choices for change

ofi make it real

2024 impact report

Coffee LENS

Livelihoods, Empowerment and Nature at Scale

Coffee LENS 2024
Contents

A new momentum towards a sustainable coffee future

A message from Vivek Verma, Managing Director & CEO, coffee - ofi

Another pivotal year for coffee. 2024 has delivered record-breaking volatility throughout the year, making it an exceptionally difficult period for everyone involved in the coffee industry - from farmers facing unpredictable weather patterns to customers navigating supply disruptions. Despite these unprecedented challenges, we continue to highlight the critical importance of sustainability as our guiding principle and competitive advantage.

This year has once again tested the resilience of our global supply chains, marked by persistent volatility, geopolitical complexities, and the undeniable acceleration of climate impacts. Yet, amidst this challenging landscape, I see not just hurdles, but a renewed momentum building towards a truly sustainable coffee future.

As part of **ofi**'s overarching Choices for Change sustainability strategy, we're committed to helping our customers make informed choices at every step. Our global sourcing network, local knowledge, and integrated capabilities allow us to meet customer needs and navigate external turbulence. This integrated capacity, spanning from farm-level engagement to delivering final ingredients and solutions through global manufacturing and innovation centers, helps de-risk our customers' supply chains by offering superior resilience against global volatility and regulatory changes. It also means we can offer a traceable supply while creating real impact and equipping customers with a powerful provenance narrative for their ingredients and products.

This past year has seen us sharpen our focus, realigning our efforts to meet the evolving demands of the market and the planet. We've intensified our investment in robust data systems and traceability, a critical response to emerging regulatory landscapes like the EUDR. While this necessary pivot has meant diverting some resources, leading to a temporary adjustment in the sheer number of farmer households directly reached with livelihood support this year (around 98,000, compared to 115,800 in 2023), it has allowed us to build a more precise and impactful foundation. Our farmer information survey tool and **ofi** Direct app continue to bridge digital gaps, giving us transparency into the first mile of the supply chains, so we can tailor interventions more precisely to farmers' needs and improve traceability and security of supply for our customers. This isn't a step back; it's a strategic recalibration for deeper, more sustainable impact.

Despite the complexities, our progress remains tangible and meaningful. We continue to drive regenerative land practices, expanding the area under cultivation using methods that enhance soil health and biodiversity. Our commitment to renewable energy in processing facilities has grown, further reducing our operational footprint.

Beyond the numbers, it's the human stories that truly underscore our impact. Our Child Labor Monitoring and Remediation System (CLMRS) continues to protect vulnerable children in our supply chains, helping children access education. Our partnership with NGO 100WEEKS in Uganda's Sironko district demonstrates how targeted livelihood support, including weekly cash transfers and training, can help shift farmers from poverty to prosperity, with 68% of participating farmers deemed 'non-poor' just one year after the program's completion. We're also incredibly proud of initiatives like Café Delas, where we're actively empowering women coffee farmers, providing them with training, inputs, and access to credit, helping them not only improve their livelihoods but also take on leadership roles within their communities. Our activities supported over 23,000 women to enhance their livelihoods, a figure we are determined to scale to 60,000 by 2030.

Looking towards 2030, we are setting even higher standards. Our Coffee LENS 2030 sustainability strategy continues on ambitious targets, and climate-smart measures designed to make a tangible, positive impact. We are launching carbon reduction projects with our partners, as in Peru, Vietnam, and Brazil, focused on crop rejuvenation and residue management, demonstrating our proactive stance on addressing climate change in our supply chains. Our ongoing collaborations with industry leaders, governmental agencies, and academic institutions like Wageningen University & Research are enabling us to develop sophisticated sustainability risk profiles for coffee, contributing to a more informed and resilient supply chain for all.

The journey towards a truly sustainable coffee industry is a shared one. It demands collaboration, innovation, and a willingness to confront challenges head-on. I am immensely grateful for the unwavering support of our customers and partners, whose commitment is vital to scaling our collective impact. Together, we are not just navigating the complexities of the coffee world; we are being the change by actively shaping a more sustainable future where coffee farmers prosper, communities thrive, and our landscapes are regenerated.

Vivek Verma,
Managing Director & CEO, Coffee - **ofi**

Vivek Verma

Our sustainability journey started 30 years ago

This strong heritage and integrated processing and manufacturing capabilities mean that our customers can trust in the quality and sustainable practices of the products they receive. To date, we source from a global network of ~400,000 farmers, enabling us to consistently source high-quality green coffee and offer a diverse range of flavors and profiles.

By focusing on impactful programs, we not only support the livelihoods of farmers but aim to contribute to the well being of their communities and the preservation of the environments they depend on. Each year, our ambitions expand as we promote sustainable practices focused on traceability, high quality, supporting profitable farmers, and maintaining biodiverse ecosystems.

Our coffee journey continues...

2024 Launch of **ofi** Sustainability strategy, Choices for Change

2023 A **Global Leader** in coffee origination and sustainable farming - present in 18 origins.

2022 **Olam Specialty Coffee** rebranded as Covoya and **ofi** acquisition of Club Coffee

2021 Olam Coffee rebranded as **ofi** (olam food ingredients) coffee

2020 Launch of **Coffee LENS** Sustainability strategy

2018 Sustainability management system **AtSource** launched

2015 Expansion of specialty business to Europe with acquisition of Schluter Coffee

2010–2013 Olam Livelihood Charter rolled out. Opening of Laos, Tanzania, and Zambia **ofi**'s estates

2006 Expansion into Latin America, establishing a presence in 10 origins

2004 Arabica operations started in **Brazil**

1995–1999 Robusta business extended to **Vietnam, Indonesia, Côte d'Ivoire and Uganda**

1994 Green coffee operations started in **India**

Choices for Change

The progress we make towards our 2030 Coffee LENS targets is guided by our focus on the four impact areas of **ofi**'s overarching sustainability strategy, Choices for Change (C4C).

