

CASHEW TRAIL

Creating a trail to sustainable cashews through partnerships







We need the support, expertise and reach of our customers and partners to make a real difference to farmers, communities and the planet.

Ashok Krishen - CEO Nuts. ofi

SCALING POSITIVE IMPACT IN CASHEW SUPPLY CHAINS

Every nut tells a story – how it was grown, cracked open, processed and then packed for the enjoyment of consumers. That story starts with hard-working farmers and processing workers, but many face real and present challenges in their day to day lives. That is why we are setting ambitious targets to tackle the most pressing issues in the cashew supply chain, starting with farmer poverty.

Q. What are the issues facing cashew farmers?

As one of the world's largest suppliers of nuts, **ofi** has been working for well over a decade to tackle the most pressing issue faced by cashew farmers: poverty. Cashew farmers are among the poorest farmers in the world. There are around 1.65 million cashew farmers across the globe, many of whom operate in highly rural areas across Africa and Asia, typically surviving on less than US\$3 a day. In countries like Ghana, earnings for cashew farmers drop to US\$1.3 a day – falling below the International Poverty Line. They cannot always grow enough to feed their families, let alone send their children to school or afford vital healthcare.

They urgently need the industry to step up and support them. But compared to cocoa or coffee, there has been far less impetus at a global level to tackle poverty in the cashew supply chain. We've been working for over a decade to change that. With the help of new and existing partners, **ofi** provides a unique platform to make a profound impact; one where farmers can earn a living, so they not only survive but also thrive.

Q. What about issues beyond the farm gate?

Much of the world's cashew processing happens in Asia. As the largest processor of cashew in Africa, we remain committed to Africa-based processing; not only does it reduce the GHG emissions created when the raw cashew is transported by sea to Asia, but it also creates jobs and economic opportunity in producing countries like Côte d'Ivoire and Nigeria.

Q. Tell us about ofi's sustainability efforts so far?

We've worked with customers and partners for over a decade to tackle poverty and create lasting positive impact at each step of the cashew supply chain, from donating robust seedlings, to launching health campaigns, and constructing boreholes. With our customers and

partners including Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ), ComCashew and Global Alliance for Improved Nutrition (GAIN), **ofi** has already supported 50,000 smallholder cashew farmers in Africa and Asia. But we stand ready to do much more. Our ambition is to increase this fivefold so that 250,000 people have the opportunity for enhanced livelihoods by 2030.

Q. What are ofi's commitments to the cashew sector for 2030?

We have launched our first publicly stated goals and targets for a fair and more resilient supply chain. One where farmers and workers earn enough to support their families, everyone has access to education and opportunities, and where the natural world is protected. This includes a commitment to increasing cashew farmer yields by 50%, helping 250,000 households improve their livelihoods and providing US\$4mn in premiums.

We will need an unprecedented level of data to monitor our supply chain, tailor our interventions, and measure our progress. We will manage this through AtSource Plus, our sustainability insights platform, by tracking 100+ economic, social and environmental metrics from the farms right through logistics and processing. We are aiming for 100% of our direct cashew volumes to be traceable to farmer group-level, via AtSource Plus, by 2030.

We cannot do this alone. We need the support, expertise and reach of our customers and partners to make a real difference to farmers, communities and the planet. So please join us on our trail and together we can scale positive impact.



To find out more about how you can support the Cashew Trail cashewtrail@ofi.com

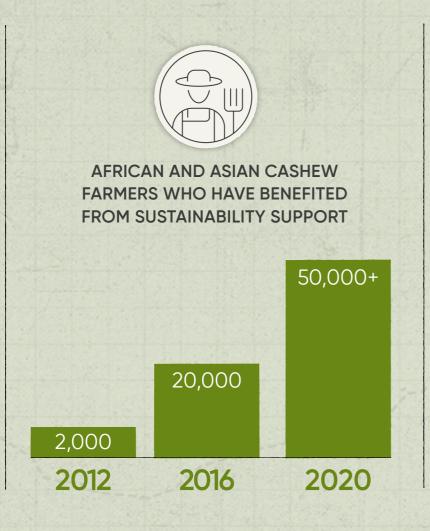
OUR SUSTAINABILITY PROGRESS TO DATE



2008

FIRST FARMER GROUPS FORMED

in Côte d'Ivoire to provide traceability to farm-level.









