



ROADMAP

Looking at sustainability
goals towards 2030

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INVESTING
IN NATURE

Regeneration of
the living world

p.21

COCOA COMPASS

FOCUSED
ON FARMERS

Prosperous farmers
and farming systems

p.9


EMPOWERED TO GROW

Thriving communities

p.15





A woman with her hair in a bun, wearing a red and black patterned top and a white and black striped skirt with red floral patterns, is smiling as she waters a row of young cocoa plants in a field. She is holding a blue watering can, and water is being poured onto the plants. The background is a dense field of tall, golden-brown stalks, possibly rice or another crop, under bright, warm sunlight.

OUR VISION IS OF AN ENVIRONMENTALLY POSITIVE, PROFESSIONALISED AND QUALITY FOCUSED COCOA SUPPLY CHAIN COMPRISED OF FARMERS WHO ARE EARNING A LIVING INCOME AND WHOSE CHILDREN HAVE ACCESS TO EDUCATION.



**BUILDING ON OUR PAST
AND CARING FOR COCOA'S
LONG-TERM FUTURE**

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ARRIVING AT TODAY

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TOWARDS THE FUTURE

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FOCUSED ON FARMERS

PROSPEROUS FARMERS AND FARMING SYSTEMS

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EMPOWERED TO GROW

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INVESTING IN NATURE

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**OLAM COCOA'S
GLOBAL PRESENCE**

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**BUILDING ON
OUR PAST
AND CARING
FOR COCOA'S
LONG-TERM
FUTURE**

We are a leader in the supply of sustainably sourced cocoa beans and the processing of cocoa ingredients. For over 15 years we have played a significant role in helping to build a sustainable cocoa supply chain. In partnership with customers and supporters, we have focused on programmes that provide long-term, positive support to cocoa farmers and their communities.

In 2004, we launched our first cocoa sustainability initiative and our ambitions have grown each year. Developing the 8 Principles of the Olam Livelihood Charter (OLC), which highlight the importance of traceability, quality, pre-financing and market access, was a major step forward in establishing the framework for broader economic, social and environmental impact. The OLC remains the backbone of all of our sustainability programmes today and has led to specific actions such as opening our cocoa supply chain to the Fair Labor Association to tackle child labour and increase transparency. We also pioneered the world's first Climate Smart Cocoa with Rainforest Alliance, have supported customers to scale their own sustainability programmes worldwide and become a founding member of cross sector alliances through the World Cocoa Foundation and the Cocoa & Forests Initiative (C&FI).

Despite these collective efforts, many of the most complex problems in cocoa remain. Smallholder farmers have not experienced enough improvement in incomes, child labour still occurs, and forests continue to be degraded. We remain focused on leveraging social and environmental insights to refine our sustainability programmes to meet the needs of farmers and their communities. AtSource, tailored towards achieving the objectives of both the Cocoa Compass strategy and our customers' own sustainability goals, will be the platform through which we deliver these programmes in cocoa growing regions and through which we are able to report and better understand the improvements required to reach our goals. Cocoa Compass lays out our commitment for how we will have a lasting, positive impact on the future of cocoa.





Sustainability progress to end of 2018
Achieved in partnership with our customers

