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OLAM INTERNATIONAL JOINS REPUBLIC OF GABON IN PIONEERING OUTGROWER PROGRAMME

Singapore, March 02, 2015



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Olam International Limited (“Olam” or “the Company”), a leading agri-business operating across the value chain in 65 countries, wishes to announce that it will be participating in the Republic of Gabon (“RoG”)’s GRAINE¹ scheme, a pioneering outgrower plantation programme launched in December 2014.

Aimed at creating a balanced agricultural economy and addressing food security issues by enabling rural communities to become more self-reliant in food production, the GRAINE scheme identifies, allocates and transfers parcels of land that are environmentally and socially suitable for plantation development to co-operatives of Gabonese citizens who will undergo plantation management training to grow crops. Olam will join RoG in its outgrower programme through a joint venture in which RoG will hold 51.0% equity ownership and Olam the balance 49.0%.

The joint venture effectively acts as a Public Private Partnership where the government of Gabon provides land and financial resources for developing the smallholder plantations and logistics infrastructure, while Olam, as a private enterprise with proven expertise in palm plantation development in Gabon and wider experience in Africa of establishing responsible rural investment models in global supply chains, will lead in the development and management of the nucleus and smallholder plantations.

The plantations will be spread across multiple areas within 100-500 kilometres from Libreville port on degraded land. This Phase 1 development is expected to benefit approximately 6,000 Gabonese farmers living in these areas, who will each receive approximately 7 hectares in land ownership and undergo rigorous training in Good Agricultural Practices from Olam. The joint venture will also offer market access to farmers through Olam’s distribution networks by buying their produce based on a transparent pricing formula.

Also integral to the development is due-diligence on the environmental suitability of land parcels and the awarding of title deeds. Consistent with Olam’s approach to land development, an Environmental and Social Impact and High Conservation Value assessment will be undertaken for Phase 1.

¹ GRAINE stands for Gabonaise des Realisations Agricoles et des Initiatives des Nationaux Engages or Gabonese Initiative for Achieving Agricultural Outcomes with Engaged Citizenry

Said Gabon’s Minister for Agriculture, Animal Husbandry, Fisheries and Food Security, H.E. M. Luc Oyoubi: “GRAINE is an ambitious programme but having seen the success of our joint ventures in palm and rubber with Olam, we are confident that this continuation of our agricultural strategy will generate a thriving rural economy for Gabon, distributing wealth through plantation ownership, and facilitate job creation and entrepreneurship.”

Speaking at POC2015, Olam’s Co-founder, Group Managing Director and CEO, Sunny Verghese commented: “This is the first time a programme of this scale and nature has been undertaken in Africa - in Gabon where we now have the opportunity to promote the growth of the palm industry through local capacity building and supporting rural Gabonese in their aspiration to become business owners. Those choosing to participate in our project will not only tap into the rapidly growing African consumption market through Olam’s extensive distribution networks, but also into the export markets. We are excited about the growth potential of Africa palm as it has clear comparative advantages as we have experienced in Gabon.”

Olam formed the joint ventures for its large-scale oil palm (Olam Palm Gabon or OPG) and rubber operations (Olam Rubber Gabon or ORG) with RoG in 2010 and 2012 as part of a focused strategy to couple upstream oil palm plantations and distribution in Africa with edible oil trading operations in Asia - both growing consumption regions. To date, OPG has planted 20,500 hectares of palm with Olam being the first company in Africa to achieve RSPO New Planting Procedures with external verification.

About GRAINE

GRAINE stands for Gabonaise des Realisations Agricoles et des Initiatives des Nationaux Engages or Gabonese Initiative for Achieving Agricultural Outcomes with Engaged Citizenry. It is a pioneering outgrower plantation scheme in the Republic of Gabon that develops rural communities and makes them self-reliant, whilst creating a balanced agricultural economy and addressing the food security need in Gabon and the region. Under the GRAINE scheme, parcels of land are identified and allocated to cooperatives of Gabonese citizens who undergo plantation management training. The FELDA scheme in Malaysia was one of the key models for conceptualising GRAINE. The GRAINE scheme will have majority equity ownership by the Republic of Gabon and leverages the best global expertise in plantation development and outgrower management through co-ownership by credible and qualified strategic investors as partners.

About Olam International

Olam International 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.

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