

SUSTAINABILITY REPORT



Dear Shareholders,

The following section will outline this year's successes and lessons learned as our Sustainability program ramped up to full capacity this year and continues to grow. After identifying our key stakeholders and conducting a thorough assessment of our stakeholders' needs in 2016, we began implementing projects last year. This year, we finalized the projects that are to become the bedrock of our Sustainability program. Our Health & Nutrition Centre was founded last year and now sees up to 75 patients per week and organizes free health camps in our community, which reach even more patients. As we work to make new services available, we anticipate continued growth and reach for this key Health & Nutrition project. Our worker training initiatives have been bearing fruit, and we have now expanded from training on nutrition to other topics such as sexual and reproductive health and rights (SRHR), an underserved and important topic within our constituency. Similarly, our first group of female scholars recently graduated, having completed training and mentorship sessions to become assistant machine operators.

We also started new projects, filling gaps which were left by last year's challenges to find partners and projects which could deliver quality outcomes at reasonable costs. Our department's newest team member, Saifullah Al Azad, started a project which he strongly believes will contribute to improving educational outcomes and diversifying learning opportunities in our immediate community

from his many years as an education professional. The Integrated Cultural-Educational Program he initiated in collaboration with Fulki, a well-known and impactful NGO, is engaging students, teaching them about their rights and motivating them to stay in school.

To meet our environmental goal of reducing our CO₂ emissions, we piloted a solar panel project at our Lolati factory. These solar panels have a small but significant impact on our footprint; they are the best solution currently available in Bangladesh. We continue to search for bigger and better ways to reduce and offset our carbon footprint as new technologies and services become accessible to us. We anticipate being able to integrate cogeneration technology, heat and steam recovery in our production systems shortly. We invite you to read more on our goals and impact in our KPI report and our newly renamed Environmental Performance Report, both published on our website.

On the more business side of things, we believe that a good business prioritizes responsibility and consumer well-being in its products as well as its projects. Seeing that there was a need for micronutrient fortification in our consumers' diets and that it had been declared a national priority by the government, we fortified our instant noodle products from launch. This allows us to both offer a unique product and improve nutrition in our broader community.

We are proud to have solved for many of the issues we faced last year, such as budgetary ones. We are confident that we can continue to implement valuable projects and scale our budget year on year to reach the recommended expenditure according to SDG 17 (0.7% of Net Profit After Tax – interpreted from the recommendation for developed countries) by 2020. We see our department itself becoming sustainable, with responsible processes becoming repeatable and standardized throughout the business. The challenges we encountered in the process of implementing these projects taught us how to best adapt for next year. Having witnessed the benefits of each of these projects, we are humbled by the positive impact Olympic can and does have on its workers, community and planet and we are determined to keep working toward a sustainable future.

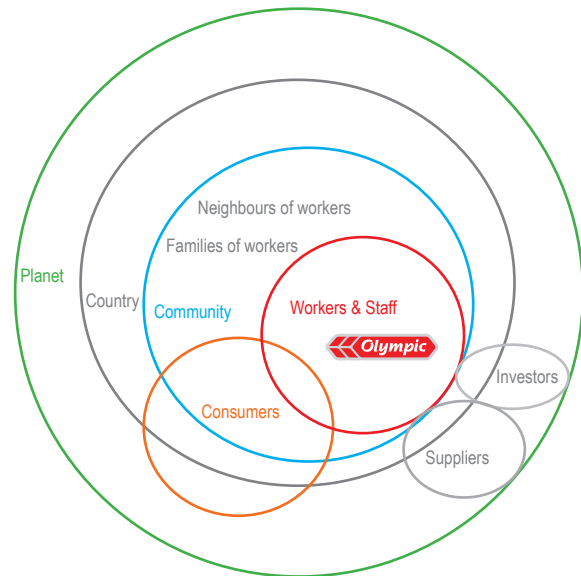
A handwritten signature in black ink, appearing to read 'MPellegrin'.