WINNER 2020

Best Company in Community Support Project

Sustainability and Social Investment Awards 2020, Ghana.



WINNER 2020

Innovation Leader Award

for Olam Direct, 2020



WINNER 2019

Out-standing Agri-business Sustainability Company

Ghana Agribusiness & Leadership Awards.



RUNNER UP 2013

Guardian Sustainable
Business Awards

Supply Chain Category, Côte d'Ivoire.

ofi CASHEW THROUGHOUT THE YEARS



1989

ofi Cashew Operations Started in Nigeria.



1991-94

AFRICA OPERATIONS
EXTENDED TO
CÔTE D'IVOIRE,
GHANA AND
TANZANIA.



1995

PROCESSING FACILITY OPENED IN KERALA, INDIA.



2000-02

SOURCING OPERATIONS STARTED IN VIETNAM AND INDONESIA.



2005

EXPANSION OF PROCESSING OPERATIONS IN CÔTE D'IVOIRE, INDIA AND VIETNAM



2010-12

MECHANISED PROCESSING
STARTED AT BOUAKÉ,
CÔTE D'IVOIRE AND
ILLORIN, NIGERIA,
QUOY NHON, VIETNAM.
AFRICA OPERATIONS

EXTENDED TO **BURKINA FASO**.

PACKING FACILITY ESTABLISHED **BIEN HOA, VIETNAM.**



2020

MECHANISED
PROCESSING
FACILITY OPENED
IN ANYAMA,
CÔTE D'IVOIRE.



2021

FULLY INTEGRATED
CASHEW BUSINESS
PRESENT IN MOST MAJOR
PRODUCING AND
PROCESSING ORIGINS.
EMPLOYING 10,000
PEOPLE ACROSS CASHEW
SUPPLY CHAIN, 75% OF
WHOM ARE WOMEN

TOWARDS THE FUTURE

BY 2030



Economic Opportunity



Education & Skills



Nutrition & Health



Diversity & Inclusion



Climate Action

250,000

FARMERS TRAINED on Good Agricultural Practices (GAP)

250,000*

for **ENHANCED LIVELIHOODS**

YIELD INCREASES for farmers

CASHEW FARMERS GLOBALLY

* Includes farmers and wider members of

100% of **ofi EMPLOYEES** in processing facilities have **ACCESS TO PROFESSIONAL SKILLS AND**

50,000

LITERACY AND NUMERACY

100,000

farmers **TRAINED** on **BUSINESS** AND MARKETING SKILLS

100%

of **CHILDREN**, from directly sourced cashew communities, benefitting from **INVESTMENTS** INTO EDUCATION **INFRASTRUCTURE**

DEVELOPMENT OPPORTUNITIES

NUTRITION AND HEALTH IMPROVED FOR

500,000

250,000

PREVENTION AND FIRST AID

1,000

villages with **IMPROVED** HEALTH, INFRASTRUCTURE AND **SUPPORT**

100%

of ofi employees in PROCESSING **FACILITIES** have access to **NUTRITION PROGRAMMES** and support

30%

of registered farmers are **WOMEN**

100%

of registered **WOMEN FARMERS** participate in **FARMER** TRAINING PROGRAMMES

50,000

WOMEN benefitting from labour saving TOOLS AND EQUIPMENT

5,000

VILLAGE SAVINGS AND LOANS **ASSOCIATIONS** (VSLAs)

250,000

SMART AGRICULTURAL PRACTICES and **WASTE REDUCTION**

50%

reduction of GHG emission intensity in CASHEW SUPPLY CHAINS

Landscape partnerships in place to end **ECOSYSTEM LOSSES** and **REGENERATE FORESTS** in all high-risk sourcing areas