64,000

FARM DEVELOPMENT
PLANS ISSUED TO
COCOA FARMERS

240,000

FARMERS TRAINED IN
GOOD AGRICULTURAL
PRACTICES

USD\$136m

PAID IN PREMIUMS
TO FARMERS

95,000

FARMERS COVERED BY A CHILD LABOUR
MONITORING AND REMEDIATION SYSTEM
IN CÔTE D'IVOIRE AND GHANA

41

SCHOOLS
BUILT

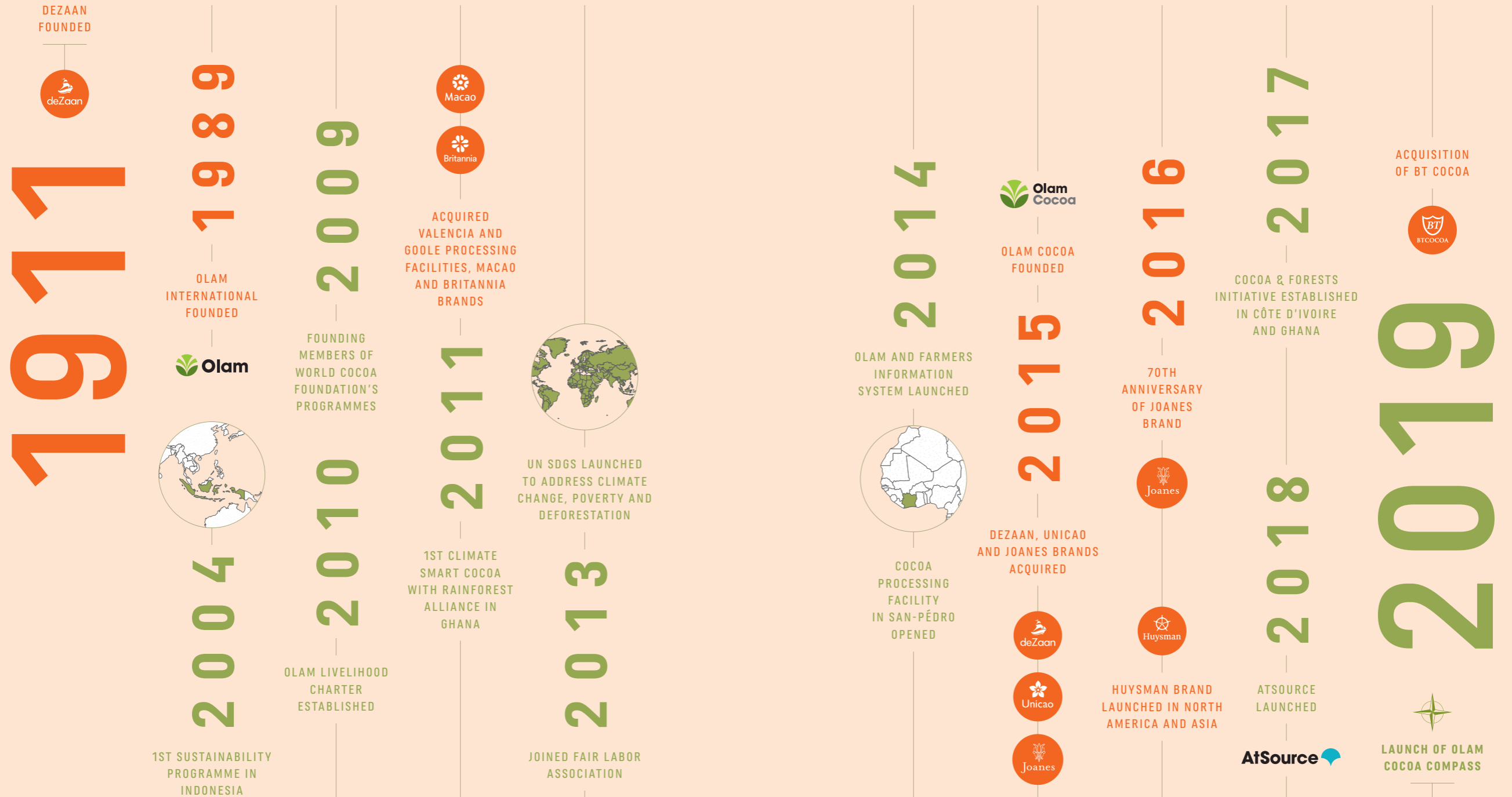
28m

COCOA SEEDLINGS
DISTRIBUTED

1.3m

TREES DISTRIBUTED FOR
AGROFORESTRY AND INCOME
DIVERSIFICATION

ARRIVING AT TODAY





TOWARDS THE

FUTURE

2020*

2024

BY 2030

100%
TRACEABILITY

100%
ATSOURCE COMPLIANT

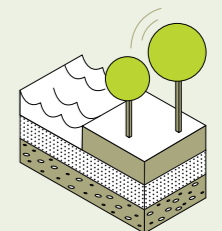
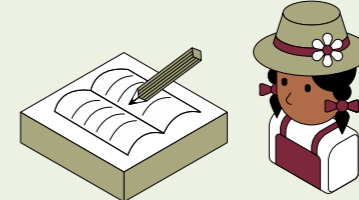
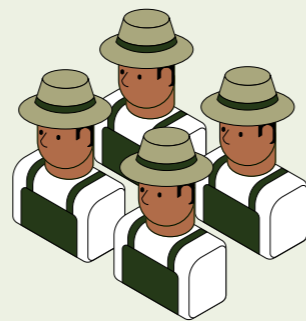
60,000

COCOA FARMERS IN OLAM COCOA'S SUPPLIER NETWORK ARE ACHIEVING A LIVING INCOME

FOCUSED ON FARMERS
PROSPEROUS FARMERS AND FARMING SYSTEMS

EMPOWERED TO GROW
THRIVING COMMUNITIES

INVESTING IN NATURE
REGENERATION OF THE LIVING WORLD



100%
CHILD LABOUR MONITORING IN MANAGED PROGRAMMES

100%
DEFORESTATION MONITORING

10%
REDUCTION IN NATURAL CAPITAL COSTS

150,000
COCOA FARMERS IN OLAM COCOA'S SUPPLIER NETWORK ARE ACHIEVING A LIVING INCOME

CHILD LABOUR IS ELIMINATED FROM OUR SUPPLY CHAIN

ALL COCOA FARMERS' CHILDREN IN OUR SUPPLY CHAIN HAVE ACCESS TO EDUCATION

PROTECTING FORESTS:
WE CREATE AN INCREASE IN TREE CARBON STOCK

ENVIRONMENT:
30% REDUCTION IN NATURAL CAPITAL COSTS

*FROM DIRECT COCOA SUPPLY CHAIN



FOCUSED ON FARMERS

PROSPEROUS FARMERS AND FARMING SYSTEMS

We are not only focused on lifting cocoa farmers out of extreme poverty, we are also taking a step beyond to help them achieve a level of income that allows for more than just survival. Farmers must be able to earn enough to cover their basic needs of food, water, housing, education, healthcare, transportation and clothing, as well as manage unexpected costs. The complexity and magnitude of closing the gap between extreme poverty and living income is considerable but is essential to ensuring cocoa remains an attractive profession for future generations.