Material sustainability topics

- Economic opportunity
- Human rights
- Climate change
- Ecosytems & biodiversity
- Traceability

Coffee's contribution to Choices for Change by 2030:

300,000 ofi farmer households receive enhanced livelihoods support

20,000 coffee farmer households achieve a living income

50,000 children receive education support

All identified child labor cases receive remediation actions

45,000 households receive nutrition or health support

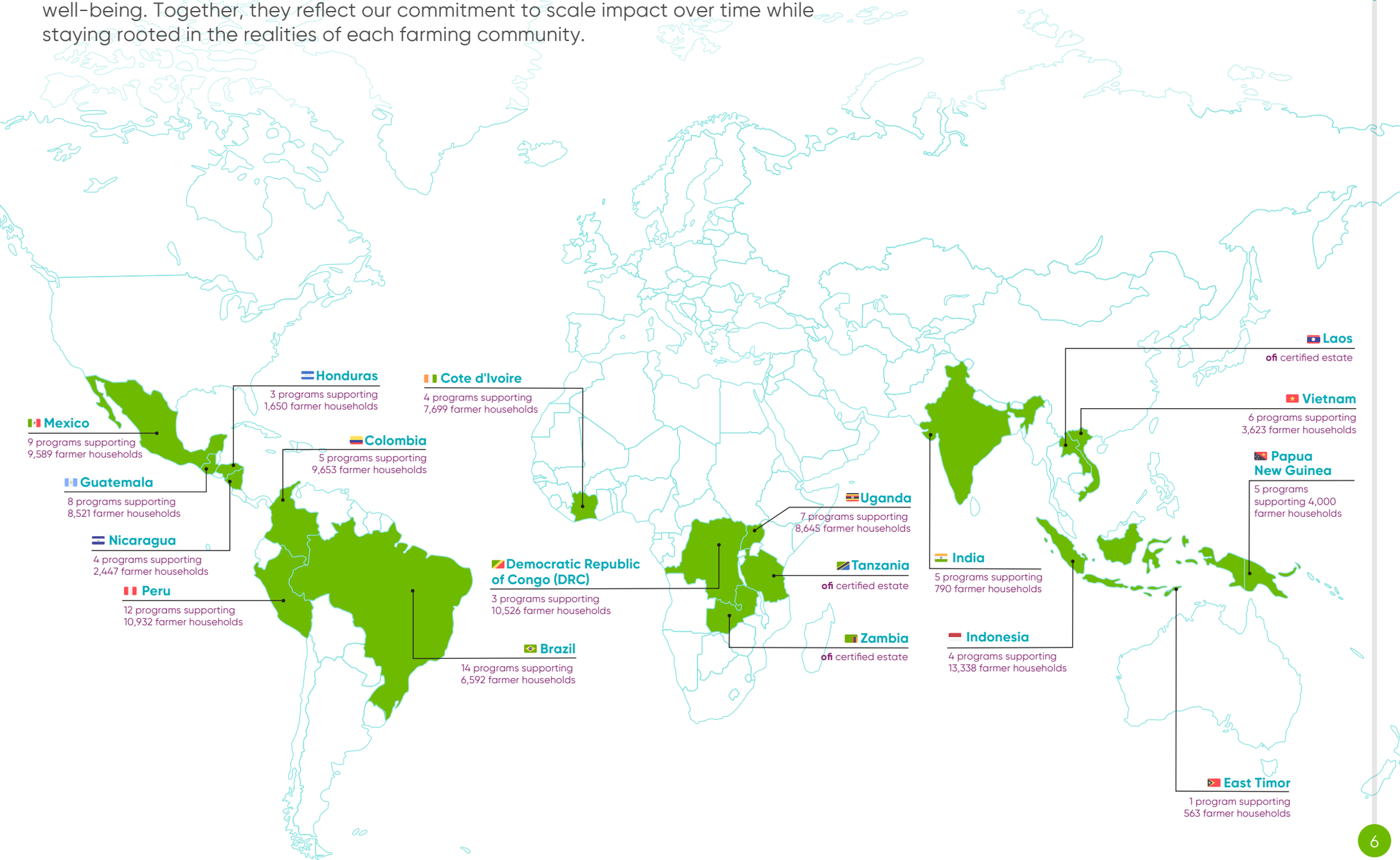
10 million beneficial trees distributed for agroforestry programs

500,000 hectares under regenerative agriculture

6 living landscape partnerships

A collaborative approach to delivering positive change

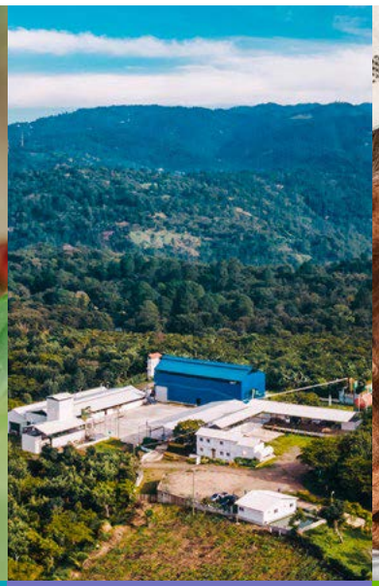
In 2024, we ran **55 sustainability programs** with our customers and partners implemented by our on-the-ground teams and focused on creating lasting value through regenerative agriculture, climate action, farmer livelihoods, and community well-being. Together, they reflect our commitment to scale impact over time while staying rooted in the realities of each farming community.



Adding value from crop to cup – snapshot of ofi's coffee supply chain

Sourcing at farmgate

We select green and specialty coffees from over **30 origins** with deep-rooted presence in **18 growing origins**, offering reliability and quality at high volumes, unique micro-lots and everything in between.



Processing at origin

60+ mills helping to improve market access for local farming communities, and influencing quality and quantity.

Convening partnerships for impact

55 active multi-stakeholder programs with expert **ofi** country teams helping drive the right practices; building resilience in farming communities, sustainability impact, and risk reduction for customers.

Innovation everywhere

Sustainability and quality expertise enables innovation across the value chain, from improving traceability with digital tools, to creating new formats and flavor profiles.

Manufacturing with care

Processing and production of soluble coffee in Brazil, Spain and Vietnam and roast and ground coffee from **ofi**'s Club Coffee business, offering private label, retail and food service solutions.

Delivering good coffee choices

Offering **sustainable and traceable** coffee ingredients to all major consumption markets that support producers and cater to corporate and regulatory requirements.

2024 progress against our 2030 targets

Prosperous farmers

Farmer households receiving **livelihood support**

2021	105,000
2022	117,000
2023	115,800
2024	**98,560**

Target **300,000***

*Enhanced livelihood support

Number of **ofi** farmer households achieving living income

2023	6,500
2024	**20,199**

Target **20,000**

ofi **women farmers** receiving livelihood support

2021	18,800
2022	17,500
2023	22,000
2024	**23,570**

Target **60,000**

Youth in coffee with access to vocational support

2021	1,800
2022	1,500
2023	2,000
2024	**2,705**

Target **15,000**

Thriving communities

Child labour monitoring & remediation system (CLMRS) implemented in all **high-risk supply chains**, with any identified cases of child labour receiving remediation actions.

2023	1
2024	**1**

Children benefitting from educational support and infrastructure

2021	2,000
2022	4,000
2023	5,500
2024	**12,280**

Target **50,000**

Partnerships established to support good food and nutrition in coffee growing landscapes

2021	0
2022	3
2023	3
2024	**3**

Target **6**

Households receiving health or nutrition support

2024	**31,600**

Target **45,000**

Climate positive

Directly sourced volumes have verified **decarbonization pathways** to help customers meet their targets.

Target **100%**

Scope 3 GHG emissions reduction:

SBTi targets submitted in 2024. Validated in 2025.

