

MEMORANDUM OF UNDERSTANDING

Between:

IDH Sustainable Trade Initiative, a foundation under the laws of the Netherlands, registered with the Dutch Chamber of Commerce under number 53521129, having its registered office and its place of business at Arthur van Schendelstraat 500 (3511 MH) Utrecht, the Netherlands, in this matter duly represented by Mr. H.J.M. Oorthuizen, hereinafter referred to as “**IDH**”, and;

Olam International Limited, a Private Company under the laws of Singapore, registered with the Singapore Stock Exchange (SGX) under number 199504676H, having its registered office and its place of business at 9 Temasek Boulevard, #11-02 Suntec Tower 2, Singapore 038989, in this matter duly represented by Mr. Gerard Manley, hereinafter referred to as “**Olam**”.

IDH and Olam are hereafter also referred to together as the “**Parties**” or individually as “**Party**”.

1. Introduction

Olam and IDH share a common agenda in the area of sustainability, sustainable supply chain management and improving service delivery models.

The overall purpose of IDH is to accelerate sustainability within the value chains of various program sectors under the IDH strategy 2016 – 2020 ‘Innovating Impact @ scale’ through the development of impact coalitions of companies, NGOs, governments, trade unions, financial institutions, and universities that strive for impact on public good.

Olam is an international global commodity supply chain manager of agricultural products and food ingredients stemming from industrial raw materials. With direct sourcing and processing in most major producing countries for its various products, Olam has built a leading position in many of its businesses, including cashew, cocoa, coffee, cotton, rice, sesame, and wood products. Operating as close to the farm gate as possible is part of the company’s strategy. Against this background, sustainability of farm level production is a priority for Olam.

There is a growing range of activities that the Parties are jointly involved in across different commodities. Examples include a range of field level projects in different commodities jointly funded by both organizations, development of methodologies around impact measurement and landscape level sustainability interventions. The Parties feel that there is an overlap between some of their strategic priorities, which makes enhanced collaboration on a number of shared areas of interest a logical next step in the development of their relationship.

2. Purpose of this Memorandum of Understanding

The purpose of this Memorandum of Understanding (hereinafter referred to as “**MoU**”) is to provide a formal framework for the partnership between IDH and Olam. It defines overall joint strategic

interests and new areas of potential collaboration. The Parties specifically acknowledge that this MoU is not an obligation of funds, nor does it constitute a legally binding commitment by any Party, with the exception of clause 5 on the exchange of confidential information and clause 9 on governing law and jurisdiction. Any opportunities for formal co-operation which may arise in the future are strictly subject to contract.

3. Areas of future cross-sectoral cooperation

IDH and Olam foresee good opportunities to explore cooperation in the following cross-sectoral areas:

- **Investing in smallholder supply chains and smallholder livelihoods**

IDH and Olam collaborate with development banks such as IFC and FMO, in providing blended finance products to improve agricultural supply-chain financing and development. However sustainable models allowing innovative new models of smallholder engagement (e.g. fertilizer input schemes, replanting schemes, training and environmental management) require longer-term finance and expose companies to relatively high levels of risk. IDH, together with the development banks provide longer term concessional finance, and may help to de-risk some of Olam's new ventures in smallholder engagement. Typical loan sizes are 5-10 MM USD. The intent is for Olam and IDH to work together to prototype new forms of smallholder engagement by Olam, and structure these set-ups financially to allow for acceptable levels of risk.

Olam also invests directly and with other partners into smallholder livelihoods and improving the income, living conditions and market access available to farmers and cooperatives, through its Livelihood Charter and other projects, and will continue to seek opportunities for grant funding from IDH for related activities including farmer training, cooperative training, access to productive inputs and tools, safety improvements, labour conditions and environmental performance.

- **Landscape approach**

IDH covers 14+ landscapes in its Landscape Program. It been one of the architects behind the Cocoa and Forest Initiatives and is developing new ways to engage with local stakeholders to preserve high conservation/carbon stock land areas; Olam was one of the founding members of the initiative and a collaborative approach would enhance both organisations ability to progress. One approach is Production Protection and Inclusion compacts as well as Green Growth plans – these cover the economic, social and environmental concerns for these areas and ensure ownership by local government and businesses. Olam operates in a number of sensitive landscapes where this approach is being developed, and recently (April 2018) launched its Living Landscape Policy, which sets Olam businesses on a path to contributing to a positive impact on farmer prosperity, thriving communities and healthy ecosystems in the landscapes where it operates. Olam and IDH intend work together to ensure stronger partnerships and better business cases for long term results.

- **Modelling Service-Delivery Schemes**

IDH has developed analytical tools and models to help supply-chain organisations such as Olam to carefully examine its service-delivery schemes to smallholder farmers. These models examine how different supply-chain organisations engage with smallholder farmers, and examine the business-case for the farmers as well as the different private sector actors. As Olam stands out as an organisation developing deeper engagement with smallholder farmers, these modelling exercises could be helpful to shed light on what works and what doesn't. The intent is to work together on different models in Olam's service-delivery schemes to farmers, prototype innovations, and examine their impact.

- **Impact assessment**

For both Olam and IDH it is crucial to examine its operations in terms of impact on smallholder farmers. What works, what does not, and how do farmer households benefit. This is important for clients and donors that partner with IDH on specific projects hence, the intention is to work together on data gathering, analysis and impact measurement.

- **Joint fundraising**

Significant donor funds are available for innovative private-sector driven interventions in the fields of smallholder socio-economic development and environmental (landscape) protection. The implementing capacity of Olam, and the credibility of IDH as public good service provider bring together a potentially strong tandem for fundraising of public development funds. The intent is to scope possibilities, and jointly submit proposals for external funding if deemed useful for both parties.

