

Environmental and Social Policies. Olam's sustainability vision is "to generate economic prosperity, contribute positively to social wellbeing and manage our stewardship of the environment by providing sustainable agricultural products and food ingredients". With the expansion of its business model from its original supply chain trading business toward upstream and mid/downstream operations, Olam invested measurable efforts since 2011 to develop its corporate environmental and social management system, entitled "Olam Sustainability Standard Framework" (OSSF). Using applicable national legal and regulatory requirements, IFC's Performance Standards and voluntary agro-commodity standards (e.g. FSC, Roundtable on Sustainable Palm Oil - RSPO) to define its corporate EHS performance-based requirements, the OSSF is made up of a set of policies and standards applying to its 6 operational segments, namely (i) Olam plantations, concessions and farms, (ii) processing, (iii) farmer suppliers, (iv) sourcing and trading, (v) logistics, and (vi) offices. This framework include Olam's corporate responsibility and sustainability, environmental, human resource, occupational health and safety, sustainable land development, water, social and quality policies. The environmental, OHS and quality policies originally approved by Olam CEO in 2011 are being updated in order to better reflect the expanded scope of Olam's business operations and Olam's commitment to comply with IFC Performance Standards (2012) and applicable WBG General and Sector Specific EHS Guidelines. Draft policies were reviewed during appraisal. Official approval by Olam CEO is scheduled by September 2015. Other approved policies under this Framework include, among others, Business Ethics Policy and Child Labor Policy. Specifically, Olam has adopted two Standards applying respectively to its upstream and midstream operations, namely the Plantations, Concessions, and Farms (PCF) and MATS' QEHS Management System Standards. These Standards are periodically reviewed and validated by Olam's Executive Committee. Olam also adopted in October 2013 a Supplier Code applying to its primary suppliers over which Olam has management control and/or leverage. Finally, Olam has adopted a palm, forest and rubber sustainability policy applying to its palm oil, forestry and rubber operations, committing to achieve recognized industry standards, including RSPO and FSC certification. These policies have been communicated to all its employees, subsidiaries' contractual workers, and primary suppliers, and are available at olamgroup.com/sustainability/. Specific operationally-based QEHS policies have been adopted at the four targeted subsidiaries, as part of the ISO 9001, ISO 14001, OHSAS 18001, and HACCP/ISO 22000/BRC management system preparation and certification process.

Environmental & Social Assessment. In accordance with India and Nigeria's Environmental Impact Assessment (EIA) Laws, an EIA Study has been conducted for HIL in 2006 and the environmental clearance was provided by the Maharashtra's Ministry of Environmental and Forest (MOEF) and the Pollution Control Board (MPCB) in 2007 and 2010. An EIA study was also conducted for the sesame processing plant in Saghamu in February 2013. These two studies were shared with IFC during appraisal. Proposed mitigation measures recommended in the EIA's Environmental Management Plan (EMP), such as resource efficiency, OHS, and pollution prevention and control measures, have been mainstreamed into technical design, equipment selection and construction/operation's management procedures, including contractor's OHS Handbook. Environmental risk screening for SVI

and CFM did not take place as this is not required as part of the local permitting process. SVI nevertheless commissioned an EHS audit in September 2012 to ensure compliance with local legal and regulatory requirements while defining mitigation measures for inclusion in the CAPEX definition. For any green-or brown-field processing investments, a MATS Steering Committee is systematically established (composed of Country Director, Business Product Leader and MATS specialist) to define and select state-of-the-art facility design processes and equipment. Olam's subsidiaries targeted by this investment have all successfully obtained operational licenses and permits from Indian and Nigerian authorities, including water extraction rights from the Governor of Maharashtra, Kerala's governmental permits (Department of Factories and Boilers, Pollution Control Board), Lagos' Environmental Protection Agency (EPA) and Ports Authorities (Fire certificate), etc. Copies have been provided to IFC. Olam operations maintain a legal and regulatory registry in order to pro-actively and timely ensure permit and license renewal process. Copy of such registry has been sighted at Hemarus sugar mill and SVI in India. In the event where Hemarus proceeds with the construction of its bio-ethanol plant, a Hazard and Operational Study (HAZOP) will be conducted in order to further assess quantitative risk assessment associated with such facility.