Target **30%***

Scope 1 & 2 GHG emissions reduction

2021	0%
2022	0%
2023	11%
2024	**28%**

Target **50%***

*Absolute emissions against 2020 baseline.

Regenerating the living world

Hectares under **regenerative agricultural practices**

2022	37,120
2023	84,000
2024	**165,000**

Target **500,000**

Coffee **living landscapes** partnerships with measurable benefits for nature

2022	3
2023	4
2024	**3**

Target **6**

Beneficial trees distributed for agroforestry programs (cumulative)

2021	2,000,000
2022	2,300,000
2023	2,700,000
2024	**3,100,000**

Target **10 million**

Water saved annually (cumulative)

2021	134,000
2022	254,000
2023	300,000
2024	**438,000**

Target **1.5 million m^3**

Prosperous farmers

Coffee sustainability starts with farmer prosperity, with a living income serving as our North Star. Living income represents the net annual income required for a farming household to afford a decent standard of living[1], covering all essential needs (insert reference for our definition). However, most smallholder farmers earn far below this threshold. The challenge is complex: most farmers spend only 20–40% of their work time on cash crops like coffee[2] because their plots are too small to earn a living income from coffee alone. Their total household income depends on multiple factors—from weather and soil health to global commodity prices—across all their income-generating activities. Even with high crop prices, an average of 60% to 70% of farmers still don't achieve a living income because of these scale limitations. This reality makes living income a valuable contextual indicator to gauge economic status and guide our interventions.

Farmer incomes influence every part of the supply chain, from safeguarding children's rights to restoring ecosystems. This drives our comprehensive approach: our field teams work directly with over 98,000 coffee farmer households, delivering tailored support- from agronomy training and financial inclusion to market access - to build long-term resilience. In 2024, we achieved our 2030 target of 20,000 coffee farmer households earning a living income. However, because living income is an economic indicator influenced by numerous external factors, this figure is subject to change annually.

2030 targets

- **300,000 ofi** farmer households received enhanced livelihood support
- **20,000 ofi** farmer households achieved a living income
- **60,000 ofi** women farmers received livelihood support
- **15,000** youth in coffee accessed vocational support

2024 progress

- **98,560** farmer households received livelihood support
- **20,199 ofi** farmer households achieving a living income
- **23,570 ofi** women farmers received livelihood support
- **2,705** youth accessed vocational support

[1] **ofi** adopts the guidance of the Living Income Community of Practice (LICOP)
[2] Kenya and Vietnam coffee supply chain WUR 2024

Prosperous farmers: In focus

Narrowing the living income gap in Honduras

Understanding that sustainable change requires targeted interventions, **ofi** designed a comprehensive three-year partnership with a key customer to address systemic barriers facing coffee farmers in Honduras.

This initiative focused on 790+ households across the Comayagua and Santa Bárbara regions, where farmer segmentation enabled precise, needs-based support strategies tailored to individual land size and yield potential.

By the end of the program:

- **400+ farmers** received advanced agronomy trainings to improve farming practices and soil management
- **5,000** coffee seedlings distributed to establish coffee nurseries
- **150 farmers** received basic coffee equipment, such as collection bowls, machetes and prunning tools
- **Direct market access enabled** for more farmers via the **ofi** Direct app
- **450+ farmers certified** under Rainforest Alliance standards helping farmers gain better market recognition

ofi has been regularly assessing living income within its Honduras supply chain using our living income calculator. The 2024 results indicate just over half of the farmers assessed are achieving a living income threshold - an encouraging increase of approximately 10–15% compared to 2021. While our joint efforts have contributed to this positive progress to date, a farmer's total household income depends on multiple factors beyond any single company's control, which is why our approach focuses on interventions within our sphere of influence to maximize coffee's contribution.

Thriving communities

Hear from our expert

“Thriving communities are built through real partnership—when farmers, **ofi** teams, and our customers work together toward shared goals. What we’re seeing on the ground is that even small, consistent actions—whether it’s improving access to education, nutrition, or clean water—can drive meaningful, lasting change.

"The number of children receiving educational support has more than doubled, from 5,500 to 12,200 young lives empowered with learning and opportunity. In delivering vital health and nutrition interventions that help families thrive and children grow up stronger and healthier, we expanded our reach from 19,000 to 31,000 communities' households.”

Randy Herrera
Global Sustainability Coordinator, Coffee, **ofi**

We believe coffee sustainability must extend beyond productivity and income—it must also protect human rights, invest in future generations, and provide communities with the means to thrive. Across our origins, we work directly with farming families to expand access to education, improve health and nutrition, and address systemic risks like child labor.

2030 targets

- Child labour monitoring & remediation system (CLMRS) implemented in all **high-risk supply chains**, with any identified cases of child labour receiving remediation actions.
- **50,000** children received education support
- **6** partnerships established to support good food and nutrition in coffee growing landscapes
- **45,000** community households receive nutrition or health interventions

2024 progress

- **1** coffee origin implementing CLMRS out of 8 high-risk origins
- **12,280** children benefited from education support and infrastructure upgrades
- **3** partnerships established to support good food and nutrition in coffee growing landscapes
- **31,600** community households supported with health or nutrition interventions

Thriving communities: In focus

Nourishing communities: building food and economic security in Chiapas

In Mexico's mountainous Chiapas region, **ofi**'s comprehensive nutrition program aims to transform how coffee-growing families approach food security. Rather than viewing coffee as their sole focus, participating households now cultivate diverse, resilient food systems that strengthen both their health and their livelihoods.

Empowering families through nutrition education

- Our multi-faceted approach engaged over 120 community members, combining practical skills with sustainable agriculture principles. The program delivered targeted interventions designed to create lasting change:

- Resource protection and soil health workshop, where farmers learned essential soil and water conservation techniques, ensuring the foundation for both coffee production and food crops remains strong for future generations.

- Hands-on food preservation demonstrations, which helped families master fruit and vegetable preservation methods to extend access to nutritious foods year-round and reduce post-harvest losses.

- Integrated farm management technical sessions in Oxchuc village, which connected coffee cultivation with broader agricultural health. Farmers learned how proper nutrition, pest management, and strategic shade tree pruning creates more productive, sustainable farming systems.

- Specialized business workshop in market access and value creation equipped 48 participants with skills to access new markets, enabling them to sell both food crops and coffee more effectively while building stronger value chains.

Cultivating nutritional security

Beyond traditional coffee cultivation, the program trained 40 families to diversify their agricultural production. These households now grow fruit trees and nutrient-rich crops alongside their coffee plants, creating integrated food systems that provide year-round nutrition while strengthening their economic resilience.

The transformation extends far beyond individual farms. Across the communities of Tiaquil, Tzontealjá, Ramona, and Mitontic, families have built more robust food systems, improved their nutritional intake, and created sustainable practices that will benefit generations to come.

Climate action

On our journey toward low-carbon, regenerative coffee, we are implementing 16 decarbonization programs designed to boost resilience in sourcing landscapes and support customers in achieving their carbon goals.

