

The illustration features a central circular compass with four orange triangular markers pointing up, down, left, and right. The text 'COCOA COMPASS' is written in large, bold, black capital letters within the circle, with '2022 IMPACT REPORT' in smaller, black capital letters below it. The background is a light green field filled with stylized cocoa tree branches, green and yellow leaves, white flowers, and various cocoa pods in different stages of ripeness (green, yellow, red). Several colorful birds are perched on the branches, and two people are shown: a man in a yellow shirt and red pants on the left, and a woman in a red top and pink patterned skirt on the right. Small bees are also scattered throughout the scene.

COCOA COMPASS

2022 IMPACT REPORT

CONTENTS

CLICK TO NAVIGATE TO EACH SECTION →

01

WE ARE OFI P.03

02

OUR AMBITION P.04

03

GLOSSARY P.05

04

YEAR IN REVIEW P.06

05

PROGRESS SNAPSHOT P.07

06

COLLABORATING FOR CHANGE P.08

07

EMPOWERED TO GROW P.09

08

FOCUSED ON FARMERS P.15

09

INVESTING IN NATURE P.22

10

DATA HUB P.29

WE ARE ofi.

1 in 5 chocolate bars consumed globally use our cocoa beans and ingredients.

We partner at every step, from plant to palate, to deliver value for our customers, delight their consumers, and create real change for people and planet.



1.



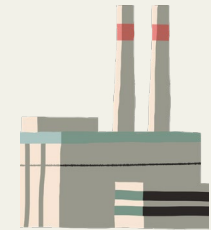
WE ARE A **LEADER IN SUSTAINABLE COCOA**, SUPPORTING OUR CUSTOMERS TO DELIVER SOCIAL AND ENVIRONMENTAL IMPACT FOR **330,000 COCOA FARMERS** IN **9 COUNTRIES**.

2.



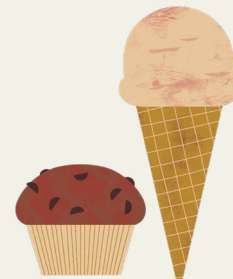
WE HAVE A PRESENCE ACROSS THE SUPPLY CHAIN, WITH THE **LARGEST ORIGATION FOOTPRINT** IN THE INDUSTRY

3.



WE CAN ALSO OFFER OUR CUSTOMERS **FULLY SEGREGATED COCOA INGREDIENTS** FROM THE FARM TO ONE OF OUR **12 PROCESSING FACILITIES**.

4.



WITH OUR CUSTOMERS, WE CO-CREATE ON-TREND CHOCOLATE & CONFECTIONERY, BEVERAGES, ICE CREAMS & DESSERTS AND SNACKING SOLUTIONS AT ONE OF **OUR CUSTOMER SOLUTIONS CENTERS**.



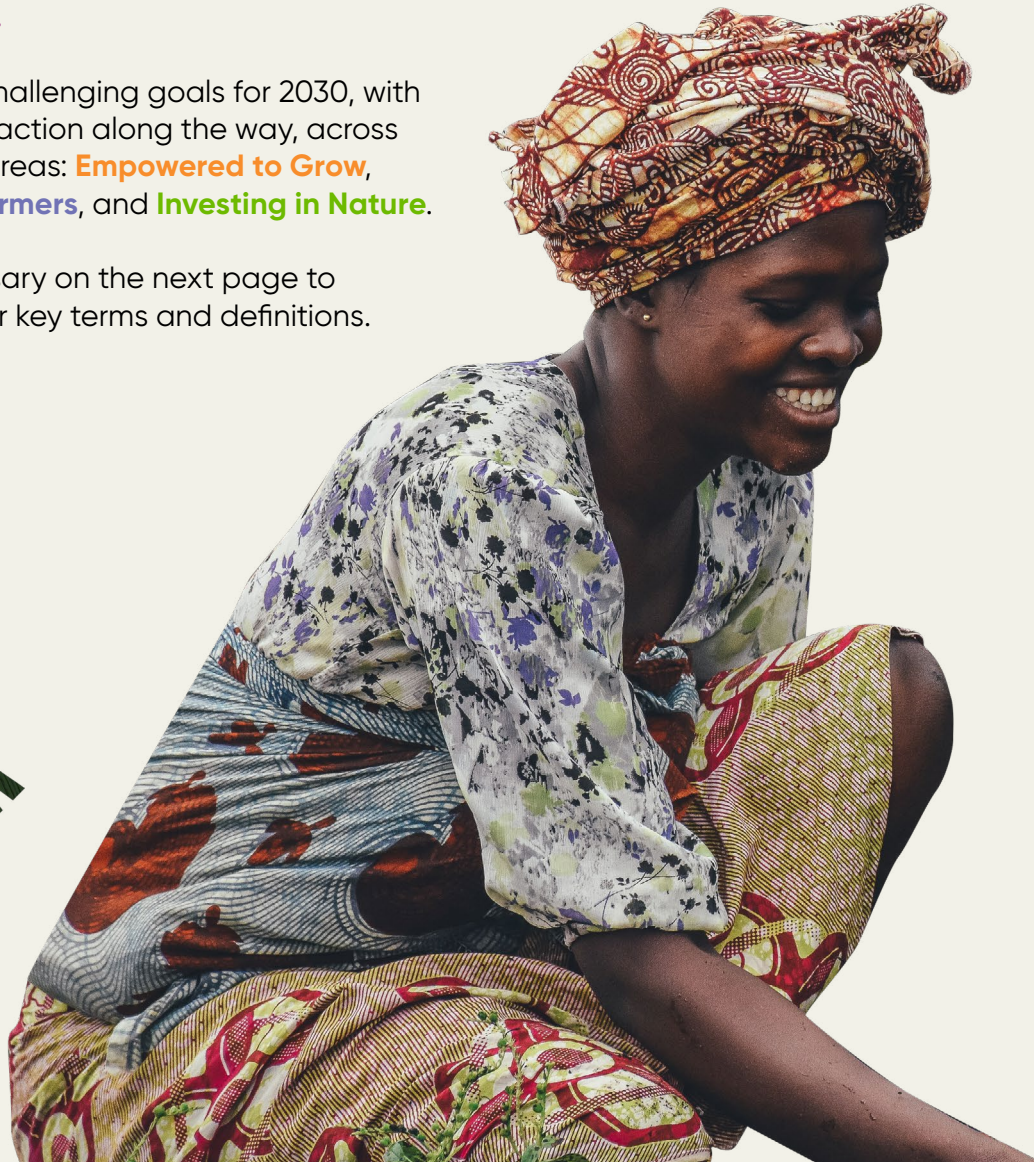
OUR AMBITION

Our ambition is to offer sustainable choices for our customers by helping cocoa farmers prosper and communities thrive within regenerated landscapes. By working together, we can **be the change for good food and a healthy future.**

We have set challenging goals for 2030, with milestones for action along the way, across three impact areas: **Empowered to Grow**, **Focused on Farmers**, and **Investing in Nature**.

Read the glossary on the next page to understand our key terms and definitions.

THE JOURNEY TO OUR 2030 GOALS



2030

CHILD LABOR ELIMINATED IN GLOBAL SUPPLY CHAIN, IN COLLABORATION WITH OUR CUSTOMERS, PARTNERS AND GOVERNMENTS

ALL CHILDREN OF SUPPLIER FARMERS HAVE ACCESS TO EDUCATION

150,000 SUPPLIER FARMERS EARNING A LIVING INCOME

INCREASE IN TREE CARBON STOCK

30% REDUCTION IN NATURAL CAPITAL COSTS*

2024 INTERIM MILESTONES

60,000 SUPPLIER FARMERS EARNING A LIVING INCOME

10% REDUCTION IN NATURAL CAPITAL COSTS*

2020 – ALREADY ACHIEVED

100% TRACEABILITY AND DEFORESTATION MONITORING IN DIRECT SUPPLY CHAIN**

CHILD LABOR MONITORING IN ALL MANAGED PROGRAMS

*Against 2018 baseline.
**To farm or community

GLOSSARY

CARBON CAPTURE

The amount of carbon sequestered from the atmosphere and stored within the forest ecosystem.

CHILD LABOR

Child labor is work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development (work that interferes with schooling or is hazardous) (ILO convention 138).

CONVENTIONAL SOURCING (OR INDIRECT)

Volumes procured from non supported farmers, or not associated with any sustainability claim. This is consistent with a vast majority of trade in the past and still occurring today; and includes volumes procured from third parties, for example government entities, exchange trading, other national and international companies, as well as from intermediaries (e.g., Local Buying Agents, LBAs) who are not restricted to a specific farmer group/community/growing area.

DIRECT SOURCING

Volumes procured directly from farmers, or from farming co-operatives, farmer groups, community/growing areas or their representatives (including Local Buying Agents who are restricted to a specific community/growing area).

FORCED LABOR

All work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself [or herself] voluntarily.

HIGH RISK FARMER

A farmer with an increased probability of non compliance due to location of farm or prevalence of crop disease or human rights violation.

LIVING INCOME

We adopt the guidance of the Living Income Community of Practice (LICOP): "The net annual income required for a household in a particular place to afford a decent standard of living for all members of that household. Elements of a decent standard of living include food, water, housing, education, healthcare, transport, clothing, and other essential needs including provision for unexpected events." **ofi** is working with LICOP and others to develop living income metrics, acknowledging that consensus for a globally accepted methodology requires time and that specific norms and methods may vary from region to region.