OUR GOAL



BY 2030

150,000

COCOA FARMERS
IN OUR SUPPLIER
NETWORK ARE
ACHIEVING A
LIVING INCOME

METRICS

Number of farmers that have received training to improve agricultural practices

Number of hectares of cocoa farm land rehabilitated

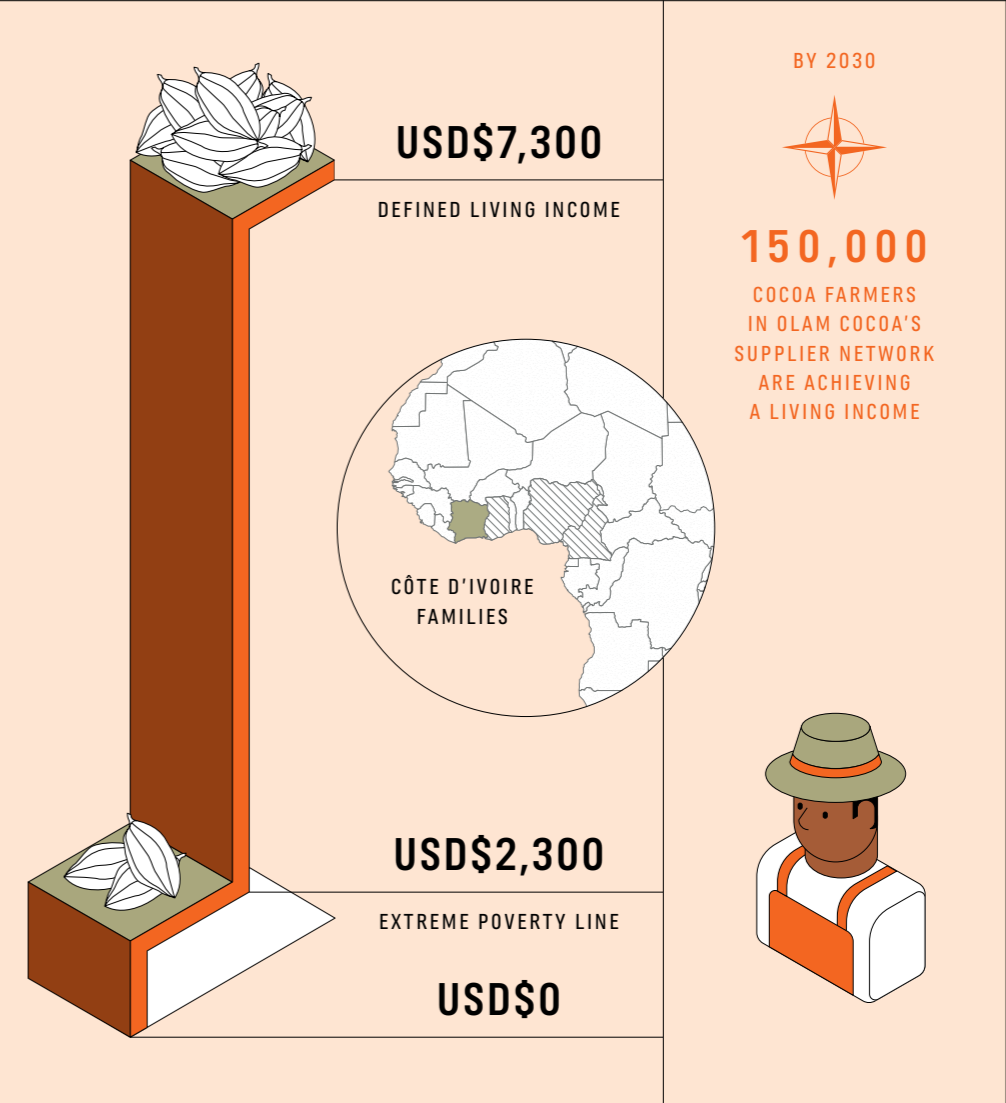
Average productivity change of trained farmers

Number of farmers out of poverty

Number of farmers earning a living income



ADDRESSING THE POVERTY LINE

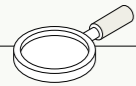


Currently the extreme poverty line for an average cocoa growing family in Côte d'Ivoire is estimated at USD\$2,300 per year whereas the defined living income line is USD\$7,300.*

