

THE OFFICIAL OLAM SPICES SUSTAINABILITY NEWSLETTER

GROWING RESPONSIBLY



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Re-Generating the Living World

Reducing ghg in our California Supply Chains

The Soil Nitrogen Efficiency Project (SNEP) will begin with the 2021 crop season, intending to enhance sustainability in our California supply chains by partnering with growers to reduce nitrogen fertilizer applications by 25-50%. The program will reduce ghg emissions, protect water quality and increase profitability for us and our farmer partners.

According to the [US Environmental Protection Agency \(EPA\)](#), the impact of 1 pound of nitrous oxide (N₂O) on warming the atmosphere is almost 300 times that of 1 pound of carbon dioxide (CO₂). N₂O is a type of greenhouse gas found naturally in the Earth's atmosphere but it is also emitted through agriculture during various soil management activities. In 2018, agricultural soil management was the largest source of N₂O emissions in the United States, accounting for about 77.8%.

In an effort to reduce emissions through decreasing nitrogen-based fertilizer applications and applying these fertilizers more efficiently, Olam is partnering with some of our best onion and garlic growers to share the financial risk and collaborate to better understand the impacts on farmers soils, yields and finances.



AtSource+ Chilli Achieved in India

Our team in India has recently on boarded their first supply chain onto Olam's [AtSource](#) Plus platform. The team went through the arduous process of collecting data related to over 100 AtSource social and environmental metrics representing 6 farmer groups and 288 farmers growing red chilli.

To onboard a product, the team must first perform the Olam supplier risk assessment. This involves 'ground truthing the supply chain' by evaluating the suppliers on their performance on safe and decent work, diversity and inclusion, healthy ecosystems, healthy soils, water and food safety and quality. If any category is found to be non-compliant, teams are asked to create an action plan to improve the situation before moving forward.

Once the risk assessment has been approved by our AtSource and Corporate Responsibility and Sustainability teams, they begin to collect the metrics. Reported social metrics include details such as the number of female farmers, farmer households

with access to healthcare and farmers trained on Good Agricultural Practices. Meanwhile, metrics used to calculate environmental footprints for each farmer group includes details such as the quantity of chemicals and organic fertilizer applied, total pesticides applied and water used during irrigation.

This will allow our customers greater insight into their products, as well as opportunities to partner together to continually improve supply chain efficiency and related community and farmer livelihoods.



Prosperous Farmers and Farming Systems

Partnering with PeaceTrees Vietnam

In Vietnam, we have partnered with Costco, Olde Thompson and other wholesale spice distributors on the Black Pepper Farming Project, a joint initiative with PeaceTrees Vietnam, a non-profit organization with a mission to create a safe and successful future for children and families endangered by the legacy of the Vietnam War. The project benefits 60 farming families in Con and Tram villages, which are located near the Laotian border in Huang Hóa District and are composed of rural, largely ethnic minority communities.

PeaceTrees clears the land of old mines or explosives to allow local growers the ability to safely use the land. They have provided 3,000 supporting trees and 12,000 rooted pepper cuttings for 60 farmers to plant with technical support from Sonha company. The total pepper planting area is about 3 hectares (1.5 ha in each village).

To support the farmers on our end, Olam has purchased all of the black pepper produced by project farmers in 2018 and 2019 (about 400 kg). In part, this is to better evaluate the pepper farms progress and solutions for improvement. Since the beginning of the project, Olam has:

- Recruited field staff for technical support
- Delivered 1,600 rooted cuttings for replanting (Jul 2019)

- Delivered 1,217 kg of fertilizers (Oct 2019)
- Delivered 1,432 kg of fertilizers (Feb 2020)
- Supported farmers with harvesting (Mar & Apr 2020)
- Continue to hold trainings to support the farmers and assist with fertilizer application

With PeaceTrees helping to clear the land, Olam Spices providing strong, local expertise and Costco and Olde Thompson for the offtake, we have a winning combo.



Visiting demonstration farms



Delivering seedlings



Delivering fertilizers



On-farm training

Cultivating Certified Organic Cassia in Vietnam

Our cassia supply chain in Van Yen District, Yen Bai Province, one of the main cassia growing regions of Vietnam, is now USDA and EU certified organic. Olam has trained 182 cassia farmers in the Northern highlands of Vietnam in organic production – across all farmers, there is the potential to produce 900 Ha with a total production potential of 1,134 Mts of cassia per year.

In collaboration with local entrepreneurs, Olam has put together three buying stations near the organic farms to allow farmers to easily sell their crops. This

not only provides farmers a good premium for the cargo they sell, but Olam also supports farmers through technical assistance, simultaneously ensuring they get the maximum possible yields while preventing environmental damage. The cassia supply chain is also fully traceable as we are directly connected to the farmers.

Rather than contracting farmers who are already certified organic, in this scenario, Olam works closely with growers to do the hard work together and ultimately it is an Olam owned project from end to end.

Thriving Communities

Healthy Communities

In Egypt, Olam Spices works with a third-party company to peel the onions before they are dehydrated and processed. The majority of our 60 peelers are women and many of them mothers. To support our suppliers who may have few childcare options during the workday, Olam has installed a school and nursery providing a safe place for children to learn and play. The school is free of charge and supports 35 children living in the community, whether their parent works as a peeler or not.

On staff, we have two teachers and a nanny. The facility provides toys, books, desks and chairs for students. This initiative has not only benefited the peelers and community but has also positively impacted Olam, in terms of productivity and employee retention.

Word has spread about the success of the project and UNICEF Egypt, in partnership with the Federation of Egyptian Industries (FEI) and the International Labor Organization (ILO), has highlighted our childcare initiative as an example of a family-friendly workplace policy that other companies should look to for inspiration.



Empowering Egyptian Women

Olam Spices has partnered with [EconoWin](#) and the [Goethe-Institut](#) on an initiative called [Pro Girls](#), to encourage and support young women interested in entering traditionally male dominated sectors such as agriculture and processing. Pro Girls partners with various companies whose work involves science, technology, engineering and mathematics (STEM) to provide the girls with firsthand experience and industry insights.

The program gives girls in Egypt, ages 14 to 17, who are enrolled in secondary school, the opportunity to learn leadership and management skills and meet female role models to widen their career options. Olam Spices has contributed to the program through

the creation of online training sessions, which have been attended by over 80 girls. The training sessions discuss what Olam does, AtSource (our sustainability platform) and general tips on the labor market, time management, creating career plans and business in general. Ultimately, the hope is to inspire young women so they feel motivated and empowered to confidently choose the career that is right for them.

ECONOWIN



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