On the ground, our teams work directly with farmers, applying climate-smart practices refined through years of innovation. From improving soil health and conserving water to protecting biodiversity, our teams help build resilient ecosystems for nature and livelihoods. Using our digital footprinting tools, we model and monitor interventions, offering customers a transparent, data-driven path to low-carbon ingredients.

Working with SustainCert* a verification platform that validates the design and verifies the impact of value chain interventions, we applied verification for carbon reduction projects in coffee (as well as cocoa and dairy.) This included establishing an auditing workflow and implementing consistent documentation, monitoring, and reporting systems

2030 targets

- **100%** directly sourced volumes have verified decarbonization pathways to help customers meet their targets
- **30%** reduction of Scope 3 GHG emissions*
- **50%** reduction of Scope 1 & 2 absolute emissions in processing plants*

*Against 2020 baseline

2024 progress

- **54 GHG footprints generated** for coffee supply chains & all ofi estates using the **AtSource** Digital Footprint Calculator (DFC)

The DFC, built into **ofi**'s sustainable sourcing solution AtSource, and the methodology behind it has been certified by **The Carbon Trust***, providing assurance that both the methodology and the digital tool meet the highest standards for calculating carbon footprints. The DFC allows **ofi** and our customers to better understand and address the environmental impacts of the products we manage.

- **SBTi targets submitted** in 2024 for validation by the SBTi secretariat (validated in 2025). Reporting against our 2020 baseline (6.7m tCO2eq Scope 3 FLAG) will commence in 2026.
- **28%** reduction of absolute Scope 1 & 2 GHG emissions in **ofi** (excludes **ofi** soluble coffee processing facilities).

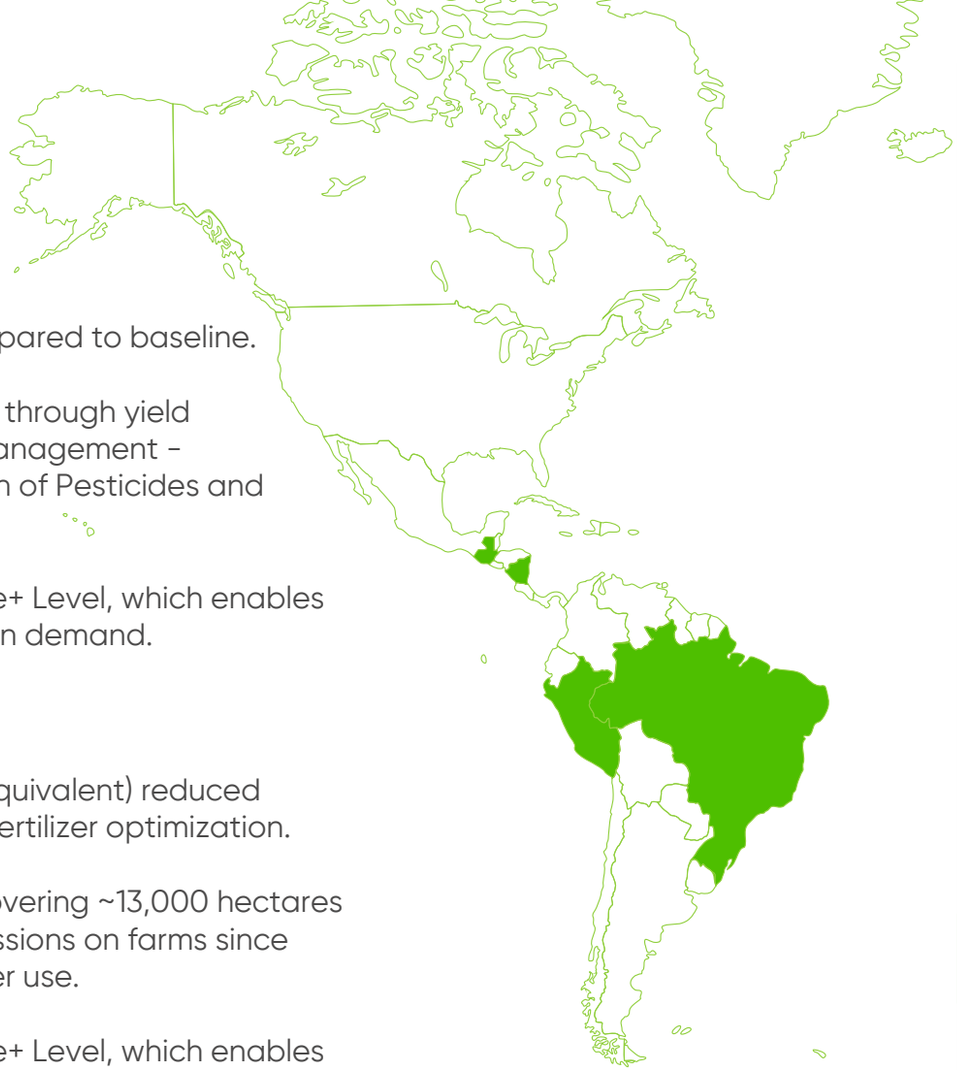
* Model outputs do not constitute a certified product/organisation footprint.

Climate action: In focus

Data-driven climate action in Latin America

Based on insights from the DFC, our teams in Brazil and Peru have implemented successful GHG reduction strategies, recording a 19% and 30% drop in GHG emissions respectively in 2024 compared to a 2021 baseline.

The reductions are based on improving fertilization efficiency and canopy density with pruning and supporting farmers with integrated weed management to minimize herbicide use, optimize irrigation, and intercrop their farms with beneficial trees.



Peru

Reduction scenario:

31% tCO2eq/ton GBE
(Green Bean Equivalent) reduced compared to baseline.

Optimizing and harmonizing practices through yield optimizations (GAP) - Crop Residue Management - Wastewater Management - Reduction of Pesticides and Fertilizers

These farmers are part of our AtSource+ Level, which enables our customers to access information on demand.

Brazil

Reduction scenario:

19.6% tCO2eq/ton GBE (Green Bean Equivalent) reduced compared to baseline, mainly due to fertilizer optimization.

A 2024 assessment of 240+ farmers covering ~13,000 hectares showed a ~20% reduction in GHG emissions on farms since 2022, primarily through smarter fertilizer use.

These farmers are part of our AtSource+ Level, which enables our customers to access information on demand.

Guatemala

We launched two regenerative agricultural projects in Guatemala aimed at building producer knowledge and reducing the carbon footprint of coffee production. These projects focus on improving productivity and sustainability through key interventions such as forced and non-forced aeration for composting, biogas production, wastewater management, and water-saving technologies. As part of these efforts, we will install 10 *Ecoline 800* systems across wet mills to enhance water efficiency and minimize environmental impact.