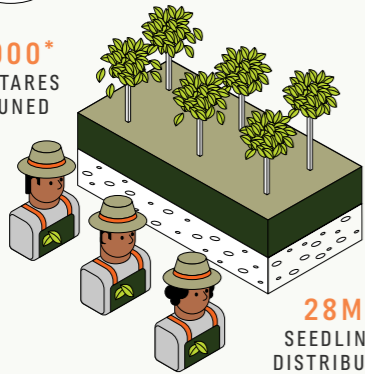
*COCOA FARMER INCOME REPORT 2018, FAIRTRADE INTERNATIONAL

IN FOCUS

EXAMPLES FROM AROUND THE WORLD OF THE WAYS WE ARE SUPPORTING PROSPEROUS FARMERS AND FARMING SYSTEMS



2000*
HECTARES
PRUNED



28M*
SEEDLINGS
DISTRIBUTED
WORLDWIDE

ONE FARMER, ONE ACRE (GHANA)

This programme, covering 1,500 farms, sends local 'pruning teams' into cocoa communities to prune a single acre of neglected cocoa trees. Instead of farmer group training sessions, this direct coaching demonstrates the benefits of best practices on individual farms, resulting in healthier trees that are more productive and setting a positive example for neighbouring cocoa farmers.

IT'S NOT 'ONE SIZE FITS ALL' (GLOBAL)

We have to adapt to local needs, identify farmers with the greatest potential and offer tailored solutions that create the conditions for farmers to prosper.

By providing tailored Farm Development Plans via our Olam and Farmers Information System, we give cocoa farmers specific advice about how to sustainably increase their crop yields.

64,000*

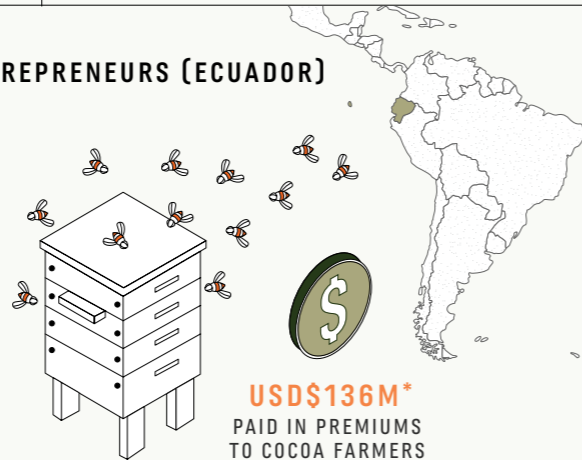
FARM DEVELOPMENT
PLANS ISSUED
TO COCOA FARMERS



ENCOURAGING ENTREPRENEURS (ECUADOR)

The Bee Sustainable Project in Ecuador creates an alternative source of income for cocoa farmers. The provision of apiaries and one-to-one training encourages entrepreneurialism through the production of honey.

Each beehive adds around USD\$400 per year to the farmer's income which is the equivalent to a month's local salary.



USD\$136M*
PAID IN PREMIUMS
TO COCOA FARMERS
WORLDWIDE

*ALL NUMBERS TO END OF 2018



MAINTAINING A YEAR ROUND FARMGATE PRESENCE AND LONG-TERM PROCESSING INVESTMENT IN COUNTRIES WHERE COCOA IS GROWN ENSURES VISIBLE MARKET ACCESS FOR FARMERS.



KUMASI, GHANA

Our cocoa factory in Kumasi, Ghana produces single origin cocoa liquors under our Unicao brand. With a distinctive West African flavour, these liquors ultimately become the key ingredient in chocolate confectionery recipes worldwide.





EMPOWERED TO GROW

THRIVING COMMUNITIES

Access to education and freedom from child labour are basic human rights, and it is our belief that these problems should be addressed simultaneously because they are inextricably linked. Through supporting children of cocoa farmers our aim is to create opportunities that their parents may not have had, whether in cocoa farming or another profession. The important outcome is that they become part of a thriving local community.

OUR GOALS



BY 2030

CHILD LABOUR IS ELIMINATED FROM OUR SUPPLY CHAIN

METRICS

Number of households covered by a Child Labour Monitoring and Remediation System (CLMRS)

Number of children identified in child labour

Number of child labour cases remediated

Number of children removed from child labour

ALL CHILDREN OF COCOA FARMERS IN OUR SUPPLY CHAIN HAVE ACCESS TO EDUCATION

METRICS

Percentage of farmers' children with access to education

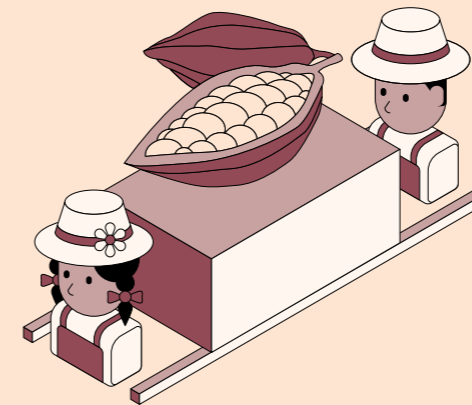
Number of children that have received education support



CHILD LABOUR IN COCOA

WHAT IS CHILD LABOUR?