NATURAL CAPITAL ACCOUNTING

Natural Capital Accounting follows a holistic systems approach to understand the true value of nature, people, society for humans. The economy must be recognized as parts within a deeply interconnected global system and addressed together to deliver value across the capitals. It is an approach to measure the changes in the stock of natural capital at a variety of scales and to integrate the value of ecosystem services into accounting and reporting systems at national, corporate, project and product levels. This will result in better management of natural capital by these different entities. Source: Transparent (EU funded project and in line with the ambition of the European Green Deal).

TREE CARBON STOCK

Tree carbon stock takes into account the amount of land being used for cocoa farming versus the amount of forest in a supply chain and the quality of the trees.

SUSTAINABLE SOURCING

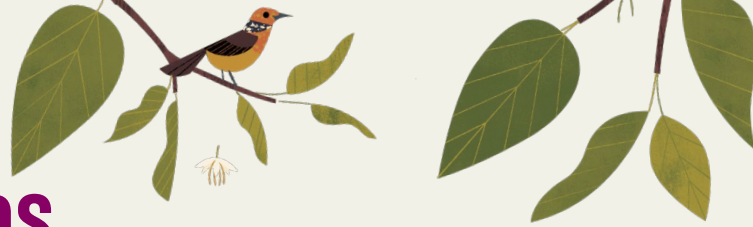
Volumes procured under a recognized sustainability framework or standard (e.g., **ofi** farmer support program, RA, Fairtrade, AtSource+, Organic).



YEAR IN REVIEW: WORKING TOWARDS OUR 2030 GOALS TO MAKE OUR AMBITION A REALITY

I'm delighted to share the positive impact we helped deliver last year with our customers and partners for cocoa farmers, their communities, and the environment. Together, we're steadily working toward our 2030 goals, and 2024 interim milestones for impact and continuing to lay the foundations for achieving our purpose to be the change for good food and a healthy future.

As we take a step closer to these milestones, we will refresh our Cocoa Compass ambition, aligned with the United Nations Sustainable Development Goals (UN SDGs), to continue to make the future of cocoa more sustainable. This will incorporate what we've learned since its inception in 2019 and leverage the impact of our on-the-ground programs in cocoa communities. And it will also reinforce **ofi**'s broader sustainability strategy – which we'll share more about in our next Cocoa Compass impact report.



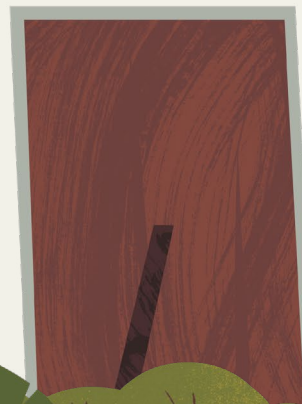
INCREASING ACCESS TO EDUCATION

We're focused on putting children first in cocoa by creating communities where they can thrive. That means tackling a range of underlying drivers, like a lack of access to education, which can lead to children working on the farm instead of going to school. In 2022, we worked with our customers to increase the number of children receiving education support to **89,530 (+160% from 2021)**, including distributing birth certificates needed for enrollment and rehabilitating or building schools.

We also collaborated with specialist NGOs to help us continually improve our approach to addressing child labor in cocoa, like our behavioral research project with Save the Children and Mars.

HELPING MORE FARMERS EARN A LIVING INCOME

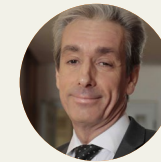
We aim to go beyond just lifting farmers out of extreme poverty and helping them earn enough to be financially stable. By distributing more cocoa seedlings we supported farmers in our programs to increase their yields by **13%** compared to 2021. We also developed our comprehensive Farmer Income Tool to show detailed income estimates and living income gaps for a broad sample of farmers in our sustainable cocoa supply chain across nine countries. The results indicate that we are on track to meet our 2024 milestone to help **60,000** cocoa farmers in our supplier network earn a living income while also providing thousands more in our programs with livelihood support.



REDUCING OUR COST ON NATURE

We drive climate action across our supply chain and give farmers the support they need to be positive stewards of their environment. That way, our cocoa ingredients can become part of the solution, not the problem, for climate, forests, and biodiversity. For example, we've taken further steps towards helping our customers meet GHG reduction commitments and targets by creating a Carbon Scenario Planner built into our sustainability management system, AtSource.

I would like to give huge thanks to our global sustainability team for driving progress forward and to our customers and partners for their continued support. Their collaboration is a critical ingredient in making our Cocoa Compass ambition a reality for generations of cocoa farmers and the natural world.



ANDREW BROOKS,
ofi GLOBAL HEAD OF COCOA SUSTAINABILITY



COCOA COMPASS PROGRESS SNAPSHOT 2022



We are embracing the power of digital technology to turn our presence on the ground into actionable insights for our customers. Through **AtSource**, our sustainability management system, they can access detailed social and environmental metrics about the 2022 progress we helped deliver in their supply chains.

EMPOWERED TO GROW

2030 GOALS
ALL CHILDREN OF SUPPLIER FARMERS HAVE ACCESS TO EDUCATION

CHILD LABOR ELIMINATED IN GLOBAL SUPPLY CHAIN IN COLLABORATION WITH OUR CUSTOMERS, PARTNERS AND GOVERNMENTS

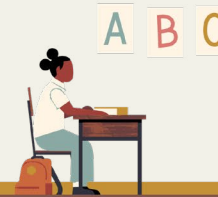
89,530
CHILDREN RECEIVED EDUCATION SUPPORT
(+160% 2021)



250,470
HOUSEHOLDS COVERED BY CHILD LABOR MONITORING & REMEDIATION SYSTEM
(+15% 2021)



4,850
CHILD LABOR CASES REMEDIATED AND RESOLVED
(+1% 2021)



FOCUSED ON FARMERS

2024 INTERIM MILESTONE
60,000 COCOA FARMERS IN OUR SUPPLIER NETWORK ARE ACHIEVING A LIVING INCOME

2030 GOAL
150,000 COCOA FARMERS IN OUR SUPPLIER NETWORK ARE ACHIEVING A LIVING INCOME



720KG/HA
COCOA YIELD OF TRAINED FARMERS
(+13% 2021)

30,168
FARMERS EARNING A LIVING INCOME
(+3%* 2021)



3.5M
COCOA SEEDLINGS DISTRIBUTED
(+22% 2021)

INVESTING IN NATURE

2024 INTERIM MILESTONE
10% REDUCTION IN NATURAL CAPITAL COSTS*

2030 GOALS
30% REDUCTION IN NATURAL CAPITAL COSTS*

CREATE AN INCREASE IN TREE CARBON STOCK



2.3M
TREES DISTRIBUTED FOR AGROFORESTRY AND INCOME DIVERSIFICATION
(+29% 2021)

0.23 CO₂ EMISSIONS PER METRIC TON OF PRODUCT OUTPUT FROM COCOA PROCESSING
(+4%** 2021)



USD838
REDUCTION IN NATURAL CAPITAL COSTS PER TON FROM AGRICULTURE
(-10% 2021)

*Against 2018 baseline

*Not a like for like comparison due to a change in the methodology

**The slight increase in costs in 2022 can be linked to factors including the ongoing maintenance of the cocoa shell boiler in our Ilheus, Brazil.

COLLABORATING FOR CHANGE

Many of the challenges facing cocoa communities and landscapes are bigger than any one organization can solve. That's why we proudly partner with our customers, civil society, national governments, and other stakeholders to support over **330,000 farmers across nine countries**. Together, we can positively impact the areas of the supply chain where we have the most influence and create a more sustainable cocoa future.

OUR MULTI-STAKEHOLDER INITIATIVES:

- [Child Learning and Education Facility](#)
- [Cocoa & Forests Initiative](#)
- [Cocoa Action Brasil](#)
- [CocoaSoils](#)
- [International Cocoa Initiative](#)
- [UN Women's Empowerment Principles](#)
- [National Platforms for Sustainable Cocoa in Europe](#)
- [Maximizing Opportunities for Coffee and Cacao in the Americas \(MOCCA\)](#)

KEY PARTNER PROGRAMS

Many of our programs are part of [AtSource Infinity](#), meaning we co-create tailored interventions with our customers to deliver landscape-level change for people and planet, helping them fulfill their reporting and regulatory commitments.

Côte d'Ivoire & Ghana

Helping **15,000** farmers over five years to protect and to restore forest landscapes and increase farmer incomes.

Partners: **USAID, The Rainforest Alliance, Fuji Oil, Costco Wholesale, Mondelēz International, Mars, and Nestlé.**

Combined Partner Investment: **USD14m**

AtSource



Indonesia

Promoting sustainable cocoa and coffee production to **6,500** farmers, increase their yields by **25%** and conserve **14,000HA** of watershed and forest buffers by 2025.

Partners: **USAID, Hershey's, Rikolto and the Centre for Climate Risk and Opportunity Management in Southeast Asia Pacific, Bogor Agricultural University.**

Combined Partner Investment: **USD7m**



Indonesia

Restoring **2,000HA** of land for biodiversity and carbon capture. Employing **600** local residents to create one of the world's single largest sustainable commercial cocoa farms.

Partners: **Mondelēz International**



Brazil

Supporting up to **700** farmers to bring **48,000HA** of land under sustainable management in the Amazon by end of 2023.

Partners: **The Nature Conservancy, Mondelēz International, Partnerships for Forests, and Instituto Humanize.**

AtSource



Papua New Guinea

Enhancing the recognition and remuneration of **500** women in cocoa production.

