gabonese government has implemented with Olam ensures a balanced ratio between production and conservation based on scientific results. In Gabon, we are moving towards stronger guidance to make sure all companies in the agri-sector follow the same pathway and in June 2019 we announced RSPO as the norm for palm development in Gabon.”

Professor Lee White

Minister for Forests, Sea, the Environment and Climate Plan, Gabonese Republic

Climate action

Among our actions on climate, ecosystems and biodiversity, a specific emphasis is made on our carbon footprint and associated greenhouse gas (GHG) emissions.

Using the RSPO Palm GHG Calculator, we are annually monitoring our GHG emissions for our palm operations and taking steps to implement innovative and adaptive measures to mitigate these. Olam Palm Gabon is exceptional amongst palm producers globally in that our operations are significantly

climate-positive, i.e. our plantations draw down more CO₂ than they emit (negative CO₂ emissions). The RSPO GHG calculator results are backed up by independent scientific assessments (HCS+ Science Report 2015) and peer reviewed papers.

Olam's mill and supply base	2019 Palm GHG Report			2018 Palm GHG Report		
	Tons of CO ₂ per ton of Crude Palm Oil (CPO)	Tons of CO ₂ per ton of fresh fruit bunches (FFB)	Tons of CO ₂ per hectare	Tons of CO ₂ per ton of Crude Palm Oil (CPO)	Tons of CO ₂ per ton of fresh fruit	Tons of CO ₂ per hectare
Awala mill and plantation	-5.00	-0.48	-4.08	-8.74	-0.61	-4.34
Mouila 1 mill and plantation	-15.36	-1.70	-11.19	-20.27	-2.26	-10.87
Mouila 2 plantation	No mill	-4.95	-9.78	No mill	-14.9	-9.02
Mouila 3 plantation	No mill	-11.15	-16.35	No mill	-33.34	-12.92
Makouke plantation	No mill	-3.10	-15.47	No mill	-6.36	-25.26
Ndende – smallholder scheme	No mill	-27.44	-9.47	No mill	Immature field	Immature field

The RSPO Emission Reduction Working Group published a paper to study GHG emissions reported by its certified members from 2016 to 2017. A total of 746 Palm GHG reports were received for the period of January 2015 to August 2017. An overall mean net GHG emission at 2.38±5.73 tCO₂e/tCPO was reported. OPG has reported negative emission for all sites in 2018 and 2019. (for individual GHG report, see Olam's website on [reports and assessments](#))

Our conservation model – maintaining 50% of our concessions as conservation area – accounts for our carbon sink effort, as the majority of our forest conservation area was degraded as a result of historic forest exploitation and the area is at a growth recovery stage (capturing CO₂).

Our zero-deforestation plantations (Mouila 3 and Ndende) in grasslands are also a net carbon sink. In addition to this, we are targeting three areas for continuous innovation and improvement:

- Improve efficiency of fossil fuel use and promote renewable energy
- Reduce pollution and emissions from fertilizers
- Optimize yields

These objectives are part of a voluntary improvement programme to enhance the positive impact with regards to our GHG emissions in the landscape where we operate. Targets will be adapted and enriched depending on innovations and capacities accessible, and updated accordingly.

Regenerating the living world

We are proud our palm plantations in Gabon are held as a positive example of environmentally and socially responsible palm production.

Over 99,000 ha – 50% of our overall concession area – of HCV forest, wetlands and savannah are permanently protected. As a company which produces less than 1% of the world's palm oil, we conserve around one third of all the HCV habitat protected by RSPO certified palm companies globally.

Managing palm plantations in a biodiversity-rich country like Gabon requires extensive efforts to support and safeguard the country's natural heritage. We employ a 100-strong team dedicated to enforcing rigorous standards designed to protect the areas of High Conservation Value (HCV) and High Carbon Stock (HCS) that make up 50% of our palm concessions.

This approach to ensuring environmentally and socially responsible palm production is aligned with Olam's commitment to create and sustain living landscapes where we operate.

Ensuring the integrity of monitoring across a conservation area larger than the size of Singapore is a challenge.

To monitor this large conservation area, we have established a long-term partnership with the National Park Agency (ANPN), Ministry of Forestry and in cooperation with WWF-Gabon. Since 2018, we have rolled out SMART (Spatial Monitoring and Reporting Tool) in all our concessions, with WWF Gabon, to systematically collect data, measure, evaluate and refine conservation efforts in priority areas. Our HCV team conduct monitoring, which includes 10-days each month with staff from the Ministry of Forestry and the National Park Agency at each location. In 2019, we reported 1 case of illegal timber harvesting by external parties within our concessions, and litigation and enforcement were undertaken jointly with relevant authorities.