Child labour deprives children of their childhood, their potential and their dignity, is harmful to their physical and mental development, and interferes with their schooling.*



*INTERNATIONAL LABOUR ORGANIZATION

WHAT ARE THE WORST FORMS OF CHILD LABOUR?

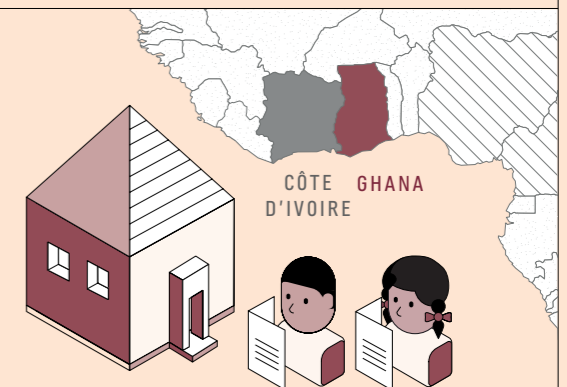
The worst forms of child labour are all forms of slavery, including forced labour, procuring or offering of a child for exploitation or illicit activities, or any activity which is deemed hazardous or is likely to harm the health and safety of a child.*

WHAT IS CHILD WORK?

Child work is participation in work that does not affect a child's health and personal development or interfere with their schooling. This includes activities such as helping parents around the home, assisting in a family business or earning pocket money outside school hours and during school holidays. These kinds of activities contribute to a child's development and to the welfare of the family.*

67%

OF CHILDREN IN COCOA GROWING AREAS WERE ATTENDING SCHOOL IN 2013-2014 COMPARED TO 58% IN 2008-2009*

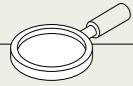


*SURVEY RESEARCH ON CHILD LABOUR IN WEST AFRICAN COCOA GROWING AREAS, 2015

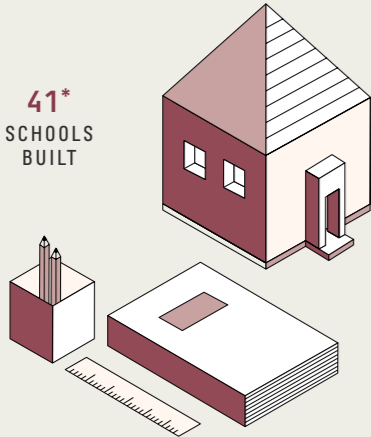
The number of children in forced labour and performing hazardous tasks related to cocoa production is declining and school attendance is increasing but problems still exist.

IN FOCUS

EXAMPLES OF THE WAYS WE ARE SUPPORTING THRIVING COMMUNITIES



41*
SCHOOLS
BUILT

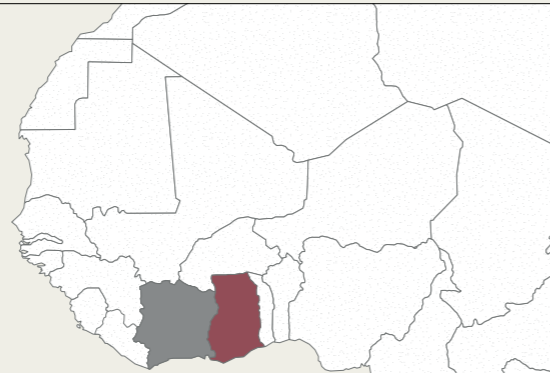


IDENTIFYING KEY OBSTACLES FOR ACCESSING EDUCATION

We conduct community needs assessments to identify obstacles to accessing education. Common issues include a lack of textbooks, uniforms and birth certificates (which are needed for enrolment). Sometimes, a local school just doesn't exist.

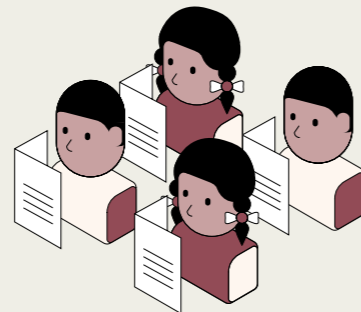
PROTECTING COMMUNITIES IN CÔTE D'IVOIRE AND GHANA

In partnership with the Fair Labor Association (FLA) and the International Cocoa Initiative (ICI), we have established Child Labour Monitoring and Remediation Systems (CLMRS) in Côte d'Ivoire and Ghana.



This involves a combination of educating cocoa growing communities, household and farm visits to collect data and track instances of child labour, followed by educating cocoa growing communities about the need to protect children and remediating to withdraw them from hazardous situations.

