



Talent Requirements for the Agricultural Industry: The Olam Perspective

IAMA - Budapest

Olam History

1989

Start-Up



1 product

1 country

1 end Market

4 customers

2 employees

S\$0.15m Book Value

S\$0.15m Mkt. Value

Nil MVA



FY2009

16 products

56 countries

60 end-markets

6,500 customers

9,000 employees

S\$8.11b turnover

S\$168m PAT

S\$638m Book Value

S\$3.6b Mkt. Cap

S\$2.96b MVA



Sales CAGR 53% and PAT CAGR 48% over the last 18 years
Transitioned from a trader to an Integrated Supply Chain Manager

Our Business: Supply Chain Manager of Agricultural Raw Materials

Integrated from farm to factory gate

Managing Risk at Every Stage



End-to-end Supply Chain Capability

Our Products: Building Leading Global Position



Edible Nuts, Spices & Beans
Cashew, Peanuts, Other Edible Nuts, Sesame, Spices, Beans

Largest supplier of Cashew and Sesame and one of top 3 global suppliers of Peanuts



Confectionery & Beverage Ingredients
Cocoa, Coffee, Sheanuts

Largest supplier of Cocoa & Robusta Coffee worldwide



Food Staples & Packaged Foods
Dairy Products, Packaged Foods, Rice, Wheat, Barley, Canola, Palm, Sugar

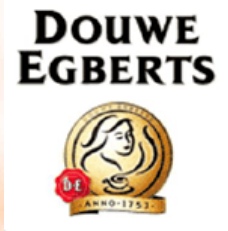
One of the top 3 global Rice suppliers



Fibre & Wood Products
Cotton, Wool, Wood Products

One of the top 3 global suppliers of Cotton and a leading supplier of teak from Africa

Our Customers: Supplier of Choice to Large Brands



Our Geographies: Linking origins, processing centres & markets



Talent Reinforcing Olam's Core Competencies

Origin management advantage

- ✦ deep knowledge of origins
- ✦ extensive sourcing infrastructure
- ✦ robust field operating systems
- ✦ cross sourcing of products

Trading, marketing & risk management advantage

- ✦ physical presence in critical markets
- ✦ supplier of choice
- ✦ proprietary market intelligence
- ✦ trading and hedging skills
- ✦ risk arbitrage skills

Organisational Advantage

Replicating the Olam DNA by Acquiring, Aligning, Engaging & Developing

- ✦ global talent pool of managers
- ✦ multi-skilled field staff who can be leveraged across products
- ✦ truly 'global' managers
- ✦ high ownership & commitment

The Global Assignee Talent Pool

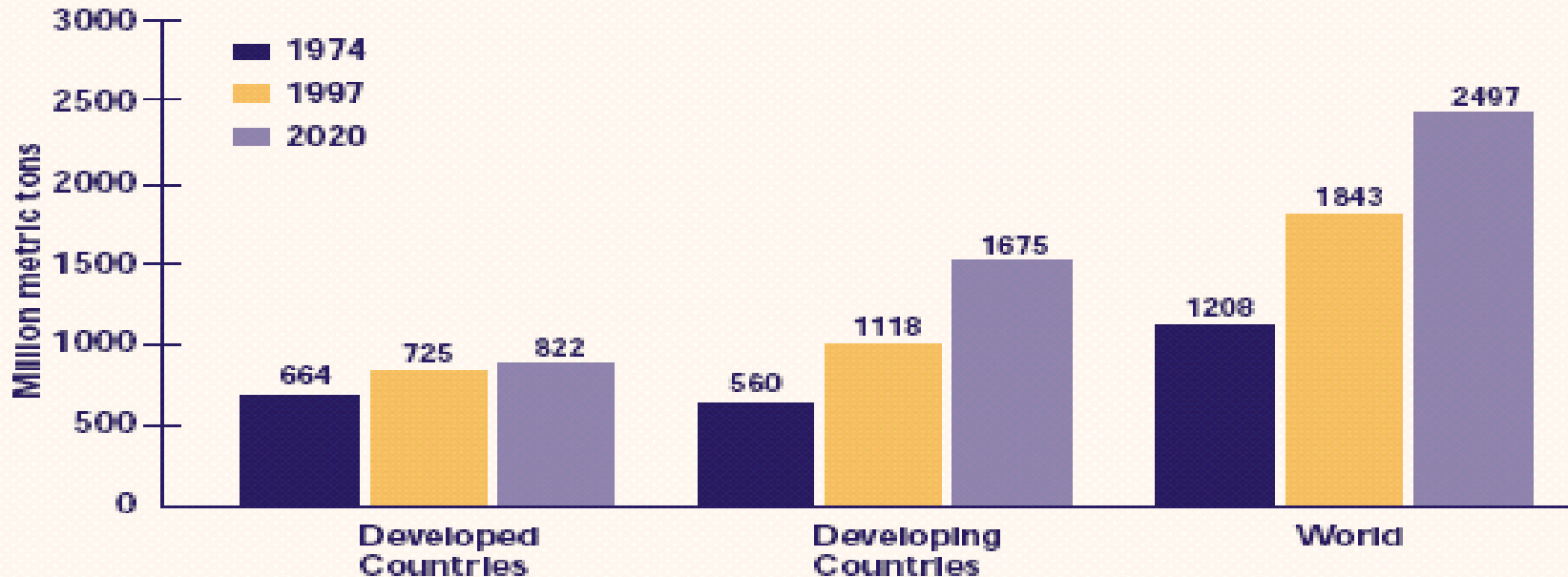
- ❖ The top 500 managers in the company performing critical business roles
- ❖ With knowledge and experience of Origin Management
- ❖ Possessing Trading and Risk Management Expertise
- ❖ Having contextual customer knowledge and familiarity
- ❖ A stable talent bank with adequate depth for deployment into new and existing businesses
- ❖ Truly 'global' managers
- ❖ Empowered and with high levels of Ownership and Commitment
- ❖ Fungible across businesses and geographies