30%

of **ENERGY CONSUMPTION** in PROCESSING FACILITIES to come from **RENEWABLE SOURCES**





Alleviating poverty by creating economic opportunity

For many cashew farmers their orchard provides their only source of income. But with just one harvest a year, the majority are often not able to grow enough to support their families. That is why we focus on increasing yields and cashew farmer incomes. We do this in a number of ways, from providing access to credit and innovative training programmes, to supplying robust seeds and effective organic fertilisers. By 2030, we will support farmers' incomes by increasing their average yields by 50% and help 250,000 cashew households to improve their livelihoods. This will have a profound impact for those below or at the precipice of the International Poverty Line. As the largest cashew processor in Africa, our efforts to process raw cashew nuts where they are grown has also created thousands of jobs in processing and logistics.

SDGs	1 in it is a second of the sec		
VISION	Cashew farmers prosper through increased yields, income and employment opportunities, and reduced post-harvest loss.		
2030 TARGETS	Increase average yields of cashew farmers by 50% Deliver training on Good Agricultural Practices (GAP) to 250,000 farmers		
	Support the livelihoods of 250,000 cashew households* through capacity building, cooperative support, access to finance, producer goods, and economic infrastructure initiatives		
	Distribute US\$4mn in premiums to cashew farmers globally.		
	* Includes farmers and wider members of farming communities.		



Upskilling to improve cashew yields and quality

Yields and quality can often be improved through simple agricultural practices such as pruning, giving a much-needed boost to farmer incomes. But many farmers can lack the knowledge, skills or resources. ofi's field staff train smallholder farmers across Africa and Asia on Good Agricultural Practices (GAP) in pruning, crop diversification, farm management, optimal post-harvest and storage techniques, as well as supplying inputs. This helps them produce more to sell and increase the quality of what they sell. Many programmes also integrate certifications such as Organic and Fairtrade, which command a premium.

US\$3.4mn

in premiums distributed to cashew farmers since 2012

50,000 GAP trained farmers since 2012

57%

Increase in yields for Côte d'Ivoire cashew farmers between 2011-2020



Promote financial inclusion with mobile banking

Given limited access to banking services, associated fees and cash theft in many cashew growing origins, we are rolling out mobile banking to our farmers and processing employees in Côte d'Ivoire, improving access to finance and savings.

US\$50,000
in payments by mobile transfer since 2020



Digitising cashew chains to empower farmers

The Olam Direct platform has enabled 7,000 farmers across Ghana and Vietnam to access the latest market prices and negotiate directly with us rather than traditional buying agents. This means they can retain more value from their crop, as well reduce their expenses as **ofi** manages "last mile" collection.

Costs savings amount to

4 weeks
worth of food*

* the average daily food budget for a typical Ghanaian household is 14-15 Cedi (\$2.40 - \$2.58 USD)



After taking GAP training, the quality and yield of my farm's cashews have improved. Harvests are bigger and the cashews are healthier, too.

Puih Thinh Cashew farmer in la Grai, Vietnam.



PARTNER WITH US

Fight poverty

by expanding GAP training to more farmers, which enables them to increase in their yield and quality of cashews

Promote financial inclusion

by rolling out mobile banking to farmers and processing employees in Côte d'Ivoire

Boost the income of farmers

by providing them with access to yield enhancing agri-inputs, such as robust crops and quality organic fertilisers



Investing in education to support farmers and future generations

According to UNICEF, globally one in five school-aged children are not in school. Further, children from rural areas are twice as likely to be out of primary school than those in urban areas. As a result, many cashew farmers are not able to read, write or count, which denies them the opportunity to improve their economic conditions. A World Bank study, for example, found that farmers who had at least four years of education were able to increase their productivity by an average of 8.7%. Through financial assistance, vocational training, school materials, and infrastructure support, we aim to invest in the education of today's generation and the next to help alleviate poverty and foster a thriving community.