95,000*
COCOA FARMERS
COVERED BY A CLMRS



*ALL NUMBERS TO END OF 2018

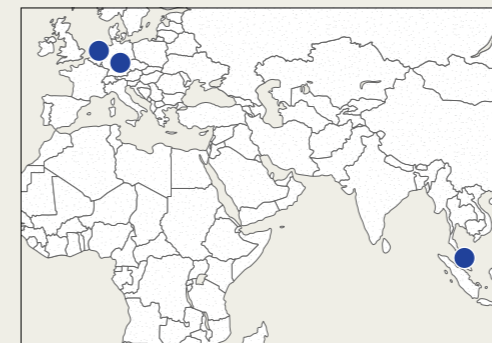


DEZAAN'S LOCAL TEAMS

HELPING TO CREATE THRIVING COMMUNITIES IS NOT JUST LIMITED TO FARMING COMMUNITIES.



BOOSTING NATIONAL ECONOMIES AT DEZAAN FACTORY SITES



Our deZaan processing factories in the Netherlands, Germany and Singapore all employ large local teams to produce premium cocoa powders, contributing to the prosperity of national economies.



INVESTING IN

NATURE

REGENERATION OF THE LIVING WORLD

We are focused on the co-existence of prosperous farms and thriving communities with healthy ecosystems in order to both reduce and eventually reverse deforestation. One way to look at these issues and mitigate our wider environmental impact is through the measurement of tree carbon stock. This takes into account both the amount of land being used for cocoa farming versus the amount of forest in our supply chain, as well as the quality of the trees and agroforestry systems. All of which is important for carbon capture and promoting biodiversity. Another method is the Natural Capital Protocol, a new and evolving way to look at overall environmental impact. We recognise the need to work with governments and rural farming communities to support environmental stewardship that balances improvements in cocoa farmer livelihoods with the coexistence of protected forests, industrial plantations, subsistence crops, and perennial crops.

OUR GOALS



BY 2030

**PROTECTING FORESTS:
CREATE AN
INCREASE IN TREE
CARBON STOCK**

METRICS

Number of farmers who received sensitisation training on deforestation

Net change in tree carbon stock

Number of trees distributed for agroforestry and income diversification

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

METRICS

Natural Capital cost and equivalence per metric tonne of cocoa beans

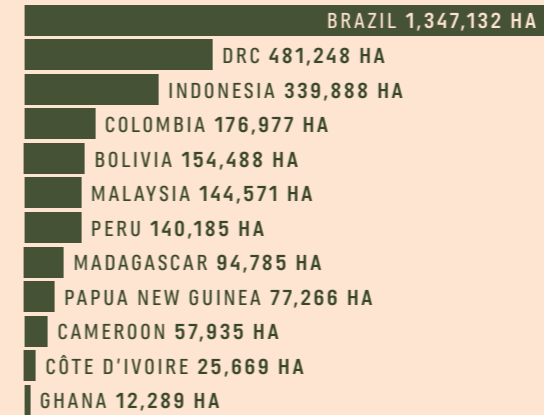
Reduction in water and carbon footprint of processing and transport versus baseline



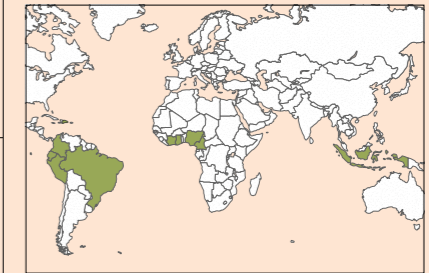
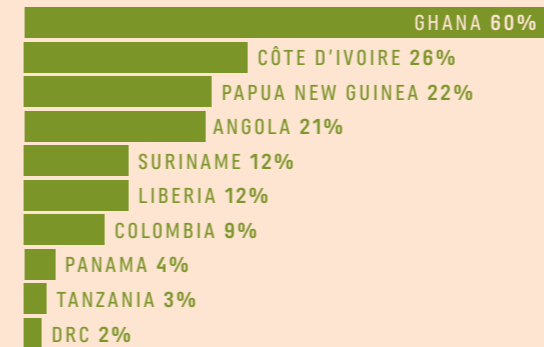
PRESSURE ON NATURAL RESOURCES

TROPICAL PRIMARY RAINFOREST LOSS IN 2018*

BY TOTAL AREA



BY PERCENT INCREASE FROM 2017



TOP 10 COCOA PRODUCING COUNTRIES IN 2018-2019* ['000 METRIC TONNES]

1. CÔTE D'IVOIRE [2,290]
2. GHANA [790]
3. ECUADOR [325]
4. CAMEROON [293]
5. INDONESIA [240]
6. NIGERIA [223]
7. BRAZIL [175]
8. PERU [115]
9. DOMINICAN REPUBLIC [80]
10. COLOMBIA [56]

*WORLD RESOURCES INSTITUTE, 2019

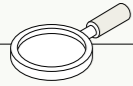
*OLAM COCOA RESEARCH

Although neither country ranks in the top 10 by total area, Côte d'Ivoire and Ghana experienced percentage increases of primary tropical rainforest loss between 2017-2018. Illegal mining caused some of the loss [in Ghana], and while it is difficult to attribute the exact location and amount of forest loss [to cocoa], expansion of cocoa farms caused loss in both countries.*