Partners: **USAID and Lindt & Sprüngli.**

Combined Partner Investment: **USD348,830**



EMPOWERED TO



HOW WE MADE IT REAL IN 2022

2030 GOALS

ALL CHILDREN OF SUPPLIER FARMERS
HAVE ACCESS TO EDUCATION

CHILD LABOR ELIMINATED IN GLOBAL
SUPPLY CHAIN IN COLLABORATION
WITH OUR CUSTOMERS, PARTNERS
AND GOVERNMENTS

12,260

CHILDREN IDENTIFIED IN
CHILD LABOR [-2% 2021]

4,850

CHILD LABOR CASES REMEDIATED
AND RESOLVED [+2% 2021]

89,530

CHILDREN RECEIVED EDUCATION
SUPPORT [+160% 2021]

250,470

HOUSEHOLDS COVERED BY CHILD
LABOR MONITORING AND REMEDIATION
SYSTEMS [+15% 2021]



01

CHILD LABOR MONITORING AND REMEDIATION

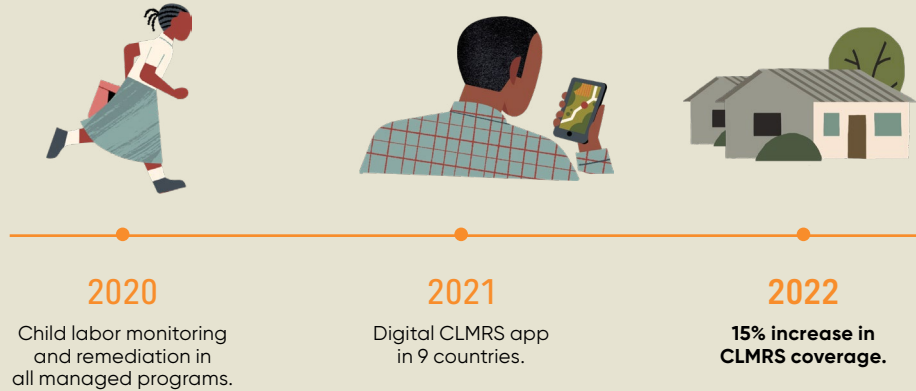
WHAT IS THE DATA TELLING US AND HOW ARE WE RESPONDING?

In 2022, we continued to increase the number of households covered by CLMRS and reduce the number of children in child labor. Our monitoring system allows us to identify children at risk of or in situations of child labor, as well as measure our progress on reducing and remediating child labor. We are working to remediate cases of child labor we identify under our CLMRS system.

And because we have teams on the ground across all major cocoa sourcing countries, we can continuously review our progress and take effective action to course-correct, helping our customers invest resources in those areas where we detect high risks of child labor.



PROGRESS TRACKER



OUR HUMAN RIGHTS POLICIES AND GOVERNANCE

- [Modern Slavery statement](#)
- [Position statement on Human Rights and Labor](#)
- [Supplier Principles](#)
- [Agri Supplier Code](#) (updated version launched in 2022)

We're focused on addressing child labor that interferes with school. According to our data, school attendance in 2022 in Cote d'Ivoire and Ghana remained high despite instances of child labor, with 79% of school-aged children identified in child labor in Cote d'Ivoire and 98% in Ghana combining school and helping their families on the farm.

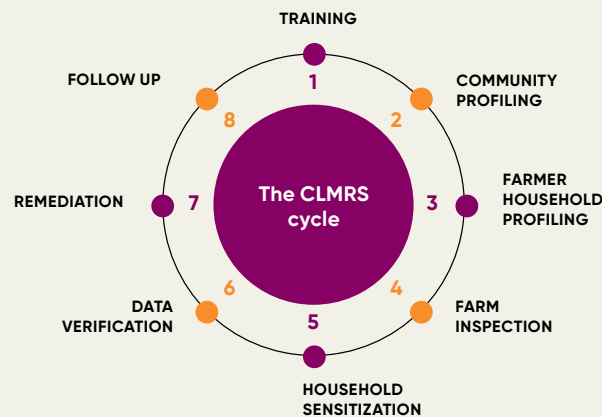


HOW DOES ofi TAKE STEPS TO ADDRESS CHILD LABOR IN ITS INDIRECT COCOA SUPPLY CHAIN?

Child labor is a complex, multi-causal, sector issue that no one company can solve on its own. It relies on working with many stakeholders, such as government entities, national and international companies, as well as with intermediaries such as local buying agents and shippers from where we source our indirect cocoa to take action. This level of collaboration is critical to addressing and eliminating child labor from our indirect global supply chain.

ofi trains its third-party partners on its [Agri Supplier Code](#) and [Supplier Principles](#), which sets out clear obligations to identify risks in their supply chains related to human rights and child labor. Suppliers signing our Agri Supplier Code may be subject to inspections by ofi or third-party auditors to monitor compliance.

We're also part of sector-wide initiatives such as the Child Learning and Education Facility (CLEF), which looks to build and strengthen national government and industry partnerships to collectively address some of the root causes of child labor, such as access to education.



EVALUATING OUR EFFORTS

We work closely with independent third parties to assess our approaches to child labor monitoring:

- The Fair Labor Association (FLA) publishes audits of our sustainability programs in Côte d'Ivoire and Indonesia on its [website](#).
- The [Chocolate Scorecard](#) ranked our performance last year in addressing child and forced labor in cocoa as leading the industry on policy.
- As part of Olam Group, we improved our score in the [Global Child Forum's](#) State of Children's Rights and Business 2022 Food, Beverage & Personal Care benchmark from **8.2/10 in 2021 to 8.5 in 2022**. Listed in the benchmark as Olam International, we were ranked as 'Leading,' coming **9th out of 100 overall and 2nd in the Agricultural sector**.



TO ACHIEVE THIS SCORE, WE HAD TO TAKE CONCRETE STEPS TO MOVE BEYOND POLICIES AND EMBED CHILDREN'S RIGHTS INTO OUR PRACTICES, FOLLOWING UP THROUGH MONITORING, TRANSPARENT REPORTING, AND PROGRAMS TO CREATE ACTION.



We estimate that the project will reach approximately 20,000 people across around ten villages in Man.



HEAR FROM OUR EXPERT

BILLIE ELMQVIST THURÉN,
ofi SUSTAINABILITY LEAD HUMAN RIGHTS



*This year, we have continued our work to address the structural issues and norms that lead to instances of child labor in cocoa. Having children learn the family business of cocoa farming is often considered as an important life skill for children to learn alongside attending school. We often hear via our community leads that parents worry that education doesn't always lead to viable careers. So, to support families, we have stepped up our education support efforts, reaching around **90,000 children in 2022**. And together with our customers and partners, like Save the Children and the ILO, we tested new solutions to tackle the multiple drivers of child labor. These partnerships help us decide which initiatives to scale up to create the environment needed for children to learn and grow towards a healthy future.*

PEOPLE AND PARTNERSHIPS SPOTLIGHT

In 2022, Mars and Save the Children's Centre for Utilizing Behavioral Insights for Children (CUBIC) came together with **ofi** as a strategic partner to implement a two-year research project aimed at developing behavioral interventions that can address the root causes of hazardous child labor. This innovative project is being implemented in the Man region of Côte d'Ivoire, which has been identified as an area in need of greater interventions.

The focus is specifically on identifying tailored solutions to reduce the number of children in cocoa communities carrying out hazardous tasks by shifting attitudes and encouraging behaviors that promote child protection. We estimate that the project will reach approximately 20,000 people across around ten villages in Man.

The project combines our presence in Côte d'Ivoire, Mars' commitment under its Cocoa for Generations strategy, and Save the Children's global expertise. In the next phase, we will be piloting the solutions identified, analyzing the results, and then working with the local government to advocate for a nationwide rollout of our findings through NGOs and government programs. We are also looking to take what we've learned from this research and scale it across other countries.



HEAR FROM OUR PARTNER

JIMENA LÓPIS,
ASSOCIATE DIRECTOR, BEHAVIOR SCIENCE,
SAVE THE CHILDREN



*Since February 2022, Save the Children in Côte d'Ivoire has been working closely with **ofi** and Mars to reduce hazardous child labor in cocoa farms by analyzing specific behavioral challenges, followed by designing and evaluating behaviorally informed interventions. This innovative approach involves CUBIC, Save the Children's groundbreaking and the first applied behavioral science team in the world to focus on the rights and welfare of the children most impacted by inequality. We are grateful for partners like **ofi**, as we build and test solutions to promote the rights and well-being of children at-risk now and into the future.*

02

FORCED LABOR

WHY IT'S DIFFERENT FROM CHILD LABOR

When child labor occurs in cocoa, it tends to be due to children carrying out hazardous tasks on their families' farms. Under the International Labor Organization (ILO) definitions, this is different to forced labor, which is much rarer in cocoa. At **ofi**, we have a zero-tolerance policy for forced labor and if we were to identify any instances, we act immediately, including notifying appropriate authorities.

Our commitment to human rights is embedded in our Modern Slavery statement, which is in line with the United Nations Guiding Principles on Business and Human Rights and the ILO's Declaration on Fundamental Principles and Rights at Work. We also require all of our suppliers to ensure there is no exploitation in their operations by adhering to the Agri Supplier Code.