Nicaragua

We launched a targeted soil nutrition project in Nicaragua to help farmers optimize fertilizer use and improve yields sustainably. The initiative provides soil and foliar analysis to guide more efficient and cost-effective fertilizer application, while also supporting the cost of three full fertilizer rounds—reducing the financial burden for producers and promoting better agronomic practices across participating farms.

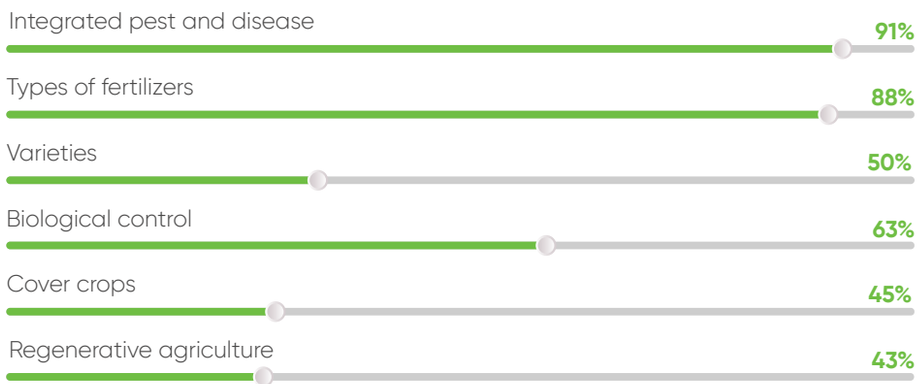
Climate action: In focus

Context-specific approaches to carbon reduction

In Brazil, where coffee farms tend to be larger and mechanized, we have worked with over 400 farmers across 22,000 ha on improving nutrient management, particularly on the use of nitrogen as a fertilizer. Our agronomists visit these farms three times a year to work with farmers on pest management, soil fertilization and erosion prevention practices with the aim of helping participating farmers improve yields while reducing fertilizer use and associated carbon emissions. Farmers have also received training and orientation on how to use our **ofi**'s GHG Portal and the DFC.

After the second year of project implementation, we conducted the first feedback survey to better understand farmers' viewpoints and improve our service delivery to meet their needs, and target our support accordingly. The results illustrate their needs and challenges in the following topics which we will prioritize in future training.

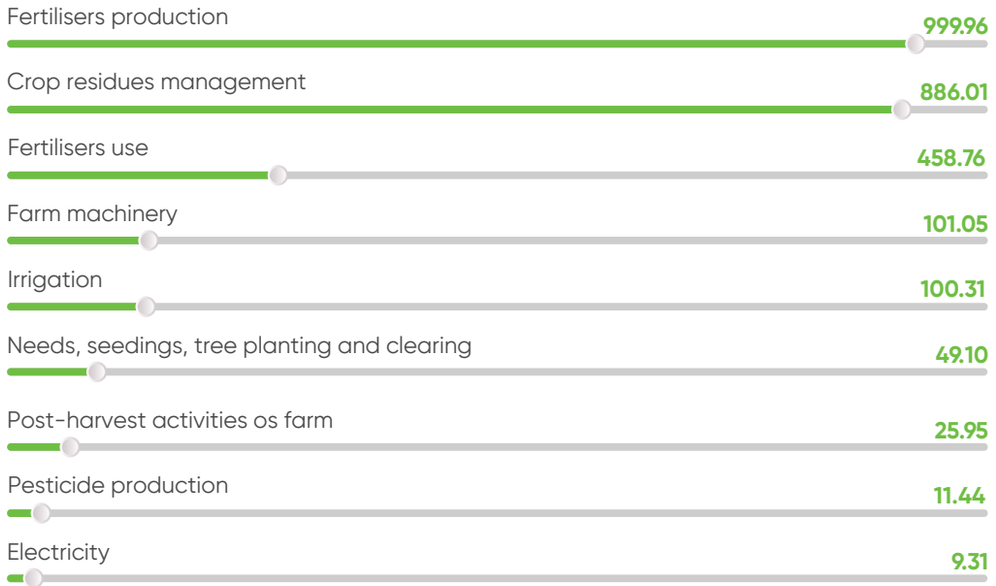
What subject are you interested in?



In the robusta producing Lam Dong, Gia Lai, and Dak Nong provinces of Vietnam, our field team completed a GHG emissions baseline study using the AtSource DFC tool, which determined a level of 2.6 tCO2eq/ton* GBE (Green Bean Equivalent). With fertilizer production and crop residues identified as the major contributors, subsequent reduction efforts targeted precision input management, pruning, weed management, and Good Agricultural Practices (GAP) training for the 1,300 farmers.

Monitoring activities have revealed that these interventions are on track to achieve the target of 0.5-1.5 tCO2eq/ton GBE (Green Bean Equivalent) reduction by 2028, which will result in an average reduction of close to 39% in emissions.

Average on-farm emissions calculated*



*2,6 tCO2eq/ton GBE via AtSource DFC tool based on 156 farmers data points

Climate action: In focus

Packaging solutions for a lighter footprint

ofi's North American roast and ground coffee business, Club Coffee, conducted a Life Cycle Analysis with York University in Toronto to continue measuring the carbon footprint and plastic reduction of its commercially compostable and recyclable paper-based packaging for pods and roast/ground coffee compared to traditional plastic cups and bags.

PurPod100®

Commercially compostable single-serve coffee pods

- Biodegradable Products Institute-certified commercially compostable
- Made with upcycled coffee bean skins
- Diverts nutrient-rich organic coffee from landfill
- Plastic waste reduced by 459.60 T[1]

Reduction of 3,582.56 tCO2eq[1]

[1] 2024 volumes, vs. traditional #5 PP plastic cups.

AromaPak®/Boardio®

Recyclable ground/whole bean coffee containers

- Sustainably sourced paper-based board certified by the Forest Stewardship Council
- Plastic waste reduced by 126.09 T[2]

Reduction of 891.45 tCO2eq[2]

[2] 2024 volumes, vs. multilayer bags and cans.

Regenerating the living world

In the landscapes where our coffee originates, our teams are finding ways to restore nature by acting to identify and remediate deforestation risks. The livelihood support we've provided to 98,600 farmers helps make their existing land more profitable and incentivize more environmentally-sound practices.