*WORLD RESOURCES INSTITUTE, 2019

IN FOCUS

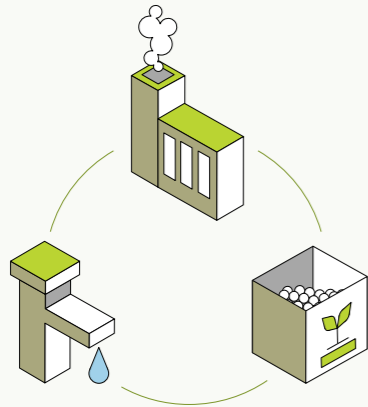
EXAMPLES OF THE WAYS WE ARE SUPPORTING REGENERATION OF THE LIVING WORLD



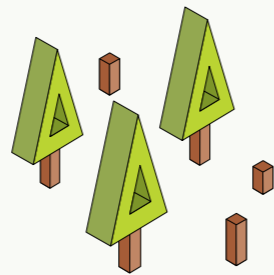
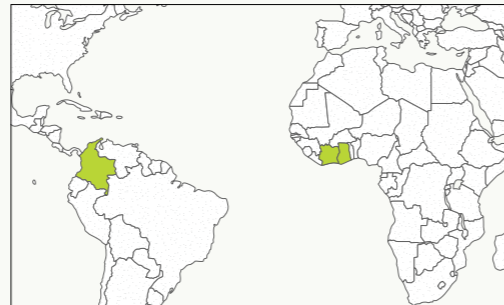
FOCUSING ON ENVIRONMENTAL IMPACT AND SUSTAINABILITY

The Natural Capital Protocol is a new and evolving way to look at overall environmental impact, helping businesses to understand their relationships with natural resources.

It assesses land use change, water usage, greenhouse gas emissions and fertiliser levels, amongst other things, to produce a total impact metric which businesses can use to evaluate and focus their sustainability efforts.



The development and roll-out of our AtSource sustainable sourcing platform enables us to leverage environmental data, such as greenhouse gases and water footprints, from our supply chain. This allows us to focus on transformative actions and create transparency for customers for each stage of the supply chain journey.



OUR EFFORTS TO PROTECT LAND AND COMBAT DEFORESTATION

Our commitment as a founding member of the Cocoa & Forests Initiative (C&FI) includes the implementation of an action plan detailing the steps we will take as a business to combat deforestation in Côte d'Ivoire and Ghana. A similar plan is being developed for Colombia.

This is just one element of our global efforts against the loss of forests and protected land. Over the past 15 years we have also trained 240,000 cocoa farmers in Good Agricultural Practices and distributed 1.3 million trees for agroforestry and income diversification.

By committing to 100% traceability we are showing our customers where our cocoa comes from and the environmental impact of our cocoa supply chain.

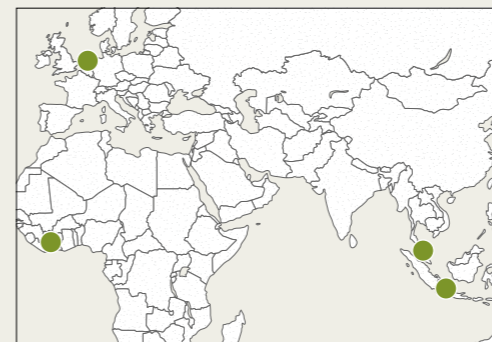


THE BIGGER PICTURE

EFFORTS TO PROTECT THE ENVIRONMENT MUST EXTEND THROUGH THE ENTIRE SUPPLY CHAIN.

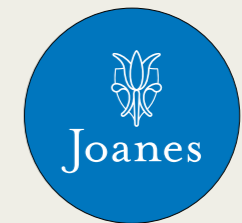
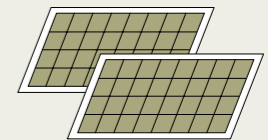


We are investing in renewable energy initiatives in our cocoa factories such as boilers to power operations fuelled by cocoa bean shells in Côte d'Ivoire, Indonesia, the Netherlands and Singapore.

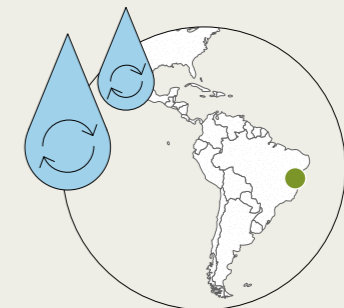


CÔTE D'IVOIRE, INDONESIA, THE NETHERLANDS AND SINGAPORE

We are utilising solar panels to reduce our reliance on local energy grids in Koog aan de Zaan, the Netherlands.



We are capturing and recycling waste water in Ilhéus, Brazil and we are investing in further renewable initiatives across the globe.





