NEWS RELEASE

OLAM LIVELIHOOD CHARTER REACHES MILESTONE: ONE MILLION TONNES OF PRODUCTS SOURCED THROUGH FLAGSHIP SUSTAINABILITY INITIATIVES

- Olam's flagship programme for smallholder initiatives reaches **fourth year**
- **1 million metric tonnes** of agricultural products sourced through the Olam Livelihood Charter (OLC)
- **350,147** smallholder farmers involved **(+12%** over 2013), around a **fifth of whom are women**
- **US$183.7 million** in short and medium-term interest-free financing for smallholders **(+57%** over 2013)

London, 26 February 2015 – Olam International Limited ("**Olam**"), a leading agri-business operating across the value chain in 65 countries, has announced the 2014 achievements of the Olam Livelihood Charter (OLC), including a record four-fold increase of agricultural products sourced from OLC farmers over the past year to one million metric tonnes.

Now in its fourth year, the OLC sets stringent standards for supporting smallholder communities in Olam's networks through financing, improved yield, labour practices, market access, quality, traceability, social investment and environmental impact. Only by meeting all eight Principles can a sustainability programme be awarded OLC status. Since its launch in 2010, the number of farmers benefiting from the eight OLC Principles has increased to reach **350,147** small-scale producers, about a fifth of whom are women, spanning **623,150 hectares** of smallholder land.

Other highlights from 2014's results include:

- **10** new initiatives granted OLC status to bring the total number to 30
- **Countries**: Cameroon, Colombia, Congo Brazzaville, Côte d'Ivoire, Ghana, Honduras, India, Indonesia, Mozambique, Nigeria, Papua New Guinea, Vietnam, Zambia, and Zimbabwe
- **Products**: cashew, cocoa, coffee, cotton, chilli, pepper, sesame and sugar
- **US$183.7 million** in short and medium-term interest-free financing for smallholders
- **224,352** farmers trained in Good Agricultural Practices, of whom 44,340 were women
- **US$21.2** million quality premium paid
- Over **US$1.5 million** social investments in community health, education and infrastructure

Commenting on the OLC's progress and significance for the business, Sunny Verghese, Olam's Co-Founder, Group Managing Director, and Chief Executive Officer, said: "Applying the Olam Livelihood Charter Principles whenever we have a direct relationship with smallholders enables us to address challenges together in a holistic way, reflecting the landscape approach we take across our operations. This is not philanthropy but a sound business model that will help us to ensure we can supply the quantity and quality of raw materials demanded by our customers on a sustainable long-term basis."

The OLC initiatives only represent one part of Olam's social investments, with a total of 190 initiatives underway in 30 countries, supporting productivity, education, health and rural

infrastructure. The OLC is aligned with the United Nation's Millennium Development goals to maximise impact and drive inclusivity. Download the full report here.

2014 highlights against the eight Principles:

1. **Finance**
   - US$183.7 million provided in short-term micro-financing and advances for crop purchases and mid-term loans for the procurement of farming inputs, up by 57% over 2013
   - US$2.0 million in long-term loans for assets such as equipment and warehousing, up by 33% over 2013

2. **Improved yield**
   - 224,352 farmers trained in Good Agricultural Practices, of whom 44,340 were women
   - 48,337 farmers trained in business skills, of whom 5,197 were women
   - 91 farmer field schools set up for cashew farmers
   - 80 model farms established as training locations for sugar farmers in India, with 15 qualified agri-technicians and 80 trained extension workers
   - Average yields for coffee farmers in Olam Cameroon and DE Foundation's OLC initiative increased from 480kg green bean per farm in 2009 to 660kg in 2014

3. **Labour practices**
   - With Costco, Nestlé and The Blommer Chocolate Co, trained over 300 farmer trainers from 132 cooperatives reaching 47,800 members through a Fair Labor Association collaboration in Côte d'Ivoire focused on improving labour standards and rolling out the Olam Supplier Code

4. **Market access**
   - US$469.8 million market access provided to farmers across the OLC, a 76% rise over 2013
   - Regular communication of prices in line with world markets and direct payments – often by mobile phone

5. **Quality**
   - US$21.2 million provided to OLC farmers in premiums for quality produce up 53% over 2013
   - US$371,000 invested in rural roads serving 30,000 sugar farmers in India to enable rapid delivery to the mill to maintain quality through prompt processing, as well as access to agri-inputs and services.

6. **Traceability**
   - Independent auditing standards achieved through technological advances and improved individual record keeping and by continuing to operate close to the farmgate
   - OLC cocoa initiatives in Côte d'Ivoire are now third party audited by Intertek

7. **Social investment**
   - 14 community centres built to provide health, education and training by a range of providers, reaching 7,000 community members
   - Health – 180,000 community members reached with HIV/AIDS, maternal health and malaria campaigns; one health centre constructed and a further two refurbished
   - Education – 3 IT centres established and equipped; two schools rehabilitated; five new schools constructed together reaching 30,000 students
   - Water – 12 boreholes established and two water purifying plants constructed together serving 8,000 people

8. Environmental impact

- World's first climate-smart verified cocoa established in partnership with Rainforest Alliance in Ghana
- 6,822 coffee farmers trained on safe handling/application/use of pesticides and fertilisers in Cameroon, Colombia, Honduras and Vietnam

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About Olam International

Olam is a leading agri-business operating across the value chain in 65 countries, supplying various products across 16 platforms to over 13,800 customers worldwide. From a direct sourcing and processing presence in most major producing countries, Olam has built a global leadership position in many of its businesses. Headquartered in Singapore and listed on the SGX-ST on February 11, 2005, Olam currently ranks among the top 50 largest listed companies in Singapore in terms of market capitalisation and is a component stock in the Straits Times Index (STI), S&P Agribusiness Index and the DAXglobal Agribusiness Index. Olam is the only Singapore firm to be named in the 2009, 2010 and 2012 Forbes Asia Fabulous 50, an annual list of 50 big-cap and most profitable firms in the region. It is also the first and only Singapore company to be named in the 2009 lists for the Global Top Companies for Leaders and the Top Companies for Leaders in the Asia Pacific region by Hewitt Associates, the RBL Group and Fortune.

More information on Olam can be found at www.olamgroup.com. Olam is located at 9 Temasek Boulevard #11-02 Suntec Tower Two Singapore 038989, Telephone: +65 63394100, Facsimile: +65 63399755.

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