STOPPING FORCED LABOR IN ITS TRACKS

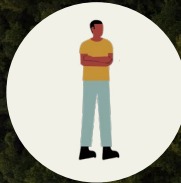
We are putting in place best practice measures, including localized grievance mechanisms and on the ground monitoring, to mitigate against forced labor in the supply chain, which will support us and our customers to prepare for the forthcoming EU forced labor regulation.

01



Having localized grievance mechanisms in place is an integral part of **ofi**'s governance system, identifying early warnings of potential instances of forced labor, allowing us to help resolve the issues before they escalate. **In Ghana, dedicated grievance committees have helped promote good labor practices by mediating between different parties when issues occur.**

02



After undergoing an assessment by the Fair Labor Association (FLA), **ofi** Nigeria has started to map and monitor for instances of forced labor. **So far, we have surveyed 1,150 workers in Nigeria.**

03



Whilst the roll out of this monitoring system has so far been effective, there is a need for more sector specific guidelines. **As an industry, we need to take a partnership approach with producer countries to establish robust national traceability systems and protect people's human rights.**

SO FAR,
WE HAVE SURVEYED
1,150 WORKERS
IN NIGERIA

03

HOLISTIC SUPPORT FOR COMMUNITIES

IMPROVING INCOMES, ACCESS TO EDUCATION AND HEALTHCARE

Tackling child labor requires more than identifying and remediating cases. It's also about getting to grips with the root causes and creating thriving communities. We help customers design programs that rise to this challenge and make it happen by bringing together the right expertise at the right time. From interventions that support children in remote communities access education closer to home, to initiatives that empower women to become economically active and save for their family's future.

We're also continuing to strengthen and build our industry partnerships, like the Child Learning and Education Facility (CLEF), which aims to help 5 million children in Côte d'Ivoire access education by 2027.

Delivered with customers and partners in 2022

BUILT/REHABILITATED 160 CLASSROOMS

PROVIDED 4,270 BIRTH CERTIFICATES



SET UP 370 NEW VILLAGE LOANS SAVINGS ASSOCIATIONS (VLSAs) IN CÔTE D'IVOIRE, GHANA AND NIGERIA



With funding from Mars and **ofi's** presence on the ground, we can extend the reach of our program with more awareness about the role of education in tackling child labor.



DANIEL DOTSE, CO-FOUNDER & CEO OF LEAD FOR GHANA (LFG) AND GROUP CEO OF LEAD FOR AFRICA

CREATING OPPORTUNITIES FOR CHILDREN IN GHANA

In Ghana, **ofi**, as a strategic partner to Mars, is implementing the Lead for Ghana (LFG) program in underserved cocoa communities. LFG recruits Ghana's best and brightest recent university graduates and young professionals to teach English, Maths, Science and IT in challenging environments in Ghana, through a two-year leadership development fellowship.

By helping to improve the quality of education, the aim is to keep children in school for longer and give them a better chance of entering further education, which could ultimately lead to a more prosperous future.

KEEPING GIRLS IN SCHOOL

ofi Ghana field officers working in the Atiwa East District, have started a free and open girls club, providing educational support and guidance on the female menstrual cycle, helping to resolve frequent absences by young girls. With this knowledge, girls can have a greater understanding of what is happening to their bodies, and they know how to deal with it, so there is no need for them to miss out on important school days. As a result of this initiative, the school **ofi** Ghana has been working with has now started distributing sanitary products for free.

200 GIRLS IN PERIOD CLUB

85% INCREASE IN SCHOOL ATTENDANCE



FOCUSED ON

FARMERS

The word 'FARMERS' is rendered in large, bold, black capital letters. The letter 'A' has a small green sapling with three leaves growing out of its top. The letter 'M' has a grey wheelbarrow filled with brown soil positioned in front of it. The letter 'S' has a farmer in a light orange shirt and dark blue pants walking behind it, carrying a long-handled rake over his shoulder. The background is a light cream color with several small, stylized birds in flight.

HOW WE MADE IT REAL IN 2022

30,168

FARMERS EARNING
A LIVING INCOME
[+3%* 2021]

720KG/HA

COCOA YIELD OF
TRAINED FARMERS
[+13% 2021]

2030 GOAL

**150,000 COCOA FARMERS IN OUR
SUPPLIER NETWORK ARE ACHIEVING
A LIVING INCOME**

2024 INTERIM MILESTONE

**60,000 COCOA FARMERS IN OUR SUPPLIER
NETWORK ARE ACHIEVING A LIVING INCOME**

USD 37.8M

IN PREMIUMS PAID TO
FARMER GROUPS
[+15% 2021]

72,080

PERSONALIZED FARM
DEVELOPMENT PLANS GENERATED
FOR PROGRAM FARMERS
[+53% 2021]

3.5M

COCOA SEEDLINGS
DISTRIBUTED
[+22% 2021]

*Not a like for like comparison due to a change in the methodology



01

MEASURING THE SOCIAL VALUE OF SUSTAINABILITY INITIATIVES IN INDONESIA



The way a business creates value is changing. Focusing on financial capital alone is no longer enough, with investors expecting to see a company's impact on society reflected in its overall performance. Social Capital Valuation (SCV) is one way to do this. **We looked at the impact that specific sustainable livelihood interventions are having on farmer yields and incomes, in four areas:**

01



GOOD AGRICULTURE PRACTICES (GAP)

02



COACHING

03



DEMONSTRATION PLOTS

04



NURSERY SUPPORT



With 2021 data, we conducted an analysis of **11,000** Indonesian cocoa farmers in our managed programs, using this approach. We found that when farmers applied these sustainable practices, their average annual yield increased by approximately **400 kilograms** per hectare, which equated to roughly **US\$1,040** in additional income per farmer.

When we looked at the overall Social Returns on Investment, **we saw that for every dollar invested, approximately four dollars' worth of social value was achieved.** This demonstrates how our sustainability programs with our customers and partners are positively impacting farmers and cocoa communities. And it helps us to tailor our on-the-ground activities and direct investment to help farmers achieve a living income. [Read more on page 123 of Olam's annual report.](#)

02

SUPPORTING SUSTAINABLE LIVELIHOODS WITH SCIENCE

Our teams of agronomists and plant scientists are uncovering the best techniques and interventions to help farmers increase yields of high-quality cocoa in a sustainable way. We channel these insights into the sustainability programs we design for our customers, ensuring they are backed by scientific rigor for maximum impact.

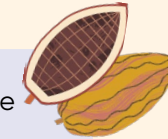
THE POWER OF PRUNING

We created a program that trains farmers on specific agricultural techniques like pruning. In 2022, we began rolling it out across the sustainability programs we run in partnership with customers in Nigeria and Côte d'Ivoire. For the latter, this covered 4,000 farmers and 4,000 hectares of land.

WASTE NOT, WANT NOT

Also in Côte d'Ivoire and Nigeria, we have carried out trials measuring the impact of cocoa pod husk compost and mulch – waste by-products of the cocoa plant – on cocoa yields. If successful, this will not only boost cocoa productivity and, therefore incomes, it will also help farmers respond to rising fertilizer costs and tap into the growing demand for organic ingredients. We've already started to see positive outcomes and expect to report full primary results by the end of 2023.

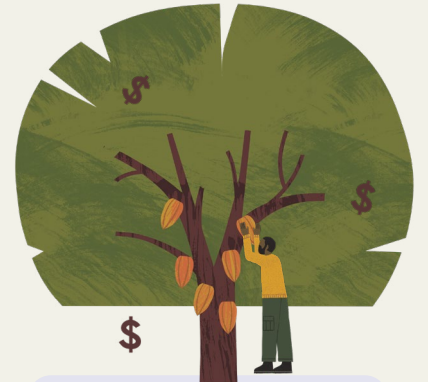
Our team discovered that farmers who prune their trees can see a reduction of **40-50%** in pests or diseases and achieve a productivity increase of up to **20%**.



Since 2020, we have distributed **405,000** banana trees to **17,500** farmers for income diversification and nutrition.



03 UNDERSTANDING THE LIVING INCOME GAP



WE'RE PROUD TO BE ONE OF THE FIRST IN OUR SECTOR TO SET A SPECIFIC TARGET ON LIVING INCOME IN COCOA – BY COLLABORATING WITH OUR PARTNERS, OUR AIM IS FOR **150,000** COCOA FARMERS IN OUR SUPPLIER NETWORK TO BE ACHIEVING A LIVING INCOME BY 2030.

Farming cocoa is seasonal, with most of the world's crop grown on family-run farms with small plots of land and aging trees, affecting farmers' ability to earn more. From our experience working closely with these communities, we know that the many smallholders who produce cocoa on less than two hectares cannot 'farm themselves out of poverty' with technical assistance or increased cocoa prices.

Action to lift farmers out of poverty has to start by understanding what level of income allows them to have a decent standard of living, i.e., a 'living income'. Helping more farmers achieve this requires holistic support with coordinated efforts by industry, national governments, and civil society.

Using the living income benchmarks and reference values published in 2021/22, which we helped create, we have been working to understand the size and nature of existing living income gaps in our sustainable cocoa sourcing network¹. By doing so, we can have a clearer picture of where our existing actions on the ground are helping farmers earn more and an indication of where we need to focus our efforts to close gaps elsewhere.



HEAR FROM THE EXPERT
VINCENT FOBELETS,
 LIVING INCOME CONSULTANT,
 DEAR IMPACT



In 2022, ofi took further steps to develop and roll out the Farmer Income Tool. This is pioneering work that's critical for addressing income gaps at a country level and is helping them tailor interventions to the needs of each cocoa farming community.