Replicating the Olam DNA

Agricultural Commodity Trends : Structural Factors

- ✿ Soaring population growth
- ✿ Rising incomes and demand for higher quality food
- ✿ Fuel is emerging as a new source of demand for agri-commodities
- ✿ Increasing urbanisation putting a strain on resources
- ✿ Climate change impact and supply disruptions
- ✿ Declining trend in agricultural production and productivity over the last 18 years

Demand in Food (Cereals)

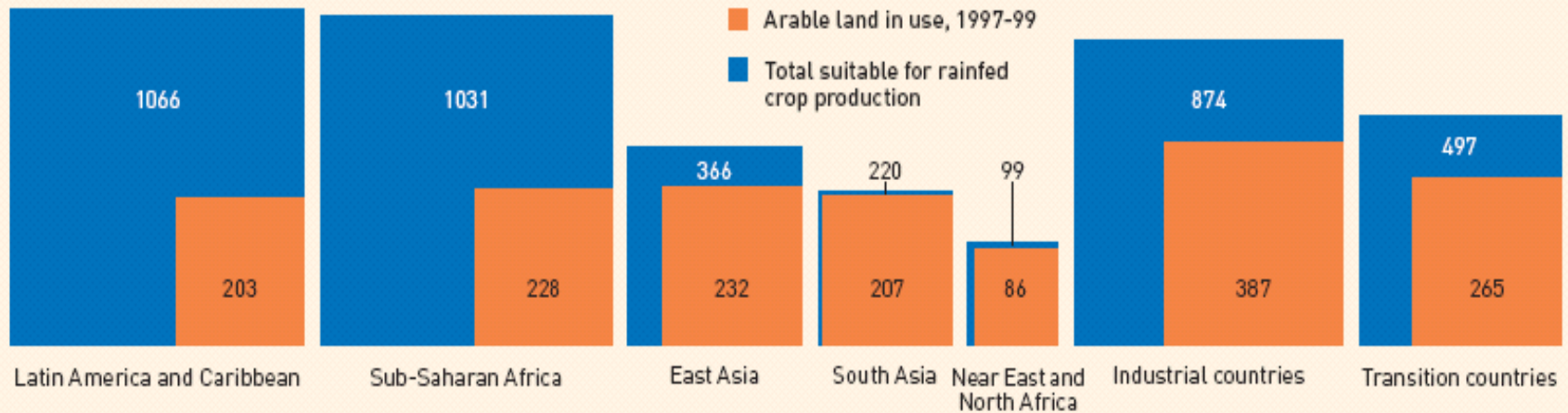


SOURCE: IFPRI IMPACT projections, June 2001, and FAOSTAT (www.fao.org) for 1974 data.

60% - 70% of growth in demand will be met by increasing yields
And balance by increasing arable land

Potential Future Growth in Agriculture

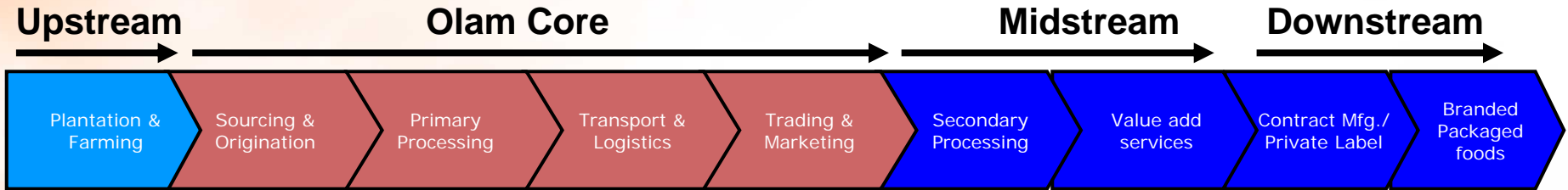
Cropland in use and total suitable land (million ha)