SDGs	G, G, (=1.1.)	DER JALITY	10 © REDUCED INEQUALITIES
VISION	Cashew farmers and processing workers are equipped with the necessary skills and vocational training to continually progress their careers and improve their livelihoods. Remove the barriers to education for children of cashew farmers and processing workers, so they can build brighter futures for themselves and their community.		
2030 TARGETS	Deliver literacy and numeracy training to 50,000 farmers Train 100,000 farmers on business and marketing skills Invest in education infrastructure in 100% of ofi directly sourced cashew communities in rural Africa Promote opportunities for professional skills development and vocational training to ALL of ofi employees in processing facilities		



Allowing children to pursue further education through scholarships

ofi's Yearly Educational Support (YES) scholarship programme in Vietnam funds primary, secondary and higher education for children of cashew workers at our processing facilities, who are otherwise unable to afford to send their children to school. Up to US\$217 is awarded per child on an annual basis, which covers their school fees for an entire year. Additional support and expenses are also offered for children with disabilities.

179 scholarships awarded to children in 2020



Building better access to education in farming communities



Improving literacy rates among farmers to boost productivity

Since 2013, **ofi**'s cashew business has provided educational support to over 7,500 children in Côte d'Ivoire by building three schools, refurbishing existing school buildings and canteens, and providing school kits consisting of reading books, textbooks, and stationery.

US\$20,000

invested in education infrastructure annually in Côte d'Ivoire.

A lack of education can be an invisible barrier to agricultural productivity. In Ghana, farmers with low literacy levels participate in 2-3 month literacy and numeracy courses as a precursor to on-farm training, to equip them with the necessary knowledge and vocabulary to understand and correctly implement GAP concepts.

6,000+

farmers have received literacy and numeracy training since 2019



We sincerely thank **ofi** for helping us both financially and mentally so that our children can continue their study.

Nguyen Dac Cao Dinh Employee, **ofi** Quy Nhon Cashew Processing Facility, Vietnam.



Refurbish and equip schools

in your sourcing origin(s), each benefitting 250 children

Provide scholarships

to fund education for financially disadvantaged or children with disabilities in Vietnam

Deliver literacy and numeracy training

to female cashew farmers in Côte d'Ivoire, Ghana and/or Nigeria



Improving the nutrition and health of cashew communities

Cashew-producing countries face high rates of malnutrition, with many farming households unable to access foods with the micronutrients needed for normal functioning of the immune system and optimal health, which negatively impacts productivity and earning potential. This is often combined with poor health infrastructure and access to clean water and sanitation. Through partnerships, our cashew teams work with communities to help meet health and nutrition needs year-round.

SDGs	2 Sanitation 2 Sood Health & Sanitation		
VISION	The health of cashew farmers and their families is improved through greater access to healthcare, food security and knowledge of nutrition and first aid. All factory employees have access to nutrition and health support, with dedicated facilities for breastfeeding and childcare.		
2030 TARGETS	Reach 500,000 people in cashew communities with nutrition and health support Educate 250,000 farmers on disease prevention and first aid Improve health infrastructure in 1,000 cashew farming villages Ensure access to nutrition programmes and support for 100% of off employees in processing facilities		



Tackling malnutrition and preventable diseases

As part of a multi-stakeholder partnership with Côte d'Ivoire's National Nutrition Programme* in 2020, **of** helped reach 2.5 million children with vitamin A supplementation, nearly 400,000 with deworming tablets and some 200,000 with acute malnutrition screening, to promote good nutrition and COVID-19 prevention practices amongst cashew-producing communities. In Nigeria, farmers and our processing workforce participated in an annual mass drug administration (MDA) exercise in partnership with the END Fund, to tackle Neglected Tropical Diseases (NTDs) such as River Blindness

~3,000

and Schistosomiasis.

factory workers and farmers in Nigeria given access to medicine for tropical diseases in 2020

* Partners included UNICEF, World Health Organisation, Hellen Keller International and the Government of Canada.