EHS Management System and Programs. In accordance with MATS QEHS management system standard, Olam has committed itself to implement an Integrated EHS Management System (IMS) at all its processing operations within three years. The four targeted subsidiaries are at different phase in successfully implementing such standard. Annual QEHS improvement roadmap produced by MATS regional team was provided to IFC for all four subsidiaries during appraisal. Updated corporate QEHS management standard's manual of procedures has been shared with IFC during appraisal. This set of procedures encompass four series, namely QEHS management systems (M-series), Environment (E-series), Quality (Q-series) and Occupational Health and Safety (S-series). Based on gap assessment carried out by IFC during appraisal, these manual of procedures covered most of IFC Performance Standards requirements and WBG EHS Guidelines, with the exception of Human Resources, Stakeholder Engagement Plan and Community Grievance Mechanism, and Security Personnel procedures to be added to the M-series, Integrated Pest Management procedure to be added to the E-series, and Life and Fire safety and Vehicle Safety procedures to be added to the S-series. Supply chain risk assessment and management's management procedures also need to be developed and included into the M-series. Integration of the procedures will be done by Olam within the next three months. Specifically, India/HIL has successfully completed ISO 22001 and Halal certification in 2013 and ISO 9001, ISO 14001 and OHSAS 18001 certification in 2015. HIL has also successfully cleared the audits of institutional buyers such as Kraft, Pepsi, Coke, Metro, etc. India/SVI has been developing and implementing a comprehensive set of quality and food safety management systems and programs, including ISO 9001 certification since 2004, Global Standard for Food Safety (BRC) Level A since 2006 encompassing HACCP/Good Manufacturing Practices (GMP), Star K Kosher, Halal and IPQC since 2004. SVI has obtained ISO 17025 (NABL) certification in 2014 for its on-site quality control laboratory. Copies of these certificates were provided to IFC during appraisal. SVI has also successfully cleared the Custom-Trade

Partnership against Terrorism audit in 2010; the USFDA audit in 2010; and the EU Directives. Finally, third-party or customer audits are regularly taken place, including Marks and Spencer's, Kerry Ingredients, Griffith Labs, Nestle, Wal-Mart, Greencore, Safeway. SVI has not failed a third-party food safety audit or customer audit for the last 6 years. SVI is aiming to complete certification process for ISO 14001 and OHSAS 18001 by June 2016. Nigeria/CFM is in the process of completing BRC certification by June 2015 while aiming to implement its IMS as per MATS standard and manual of procedures by June 2016. The sesame processing plant has been commissioned in March 2014. As per its QEHS improvement road map, this plant is scheduled to reach IMS completion point and obtain BRC certification by June 2016. As finished sesame products are for human consumption by end-customers in the USA, including McDonald and large bakery companies, USFDA certificate will be required.

Samples of voluntary certification, follow-up audits and Corrective Action Plans (CAPs) for all four subsidiaries were provided to IFC during appraisal. Main regulatory or internal/third-party CAPs identified food safety, provision of safe working conditions through workplace risk assessment, use of PPEs and continuous training, establishment and effectiveness of OHS Committees' interventions, improved monitoring/reporting of near miss and unsafe acts, hazardous waste management, efficient use of energy and water, effluents treatment and performance of existing on-site WWT plant (applicable only to India/HIL), and emergency preparedness and response plan. IFC found that implementation progress of MATS's QEHS management system at the four subsidiaries is satisfactory based on site visits, Olam's corporate and plant-level managerial commitment and assigned technical EHS capacities, and, finally, supporting performance-based OHS and resource efficiency statistics (refer to PS2 and PS3). Strengthened OHS management plans and training programs at all sites still remain a priority action item. Olam will continue, as set forth in the ESAP, the implementation of IMS, including plant-level SOPs, management and training plans for environmental and OHS related issues associated with SVI in India, CFM and sesame plants in Nigeria. Olam have set out in its 2014 CSR a series of corporate "aspirational" objectives applying to all its operations. These encompass operational targets for 2015 and 2020 relating to livelihood, water, food security, land, labor, climate change and food safety. These are already under implementation for the four targeted subsidiaries even though no specific plant-level targets have been yet defined.

Organizational structure. In order to ensure effective implementation of its overall OSSF, including PCF and MATS Standards, Olam has strengthened its MATS and CSR teams at corporate and regional levels over the last few years. For its midstream (processing) operations, MATS leadership team is composed of 8 regional senior and experienced professionals who support plant-level EHS managers and monitor effective and progressive implementation of MATS's QEHS management system standard in Olam's 135 primary and secondary processing units. This leadership team is supported by a MATS Community of Practices, which include business heads, plant managers, engineers, projects managers and technical experts, and who provide technical support on diverse EHS issues (e.g. wastewater, air emissions, OHS, waste valorization). In India, HIL has established a QEHS