The SMART tool allows the team to record observations within the High Conservation Value (HCV) areas. The data captured in the forest is collated and geo-referenced in auto-generated reports that provide a complete picture of wildlife populations, their movements and any signs of poaching activity. Conservation efforts can then be adapted and deployed as necessary.

In partnership with Agropolis Fondation and L'avion Jaune, France, we use a drone in all our operational areas to verify land cover, the size of the planted area, total standing trees, detect vacant spots, monitor plant stress, and track the conservation area through automated and machine analysis. Our drone can cover 7,000 ha per day and provide analysis for this area using in-house software with the capacity of 100 ha per hour. The drone has been used to analyse drainage patterns and verify the status of protected riparian reserves in our concession. Furthermore, in-house and external periodic water testing is conducted to ensure the water quality is safe for our employees and the communities.



Drone photograph shows the Riparian forest protected within Mouila Lot 3 plantation, where palm is developed only on savannah.

Regenerating the living world

Many direct sightings of endangered species have been recorded in Olam's concessions such as the Southern Reedbuck and more recently, the Red-Capped Mangabey. Newly classified as "endangered" by the IUCN red-list authority, large numbers of this rare primate have been spotted moving freely through the biological corridors. This year, hippopotamus footprints were also reported by our HCV team, running along a protected river buffer. A national inventory carried out in 2013 declared the hippo locally extinct in this region with no sightings reported since 1949, making this a very exciting discovery.

Gabon is the home of more than half of the world's remaining forest elephants. We are working to protect these animals and to prevent

animal-human conflicts in local communities. We have partnered with The Commonwealth Scientific and Industrial Research Organisation (CSIRO) to develop a highly effective and humane sensor that uses harmless light and noise to divert elephants back into conservation areas. To date, 500 nodes have been deployed, of which 200 units are connected via a mobile network to enable real-time online monitoring within the large plantation area. This research activity is part of our overall elephant management strategy, to increase understanding of elephants' movements, design and develop innovative methods to prevent human-wildlife conflicts, and increase efficiency of the wildlife corridors that we have created across our concessions.



A series of images captured from the sensor units show detect and deter system for elephants in our plantation

In 2019, we installed 40 additional camera traps to strengthen wildlife monitoring.

We have voluntarily agreed to work with the Forest Stewardship Council (FSC) on a retrospective assessment of our palm plantations, following Mighty Earth's 2016 complaint citing that Olam breached FSC rules on forest clearance by association – based on our membership of FSC for our forestry operations in the Republic of Congo. We disagree and

strongly refute this view. An FSC-accredited assessor has been appointed to conduct the assessment during 2020. We believe this process will demonstrate the rigour that we brought to the planning and implementation. We await the results of the assessment and to seeing independent recognition of our carefully-balanced approach which has significantly contributed to environmental conservation and to community development.

Olam was recognised at the inaugural 2019 RSPO Excellence Awards by demonstrating our effort to establish sustainable oil palm plantations that generate net positive impacts through forest conservation, species conservation and emission reduction at a significant scale in Gabon.

A safe and prosperous workforce

Providing and maintaining a safe and healthy work environment is a fundamental priority, in line with our commitment to embedding a zero-harm culture across Olam.

One out of four Gabonese people is currently unemployed. Creating local employment and improving social infrastructures are part of our social contracts with rural communities.

Olam is the largest private employer in Gabon and the investment in palm plantations has created direct employment opportunities for 5,000 Gabonese nationals (91% long term contract/CDI, 9% fixed term contract/CDD).

As set out in our Fair Employment Policy and our Code of Conduct, providing safe and healthy workplaces, and respecting the rights of workers, is of paramount importance to Olam. We continue to maintain regular, open dialogue with our employees and their representatives. In 2019, 12 meetings were held and various actions agreed by both parties are currently being implemented such as new primary schools, clinics, rain shelters in the field as well as food allowances and annual medical checks for workers.

In 2019 we completed a risk assessment for activities across our palm operations. As a result, we are implementing an action plan during 2020 to strengthen training and awareness, safety

procedures, to drive continuous improvement and to reduce the number of work-related injuries (Lost Time Incidents). In 2019, we reported zero fatality and LTIFR (Lost Time Injury Frequency Rate)¹ of 17.06. LTIFR is targeted to reduce 33% across all sites in 2020. We provide regular medical check-ups each year to workers. In 2019 we introduced an integrated biometric attendance system in the field to improve our processes for workers, to reduce manual data entry and improve payroll processing.

