

News release

ofi drives climate action in global cocoa supply chain

London, 27 September 2022

ofi (olam food ingredients), a global leader in naturally good food and beverage ingredients, says it substantially advanced towards the climate goals stated in its [Cocoa Compass sustainability report 2020/21](#) – the year of COP26. In order to achieve the structural change required to have an impact at scale, the report makes clear that work on the ground in cocoa communities should be supported by international collaboration and regulation.

In the report, published today, **ofi** shares its sustainability progress across its cocoa supply chain, achieved in collaboration with customers and partners, and benchmarked against three years of impact data. From the Brazilian Amazon to the landscapes of Côte d'Ivoire, the company has taken further steps to protect and restore forests: it distributed 1.75m trees to farmers (a 356% increase since 2017/18) and enhanced the accuracy of its deforestation monitoring, having polygon mapped two-thirds of its sustainability programs.

ofi also invested to reduce its CO₂ emissions per metric ton of product output from its cocoa processing facilities, down by 19% since 2018, by installing circular biomass boilers fueled by waste cocoa shells and switching to green electricity. The boiler at the Koog aan de Zaan facility in the Netherlands, where it produces its premium cocoa ingredient brand, deZaan, will now allow **ofi** to target a further 50% cut in natural gas usage, which will lead to a significant reduction in CO₂ emissions.

Gerard A. Manley, CEO of ofi's cocoa platform and Chief Sustainability Officer of ofi, said: “We need to keep the 1.5 degrees climate ambition alive. That means driving climate action at every stage of our supply chain, from plant to palate, supporting customers on their own decarbonization journeys, and reassuring consumers that their favorite chocolate bar, baked good, or ice cream is having a positive impact on the cocoa communities and landscapes it came from.”

The report includes action to eliminate child labor and raise farmer incomes. Child labor monitoring is in place across all managed sustainability programs, while the company's digital CLMRS¹ app, a part of the Olam Farmers Information System (OFIS) – already used across Central & West Africa, Brazil, and Indonesia – was extended to Papua New Guinea. **ofi** is also establishing an estimate of cocoa farmer incomes across sourcing countries to better understand and close living income gaps.

Manley continued: “The progress we've made so far is thanks to the joint efforts of customers, sustainability partners, and national and local authorities. These issues are bigger than any one organization; we need collaboration and regulation to help achieve structural change, including the right legislation in cocoa-

¹ Child Labor Monitoring and Remediation System



consuming and producing countries. Working together, the international community can drive change at scale."

All cocoa data collected by **ofi** can feed directly into AtSource, its sustainability insights platform, giving customers full visibility of their cocoa's environmental and social impact, including traceability for all of **ofi**'s directly sourced cocoa².

Felipe Faria, LATAM Regional Manager at Partnerships for Forests (P4F), a program funded by the UK government via the Foreign, Commonwealth and Development Office and the Department for Business, Energy and Industrial Strategy, added: "Since 2018, we have been working with **ofi** and other partners to restore areas of the Brazilian Amazon rainforest. By successfully creating a one-stop shop for cocoa farmers to access technical assistance, financial credit, and a market to sell their cocoa, we have already brought over 17,000 hectares of land under sustainable management. **ofi** has played a leading role at every step, particularly around testing new ideas and solutions to accelerate the project's progress."

For more information, please see [here](#).

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Notes to Editors

About ofi

olam food ingredients ("**ofi**") is a new operating group born out of [Olam](#). **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.

To subscribe to the **ofi** newsroom and for more information on **ofi** please visit www.ofi.com

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About Olam Group

Olam Group is a leading food and agri-business supplying food, ingredients, feed and fibre to 20,900 customers worldwide. Its value chain spans over 60 countries and includes farming, processing and distribution operations, as well as a global network of farmers. By re-imagining global agriculture and food systems, Olam Group aims to address the many challenges involved in meeting the needs of a growing global population, while achieving a positive impact for farming communities, our planet and all our stakeholders.

² Cocoa sourced directly from a farm, farmer group or cooperative.



Headquartered and listed in Singapore, Olam currently ranks among the top 30 largest primary listed companies in terms of market capitalisation on SGX-ST.

Since June 2020, Olam Group has been included in the FTSE4Good Index Series, a global sustainable investment index series developed by FTSE Russell, following a rigorous assessment of Olam's supply chain activities, impact on the environment and governance transparency. The FTSE4Good Index Series identifies companies that demonstrate strong Environmental, Social and Governance (ESG) practices and is used by a variety of market participants to create and assess responsible investment funds.

More information on Olam can be found at www.olamgroup.com

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Contacts for ofi cocoa communications

Emma Blinkhorn
Global Head of Cocoa Public Relations, **ofi**
emma.blinkhorn@ofi.com
+44 (0)7774334735 / +442074848933

Issued on behalf of ofi by Teneo

+447899 908483
olam@teneo.com