team composed of three managers responsible for quality, OHS/life and fire safety, and environmental issues. This team is supported by seven QEHS officers. QEHS managers report directly to the plant manager. In addition, two OHS committees have been established, namely a central safety committee chaired by the plant manager and an operational safety committee involving the 20 departmental heads. An industry relationship manager was recruited for strengthening relationships with employees and third-party sugar cane suppliers. For the other three facilities, overall EHS responsibilities have been assigned to the plant managers, who are supported by production and human resource managers (ref. OHS), engineering (environmental) manager and sustainable sourcing manager (ref. Hemarus/sugar, SVI/red chili and sesame). An EHS Committee exist in all plants, as per local OHS regulations. Roles and responsibilities at all plants are clearly defined in subsidiary's organizational chart while structure effectiveness validated during IFC appraisal through review of the comprehensiveness and implementation progress of QEHS management and training plans and assessment of performance-based KPIs. Olam confirmed the assignment of competent regional MATS coordinator(s), including OHS experts, for the four subsidiaries during appraisal to ensure close monitoring of IMS implementation progress and compliance with applicable legal and regulatory requirements, IFC Performance Standard requirements, WBG EHS Guidelines and voluntary EHS obligations. Overall oversight of E&S Action Plans (ESAPs), agreed upon with Development Financial Institutions (DFIs), including IFC, is assigned to Olam's Corporate Treasury, thus demonstrating Olam's senior management commitment for their effective implementation. MATS President and CSR Senior Vice-President also provide quarterly update to Olam's Board of Directors on MATS and CRS activities, including progress status of agreed upon ESAP with IFC.

Training. Considering the rapid expansion of Olam's operational footprint toward midstream and upstream operations, comprehensive training programs have been delivered over the last years, especially on the OSSF, PCF and MATS Standards, including QEHS self-Assessment GAP tool and scorecard. In 2014, Olam launched a special corporate training campaign entitled "Embedding a safety culture in Olam" supported by one-day safety leadership training targeting country managers, business heads, plant managers and the dissemination of 30-minute video on OHS risk prevention. The reason this initiative was needed was due to deficient OHS performance at numerous operations, including India/Hemarus where two fatalities took place in November 2013 and August 2014 and in Nigeria/sesame where one fatality took place in January 2015. More than 500 managers have participated in this training so far. Train-the-trainers sessions, targeting 200 employees, were initiated in June 2014. MATS President has also assigned regional OHS teams in Asia, Africa and Latin America to undertake OHS audits at high-risk operations. Detailed training plans were provided to IFC at all four subsidiaries over the last three years. Needs assessment for the preparation of these training plans is aligned with each subsidiary's legal and regulatory EHS requirements, MATS QEHS requirements, management systems requirements, OHS audit findings and performance-based KPI results (especially recordable injury - LTIFR, near miss incidents and unsafe acts). Implementation of these training programs is done through MATS regional team, plant-level EHS manager, and specialized consultancy firms.

Examples of internal training provided over the last year include emergency preparedness and response (fire drill), occupational health and safety, hygiene and food safety, use of PPEs, first aid, traceability and certification of primary suppliers, and road safety. Training effectiveness was judged generally satisfactory based on internal/third-party environmental, OHS and food safety audits' findings and KPIs results shared with IFC. OHS training for temporary and seasonal workers remains a priority however. This is addressed in the ESAP. Formal safety training is extended to contractors, including compliance with permit system, at all sites.

Emergency Preparedness and Response. Incidents that could potentially result in emergencies have been identified at targeted Olam's subsidiaries. A risk identification and assessment process leading to the definition of corrective action plans (CAPs) has been carried out by a third-party consultancy firm at all sites, as part of an independent life and fire safety audit. This process has followed the respective country's life safety code requirements; potential L&FS incidents include leakage and spillage of fuels and chemicals at all sites, fires at all sites, serious workplace accident at all sites, especially Hemarus, traffic accident, strike, civil unrest and severe weather alerts. All targeted subsidiaries have adopted an Emergency Preparedness Plan. Upon successful implementation of the audit's recommendations, fire certificates have also been obtained at all sites. These L&FS audits were provided to IFC during appraisal and valid fire certificates were either received or sighted. All subsidiaries perform monthly (HIL) and/or semiannual fire drills and first aid training session which are duly documented and recorded. During the site visits, installed fire prevention systems, including fire hydrants, hoses and extinguishers, were observed at all subsidiaries. HIL recently upgraded its fire hydrants around its bagasse storage area considering the high flammability risk. Emergency preparedness committees at all sites have been established and are responsible for fire prevention, response and training. Evacuation plans and fire accident meeting points are well defined at all subsidiaries. Employees are made aware of these plans during induction workshop and mock drills. In the event where HIL proceeds with the construction and operation of its bio-ethanol plant, its Emergency Preparedness Plan will need to be updated to reflect HAZOP assessment results, safety requirements for on-site bio-ethanol storage and transport as well as risk explosion which will need to be built into its Safe Working Operating Procedures.