4. Exchange of confidential information

Definition of Confidential Information

"**Confidential Information**" means all information, documents, material and know-how which is disclosed or made available, either directly or indirectly, by either Party or its Advisors or Affiliates (the "**Discloser**") to the other party or its Advisors or Affiliates (the "**Recipient**"), whether disclosed before or after the signing of this MoU and in whatever form and howsoever disclosed (e.g. written, oral, by any electronic means or otherwise), including but not limited to:

- i) information relating to the business affairs, prospects, employees, industrial or commercial processes and procedures of the Discloser and any information in which the Discloser has a proprietary interest or in respect of which the Discloser has rights to prohibit or restrain (or otherwise) unauthorized disclosure;
- ii) all financial, technical (including know how) and marketing information;
- iii) all commercial information and information relating to the customers of the Discloser;
- iv) all legal documentation; and
- v) information in relation to the content of the discussions regarding the proposed cooperation as described in this MoU.

Commitment to Confidentiality

The Parties recognise that through the normal course of their business and activities, the Parties may receive and become aware of information (such as but not limited to projects, practices, and customer or potential customer information, companies or organisations with competing interests, partners or regarding each other) that is sensitive and confidential in nature. This confidentiality clause is intended to ensure that neither Olam nor IDH disclose, share or store Confidential information about each other or about their respective partners or clients without prior written consent of the relevant party.

This confidentiality clause shall be binding upon the Parties for a period of five (5) years, starting from the last date that the Memorandum was signed by both Parties.

Once the MoU is signed, the Parties agree that they shall:

- treat and keep confidential and shall not disclose in whole or in part to any third party any Confidential Information, except where otherwise expressly permitted in this MoU, or by the prior written permission of the Discloser;
- not use the Confidential Information for any purpose (including, but not limited to, any competitive or commercial purpose) other than for the purpose of assessing the proposed cooperation as described in this MoU; and
- disclose Confidential Information to its officers, directors, employees and Advisors (including to those of its Affiliates) only insofar as this is necessary for the purpose of assessing the proposed cooperation as described in this MoU. If so, the Recipient shall procure that the officers, directors, employees and Advisors to which it discloses Confidential Information, shall - prior to such disclosure – have acknowledged the contents of this confidentiality clause and shall have committed to unconditional and complete compliance with the terms and conditions of this clause, as if they were a party to this MoU. A breach by one of the aforementioned persons of the obligations set out in this clause shall be deemed a breach by the Recipient of such obligations.

Excluded information

The above shall not apply to (parts of) Confidential Information that:

- is already in the public domain, or becomes available to the public through no breach of this clause by the Recipient (or any of the persons mentioned above);
- is in the possession of or becomes available to the Recipient on a non-confidential basis, from a source other than the Discloser, which source is not prohibited from disclosing such information to the Recipient by a contractual, legal or fiduciary obligation to the Discloser; or
- can be proven that it has been independently developed; or
- is disclosed with prior written permission of the party owning the confidential information;
- is required to be disclosed by judicial or administrative process or by other requirements of law or any recognized stock exchange on which the Recipient is listed, or any binding judgment or order. In the event that the Recipient is required to disclose Confidential Information under these circumstances, then the Recipient will provide the Discloser with prompt notice of such requirement, to the fullest extent as permitted under the applicable laws, so that the Discloser may seek a protective order or other appropriate remedy and/or waive compliance with the

provisions of this clause. In the event that such protective order or other remedy is not obtained, or that the Discloser waives compliance with the provisions of this clause, the Recipient will furnish only that portion of the Confidential Information which is legally required to be disclosed and will exercise its best efforts to obtain a protective order or other reliable assurance that confidential treatment will be accorded to the regarding Confidential Information.

5. Communication

Olam and IDH will develop a communications strategy to support this MoU, this will include a joint statement at the start of the MoU, progress statements on mutual projects, announcements of new projects and common statements of the higher-level positions related to sustainability.

But neither Party shall be prevented from making use of know-how, principles learned or experience gained of a non-proprietary or non-confidential nature.

6. Governance

Commodity specific coordination will take place between the dedicated contact persons from each organization per commodity as nominated/agreed. Overall cross-commodity coordination takes place via a) on an operational level, regular updates between Jenny Kwan for IDH and Christopher Stewart for Olam and b) on a strategic level, an annual meeting at senior level (IDH executive committee and the relevant members of the Olam CR&S Executive Committee) to discuss strategy and planning for the next year.

7. Duration of the Memorandum of Understanding

The MoU will be operational for a period of 3 years after signing. Individual project level cooperation between Olam and IDH, agreed to in separate legally binding agreements, that are initiated under the scope of this MoU may have a longer duration than the MoU itself.

8. Miscellaneous

Nothing in this MoU shall grant either party or any third party any ownership, license, or authorization to use, or interest in or to, any party's trademarks or other intellectual property without explicit permission. This includes but is not limited to the name, logo or certification mark of that Party.

Both parties are free to communicate externally that there is a strong intention of working together within the limits of the Non-Disclosure agreement signed by the Parties.

Nothing in this MoU creates an employee-employer relationship, a joint venture or other legal entity. No Party has the authority to create any financial or other obligations on behalf of any other Party without that Party's written consent.

9. Governing law

This MOU, any negotiations under it and all disputes or claims arising out of its subject matter or formation will be governed by the laws of the Netherlands and the courts of the Netherlands will have exclusive jurisdiction to settle any dispute or claim arising under or in connection with this MOU.