PROGRESS TRACKER



2020/21

Living income benchmarks for nine cocoa origins with Anker Research Institute, Sustainable Food Lab, and peers.



2021

ofi's preliminary model for identifying living income gaps.



2022

Living Income Tool covering broad sample of our sustainable cocoa sourcing network.

¹ Volumes procured under a recognized sustainability framework or standard (e.g., ofi farmer support program, RA, Fairtrade, AtSource+, Organic).

04 FARMER INCOME TOOL

In 2022, we turned our preliminary living income model into a much more comprehensive Farmer Income Tool. It means we can now show detailed income estimates and living income gaps for a broad sample of farmers in our sustainable cocoa supply chain across nine countries. To our knowledge, it is the first time any organization has created and published an in-depth analysis of the total net household income of cocoa farmers over such a wide range of countries.

THE RESULTS

We included 67% of farmers in the sustainability programs we run with customers in our analysis, and the results show that in 2020–2021, approximately 10% (30,168 farmers) were earning a living income from their economic activities, including cocoa production and an improved cocoa price. This demonstrates that **we are on track to meet our 2024 milestone to help 60,000 cocoa farmers in our supplier network earn a living income while also providing thousands more in our programs with livelihood support.**

The income gaps vary considerably depending on the country. For example, in Papua New Guinea, only 3% of farmer households are earning a living income. This can partially be explained by less than 1Ha farm size, relatively higher living costs, as well as households relying more on their communities and nature to provide for their daily needs. We're also seeing lower-than-expected income from other farm goods in both Papua New Guinea and Indonesia, which can potentially be linked to underreporting of other crops outside of cocoa by farmers. With this insight, we're exploring how we can scale up some of our existing interventions to support cocoa farmers in these countries to access new revenue streams beyond just cocoa and help cover their living costs, as well as enhance the data collection process.

In contrast, in Brazil, cocoa farmers have much larger farm sizes and are generally more professionalized in their practices. In addition, farmers profited from good yields in the region of Bahia in 2020–2021 due to favorable climatic conditions. This has contributed to 65% of households in Brazil earning a living income.

THE METHOD

The Farmer Income Tool, developed in partnership with sustainability consultancy *Dear Impact*, calculates farmers' income from cocoa, other farm goods, and off-farm income. Importantly, it also considers the effects of land-sharing arrangements, such as tenant farming, and includes the in-kind benefits of farm inputs and equipment distributed to farmers as part of the sustainability premiums paid by many of our customers.

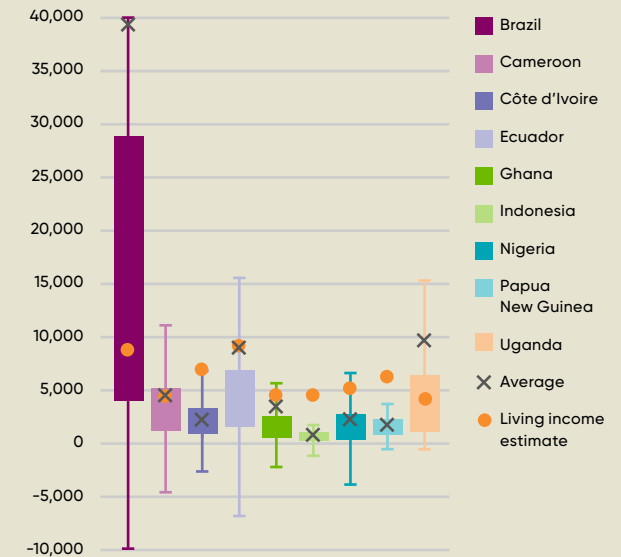
The calculations are entirely based on data collected annually via the *ofi* Farmer Information System (OFIS) app. This huge undertaking involved our field teams visiting thousands of cocoa households, often in remote locations with limited infrastructure, and conducting detailed surveys.

NEXT STEPS

We aim to capture incomes across consecutive cocoa seasons on the Farmer Income Tool. We will also focus on strengthening our data capture process to help us better evaluate the effectiveness of our interventions year on year. And in doing so, continue to safeguard the representativeness and robustness of our income calculations. It's also important that our customers have access to this data to support their sustainability commitments. So, we plan to launch an updated version of the Tool, which will be accessible to customers through our sustainability management system, AtSource, by the end of 2024.

As we advance toward our living income goal, the *Living Income Community of Practice*, *Sustainable Food Lab*, and the *Alliance on Living Income in Cocoa* remain valuable partners for the sector-wide improvement needed to help more cocoa farmers have a better standard of living.

TOTAL NET HOUSEHOLD INCOME (USD/HOUSEHOLD)



Country	Percentage program farmers achieving a Living Income	Weighted living income estimate (USD/household/year)
Brazil	65%	6,954
Cameroon	37%	3,564
Côte d'Ivoire	6%	6,141
Ecuador	22%	8,196
Ghana	17%	4,016
Indonesia	4%	3,972
Nigeria	16%	4,448
Papua New Guinea	3%	5,699
Uganda	40%	3,498

05 CREATING FEMALE ENTREPRENEURS

Most cocoa farmers are men, and they often hold much of the power when it comes to decision-making for the household. Meanwhile, female farmers earn, on average, only 21% of the income that men do¹.

As part of Cocoa Compass and as a signatory to the UN Women's Empowerment Principles, we promote gender equality and help women to become more financially independent through various initiatives and partnerships. For example, through Village Savings and Loans Associations, where women develop skills such as business management and receive financial training.



INSPIRING YOUNG PEOPLE TO FOLLOW A CAREER IN COCOA

Cocoa is one of the key crops grown in Indonesia, and yet the younger generation is not taking the same interest in farming as their parents, like in many producing countries. Connecting with a local vocational high school in South Kulawi district, Sigi Regency in Central Sulawesi, we're training 21 students (17–18 year-olds) in cocoa cultivation. As part of their agribusiness course, students do an internship in the field to learn about cocoa farming first-hand.

IMPACT IN ACTION

In Ghana, we run a Gender Dialogue Platform in partnership with one of our customers, a multinational chocolate brand. The platform supports over 160 women's groups in Ghana and helps to diversify the skills of women working in cocoa – for example, by teaching them plantain trading and soap making so they can continue to earn during the cocoa off-season. We're also taking broader action to ensure women's voices are represented. In farmer groups we support with this customer, 40% of leadership roles are available to women, such as treasury and vice chairperson.



In 2022, we completed our pilot project with the U.S. Agency for International Development (USAID) and Lindt & Sprüngli to enhance women's recognition and remuneration in cocoa production in Papua New Guinea. **We supported 500 women with:**

01



UPSKILLING ON INCOME-GENERATING ACTIVITIES SUCH AS VEGETABLE GARDENING, SEWING, AND TAILORING TO HELP BOOST THEIR INCOMES.

02



TRAINING ON CLIMATE-SMART AGRICULTURE, COCOA QUALITY IMPROVEMENT, AND PEST AND DISEASE MANAGEMENT.

03



PROVIDING TOOLS SUCH AS WHEELBARROWS TO HELP WITH FARMING AND COLLECTING WATER.

04



ARRANGING FOR FEMILI PNG, A LOCAL NGO, TO PROVIDE TAILORED SUPPORT ABOUT WOMEN'S HEALTH AND SAFETY AND SENSITIZATION TRAINING FOR MEN IN THE COMMUNITY ABOUT GENDER INEQUALITIES AND GENDER-BASED VIOLENCE.

¹'The New Queens of Cocoa', Fairtrade Foundation

INVESTING IN
NATURE

The title 'INVESTING IN NATURE' is presented in a clean, sans-serif font. 'INVESTING IN' is in a smaller weight, while 'NATURE' is in a large, bold, black font. The word 'NATURE' is artistically integrated with nature-themed illustrations: a pink lotus-like flower is positioned behind the 'N', a green banana plant with a brown trunk is behind the 'A', 'T', and 'U', and a small green and blue bird is perched on the top of the 'E'. Two small bees are flying above the text.

HOW WE MADE IT REAL IN 2022

2030 GOALS

**30% REDUCTION IN NATURAL
CAPITAL COSTS***

**CREATE AN INCREASE IN TREE
CARBON STOCK**

2024 INTERIM MILESTONE

10% REDUCTION IN NATURAL CAPITAL COSTS*

*Against 2018 baseline

**The slight increase in costs in 2022 can be linked to factors including the ongoing maintenance of the cocoa shell boiler in our Ilheus, Brazil.