Marion Pellegrin
Head of Sustainability

Sustainability Mission Statement

At Olympic, we believe that being a good business means contributing to the well-being of our workers, our customers, our community, and our planet. We believe that our business can, and should, aim to add value to society and operate in a sustainable way. We want to add value by making good products that nourish people, all the while creating jobs and contributing to the Bangladesh economy. We know that one company cannot by itself fix the world's problems, but we want to make sure we do everything we can to make this world a better place. This is why we have decided to introduce a Sustainability program.

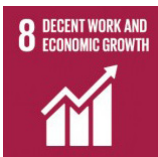
As a company, our goals are to a) be the employer of choice by providing our employees with an exciting and fulfilling work environment; b) be stewards of social responsibility in Bangladesh through our initiatives; and c) instil confidence in our external stakeholders that our practices are aligned with their social responsibility values. We believe that a good business must be sustainable. We want to take on goals that not only give back to society, but that also hold us to a higher standard as corporate citizens. We are committed to sustainability for the long-run, and we welcome accountability for our actions.



We believe that any good program needs stable funding. This is why we aim, in the long run, to align our funding with the Sustainable Development Goals' recommendations on donor country spending. By committing to this number, we hope to contribute in a meaningful way to our country's development, and to set an example for our peers.

In order to better guide our decisions, we have tied all of our projects to the Sustainable Development Goals set out by the United Nations. We have chosen goals which are most applicable to our line of work and which are closest to our employees' hearts; those which relate to health & nutrition, education, equity, and climate change.

We are committed to providing our workers with a better life by providing them the working conditions they deserve. We aim to achieve this by complying with labour laws, implementing programs focused on skills and knowledge development, and creating new opportunities for our workers. We want to build a working environment which helps our workers thrive and be proud to work in.



Achieve full employment and decent work for all women and men, and equal pay for work of equal value. (8.5)

Protect labour rights and promote safe and secure working environments for all workers. (8.8)

We are committed to providing our customers with products which are both healthy and delicious. Why compromise? We aim to improve our customers' nutrition by providing them with fortified products they will actually want to eat. We also aim to eliminate unfair business practices by creating and enforcing marketing policies which protect the rights of children and vulnerable people.

End hunger and ensure access by all people to safe, nutritious and sufficient food all year round. (2.1)

End all forms of malnutrition. (2.2)



3 GOOD HEALTH AND WELL-BEING



Achieve universal health coverage and access to quality essential health-care services for all (3.8)

We are committed to giving back to our community by contributing to their good health and nutrition, and increasing access to education. We have chosen these goals because, as we are in the food industry, we believe it is our duty to ensure that our country has access to good nutrition and has the education necessary to make healthy decisions and to lift themselves out of poverty. We are aware of the virtuous cycle of education and nutrition, where children can only succeed in their studies if they are well fed, and if they are educated, they tend to eat better and be healthier.

Ensure that all girls and boys complete primary and secondary education. (4.1)

Ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university. (4.3)

4 QUALITY EDUCATION



We are committed to ensuring that our planet stays healthy and plentiful. We believe we have a duty to ensure that our children will have a flourishing planet to live on for generations to come. In order to make this happen, we plan to reduce our impact on climate change by reducing waste and greenhouse gas emissions, increasing our use of renewable materials and energies, and mitigating climate change's impact on our communities.

7 RENEWABLE ENERGY



Increase substantially the share of renewable energy in the global energy mix. (7.2)

Double the global rate of improvement in energy efficiency. (7.3)

Substantially reduce waste generation through prevention, reduction, recycling and reuse. (12.5)

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



In undertaking all our projects, we commit to considering gender issues and to actively contribute to the elimination of discrimination against women.

5 GENDER EQUALITY



Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in economic, political and public life. (5.5)

Finally, we commit to holding ourselves accountable for the way we conduct business and for the projects we engage in. In designing our projects, we will strive to remain independent and to make a wise cost-benefit analysis based on our key goals, all the while ensuring that our work is measurable, sustainable, efficient and relevant. We also aim to ensure that our projects are not duplicating the work of another agency, but rather that our projects are unique and complementary. We commit to continuously monitoring and evaluating the projects that we fund or take on. We commit to producing detailed reports that are accessible to all our stakeholders on a frequent basis.