Monitoring and Reporting. For midstream operations, MATS introduced in 2012 standard performance metrics and reporting framework (ref. Olam balanced scorecard across QC4S) using 16 key parameters, including quality, cost, safety (LTIFR and Incident Free Days), Sustainability (carbon, water and energy usage (absolute versus relative per ton of products produced), waste - biomass produced, staff (retention, training days). The comprehensiveness of these indicators is judged satisfactory to assess the effectiveness of implementation and performance of subsidiaries' EHS management system. It also covers indicators identified in WBG EHS general and sector-specific (food and beverage processing, sugar manufacturing) guidelines and IFC's Development Outcomes Tracking System (DOTs) for agro-processing investments. Going forward, as set

forth in the ESAP, Olam's QC4S will include the monitoring of air emissions, effluents and noise measurements, primary suppliers' risk assessment and management, and contractors' EHS performance. MATS use these reports to establish Communities of Practices on cross-cutting issues and pro-actively identify resource efficiency projects (e.g. cleaner production, waste valorization). QC4S scorecards have been received for the four plants and demonstrated continuous improvement. Since 2008 Olam has been producing Corporate Responsibility and Sustainability (CRS) Reports. In 2012, Olam started reporting on its E&S performance using the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (G3.1) and to the Carbon Disclosure Project since 2011. Olam is encouraged to adopt GRI G4 guidelines for reporting on all its processing operations. Olam purchased and started the implementation of a comprehensive monitoring and reporting software (ref. ENABLON) in 2014. This software, which capture all IFC's AMR, E&S DOTS and GHG parameters, among others, will allow to standardize monitoring/reporting format for all Olam's business lines; to define corporate and product lines' KPIs (allowing benchmarking between similar processing operations and against industry benchmark); to monitor progress status against corporate QEHS's policies, objectives and targets spelt out in annual CSR, and; finally to generate monthly/annual EHS monitoring report. Olam will continue reporting to concerned country/local authorities and IFC, using ENABLON format for the four targeted subsidiaries. IFC was informed during its appraisal that Olam is further consolidating its website, including its sustainability platform. Indian and Nigerian's environmental, labor, industry and food safety authorities undertake monitoring of Olam's subsidiaries, mostly for operational permit renewal purposes. As indicated above, major customers of Olam's finished products also undertake third-party audits against own company and/or industry benchmarks. Based on information provided during appraisal, the four Olam subsidiaries did not incur over the last three years any material regulatory penalties, fines or sanctions for contraventions or non-compliance with statutory obligations. As mentioned above, two fatalities occurred at Hemarus sugar mill in November 2013 and August 2014 while one fatality occurred in sesame plant in January 2015.

Stakeholder Engagement Plan and Community Grievance Mechanism. MATS is reviewing and updating its MATS Master List of Controlled Documents to mainstream all applicable IFC Performance Standards requirements, including the development of Stakeholder Engagement Plan (SEP), when applicable, and Community Grievance Mechanism. The integration of such procedure in the M-series is still a work in progress. Recognizing that some of the targeted Olam's subsidiaries are located in industrial zone (CFM, sesame) while others are in isolated rural areas (Hemarus, SVI), there is no need for these operations to develop a Stakeholder Engagement Plan (SEP) as there is no direct operational interface with any community. This being said, considering the induced traffic generated by Hemarus' sugar cane sourcing and related third-party harvester/transport companies (more than 420 trucks) operating in rural access roads, it is of utmost importance that such mechanism be developed, formalized and implemented. This requirement will only be rolled-out for sites having potential and direct community interface. This framework and mechanism shall, in accordance with IFC's PS1, include identification of stakeholders, determination of their level of interest and influence in

the project (by importance and relevance), establishment of appropriate methods for engaging each group, and identifying strategic and forward looking programs and activities to support and partner with affected communities. The plant-level HR and/or EHS manager should act as community liaison officer (CLO) to manage and respond timely to any community grievances on EHS risks and impacts associated with the company's operations.

As Olam celebrated its 25th year of operations in 2014, it launches four key community engagement initiatives in its Silver Jubilee year, with an initial corpus of US\$3 million. These initiatives are: 1) Olam Prize for Innovation in Food Security; 2) Olam Scholarship Program; 3) Olam Foundation, and 4) Building Sustainable Futures Forum. Further information can be obtained at <mailto:crs@olamnet.com>. Community social programs are also implemented at subsidiaries level, supporting children education, access to water and sanitation and maternal health care.