Mondelēz International and Olam Food Ingredients Announce Partnership in Indonesia to Create World’s Largest Sustainable Commercial Cocoa Farm

• Leading chocolate maker and largest cocoa supplier aim to strengthen sustainable cocoa sourcing in Indonesia
• 2,000-hectare cocoa farming model of the future to restore environmental productivity, improve farmer livelihoods and empower local communities

Chicago & Jakarta, 22 April 2021 - Mondelēz International, Inc., a global leader in snacking, and Olam Food Ingredients (OFI), a leading supplier of cocoa beans and cocoa ingredients, have today announced a new collaboration in Indonesia to create the world’s single largest sustainable commercial cocoa farm. The model builds on Mondelēz International’s experience with the company’s signature sustainable sourcing program, Cocoa Life, and OFI’s ambition for sustainable cocoa, Cocoa Compass, to test a scalable approach for the future of commercial cocoa farming.

From sensors in fields to advanced irrigation systems, the project will use the latest climate smart and plant science technology – rarely used to grow cocoa at this scale – as innovations included in this 2,000-hectare cocoa farm on Seram, the largest island in Maluku province in Indonesia. The model tests a new, modernised and professional blueprint for best practice cocoa farming, optimal land usage and farming community planning which will be explored as a potential model for replication across the region.

Demand for cocoa is growing across Asia, which is set to become the second largest consumer of cocoa ingredients in the world. Indonesia is a key cocoa-producing country in the region, but farmers have struggled with rising temperatures, low yields and crop disease. Combining their respective expertise in cocoa growing research and development, sustainable cocoa farm management, and good agricultural practices, Mondelēz International and OFI will tackle these problems by improving the livelihoods of partner cocoa farmers, empowering communities and restoring the environmental productivity of a previously deforested landscape.

The partnership aims to deliver:
• The creation of 700 jobs for local residents in an area which has limited income opportunities due to its isolated location. Nearly half of these employment opportunities will go to women.
• 2,000 hectares of previously deforested brown field land, which will be planted with cocoa, forest shade trees and fruit trees to promote biodiversity and carbon capture. More than 1,080 hectares have already been planted across the total plantation area of 3,380 hectares.
• An area of 47 hectares which has been identified as High Conservation Value forest and is being fully protected as a vital habitat for flora and fauna.
• A seedling nursery which will grow one million high-yielding cocoa seedlings each year.
• Access to healthcare and education for all employees and their families, as well as housing, electricity, water, day care and a cooperative store for the 200 families who live on site.

Quentin Roach, Senior Vice President, Global Supply Chain & Chief Procurement Officer, Mondelēz International comments: “As one of the world’s leading chocolate makers, we’re on a mission to make cocoa right and to secure a sustainable future for an ingredient essential to our business. With nine years of measurable impact demonstrating improved farmer’s livelihoods and reduced environmental impact of cocoa farming through our signature sustainable sourcing program, Cocoa Life, we’re excited to leverage our know-how in a collaborative approach to sustainable raw material sourcing with a geographically customized solution. Creating opportunities to innovate, in partnership with our suppliers, and exploring the ability to scale high-yielding, forest-positive, income-generating approaches to commercial cocoa farming on the single largest farm of its kind offers attractive potential and is an important step forward on our journey to lead the future of a sustainable and resilient cocoa supply. This initiative sits alongside Mondelez International’s existing Cocoa Life program in Indonesia and our cocoa crop science technical center in Pasuruan, established to support sustainable cocoa farming practices and drive positive change for farmers and communities in the region.

Gerard A. Manley, CEO of OFI’s Cocoa Business, comments: “This could be truly game-changing for the future of cocoa in Indonesia and beyond. We would like to thank the regional and national governments of Indonesia for their support. Ever since we launched our first sustainability program in the country more than 16 years ago, we have been committed to supporting Indonesian cocoa farmers while also protecting the environment. We reaffirmed this commitment through our acquisition in 2019 of the country’s largest cocoa processor, BT Cocoa, to connect the full supply chain from cocoa beans to cocoa ingredients. We’re now combining our expertise and knowledge with Mondelēz International, a steward of some of the world’s most iconic snack and chocolate brands. Having just announced the achievement of our 2020 sustainability goals, we believe this partnership is a further significant step towards our Cocoa Compass ambition to have a positive impact on the future of cocoa.”