We are closely monitoring the situation regarding COVID-19 and we are following guidance provided by the World Health Organization and national authorities. We have taken action to implement enhanced health and safety precautions across our sites, introduce practices to support social distancing, and put in place contingency planning to protect workers and minimise disruption to our operations as much as possible. We are continuing to closely monitor developments to take any further appropriate actions to safeguard and support our workers, protect public health and prevent the spread of the virus.

“I want to use my knowledge to strengthen the culture of safety, so all employees remain safe, every day. In addition, I want to be a model of inspiration and motivation for other women for their professional and personal lives.”

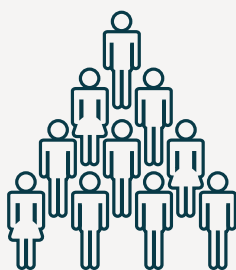
Leslie Ricarda Ndombi Mombo, Assistant Manager in OPG's quality, health safety and environment team in Mouila.

¹ LTIFR is calculated based on lost time accident*200000/total worked hour

A safe and prosperous workforce

Olam Palm Gabon Plantation Statistics [^]

5,589
Gabonese
workforce



68%
men



32%
women



[^] As of Q4 2019 (includes Ndende)

Today, 32% of employees in our palm operations in Gabon are women, who hold a variety of positions including estate supervisors, health and safety, mill personnel and working on the plantations. We strongly advocate equal remuneration to fairly reward all our employees – both male and female.

We have established committees for our female employees. These employee-led committees are run by elected female employees who work with management to improve gender equality and diversity, as well as actions on issues, such as the prevention of sexual harassment.

Since 2019, Olam Palm Gabon partnered with the Institut de Recherche en Sciences Humaines to conduct a gender study in Mouila sites, surveying 1000 employees to understand the condition of women in our plantations and investigate the risk of sexual violation or harassment, to date.

The study concluded that OPG provides a safe working environment for the women in operations, and has made recommendations for continuous improvement to support the work of our Gender Committees across all sites.

We have invested in training to support our employees and to develop the range of new skills required within our plantation and our palm operations. Our management trainee course is designed to provide trainees with three months of classroom and six months' practical experience within various operational units including mill, estate, health and safety. As of September 2019, 36 out of 65 trainees had graduated and joined the OPG team, with a further group of trainees starting in Q4 2019. 14% of our graduates are women.

Strengthening rural communities

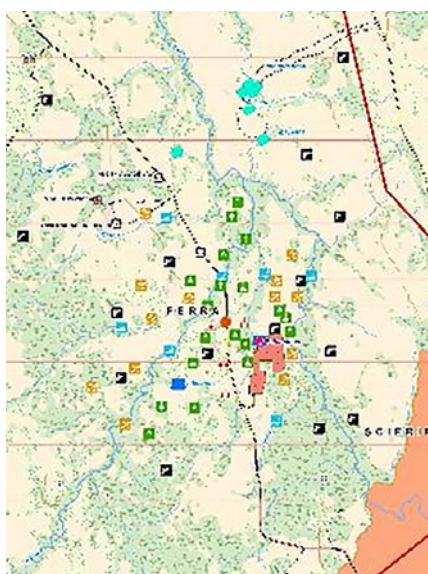
Regular and open engagement with our local communities is vital for our continued success. We have committed to a fully inclusive process with communities to ensure Free, Prior and Informed Consent (FPIC).

Each of our palm plantations followed a fully inclusive process with communities, to ensure Free, Prior and Informed Consent (FPIC) for agricultural development. This process enabled the 60 villages in proximity to our plantations to understand our project, opportunities to raise concerns.

Under the FPIC process, we agreed with the communities' need to retain very large areas to protect their traditional activities of hunting, fishing and subsistence agriculture. The areas were mapped with the communities' participation and agreement, and recorded in the legal process which granted our license to operate. It has ensured villages are not hemmed in or isolated by our palm plantations and that communities' traditional livelihood activities are not impinged. In case of any grievances related

to land, our grievance mechanism specifies that the extent of the disputed area is mapped out in participatory way with involvement of affected parties (including neighbouring communities).