OUR BUSINESS VISION IS TO BE THE WORLD'S MOST VALUABLE COCOA AND CHOCOLATE INGREDIENT COMPANY BY PRODUCING SOLUTIONS AND INNOVATIONS FOR OUR CUSTOMERS WORLDWIDE.



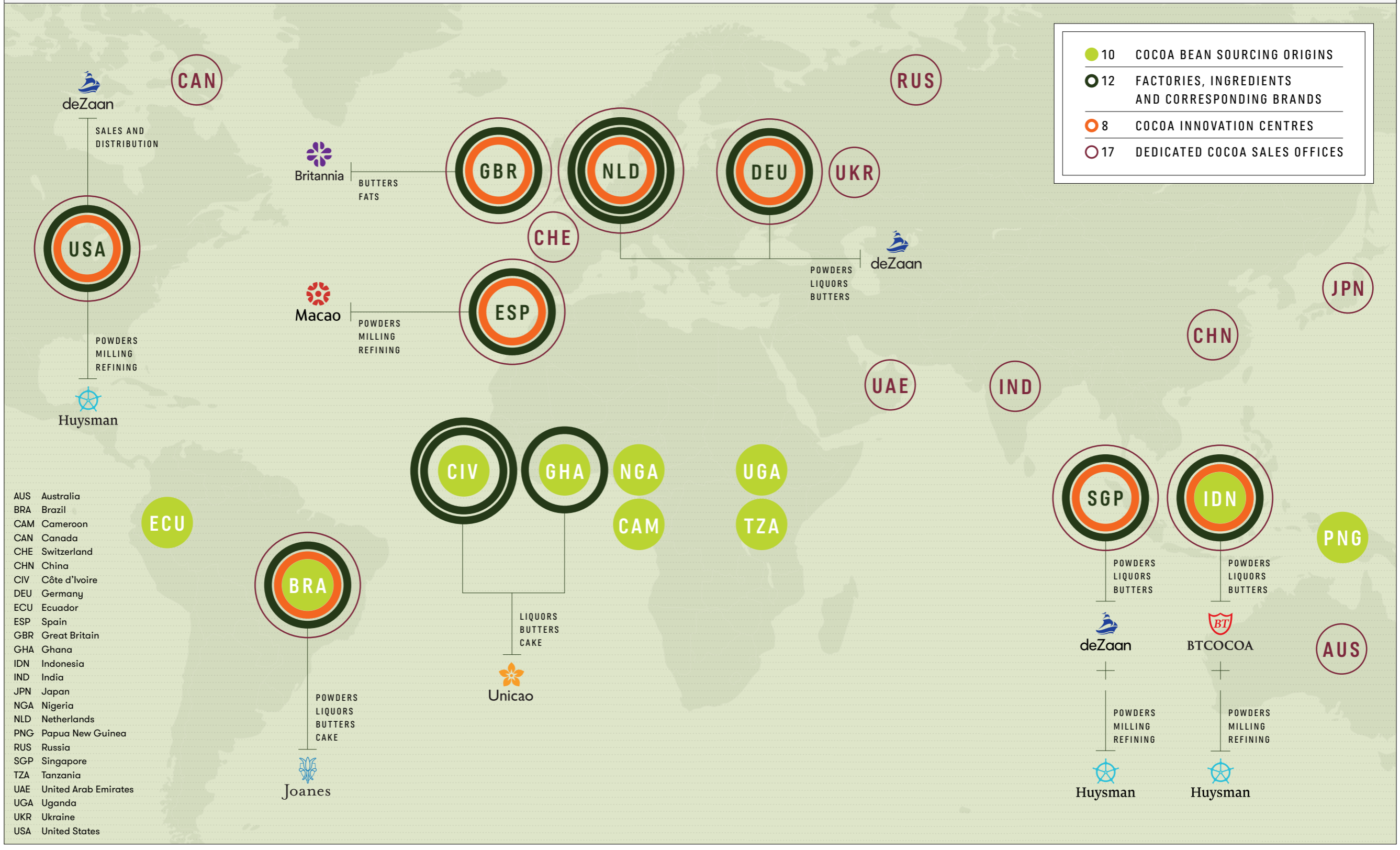
We are the leading originator of cocoa beans and a globally leading processor of cocoa powders, cocoa liquors and cocoa butters with a team of 3,000 around the world.



We have a presence in all major cocoa producing countries.



We procure cocoa beans from a network of over 650,000 cocoa farmers.



- AUS Australia
- BRA Brazil
- CAM Cameroon
- CAN Canada
- CHE Switzerland
- CHN China
- CIV Côte d'Ivoire
- DEU Germany
- ECU Ecuador
- ESP Spain
- GBR Great Britain
- GHA Ghana
- IDN Indonesia
- IND India
- JPN Japan
- NGA Nigeria
- NLD Netherlands
- PNG Papua New Guinea
- RUS Russia
- SGP Singapore
- TZA Tanzania
- UAE United Arab Emirates
- UGA Uganda
- UKR Ukraine
- USA United States





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