

Roadmap: Olam Food Ingredients

Background

At the 2022 General Meeting of the German Initiative on Sustainable Cocoa (GISCO), it was decided that the preparation of individual roadmaps by each GISCO member and annual public reporting on commitments and milestones included in these roadmaps is a valuable and mandatory contribution to achieve <u>GISCO's objectives</u>.

In addition to the monitoring and based on the <u>GISCO roadmap</u> which lists the goals, targeted indicators and recommendations for action of the German Initiative on Sustainable Cocoa on the focus topics of certified/independently verified cocoa, traceability, deforestation/agroforestry, child labor and living income, the members of GISCO draw up individual roadmaps on these focus topics, which are published on the GISCO website.

More information on the individual roadmaps can be found in the background document.

Commitments

- Traceability
- Certification and independent verification
- Entwaldung/Agroforstwirtschaft
- Child Labour
- Living Income



Traceability

Commitment:

100% traceability covered in our direct supply chain (level 5+)

Milestone:

Level 3 achieved in 2020

Milestone:

To date 76% of our direct supply chain is level 5+

Challenge:

Biggest concern is traceability in the indirect supply chain/national traceability systems in origin countries reliable and available on time.

Certification and independent verification

Commitment:

100% of our direct sourcing covered by our managed programs (AtSource)

Milestone:

All our managed sustainability programs are independently verified according to recognized sustainability standards (AtSource RA, Fairtrade)

Challenge:

24% of our direct supply chain is still outside our managed programs. We are actively working with our customers to ensure 100% coverage.

Deforestation/Agroforestry

Commitment:

30% reduction in natural capital cost by 2030.

Milestone:

100% deforestation monitoring achieved in 2020 in our direct supply chain.

Milestone:

10% reduction in natural capital cost achieved in 2024.

Challenge:

Lack of origin legislation and effective enforcement



Child Labour

Commitment:

Child labour is eliminated from our supply chain by 2030/all cocoa farmers children in our supply chain have access to education by 2030.

Milestone:

100% Child Labour Monitoring achieved in 2020 in our managed sustainability programs (AtSource)

Challenge:

Increase in demand for sustainable cocoa and extension of our managed sustainability programs (AtSource) to our whole direct supply chain.

Living Income

Note: 2023, an examination under German cartel law took place on the question of whether individual roadmaps on living income bay be drawn up and published. The Bundeskartellamt did not see the need for a detailed examination under cartel law on this issue. Based on the Bundeskartellamt's feedback, it was decided at the special General meeting on 17 June that members of member groups B and C would submit a roadmap on the topic of living income by 31 December 2024. Until then, commitments on living income can be submitted voluntarily.

Commitment:

150.000 cocoa farmers in our supplier network are achieving a living income by 2030.

Milestone:

60.000 cocoa farmers in our supplier network are achieving a living income by 2024.

Challenge:

Most farmers have plots < 4ha which will result in low income from cocoa. Only appr. 50% of the farmers are entrepreneurs and are adopting additional sources of income.