In 2019, we strongly refuted a petition by the World Rainforest Movement that made false and unfounded allegations of land grabbing, deforestation of community land in the areas of Nanga and Ferra, and failure to fulfil promises to support local villages. Contrary to the allegations, there was zero deforestation in these areas which are predominantly grasslands. We engaged with both communities through a fully inclusive FPIC process, and we are supporting the local community by investing in projects to improve local education, healthcare and access to freshwater.



*Participatory mapping of community use area as part of the FPIC process.
See summary of outcome for each site on Olam's website [reports and assessments](#).*

Strengthening rural communities

Progress of social contracts to date includes:

11 Medical clinics/
dispensaries built
or renovated

2 Doctor/nurse houses
built or renovated

38 Schools
built or renovated

22 Teacher houses built

589 School kits donated

100 Fresh water wells
built /restored

9 Community halls built

We have set-up a community engagement team working across all our partner villages, comprised of people from these communities who understand the traditional social structures and the best means of communicating with different groups.

All 60 villages are covered by 10 Social Contracts and we are on track with delivery of the projects agreed with the community to support people living in the area. In 2019, we built two primary schools in Awala and Mouila, each with 12-fully equipped classrooms that have the capacity to teach 600 students.

We also invested in 3 schools in neighbouring communities and provided 5 houses for teachers. It is one way Olam is contributing to the Sustainable Development Goal on Quality Education.

We are also supporting 43 villagers from 4 villages in Awala and Mouila to increase food security and support crop diversification, including pineapple, cassava, banana, sugar cane, and vegetables. Our support includes providing planting materials, establishing a local processing unit for sugar cane or cassava. We are promoting rural entrepreneurship in villages through crop processing and the production of house bricks.

Additionally, we have established an on-site clinic with doctors, grocery stores that provide food and necessities with comparable prices to the nearest town, pre-school and praying facilities. We have also constructed 920 two-bedroom houses with electricity and water supply.



Children being
taught in the primary
school in Awala.

Cultural heritage

During the past year, following the discovery of an underground cave within our concession we have supported an archaeological investigation in partnership with the National Park Agency (ANPN).

The cave – named Iroungou – has been undisturbed until its discovery with not even the local community being aware of its existence. It concealed an invaluable cache of cultural artefacts dating back around 700 years. An archaeological mission, funded by Olam and led by ANPN geo-archaeologist Richard Oslisly, uncovered around 30 skeletons and over 500 metal artefacts, including knives, axes, spear tips, bracelets and collars, in the cave 25 meters below ground.

“This is a unique discovery in Africa, because human remains are almost non-existent. This cave will enable us to find out a little more about these peoples of central Africa, largely unrecorded in history.”

Richard Oslisly, Archaeologist, Agence Nationale des Parcs Nationaux (ANPN)

Further archaeological research is planned to learn more about this unique discovery in Africa to carry out carbon dating, DNA sampling and 3D-scanning on additional archaeological traces deemed to contribute to Gabon cultural heritage.



Supporting smallholders

In 2014, SOTRADER was created as a joint venture between the Government of Gabon (51%) and Olam International (49%) to establish the GRAINE programme to support development of domestic

crops, namely banana, cassava and palm oil for local and regional consumption. As of December 2019, approximately 500 cooperative members from nearby villages are registered.

Traceable palm supply chain

Olam produces, sources and trades approximately 0.5 per cent of global palm volumes and in 2019 sourced from 19 suppliers.



In line with our palm oil policy commitments of no deforestation, no peat, no fire and no exploitation (NDPE), we have implemented rigorous NDPE sourcing requirements with our third-party suppliers since 2017. In 2019,

Olam sourced from 19 suppliers (17 are RSPO members, one supplier has applied for RSPO membership in 2019, and one supplier is a non-RSPO member). The total number is down from 48 suppliers in 2014.

	2016	2017	2018	2019
No. of Suppliers	14	14	13	19
Annual volume	300,000	590,000	287,000	393,000
Traceability to mill	61%	90%	100%	100%
Traceability to plantation	NA	NA	42%	36%

We were an early adopter of the World Resources Institute's Global Forest Watch monitoring tool, GFW Pro, and we have mapped over 1,000 mills in our supply chain and use the tool to review risks, to publish a quarterly traceability dashboard and to engage suppliers directly on supply chain monitoring.

In December 2019, RSPO announced 100% map publication and geospatial monitoring of almost 3 million hectares of certified and non-certified area by all stakeholders, which is critical information to support fire and deforestation prevention and to enhance certification system assurance.