We are committed to building a sustainability program we can all be proud of.



Our Key Initiatives



Occupational Health & Safety

At Olympic, we are committed to being a better company in every possible way. This includes the way we treat our workers. From a clean working environment to generous profit sharing mechanisms, we provide everything workers need to be as satisfied and productive as possible.

WATER & SANITATION

We provide safe drinking water on every floor of the factory, as well as Oral Rehydration Saline during the summer months, to ensure that our workers are well hydrated. As water is the source of life, we want to ensure its quality. We have our water tested by SGS annually, and by ICCDR, B weekly. We provide and clean workers' uniforms daily, and provide them with clean shoes to wear in the factory. Workers have access to spotless gender-designated bathrooms, and separate changing rooms. We are committed to rigorous pest control in these areas and throughout our facilities, and have contracted an independent third party to maintain, monitor, and document the hygiene and sanitation of our factories on a weekly basis.

HEALTH & SAFETY

All of our workers are over 18 years old and certified as fit to work by a doctor before they are employed. We always have a first aid team on the premises, a certified paramedic available, and an arrangement with the local hospital for our workers to have access to 24-hour care in the event of an accident. Sick and injured employees have access to free medical healthcare and paid medical leave. All of our factory and field force employees are covered by a life insurance paid for by the company.

All of our workers are trained for seven days when they join our company. They receive training specific to their position, as well as various trainings on topics such as proper hygiene methods, and safety procedures. At the battery factory, workers have protective gloves and have hearing protectors at their disposition. We actively monitor air quality in our factories, regularly cleaning and maintaining a series of filters, dehumidifiers, and auditing devices to ensure a safe, consistent, flow of air. Thanks to all these preventive measures, we pride ourselves on having low accident rates.

BUILDING SAFETY

We are determined to provide the safest work environment our workers could hope for. Before commencing the construction of our earthquake-proof factories, we acquire approvals for construction by the local authorities (union parishad), and soil samples are tested through an external laboratory. Our building pile loads are tested through external assessors to fit the ASTM D 1143-81 standard and our loads test pressure gauge is tested by the Bangladesh University of Engineering and Technology. We hold licences for loads up to five times our actual requirement, for which our consultants issue a certificate in accordance with the Bangladesh National Building Code.

FIRE SAFETY, EMERGENCY PREPAREDNESS & RESPONSE

We hold a Fire Licence, certifying that we follow all the fire safety rules applicable to us, and we have assembled a fire marshal team of 130 employees trained by the local fire service, at least 30 of which are on duty at any given time. We are equipped with state of the art fire detection, evacuation and monitoring technology, including multiple extinguishers, heat and smoke detectors, fire hydrant boxes, and fire alarms on every floor. We have built in several fail-safe redundancies, including automatic transition between electrical, diesel and manual (jockey) pumps.



We have also assembled a disaster management committee which designs our disaster management and fire safety plans. We have developed safe evacuation methods, which we practice with workers weekly during our randomized fire drills. Every quarter, we organize a refresher training on fire safety with the Bangladesh Fire Service and Civil Defence Agency, as well as a general health and safety refresher training, and earthquake preparedness training sessions and simulations.

WAGE & BENEFITS

Our workers not only work in a safe and friendly environment; they are also well-compensated for their hard work. We share 5% of our profits with our workers, the majority of which is distributed to our workers directly, with the remainder being split between our company's worker welfare fund, and the government's Worker Welfare Foundation Fund. We are proud to follow the Bangladesh Labour Act when it comes to all financial matters, including termination benefits and gratuities.



We provide two annual festival bonuses to our workers, as well as systematic cash incentives for workers who come to work regularly and to those who work night shifts. We pay overtime and grant festival, medical, casual and maternity leave as mandated by the Labour Act.