Bringing clean water to cashew communities



Promoting health and wellbeing of processing workers

As part of our Healthy Living campaign, boreholes have been installed in three cashew farming villages in western Nigeria, each providing around 10,000 litres of clean water every day for a community of 200 people.

US\$30,000
invested in sanitation and health infrastructure in 2020

While of cashew shelling facilities are mechanised, requiring minimal manual intervention, all employees are provided with industrial PPE (three layers of gloves, masks, aprons, shoes and hairnets) while performing any processing tasks. To support employee wellbeing, facilities are equipped with a dispensary and nurse on site. Daily meals are also provided for employees in most facilities to provide adequate nutrition. In Côte d'Ivoire and India, five day-care and two breastfeeding facilities have been setup at our factories to support female employees to return to work after having children. Additionally, all women workers in our llorin processing facility in Nigeria have been sensitised, screened and tested for breast and cervical cancer, HIV, Malaria and other conditions.

10,000

ofi processing employees are supported in their nutrition and health



Today more than ever it's essential to ensure good nutrition for our partner communities. Cashew farms are only viable if the farmers are healthy, so we're proud to have been part of this effort. 99

Diomande Daouda,

Head of Sustainable Procurement and Sustainability Coordinator Cashew, Côte d'Ivoire



PARTNER WITH US

Construct new boreholes

for villages across Africa (including Côte d'Ivoire Ghana, Nigeria)

Fight infectious diseases

by reaching more people in Africa with sensitisation and medication

Support hospital refurbishment

or health equipment provision for local health clinics in your sourcing origin(s).



Building a diverse and inclusive supply chain

We are committed to tackling all forms of discrimination and building an inclusive supply chain, which includes equal opportunities for women of all ages. In many communities, women have unequal decision-making power, control over income, and access to education, finance and land. According to the Food and Agricultural Organization (FAO), almost two-thirds of the world's illiterate adults are women (565 million) and most live in the developing nations of Africa, Asia and Latin America. Throughout our sourcing networks and processing facilities, we support women through literacy classes, health awareness programmes and professional development initiatives, designed to build confidence, motivation and financial autonomy.

SDGs	5 P 10 E GENDER EQUALITY REDUCED INEQUALITIES		
VISION	Empowering women within the cashew supply chain by increasing their representation in leadership positions and ensuring all have the means to be financially autonomous.		
2030 TARGETS	Increase women representation of registered farmers to 30% Achieve 100% participation from women registered farmers in training programmes		
	Supply labour saving tools and equipment to 50,000 women		
	Create access to Village Savings and Loans Associations (VSLAs) for 5,000 women		
	Train 100% of processing workforce on gender equality and women's rights*		
	Increase representation of women in leadership positions to 30% in processing facilities		
	*newly recruited of employees to receive training within three months of joining.		



Supporting female entrepreneurs in cashew communities

In Djekanou, Côte d'Ivoire, ofi

outsources raw cashew processing

of an all-women cooperative set

up by entrepreneur Mme Amenan

employs 300 workers, 80% of whom

The town is more alive now,

the housing market has exploded

buying better places to live and,

most importantly for me, women can now look after their children

Mme Amenan Constantine Kouadio

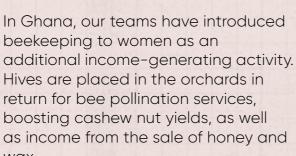
without having to depend on

as people are building and

to a satellite unit staffed by members

Constantine Kouadio. Today, the plant

Empowering women with beehives and bee keeping techniques



2,000 women trained as beekeepers in Ghana



Promoting women leadership in processing

In Ghana, our teams have introduced beekeeping to women as an Hives are placed in the orchards in return for bee pollination services, boosting cashew nut yields, as well as income from the sale of honey and A dedicated leadership programme in our Vietnam processing operations engages women, who make up 74% of the total workforce, in coaching and skills development activities. The aim is to promote 15 women leaders yearon-year to supervisor and managerial positions. In our Nigeria plant, which employs the highest number of women in Kwara state, annual training seminars are held to advise and inform employees on legal issues relating to women's rights, domestic violence and child custody.