Sources: FAO data and Fischer *et al.* (2000)

Latin and Sub Saharan Africa

Talent Requirement Across the Industry Value Chain



Key Roles

 Current participation
 Future Growth

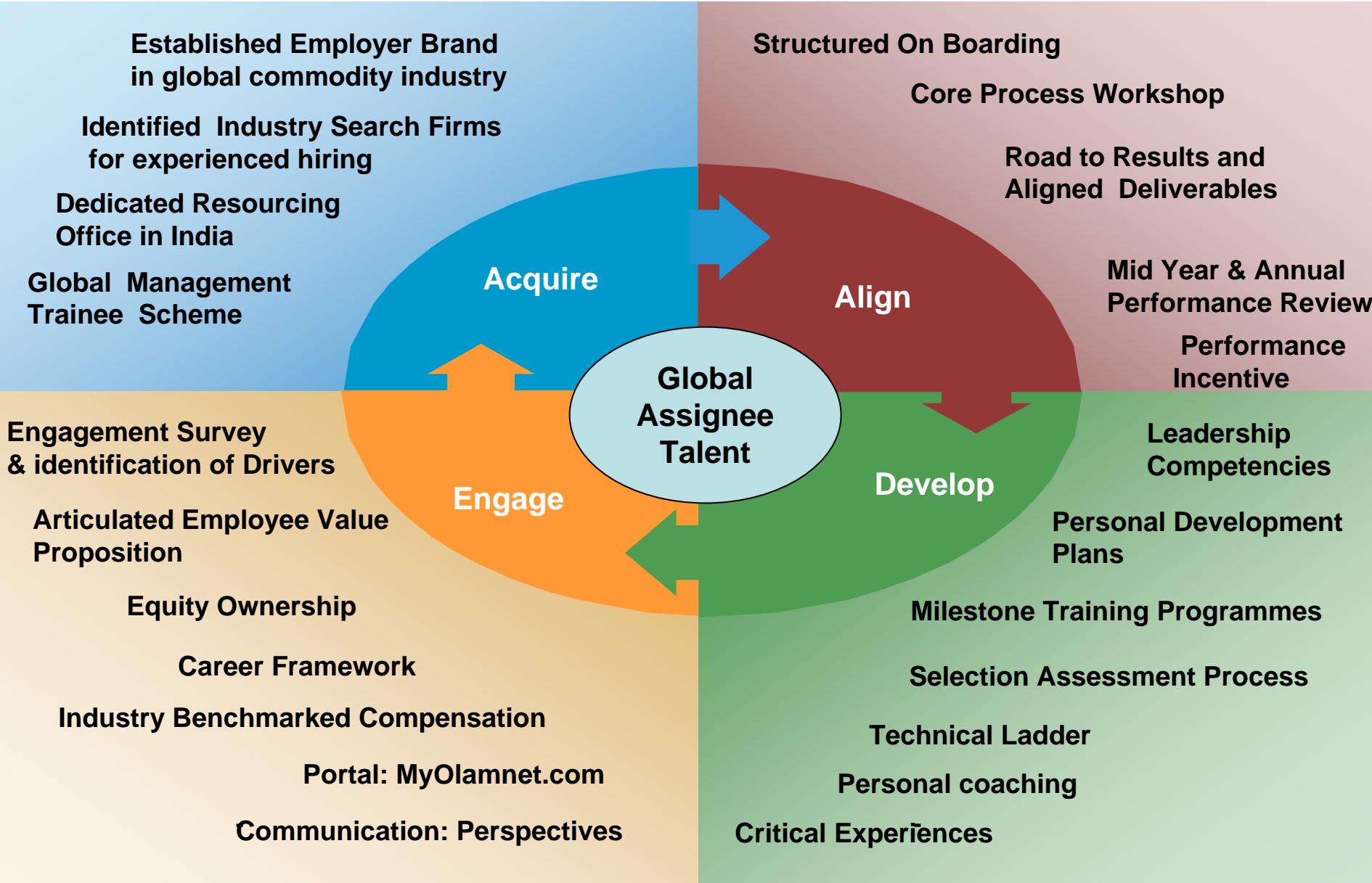
Plantation Mgrs	Field Operations	Processing Experts	Port Operations/ Stevedoring	Physical Traders	High end/ Specialist Manufacturing	Organic Certification	Marketing/ Branding
Agronomists	Product Quality Experts	Product Quality Experts	Logistics	Futures/ Derivatives Traders	(e.g. Sugar refinery, cocoa processing, soluble coffee, wheat milling, blanching)	Traceability	Sales & Distribution
Crop Forecasting	Credit Appraisers			Risk Managers		Vendor Managed Inventory	Food Specialists
	Farm / Grower services						Packaging

Other Roles

Country Heads, Country Business Heads, Finance Controllers, HR Managers

Significant Requirements in Latin America & Sub Saharan Africa

Talent Management Strategy





Thank You