0.23

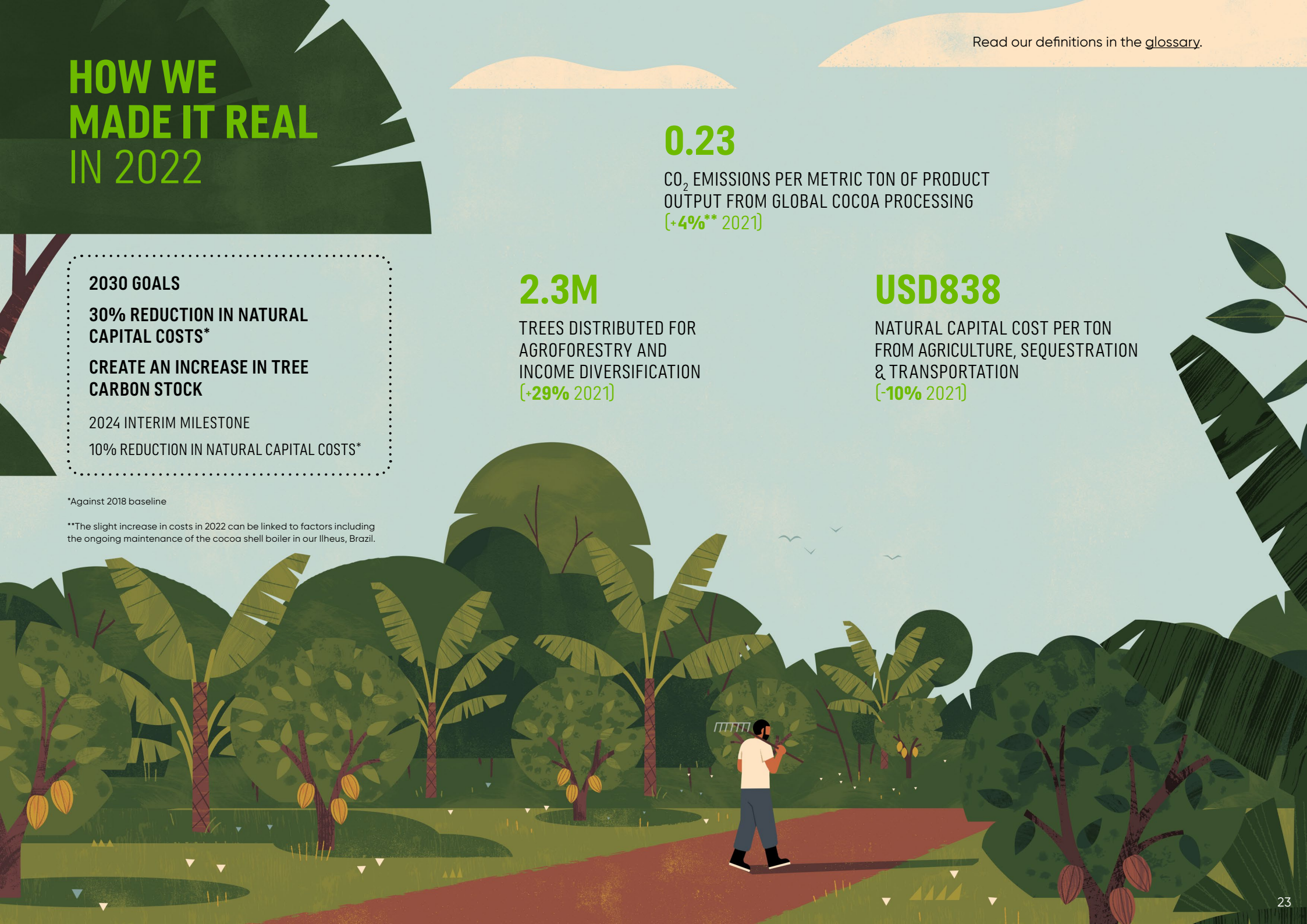
CO₂ EMISSIONS PER METRIC TON OF PRODUCT
OUTPUT FROM GLOBAL COCOA PROCESSING
[+4%** 2021]

2.3M

TREES DISTRIBUTED FOR
AGROFORESTRY AND
INCOME DIVERSIFICATION
[+29% 2021]

USD838

NATURAL CAPITAL COST PER TON
FROM AGRICULTURE, SEQUESTRATION
& TRANSPORTATION
[-10% 2021]



01

TOWARDS CLIMATE-FRIENDLY COCOA

From investing in technology and plant science to collaborating with other stakeholders, we've made progress in measuring the effectiveness of our carbon reduction strategies.

INDUSTRY COLLABORATION

We are signatories to the Business Ambition for 1.5°C, coordinated by the Science Based Target initiative (SBTi) and, in line with the SBTi FLAG (Forest, Land and Agriculture) guidance released in 2022, we are developing our near-term targets, segmented into FLAG and non-FLAG.

We are also part of the Agriculture Sector Roadmap to 1.5°C, which aims to accelerate action to address forest loss in key commodity supply chains. And to bring stronger alignment to how the cocoa industry assesses Scope 3 emissions associated with growing and transporting cocoa, we are a member of the World Cocoa Foundation SBTi Task Force.



DATA DRIVEN CLIMATE ACTION

To address the complexity of tackling Scope 3 emissions which make up the bulk of the food and beverage industry's carbon footprint, **ofi's** climate footprinting experts have developed an award winning Carbon Scenario Planner (CSP) built into our sustainability management system AtSource. We used the CSP as part of a GHG reduction project in Nigeria with a global chocolate manufacturer to help achieve its SBTi targets. We modeled that by training 95% of 1,840 farmers to mulch cocoa pod husks instead of leaving them to rot on the ground, there is scope to reduce emissions from crop residues by 88% over the 25-year project term.

Many of our customers struggle to access the high-quality and consistent data needed to track carbon fluctuations annually and help determine where to channel resources. So we partnered with NGIS, a Google Premier Partner and geospatial specialists, to utilize Earth Engine and Google Cloud to develop a new AI-powered **Carbon Stock Monitoring and Measurement tool**.

This tool allows us to scale our analysis across our global sourcing countries, and help our customers better understand the impact of interventions like agroforestry and shade tree planting on carbon capture and compare these results across different plots of land.



CARBON STOCK MONITORING AND MEASUREMENT TOOL



02

MEASURING OUR COST ON NATURE

WHAT IS NATURAL CAPITAL ACCOUNTING?

We recognize the value of protecting nature. Not only because it's the right thing to do but also because it's critical for the future of our business. In 2019, we were one of the first to start measuring and reporting the natural capital costs of our cocoa operations from agriculture through to processing. By assigning a monetary value to GHG emissions and Land Use Change, we can better make the connection between financial and non-financial capital and show our stakeholders the financial rewards of investing in nature.



The reason we embarked on a natural capital impact valuation journey way back in 2017 was to address a real challenge of how to make business leaders relate to what was being done on the ground in a language they understood well. In creating a numerical link between sustainable action and business performance, it was not just the act of doing the right thing, but the ability to demonstrate it in dollars and cents helped embed sustainability far deeper in the organization.



HEAR FROM OUR EXPERT
RISHI KALRA,
CHIEF FINANCIAL OFFICER
AND EXECUTIVE DIRECTOR

HOW DID WE PERFORM IN 2022?

In 2022, when measured against our 2018 baseline, we continued to reduce our GHG-related natural capital costs (NCCs) across our cocoa supply chain from agriculture to processing. This was due to several factors, from targeted interventions in the programs we run with customers to help farmers reduce their GHG emissions to the renewable energy initiatives we've installed in our cocoa facilities. The results show that we're on track to achieve our 2024 interim milestone of 10% reduction of NCCs across our global cocoa supply chain.

AGRICULTURE RESULTS

Our analysis considers how the cocoa we buy from farmers impacts our cost on nature, and the resulting Scope 3 GHG emissions from Land Use Change (LUC) are by far the biggest contributor. Having this understanding and oversight of our supply chain means we can better tailor our approach to support farmers to adopt more climate-friendly techniques for growing their cocoa.

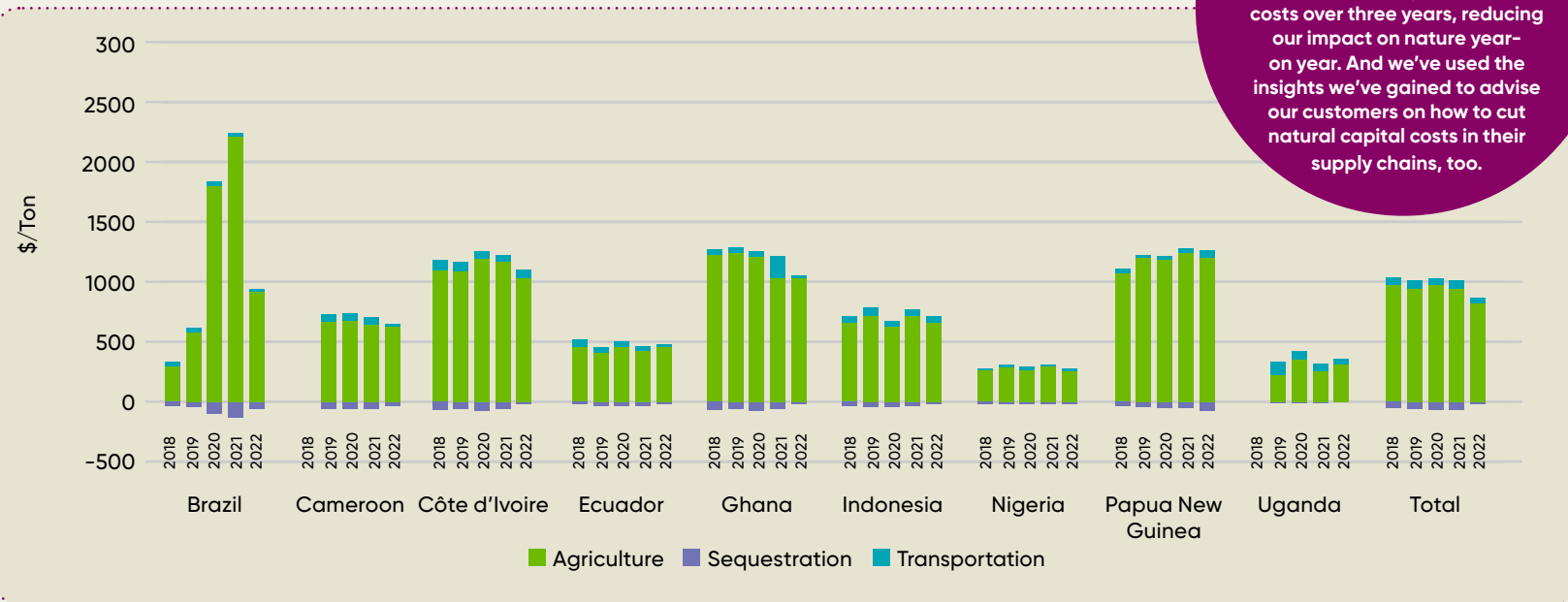
In 2022, our GHG-related NCCs per ton of cocoa procured decreased by 10% to USD838 per ton from USD934 per ton in 2021. Compared to our 2018 baseline, it equated to a 14% reduction. The latest performance (2021 – 2022) is closely linked to bringing our LUC costs per ton down in 2022 across all nine of our cocoa origins¹. Ghana has now achieved a 22% reduction in its LUC costs from USD918 per ton in 2018 to USD716 per ton in 2022. Similarly, Ecuador recorded a 23% reduction in its LUC costs from USD438 per ton in 2018 to USD336 per ton in 2022. This shows us that the tools and training we offer cocoa farmer suppliers in our programs, such as climate-smart agriculture and sensitization against deforestation, are translating to positive impact.