Prashant Peres, President Director of Mondelez Indonesia, explains that this partnership further signifies Mondelez International’s commitment to continue investing in Indonesia and grow with the Indonesian people. “After launching a cocoa research center in Pasuruan, East Java last year, we hope this program will further strengthen the momentum to develop innovative, effective, and environmentally
friendly cocoa farming technologies that will encourage the development of a sustainable cocoa sector in Indonesia," he concluded.

About Mondelēz International
Mondelēz International, Inc. (Nasdaq: MDLZ) empowers people to snack right in over 150 countries around the world. With 2020 net revenues of approximately $27 billion, MDLZ is leading the future of snacking with iconic global and local brands such as OREO, belVita and LU biscuits; Cadbury Dairy Milk, Milka and Toblerone chocolate; Sour Patch Kids candy and Trident gum. Mondelēz International is a proud member of the Standard and Poor’s 500, Nasdaq 100 and Dow Jones Sustainability Index. Visit www.mondelezinternational.com or follow the company on Twitter at www.twitter.com/MDLZ.

About Cocoa Life
Cocoa Life is Mondelēz International’s signature sustainable sourcing program through which the company is leading a transformation to build a thriving cocoa sector. As a vital ingredient, Cocoa Life was launched in 2012 as a $400 million USD investment to create a sustainable future for cocoa by holistically tackling the complex challenges cocoa farmers and their communities face. By 2022 Cocoa Life will empowering over 200,000 farmers and reach one million community members across six cocoa-growing countries: Ghana, Côte d'Ivoire, Indonesia, India, the Dominican Republic and Brazil. Cocoa Life’s approach goes beyond certification, working on the ground, together with the men and women who make their living from cocoa to improve livelihoods, strengthen communities and inspire the next generation of cocoa farmers. Learn more at www.cocoalife.org.

About Olam Food Ingredients
Olam Food Ingredients (OFI) 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 Olam’s industry-leading businesses of Cocoa, Coffee, Edible Nuts, Spices and Dairy.

OFI has built a unique global value chain presence including its own farms, 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.

About OFI’s Cocoa Business
OFI is a leading supplier of cocoa beans and cocoa ingredients (cocoa powder, cocoa butter and cocoa liquor) and ranks amongst the top three processors worldwide. A leader in sustainable cocoa, its sustainability ambition, Cocoa Compass, sets challenging goals for its direct source supply chain which include helping 150,000 farmers to achieve a living income, eliminating child labour from its supply chain and creating a net increase in tree carbon stock by 2030. It sources from all major cocoa growing countries across Africa, Asia and South America, and has a cocoa processing, milling and refining presence in, or adjacent to, primary consumption markets in Europe, the Americas, and Asia. Supplying to over 2,000 customers globally, OFI is a close collaborative partner in their innovation and product development programmes.
Its portfolio of ingredient brands is led by deZaan, with its heritage of more than 100 years of excellence, as well as African brand Unicao, South American brand Joanes, the regional Macao and Huysman cocoa powder brands, BT Cocoa in Indonesia, and Britannia confectionery and specialty fats brand. Olam Food Ingredients has a global cocoa bean grind capacity in excess of 820,000 metric tonnes, and a refining and milling presence of over 80,000 metric tonnes in, or adjacent to, primary consumption markets in Europe, the Americas, and Asia.

Contacts:

Khrisma Fitriasari
Head of Corporate Communication & Government Affairs
Mondelēz Indonesia
Mobile +62 813 1020 0647
Email Khrisma.Fitriasari@mdlz.com

Nur Arif Fadillah
Senior Consultant
Logic! PR
Mobile +62 852 8779 3238
Email arif@logicpr.id