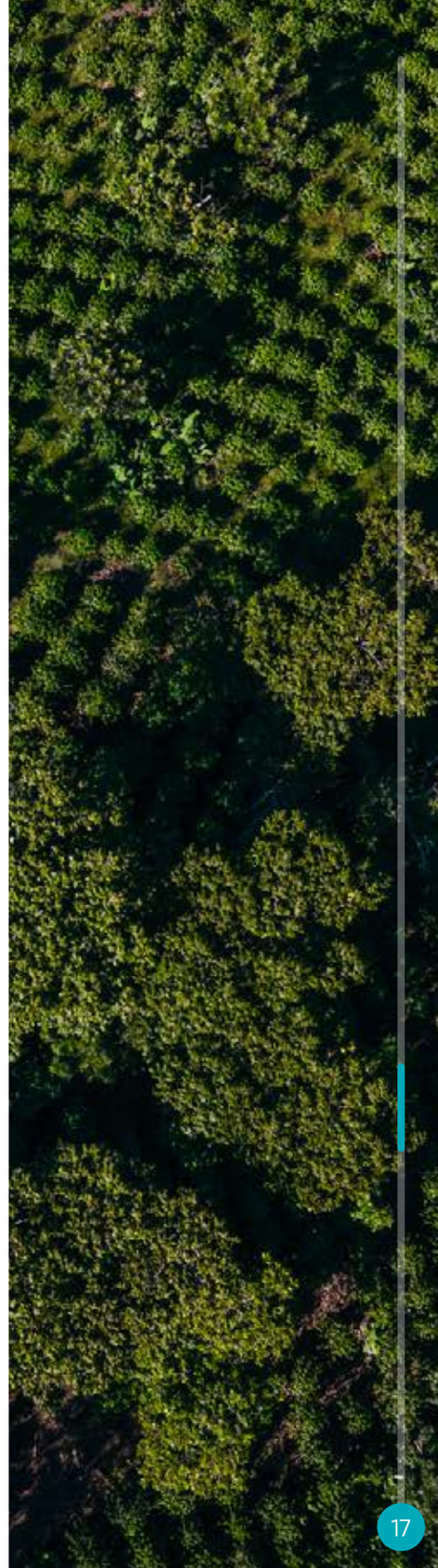
Last year, we doubled the land in our supply chains covered under regenerative agricultural practices from the previous year and continued to conduct deforestation assessments on coffee farms to improve traceability and support customers' compliance requirements. Complementing these efforts, an additional ~16,000 farmers were registered to our direct sourcing network via ofi's digital farmer information system (OFIS) - taking the total to 63,500. Expanding these close connections gives us access to primary data that helps us plan and cost more targeted interventions and ultimately, deliver meaningful change.

2030 targets

- **Remediation actions** are taken whenever deforestation is an identified risk in our supply chains
- **500,000** hectares under regenerative agricultural practices
- **10 million** beneficial trees planted
- **6 coffee living landscapes** with measurable benefits for nature
- **1.5 million m^3** of water saved annually

2024 progress

- **176,000+ coffee plots** analized as part of the remediation deforestation actions. This brings the total farmers in our direct sourcing network to 224,600 registered farmers in our Olam Farmer Information System (OFIS).
- **165,000 hectares** under regenerative agricultural practices, benefiting soil water, biodiversity, and carbon
- **310,500** non-coffee trees distributed in 2024 (species including *Gmelina, Ibiza, Laurel, and Cedar*), cumulating to over 3.1 million non-coffee trees since 2020
- **137,900m^3** of water saved in 2024, largely generated by efficiency improvements in wet mills. (438,000m^3 since 2020)



Regenerating coffee landscapes: In focus

Hear from our expert

"Regenerative agriculture is inherently dynamic and complex. To be effective, solutions must be tailored to local contexts, communities and farmers, and rigorously tested before they can be scaled. A nuanced process like this takes time. Yet, the urgency of today's challenges demands immediate action. That's why our Regenerative Agriculture Toolbox is designed to systematize the process: it supports the consistent collection of a core set of indicators (practice and outcome-based) aligned with industry standards. At the same time it empowers our teams and farmers to understand their unique environments and co-create, test, and refine meaningful solutions."

Alejandra Sarmiento Soler
Regenerative Agriculture Program Manager **ofi**

Implementation principles for regenerative agriculture

One of the main challenges of regenerative agriculture is linking global ambitions to local actions. To create these bridges, we focus on the following implementation principles:

Farmer-centric
Farmers are stewards of their lands and have the final say in adopting and implementing regenerative agricultural practices, which should help to enhance their livelihood and resilience.

Context-dependent
Regenerative agricultural recommendations, implementation, and evaluation are context-dependent and should be co-created with farmers.

Focused on key practices
Priority is given to supporting the handful of regenerative agricultural practices in each context that can deliver the best outcomes for nature and farmers.

Practice-based scoring
Regenerative agriculture is a journey, not an end destination. Thus, progressive adoption and improvement of regenerative agricultural practices are at the core of the **ofi** regenerative agricultural scoring system. Practices are classified based on the type of impact they can deliver on soil health, water, biodiversity or climate, whether it's to minimize, restore, or enhance.

Linking practices with impacts
Assessing impact is vital but can be difficult to measure. We prioritize action and push forward with known beneficial practices whilst improving the ability to measure outcomes:

1. Closely monitor the adoption of regenerative agricultural practices by our suppliers and the farmers we support.

2. Agree on a standard set of outcome indicators to compare progress globally (carbon footprint, water footprint, nitrogen use efficiency, and environmental impact quotient) in line with best practice.

3. Monitor context-specific outcome indicators aligned with priority practices and build on available monitoring capabilities.

4. Deepen the collaboration with knowledge partners to strengthen our understanding of regenerative agricultural impacts in our specific crops and origins.

Supply chain excellence

Rethinking market access for coffee farmers in Brazil with the ofi Direct app

Since launching in 2020, **ofi** Direct has been helping transform how producers in Brazil access markets and connect with buyers. This digital platform addresses longstanding barriers that prevent farmers from capitalizing on favorable market conditions and streamlines operations for **ofi**'s commercial teams.

The challenge
Brazilian coffee producers traditionally relied on physical visits and offline communication to sell their crops, often missing optimal pricing opportunities due to limited market visibility. Meanwhile, **ofi**'s commercial operations faced bottlenecks during peak trading periods, with manual contract processes requiring over 15 minutes per transaction and increasing error risks.

The innovation
ofi Direct enables farmers to complete transactions in seconds from anywhere, offering real-time, personalized pricing based on farm location, sample quality, and sustainability program participation. Bruno, a farmer from Patrocínio in Minas Gerais, explains the impact: "A big advantage is being able to sell even when the market is closed, at any time of day. The trend is growing because it makes life easier for those of us in the field all day."

Transparency and traceability
Every transaction includes comprehensive sourcing information: farmer identity, farm location, signed agreement to the terms of **ofi**'s Agri Supplier Code and sustainability program enrollment. This creates full traceability while supporting ethical sourcing standards.

Impact and growth
Since implementation in 2020, **ofi** Direct has connected approximately 20,000 Brazilian producers to markets, enabling data-driven selling decisions.
As producer Caio from Santo Antônio do Jardim notes: "Even while working in the fields, you can sell coffee. We see the real price on the phone screen. With the app, it's much faster, easier, and more agile."

"**ofi** Direct represents a new era of coffee procurement that's fairer, more sustainable, and efficient," says Jeronimo Pereira, Business Head of **ofi**'s Coffee business in Brazil. "It brings producers closer to the market while helping consumers access sustainably sourced, traceable coffee."