One area we identified for further improvement is crop residue management. Although origins like Cameroon and Brazil heavily reduced their related costs, others like Uganda, Ecuador, and Côte d'Ivoire saw an increase. We have taken learnings from where we know our interventions are working well and apply them more widely, for example, actively supporting farmers to use techniques like mulching and composting.



Our goal is to reduce our natural capital costs across our supply chain per ton of cocoa by 10% in 2024 and 30% by 2030 from a 2018 baseline. We have now reported these costs over three years, reducing our impact on nature year-on-year. And we've used the insights we've gained to advise our customers on how to cut natural capital costs in their supply chains, too.

NATURAL CAPITAL (USD/TON) FROM AGRICULTURE, SEQUESTRATION & TRANSPORTATION (2018-2022)



PROCESSING RESULTS

We measure our natural capital costs from our cocoa processing facilities by calculating our GHG emissions per metric ton of product output². This helps us identify the best strategies for reducing emissions and protecting natural capital.

In 2022, our GHG emissions and related natural capital costs (NCCs) from cocoa processing increased from USD19.92 in 2021 to USD20.64 per ton globally (+3.63% in absolute terms). Measured against our 2018 baseline, these costs came down 16% overall thanks to our increasing investment in renewable energy initiatives. For example, we now have six circular biomass boilers running on our own residual cocoa shells across our global network of processing facilities, as well as solar panels and wastewater recycling at some sites.

The slight increase in costs in 2022 can be linked to factors including the ongoing maintenance of the cocoa shell boiler

in our Ilhéus, Brazil, facility meaning that it was not in use for a period of time. Despite the overall results, we made significant natural capital savings at some of our European sites.

At our facility in Valencia, Spain, we achieved an 80% reduction³ by switching to green energy, which is now certified by energy provider EDP as coming from 100% renewable sources. In Koog aan de Zaan in the Netherlands, the home of our premium deZaan cocoa brand, we cut costs by 25%⁴, which was due to climate-friendly initiatives like our circular biomass boiler. In 2022, the boiler used 8,000 tons of waste cocoa shells to generate green energy, replacing 3.4 million cubic meters of natural gas - the equivalent needed to heat over 3,000 Dutch houses annually. It also meant we reduced our absolute CO2 emissions by 23% to 12,748 tCO2e. We're committed to continuing to invest in more clean energy initiatives across our cocoa processing network to help reduce our emissions further and help achieve our natural capital cost reduction goals.

GHG valuation factor used and notes:

¹ In 2022, we reduced NCC linked to LUC per ton of cocoa by 16% from USD752 per ton in 2021 to USD630 per ton in 2022

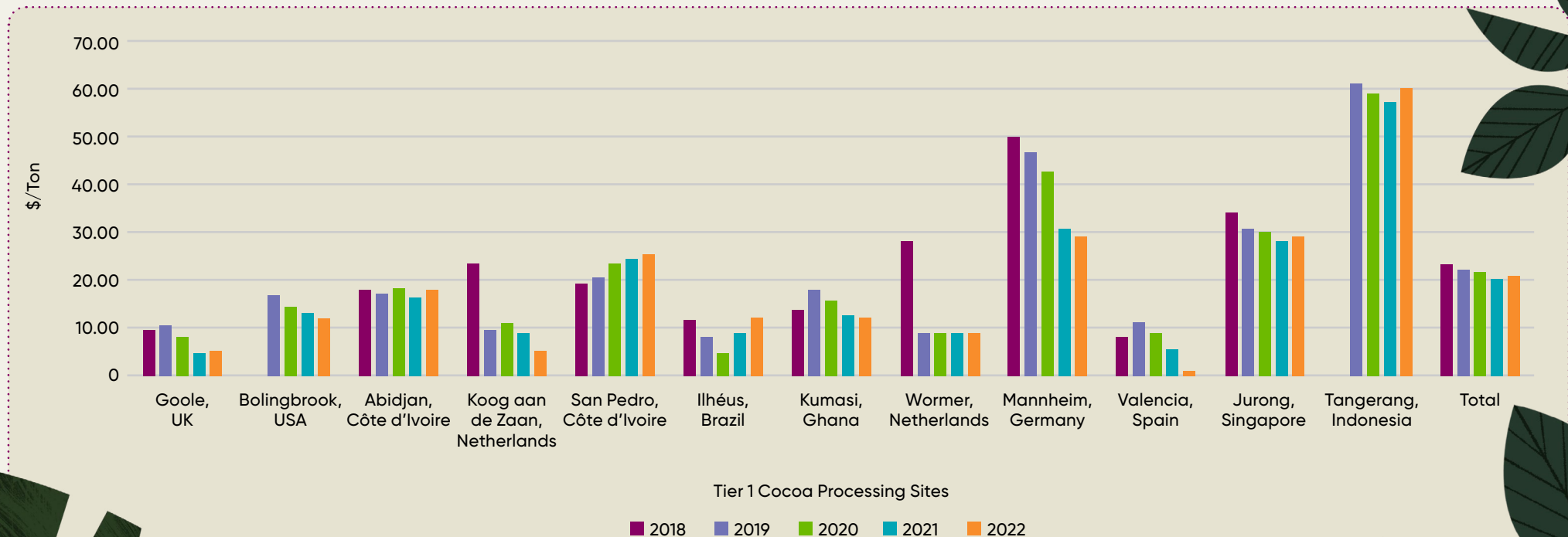
² Ingredients processed in our cocoa facilities include cocoa butter, cocoa powder, cocoa liquor

³ USD5.06/ton in 2021 to USD1.01/ton in 2022

⁴ USD9.28/ton in 2021 to USD6.96/ton in 2022

We applied a Social Cost of Carbon (SCC) priced at USD90 per tCO2e to incorporate the full global hidden costs to society of climate change impacts due to GHG emissions. SCC is a yearly estimate in USD terms of the current & future potential economic damages that would result from emitting 1 additional tCO2e into the atmosphere. SCC represents the 'cost of inaction' - the longterm externalities cost. The SCC is applied to the carbon footprint (tCO2e per MT cocoa beans) which we obtained for each Farmer Group (FG) from AtSource - a sustainability management system for sustainable products and supply chains. We have made a retrospective update (2018 - 2021) to our natural capital results primarily due to an advancement in our methodology to compute Crop Residue Management related emission intensities and an update in our approach towards calculating GHG NCC related to LUC in line with our polygon mapping progress. In 2022, we had more than 90% of the Farmer Group's in our sustainability programs polygon mapped. For processing operations, the SCC is applied to the carbon footprint (tCO2e per MT Finished Product) of each processing facility.

GHG NATURAL CAP COST PER TON (2018 TO 2022)



Note: Bolingbrook (USA) & Tangerang (Indonesia) had 0 processing volumes and emissions in 2018, and as a result 0 GHG NCC

03

TAKING A WORLDWIDE LANDSCAPE APPROACH

Through partnerships and industry initiatives, we're taking a landscape approach to addressing complex challenges in cocoa production. That means designing programs that aim to deliver a triple positive impact, creating thriving communities where farmers prosper and healthy ecosystems can coexist. In 2022, we collaborated with our customers and partners to expand existing and launch new landscape programs across our global sourcing network.



INDONESIA

We have designed **a new three-year partnership** with USAID, non-profit organization Rikolto, the Hershey Company, and the Indonesian Government to promote sustainable cocoa and coffee

production in Indonesia. A Landscape Approach to Sustainable and Climate Change Resilient Cocoa and Coffee (LASCARCOCO), aims to support 6,500 farmers to increase their yields by 25% and conserve 14,000 hectares of the watershed and riparian buffers by the end of 2025.



BRAZIL

Our project with The Nature Conservancy (TNC), Mondelez International, and Partnerships for Forests (P4F) was launched in 2021 to help restore the Brazilian Amazon. Cacao Floresta

aims to support cattle farmers to transition to cocoa agroforestry. After winning the **Business Green award**, the project has completed its second phase.



||

We're working together to encourage cocoa and coffee farmers to adopt more sustainable agriculture practices.