All of our factory and field force workers have life insurance, including our third-party construction workers through a very comprehensive construction all risks policy. Always seeking to set new standards, we are proud to be the first company in Bangladesh to insure the lives of third-party workers.

FACILITIES

To make our staff's life easier and more enjoyable, we provide dormitories for technical staff and supervisors who need to work at night and/or live far away. We provide meals for all officer-level employees and above, as well as a canteen for regular workers. Finally, we have planted "green areas" composed of flowers and plants in various places around the factory, and we play classical music at night in our new biscuit factory as a way to motivate workers and create a good working atmosphere. Our facilities go above and beyond what Bangladesh law requires.



Environmental Impact

ENERGY

The majority of our energy comes from natural gas, government-supplied electricity, and diesel. We have one solar panel at each factory, which supply energy for lighting and ventilation. We have switched over 100% of our light bulbs from less efficient CFLs to LEDs.

MATERIALS

100% of our carton boxes, plastic trays and jars are made from recycled materials.

WASTE

We have already managed to reduce our solid waste to very small amounts. We produce over 1,500 metric tons of goods weekly, for which our total waste (including canteen and cleaning waste) amounts to only 2 metric tons.

EMISSIONS

To reduce both noise and pollution, we use canopies and special chimneys with our gas and diesel burners. We calibrate these burners regularly to ensure that no sulphur oxide, nitrous oxide or carbon monoxide are emitted into the environment. The air is regularly tested by a third party to ensure we do not emit those toxins. We are proud to adhere to all the energy safety procedures mandated by the government, and to internationally-set standards on pollution.

EFFLUENTS

We treat all our waste water according to the Bangladesh Standards and Testing Institution. We use a settling tank to separate oils from waste water at each factory, as well as two deep tube wells, an underground reservoir and an overhead tank. We adjust the water's pH and dissolve oxygen level before releasing it into the pond. We partly reuse waste water after treating it with UV lights. We do not use or emit any toxic chemicals at our biscuit factories. As for our battery factories, 100% of the water we use is fully utilized in the production of our batteries, and as such, we produce zero effluents.



Quality Control & Product Safety

Quality is our first priority. As a food manufacturing company, our main goal is to provide customers with products that are safe, tasty and made with utmost care. From ingredients to packaging, we only source the best materials. Every new product is tested and approved by the Bangladesh Standards and Testing Institution before it is produced. We conduct a variety of tests on our raw materials as well as finished products. For instance, we test finished products for shelf-life consistency and heat resistance. We aim to use minimal yet efficient packaging, which lists all the information a consumer could need, from ingredients to nutritional facts and certifications.

We believe that quality control is intrinsically linked with our company's sustainability. By reducing risks, constantly improving business processes, and demonstrating to consumers our commitment to them, quality control contributes to sustained profitability and growth. To maintain our high business process standards, we have implemented SAP enterprise resource planning system which brings together all business processes and ensures proper documentation is kept, therefore reducing rates of error. We have also adopted ISO 22000, a Food Safety Management System that ensures that all materials and finished products are tested for quality, moisture and nutritional content.

Our facilities are kept with the highest health and safety standards. Production lines are equipped with highly sensitive metal detectors to prevent contamination, as well as scales to ensure weight consistency. Our employees are trained to adopt Good Manufacturing Practices, which include every type of hygiene. To reaffirm of this dedication to health and safety, we contract SGS to audit our factories annually.



New Initiatives in 2017-2018

UNDP COLLABORATION



Olympic is proud to be partnering with UNDP-UNV Innovation Hub in reaching out to the Bangladeshi private sector. We have been selected as one of the companies with the most impact on Sustainable Development Goals (SDGs) and are featured on the UNDP-UNV Innovation Hub's new Responsible Business webpage.