Traceable palm supply chain

Olam's Traceable Volumes Procured By Regions

■ Traceability target 2019 ■ Traceability achieved

CPO & PKO



Derivatives



In 2019, 36% per cent of the total palm we sourced is traceable to plantation (TTP). We recognise that TTP remains a challenge for our suppliers in particular for suppliers whose supply comes primarily from third party suppliers and smallholders rather than from their own estates. As we prioritise buying from RSPO members, all but two of our suppliers are RSPO members with one of them in the process of becoming an RSPO member. As RSPO members, the growers have a requirement under the RSPO Principals & Criteria to trace all the sources of FFB that enter into their supply chain. Through this we expect to see an increase in traceability as we continue to prioritise sourcing from RSPO members. For Europe, 100% of our volume is covered by RSPO certified products, with 92% traceability to the plantation. For other markets, based on mill information provided by

our direct suppliers, we assess and identify risks and links to allegations of deforestation, fire and peat clearance, or labour abuses.

Our palm supply chain sources 100% from traders or refineries, we obtain 100% mill traceability from our direct suppliers and these GPS coordinates are analysed on GFW platform to identify recent or historic deforestation, fires or encroachment into protected area in their supply area. Our 2019 mill list identified 20% of these mills as high risk, which were subject to further verification through our supplier's own deforestation monitoring or more detailed supply base checking to ensure NDPE compliance. In 2019, all our current suppliers have been engaged and due diligence for potential new suppliers were conducted to explain on Olam's sustainable palm oil policy and compliance monitoring.

Direct Suppliers in 2019

Apical	FGV *	ISF	Sime Darby
Astra Agro Lestari	First Resources	Musim Mas	Sarawak Oil Palm**
Bunge	Golden Oil	SIAT	Virgoz
DH Brothers	GAR	SOCFIN	Wilmar
Felda IFFCO	IOI	Unifuji	

* Note: We suspended FGV in January 2020 following the suspension of its certification process by the RSPO Complaints Panel

** Note: We are no longer buying from Sarawak Oil Palm until RSPO membership is confirmed

Traceable palm supply chain

In November 2019, RSPO endorsed the Shared Responsibility Framework to increase demand for certified sustainable palm oil, including in markets where there is little or no demand for certified oil, such as India and China. We are supportive of this effort to enable stakeholders across the value chain to work together to strengthen and accelerate the development and uptake of sustainable palm oil.

In line with our commitment to develop supply chains that respect people and human rights, in 2019 we partnered with the Fair Labor Association to work with one of our suppliers to identify and assess labour risks. This first assessment is enabling us to take steps to refine and strengthen procedures, as well as work together towards addressing some of key issues alongside suppliers and other industry members.

Grievance

Feedback and input is valuable to evaluate compliance of our suppliers and increase transparency in our supply chains.

Our Grievance Process provides a robust process to enable us to respond to grievances and to engage constructively with our suppliers to investigate and take actions as appropriate.

We report the status and progress of action of all grievances in our Grievance Log, which is published on a monthly basis. As of December 2019, we had received a total of 79 cases of which 39 are closed, two are disputed and remainder are open in various stages, which include investigation and monitoring.

If any supplier is found to be non-compliant, we will request our direct suppliers to suspend the producer/ mill. In this instance they will be investigated, and corrective actions sought, which may include compensation, conservation or restoration of peatland or forest by working with expert stakeholders and communities where feasible.

We will continue to strengthen our efforts to deliver a sustainable, transparent and traceable palm oil supply chain, as well as the implement sustainable practices on our own plantations. Priority actions will include:

Establish palm smallholders' cooperative programme, a first of its kind for palm cultivation in Africa

Achieve RSPO certification for two remaining areas (Mouila Lot 2 and Ndende) by 2021

Maintain our moratorium on land development for new plantations in Gabon until 2021

Strengthen our conservation programme via the implementation of our Biodiversity Action Plan with focus on Rare, Threatened and Endangered plant species and Great Apes

Continue our support to cultural and patrimonial research

Work with the Forest Stewardship Council (FSC) on a retrospective assessment of our palm plantations.

Initiate RSPO supply chain certification program for our refineries located in Gabon and Nigeria by 2022

Ensure NDPE compliance of our palm supply chain

Co-chair the Gabon RSPO National Interpretation and finalise and agree by 2020

Support the RSPO/HCSA No Deforestation Joint Steering Group

Support market uptake of RSPO certified product in line with the RSPO Shared Responsibility efforts