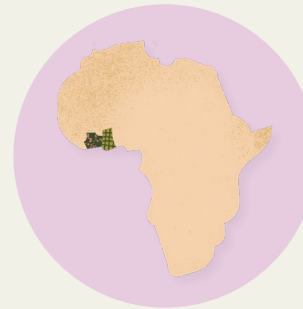
JEFF COHEN,
USAID INDONESIA
MISSION DIRECTOR

CÔTE D'IVOIRE AND GHANA

Our five-year partnership with USAID and The Rainforest Alliance covers three critical landscapes in Côte d'Ivoire and Ghana. Resilient Ecosystems and Sustainable

Transformation of Rural Economies (RESTORE) aims to protect forest habitats and biodiversity, reduce deforestation, and increase the storage of carbon in trees within cocoa farms and the surrounding area.

It was **launched** in 2022 at the 27th United Nations Climate Change Conference of the Parties (COP27), in the **innovation sprint** of the Agriculture Innovation Mission for Climate (AIM for Climate). The project was highlighted as a partnership using innovative approaches in climate-smart agriculture and food systems. RESTORE is one way we're taking action to protect and restore forests in West Africa under the Cocoa & Forests Initiative (CFI). You can read in detail about our progress in our **CFI 2022 report**.



KEY ACTIVITIES UNDER RESTORE IN CÔTE D'IVOIRE & GHANA



MAPPING FARM AND VILLAGE BOUNDARIES IN CÔTE D'IVOIRE TO PROVIDE BETTER LAND SECURITY FOR THE FARMER AND HELP PROTECT THE NEARBY FORESTS.

SETTING UP LANDSCAPE MANAGEMENT BOARDS (LMB) TO HAVE **50%** ACTIVE PARTICIPATION OF WOMEN.



ESTABLISHED **10** NEW VILLAGE SAVINGS AND LOANS ASSOCIATIONS GROUPS IN CÔTE D'IVOIRE.

TRAINED **230** FARMERS IN GHANA IN TREE PLANTING AND CONSERVATION. OUR AIM BY THE END OF THE PARTNERSHIP IS TO HAVE **15%** DENSER TREE COVER COMPARED TO BASELINE ASSESSMENTS, AND WE WILL ALSO MONITOR THE SURVIVAL AND LONGEVITY OF TREES.





04

SUPPORTING OUR CUSTOMERS TO COMPLY WITH THE EUROPEAN DEFORESTATION REGULATION

These initiatives build on existing sustainability programs we have been running in partnership with our customers for nearly two decades to address some of the root causes of deforestation and help farmers prosper.

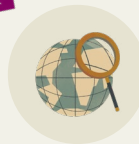


HEAR FROM OUR EXPERT

SUSANNE FOLKERTS,
ofi GLOBAL OPERATIONS HEAD OF
SUSTAINABILITY & ENVIRONMENT



ofi is well positioned to comply with the regulation, especially given our long-term focus on reducing deforestation in smallholder supply chains and advancing sustainability programs. Our integrated business model, our systems and tech solutions, plus the additional actions we are taking, will help us and our customers to meet the EUDR obligations ahead of them becoming enforceable on 30 December, 2024.

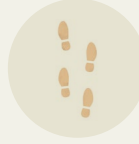


UNDERSTANDING THE REGULATION

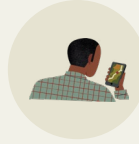
through engaging directly with EU commissioners as well as the European Cocoa Association on the details of the Regulation since its inception.



RISK ANALYSIS of our global cocoa supply chain against the EUDR requirements using our Landscape and Farm Deforestation Risk Indices. Relevant metrics are available to our customers using AtSource+.



ADVANCED traceability and farm mapping in our direct cocoa supply chain using GPS polygons in line with EUDR requirements.



DEFORESTATION ALERTS linking farms and farming landscapes to live alerts.



COLLABORATING with industry and governments to take a holistic landscape approach to strengthen governance and support the development of national traceability systems.

PROGRESS TRACKER



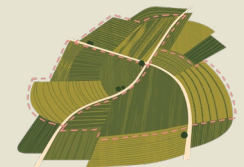
2020

100% deforestation monitoring and traceability in direct supply chain.*



2021

Polygon mapped 68% of farms in managed programs



2022

79% of farms in managed programs polygon mapped

*To farm or community

DATA HUB

Annual figures unless otherwise stated.

	2017/2018	2020/2021	2021 (Jan - Dec)	2022 (Jan - Dec)	21-22% change calendar	2018-2022 % change
EMPOWERED TO GROW						
# covered by CLMRS	43,054	218,437	218,437	250,470	15%	480%
# monitored by CLMRS	26,965	45,247	50,256	84,350	68%	213%
# monitored by CLMRS cumulative	26,965	114,620	125,752	136,590	9%	407%
# identified in child labor	6,984	11,194	12,514	12,260	-2%	76%
# cases in process of benefitting from remediation	3,277	8,199	9,456	10,170	8%	210%
# children benefitting from type of remediation or preventative action	13,707	17,602	19,757	46,120	133%	162%
# children received education support	18,100	31,291	34,187	89,530	160%	395%
# cases no longer in child labor (remediated and resolved)	488	3,984	4,776	4,850	2%	894%
# birth certificates	651	429	429	4,270	1030%	556%
# classrooms constructed/rehabilitated	93	102	102	160	57%	72%
# school kits	8,973	20,436	22,934	31,990	39%	257%
# educational funds	9	9	9	9	0%	0%
# VSLAs	39	1,367	1,367	1,810	32%	4540%
# Amount saved	144,484	1.5M	1.5M	732,940	-51%	407%
# Amount borrowed	24,637	622,573	622,573	314,800	-49%	1178%
FOCUSED ON FARMERS						
# farmers trained in Good Agricultural Practices	117,645	171,824	174,330	128,240	-26%	9%
# cocoa seedlings distributed	4.8M	2.9M	2.9M	3.5M	22%	-26%
# in premiums paid to farmer groups	27M	32.4M	32.8M	37.8M	15%	39%
# hectares of land rehabilitated	4,122	7,310	11,187	7,040	-37%	71%
# current yield (ton/ha) (weighted average, by farm area)	606	635	635	720	13%	19%
# % productivity change between current year and baseline (weighted average, by farm area)	0	12	12	11%	1%	11%
% of farmers in our supply chain earning a living income	n/a	0	7%	10%	3%*	n/a
# Generated Farm Development Plans (FDPs) on OFIS	32,958	47,283	47,022	72,080	53%	119%
INVESTING IN NATURE						
# Farmers in High-Risk Farmer Group Trained on Olam Living Landscape Policies	79,171	77,841	77,896	29,230	-62%	63%
# trees distributed for agroforestry & income diversification	381,755	1.7M	1.7M	2.3M	29%	505%
USD natural capital cost per ton from agriculture, sequestration & transportation	972	934	934	838	-10%	-14%
GHG natural capital cost (USD per ton of finished product)	24	20	20	21	4%	-16%
CO ₂ emissions per metric ton of product output from global cocoa processing	0.27	0.22	0.22	0.23	4%	-16%
% suppliers mapped by FLRI	100	100	100	100	0%	0%
% suppliers assessed to have no deforestation risk	81	79	100	88%	-12%	9%

*Not a like for like comparison due to a change in the methodology

THANK YOU TO OUR CUSTOMERS, PARTNERS, AND SPONSORS

We are proud to supply leading multinationals and major chocolate confectionery businesses worldwide and to support their own sustainability ambitions.

Customers: Costco, Fazer, Ferrero, Fuji Oil, General Mills, Guittard, Läderach, Lindt & Sprüngli, Mars, Mitsubishi Corp, Mondelez International, Nestlé, Orkla, Puratos, Ritter Sport, Starbucks, The Hershey Company.

Key partners, verifiers and certifiers: Anker Research Network, Bayer, Beyond Chocolate, Cocoa Research Institute Nigeria (CRIN), Le Comité National de Surveillance des Pires Formes des Travail des Enfants, Le Conseil du Café et Cacao, DISCO, L' Ecole Supérieure d'Agronomie de Côte d'Ivoire, European Cocoa Association, Fair Labor Association, Fairtrade, Fairtrade USA, Ghana COCOBOD, GISCO, GIZ, IDH-The Sustainable Trade Initiative, International Cocoa Initiative, International Finance Corporation, Intertek, Jacobs Foundation, The Nature Conservancy, Organic, Partnerships for Forests, Rainforest Alliance, Save the Children, Scope Insight, SOCODEVI, Sustainable Food Lab, SWISSCO, Syngenta, United States Agency for International Development, World Cocoa Foundation, Wyatt Group.



ABOUT ofi

ofi (olam food ingredients) is a new operating group born out of Olam International. **ofi** offers sustainable, natural, value-added food products and ingredients so that consumers can enjoy the healthy and indulgent products they love. It consists of industry-leading businesses of cocoa, coffee, dairy, nuts, and spices. **ofi** has built a unique global value chain presence including its own farming operations, farm-gate origination, and manufacturing facilities. **ofi** partners with customers, leveraging its complementary and differentiated portfolio of 'on-trend' food products, to co-create solutions that anticipate and meet changing consumer preferences as demand increases for healthier food that's traceable and sustainable.

More information on **ofi** can be found at www.ofi.com. Follow [@ofi-group](https://www.linkedin.com/company/ofi-group) on LinkedIn.