Last October, Olympic took part in a private sector forum organized by the United Nations Development Programme and UN Volunteers Innovation Hub. With over 200 private sector companies in attendance, the forum aimed at exploring ways of reaching the Sustainable Development Goals (SDGs) through partnership with companies like ours. Our Head of Sustainability and our Head of Risk and Compliance shared their perspectives on how businesses can contribute to and profit from the SDGs.



Health & Nutrition

LOLATI HEALTH & NUTRITION CENTRE



Many of our workers did not have access to quality, affordable healthcare. In September 2017, the Lolati Health & Nutrition Centre (HNC) became fully operational, providing our workers and our community access to a general practitioner at one-seventh the available

market price, free consultations with a nutritionist for all patients, and in the upcoming months, access to medical tests at cost. Our partners, the Centre for Woman & Child Health (CWCH) have been working relentlessly to promote the HNC's services through community announcements, banners television advertisements. It has made the HNC well-known in the community and has gradually increased the number of patients. We are currently in the final stages of making our lab operational next year.



Patients are waiting to attend a free health camp.

The HNC is located less than 1 km away from our most remote factory, to provide healthcare to those who have been underserved. The HNC doctor visits our Lolati factory every day at lunchtime to provide on-site consultations for our workers.

NOODLES FORTIFICATION

Malnutrition is rampant in Bangladesh, with micronutrient deficiency affecting most of the population. Olympic's new noodle products provide a great opportunity to use the company's far-reaching distribution system and renowned brand value to influence consumers into eating more wholesome, healthy foods. Foodie, our new noodles brand, is fortified with zinc, iodine, folic acid and vitamin B6. Each pack fulfills up to 40% of our consumers' daily needs of these minerals and vitamins so that they can go through their day feeling healthy and fulfilled.

BISCUIT DONATIONS FOR REFUGEES

In August and September 2017, Rohingya refugees crossed the border into Bangladesh to seek shelter from violence, fear and oppression. To address immediate needs, Olympic distributed over 1,000 packs of biscuits through organizations operating in the refugee camps. We wish to thank the Global Shapers, Dhaka Hub and Obhizatrik Foundation for their dedication toward improving the conditions of Rohingya refugees and for providing Olympic the opportunity to be part of their community of collaborators.



Education

INTEGRATED EDUCATIONAL-CULTURAL PROGRAM

Despite recent improvements in the formal education system, teaching techniques in Bangladesh still focus on memorization and test-based lessons, rather than capacity building. At Olympic, we believe that it is essential to impart a holistic approach to literature, art, history, logic and current issues from an early age. To have a long-term impact on students' lives, we partnered with Fulki to launch an educational and cultural program in five schools around our factories. This program is teaching nearly 2,000 students about topics such as storytelling, writing, poetry and human rights and encourages them to apply these lessons in their daily lives. It also engages local youths as facilitators. We hope that in this process, both facilitators and students will enhance their creativity and become responsible citizens.



SCHOLARSHIPS FOR FEMALE LEADERS



QUAY ASIA LTD

At Olympic, we recognize the need for women to be hired not only as casual employees, but in higher positions as well. Women can contribute to our company in a unique way, using their different mindsets, creativity and problem-solving techniques to improve our company.

Olympic initiated a pilot scholarship program aimed at providing free vocational and soft skills training for 6 women in the packaging section who wanted to become machine operators. We started to address the issue by initiating a pilot scholarship program aimed at providing free vocational and soft skills training for 6 women in the packaging department who were selected through a rigorous process. Our female leaders were trained for two weeks at the Bangladesh Industrial and Technical Centre. The course content included an introduction to general machinery, basic machine maintenance and repair for entry-level workers. Following this, they started practicing under a mentor at their respective factories and will soon be promoted as assistant machine operators. We are hoping to scale this program, promoting more women to take higher positions at our factories.