To our partners

We're thankful to our partners, farmers, and customers for your deep involvement, shared commitment, and ongoing collaboration throughout 2024. Your active role in shaping and driving our sustainability programs has helped deliver tangible impact—from more resilient farmer livelihoods to healthier ecosystems and more transparent supply chains. These outcomes are the result of true partnership—working side by side to turn ambition into action, and action into lasting change for the farming communities we work with.

Thank you!

Cross sectoral collaboration

Wageningen university and research

Our collaborative research with Wageningen University explores practical approaches to living income measurement in coffee supply chains. Together, we advocate for 'returns on labour investment'. This focuses coffee sector responsibility on the time farmers actually dedicate to coffee production rather than their entire household income.

For example, if coffee represents 20% of a farmer's working time, industry efforts should target living income for those specific hours rather than the remaining 80% dedicated to other activities. This approach acknowledges the complex realities of smallholder farming while establishing achievable sector commitments.

The Platform Living Wage Financial (PLWF) recently recognized **ofi** as an advanced industry partner in this work. While we acknowledge the structural complexity of living income challenges, we continue advancing concrete solutions through targeted interventions and measurement innovations.

Sustainable Coffee Challenge

The **Sustainable Coffee Challenge** is a collaborative effort of companies, governments, NGOs, research institutions and others to transition the coffee sector to be fully sustainable.

Our primary engagement focuses on the Latin America Coffee Carbon Footprint Baseline Study—a collaborative project developing standardized carbon measurement and data collection approaches across the coffee sector. By 2025, this initiative will establish reliable carbon footprint baselines for Arabica and Robusta production in Brazil, Colombia, Honduras, Mexico, and Peru.

ofi joins 13 other global suppliers and six development organizations in this effort, training technical teams to collect farm-level data using standardized survey methodologies. In 2024, we committed to conducting 100 surveys in Brazil and 60 each in Honduras and Mexico, with implementation beginning in 2025.

International Coffee Organization public-private task force

Through active participation in this initiative, **ofi** helps build consensus between industry and governments on priority actions supporting sector sustainability and grower community prosperity. The Task Force focuses on identifying shared challenges and developing coordinated responses that benefit coffee communities globally. Our involvement supports efforts to create sustainable, fair coffee systems at both local and international levels, fostering collaboration between public and private stakeholders.

Sustainability glossary

Agri Supplier Code (ASC): Details the environmental, social, and governance principles stated in our corporate policies that we expect all our suppliers to respect (including respect for laws; corporate governance and integrity; quality and safety; labor r ironment; and human rights).

Child: Any person under the age of 18.

Child labor: 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). The worst forms of child labor include children being enslaved, separated from their families, exposed to serious hazards and illnesses, and/or left to fend for themselves on the streets of large cities – often at a very early age.

Child Labor Monitoring and Remediation System (CLMRS): A system used to identify and target prevention, mitigation and remediation actions to children involved in, or at-risk of, child labor.This can be the implementation of the digital CLMRS available on OFIS or an alternative set of activities aimed at child labor sensitization, case identification, prevention and remediation.

Community household: A household where no household member is an **ofi** farmer. Community households can be in farming and non-farming communities.

Customized support: Where at least two different farmer segments are identified within a program and are provided with tailored support.

Decarbonization: The process by which CO2 emissions associated with production activities of a company or industry (e.g.; Energy use, farm inputs use, transport) are reduced or eliminated. (Source: SBTi Glossary I Version 1.0 I).

Deforestation-free: Deforestation-free supply chains do not cause or contribute to deforestation, as defined by the Accountability Framework Initiative. The EU Deforestation Regulation requires a deforestation-free cut-off date of 31st December 2020.

Education support: An intervention aiming to improve children's access to quality education. Examples of interventions that are considered are the facilitation of birth certificates, building or repairing school infrastructure and the distribution of school material & equipment (school kits, schoolbooks, etc.).

Enhanced livelihood support: A package of livelihood support combining at least one relevant training, and at least one tangible support over at least two years (years don't need to be consecutive), that helps increase a farmer's income from main crop, food crops, or other farm or off-farm activities.

- **Training:** An activity that promotes a farmer household's knowledge, or skillset to directly improve a farmer's livelihood (e.g. Good Agriculture Practices, sewing, beekeeping, or financial training)
- **Livelihood Service:** A support provided to a farmer in the form of work accomplished directly on their farm that may or may not include supplies (e.g. a pruning service). A service is also any non-material support that is not of a training nature (e.g. financial loans). The service might be provided for free, be funded, or not.
- **Input/Tool:** An item provided to aid farmer's work, in most cases this will be farm tools (e.g. tarpaulin, pruning shears, moisture meter) but it can be any tool helping farmers to improve their revenue. Inputs are mainly provided for free, subsidized, or not (e.g. fertilizer, pesticide)
- **Infrastructure:** A structure or facility provided to a farmer or a farmer group to help generate more income, save costs, or keep production value (e.g. drying tables, a road, warehouse, chicken coop)

Enhanced nutrition or health support: Enhanced nutrition support includes at least one nutrition training intervention and one other type of nutrition intervention (supplies, screening & services, or infrastructure). Similarly, enhanced health support considers one health training intervention and one other type of health intervention.

Farmer: Any individual that (1) owns / co-owns a farm holding, (2) is a member of the farmer household who is working on the family farm, or (3) is employed to manage a farm or is a Tenant farmer (sharecropper). This does not include hired farm labor.

Farming community: The set of the people who live in rural areas in the origins where **ofi** operates.

FLAG: Forest, Land and Agriculture. GHG emissions from Agriculture, Forestry, and Other Land Use (AFOLU), including:

1. GHG emissions associated with land use change (LUC)
2. Emissions from land management (i.e., nitrous oxide and methane from enteric fermentation, biomass burning, nutrient management, fertilizer use and manure management); and
3. Biogenic removals (i.e., forest restoration, silvopasture, improved forest management, agroforestry and soil carbon sequestration)

GHG emissions: Refers to the release of greenhouse gases (GHGs) into the atmosphere. They include the six gases covered by the United Nations Framework Convention on Climate Change (UNFCCC) i.e. Carbon dioxide (CO2); Methane (CH4); Nitrous oxide (N2O); Hydrofluorocarbons (HFCs); Perfluorocarbons (PFCs); and Sulphur hexafluoride (SF6).

- **Scope 1:** GHG emissions from sources that are owned or controlled by the organization. Examples: CO2 emissions from fuel consumption. Note: A GHG source is any physical unit or process that releases GHG into the atmosphere.
- **Scope 2:** Greenhouse gas (GHG) emissions that result from the generation of purchased or acquired electricity, heating, cooling, and steam consumed by the organization.
- **Scope 3:** Indirect GHG emissions not included in energy (Scope 2) GHG emissions that occur in the value chain of the reporting company, including both upstream and downstream emissions.