NUTRITION TRAINING

The foundation for good nutrition is knowledge. A person with proper knowledge of nutrition can improve their entire family's health status. Our workers often have little knowledge of what is both healthy and affordable. To remedy the situation, we started a Nutrition Training Program last year which trained 154 peer educators, who in turn imparted their knowledge onto 22 of their colleagues, thus ensuring all our workers were educated on issues ranging from a balanced diet to maternal nutrition. During the follow-up, we were delighted to find that the workers integrated their knowledge in their daily life and shared it with their family and community. We found that, on average, 80% of workers could demonstrate a superior understanding of the topics and 98% of workers gained some knowledge as a result of the training. To ensure that the process continues in a sustainable way, Change Associates, our partner for this project, formed a team of in-house trainers who are now in charge of discussing these important lessons with new workers.



SEXUAL & REPRODUCTIVE HEALTH & RIGHTS (SRHR) TRAINING



To improve access to and knowledge of vital SRHR issues amongst our workers, we provided training on reproductive health, STIs & HIV/AIDS, family planning, gender based violence and discrimination following the same model of peer-assisted learning used for the nutrition training. So far, over 85 peer educators and 2,000 workers have been trained. Based on our follow-up assessments, 75% of workers could demonstrate a good understanding of the issues, and 95% of workers gained some knowledge as a result of the training. We will continue providing these trainings until all of our workers have been served.

ACCESS TO HEALTH & RIGHTS RELATED INFORMATION

Borrowing its name from the first birth control campaigns in Bangladesh, Maya Apa created an online platform dedicated to answering people's SRHR, health, legal and lifestyle questions. As a result of the Maya Apa team's outreach activities and on-the-spot medical consultations last year, our workers are using the Maya App on their mobile phones. In addition, workers without smartphones have easy access to the service through Maya kiosks installed in our factories' medical centres.

APPRENTICESHIP PROGRAM

Education and career development are very important to us, which is why we enrolled 120 female and male workers from different skills and age groups in the Bangladesh Skills for Employment and Productivity Project, supported by the ILO and implemented by the Access to Information (A2i) department of Prime Minister's Office. Through this program, workers acquired skills and technological know-how through theoretical and on-the-job training sessions. Their participation enabled them to receive a nationally recognized certificate, and climb the ranks of the corporate ladder. Training workers according to these specific standards has contributed to advancing their career as well as increased our factories' efficiency and output.



SPONSORING LOCAL SCHOOLS

Local schools often struggle to provide their students the facilities they need and deserve. Budgets are tight, and capacity is limited. This is why Olympic is proud to sponsor schools in the communities in which it operates, both in Dhaka and Narayanganj, where its head office and factories are located. Sponsorship is most often dedicated towards hiring additional teachers.



The students are showing their new books from Fulki.



Environmental Impact

ENVIRONMENTAL PERFORMANCE REPORTING

At Olympic, we closely monitor the impact our business has on the planet with an aim to reduce it as best we can. Following the example set by the Centre for Sustainable Development of the University of Liberal Arts Bangladesh with last year's Environmental Performance Report, this year we published the assessment using our in-house resources. We have ensured that this process is sustainable by training our team to gather the necessary data on a regular basis and to contribute innovative, practical suggestions to achieve our goals. We will be publishing these reports annually as they allow us to measure, track and be transparent about our impact.

GOALS & KEY PERFORMANCE INDICATORS FOR 2017-2030

We are committed to sustainability for the long-run, and we welcome accountability for our actions. Based on the findings of our Environmental Performance Report, we have set goals to reduce our waste and greenhouse gas emissions, increase our use of renewable materials and energies, and mitigate climate change's impact on our communities. Our goals for 2030, as well as our short-term targets for 2020 and 2025, are ambitious, yet they take into account Bangladesh's unique set of opportunities and circumstances. We invite you to visit our Activities page on our website to learn more about these goals.

RENEWABLE ENERGY

The use of fossil fuels accounts for a large source of our CO₂ emissions. This year, we installed solar panels in our Lolati factory, as solar energy remains the most viable source of renewable energy in Bangladesh. These panels can generate 30 kWp at their peak, which translates into a monthly average of 3 MW. This is estimated to reduce 33.6 metric tons of CO₂ per year. We hope to expand our adoption of solar panels to our other factories in the coming year.