Good Agricultural Practices (GAP): As defined by Food and Agriculture Organization (FAO), a GAP is a "collection of principles to apply for on-farm production and postproduction processes, resulting in safe and healthy food and non-food agriculture products, while taking into account economic, social and environmental sustainability".

High-Risk Sourcing supply chain: A sourcing origin with a Landscape Deforestation Risk Index (LDRI) score of at least 4% (the recommended threshold according to Olam's 2018 White Paper) is considered high-risk

High-risk supply chain for forced labor: An **ofi** sourcing origin (product country combination) where there is a significant risk of forced labor.

Human rights remediation: Remediation refers to the process or act of providing remedy, aiming to restore individuals or groups that have been harmed by business activities to the situation they would have been in had the impact not occurred. If the latter is not possible, it can involve compensation or other forms of remedy that try to make amends for the harm caused. Examples: mediation, apologies, repatriation, financial or non-financial compensation, and punitive sanctions as well the prevention of harm through, for example, sanctions or guarantees of non-repetition.

Sustainability glossary

Integrated Pest Management (IPM): Also known as integrated pest control and is a broad-based approach that integrates both chemical and non-chemical practices for economic control of pests. IPM aims to suppress pest populations below the economic injury level. This requires sound understanding and monitoring (I.e. scouting) of pests and their natural enemies.

A livelihood program: A program delivering livelihood support.

Livelihood support: At least 1 support of any type, that helps increase a farmer's income from main crop, food crops, or other farm or off-farm activities, e.g., Training, Services, Inputs & Tools, Infrastructures:

- **Training:** An activity that promotes a farmer household's knowledge, or skillset to directly improve a farmer's livelihood (e.g. Good Agriculture Practices, sewing, beekeeping, or financial training)
- **Livelihood Service:** A support provided to a farmer in the form of work accomplished directly on their farm that may or may not include supplies (e.g. a pruning service). A service is also any non-material support that is not of a training nature (e.g. financial loans). The service might be provided for free, be subsidized, or not.
- **Input/Tool:** An item provided to aid farmer's work, in most cases this will be farm tools (e.g. tarpaulin, pruning shears, moisture meter) but it can be any tool helping farmers to improve their revenue. Inputs are mainly provided for free, be subsidized, or not (e.g. fertilizer, pesticide)
- **Infrastructure:** A structure or facility provided to a farmer or a farmer group to help generate more income, save costs, or keep production value (e.g. drying tables, a road, warehouse, chicken coop)

Living landscape partnerships: A Living Landscape Partnership is a multi-functional sourcing area where **ofi** has a long-term and large-scale plan to achieve holistic transformational change for nature and people by leveraging multi-stakeholder partnerships that co-design & foster a common vision and goal for managing the landscape sustainably. Living landscapes are strongly rooted in a theory of change that seeks to address root causes of unsustainable outcomes across environmental and socio-economic dimensions, therefore aiming to demonstrate impact beyond program implementation.

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."

Non-FLAG: Refers to an emissions source that is generated from non-FLAG activities (see Scope 1 GHG Emissions – FLAG for FLAG definition)

Non-ofi crop tree: Non-**ofi** crop trees refer to native or non-native tree species that are not part of the core traded crop portfolio of the implementing **ofi**business unit. These trees are planted in or around farms for a variety of beneficial purposes—such as shade, timber, fodder, fruit, medicinal use, biological control, windbreaks, soil stabilization, or hedging.

Each **ofi** business unit (e.g., cocoa, coffee, almonds, hazelnuts) may plant trees associated with other **ofi** crops, as long as they are not the same crop that the unit trades or sources. These trees are considered "non-**ofi** crops" within the context of that specific business unit.

Examples: coal; fuels distilled from petroleum or crude oil, such as gasoline, diesel fuel, jet fuel, and heating oil; fuels extracted from natural gas processing and petroleum refining, such as butane, propane, and liquefied petroleum gas (LPG); natural gas, such as compressed natural gas (CNG), and liquefied natural gas (LNG); nuclear power.

Nutrition or health intervention: An activity that is aimed at contributing to improved nutrition or health. This can include trainings, supplies, screening & services, and infrastructure.

ofi farmer: An '**ofi** farmer' consists of a farmer that is registered within ofi's supplier base, whether it be in OFIS or outside of OFIS.

ofi farmer household: A group of people living in the same dwelling who farm at least one plot together, and where 1 or more household members is an **ofi** farmer. An '**ofi** farmer' consists of a farmer that is registered within ofi's supplier base, whether it be in OFIS or outside of OFIS.

ofi woman farmer: A female farmer, member of a farming household engaged in farm work or short-term/long- term farm worker working on the farm. Women farmers are registered within ofi's supplier base, whether it be in OFIS or outside of OFIS.

Olam Farmer Information System (OFIS): OFIS is a survey tool used by field teams to collect data, manage training activities, and track financing, input distribution and purchases precisely.

Regenerative agriculture: Regenerative agriculture is an approach to food production, working with nature to build and restore Natural Capital (Soil, Water, Biodiversity and Carbon) on and around farms whilst optimizing inputs and ending harmful and destructive practices. Regenerative practices are context specific, adapted to agro-ecological conditions.

Regenerative agriculture program: A regenerative agricultural program consists of any type of structured support activities (internal and/or with a customer or other partner support) in which regenerative agricultural practice implementation is incentivized (through financial or non-financial mechanisms), and at least 2 of the following pillars are addressed: Climate (farm carbon footprint), Soil Health, Biodiversity, and Water.

Supply chain: The combination of a product and its origin that **ofi** is directly or indirectly sourcing from.

Sustainable volumes: All certified and/or AtSource Plus volumes.
Tier 1 & Tier 2 operations: Classification of Tier 1 and 2 operation is defined by the **ofi** H&S department as follows:

- **Tier 1 operations:** Facilities used for the large-scale production of products are referred to large manufacturing plants.
  Large manufacturing plants with 3 or more of the following criteria are classified as Tier 1 operation facility as shown below:

  1. Production Volume ≥ 10,000 MT
  2. No of People ≥ 250
  3. Capital Investment ≥ $25 Million USD
  4. Process Complexity – Medium and High
  5. QEHS Risks – Medium and High

- **Tier 2 operations:** Manufacturing plants that do not fall in Tier 1 facility category will be classified as Tier 2 facility. Facilities that have processes such as cleaning, grading, sorting and packing with machineries for the operations are also classified as Tier 2 facility. Example: Small manufacturing, plantations/orchards/farming operations, packaging facilities.

Traceable volumes: Volumes that can be traced back to their specific producers (e.g. farmers, farming cooperatives, farmer groups) through chain of custody documentation.

Transparency: Supply chain transparency refers to the strategy of how to disclose supply chain and sourcing information to stakeholders. Transparency is defined by what data you are going to be transparent about, to whom, and how often, or when. Any company pursuing visibility needs to consider transparency upfront. (Source: BSR, 2019).

Youth: Individuals aged 15-24.

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