57% of leadership positions held by women in Vietnam processing factories



66 The commercial interest in our farmers is what distinguishes ofi from others; and we are indeed happy to be in this partnership to contribute to a future worth living for these women and their families. "

John C. Duti

Team Leader, Employment and Skills for Development in Africa (E4D) Ghana Programme, GIZ



PARTNER WITH US

Deliver gender equality training

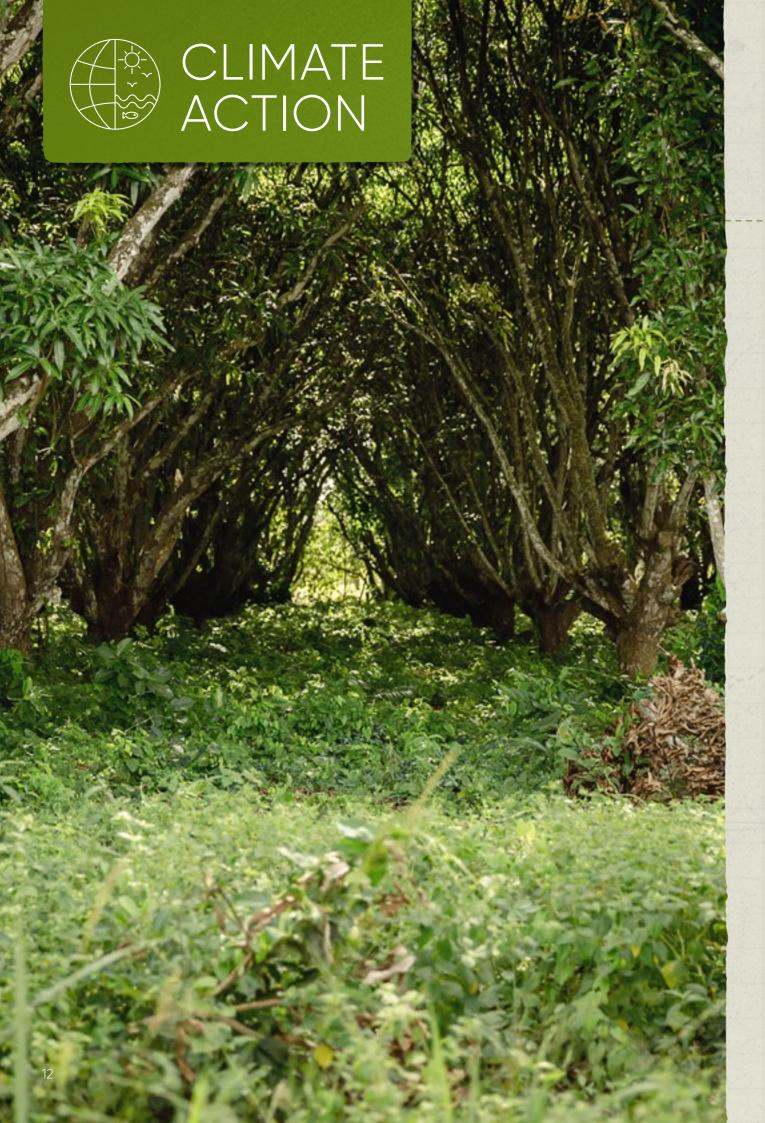
Establish VSLAs

Supply labour-saving equipment

and beekeeping equipment. Beekeeping projects generate ~US\$200 additional income annually.

are women.

anyone else.



Cutting carbon emissions from farm to factory

The vast majority of cashew's carbon emissions are generated at farm-level through land-use change and fertiliser use. Training farmers on agroforestry practices, creating organic fertilisers and reducing waste are important factors in lowering emissions. Meanwhile, we remain committed to our processing capacity in Africa to reduce the volume of raw cashew exported to Asia and therefore reduce transport emissions. Across all our Africa and Asia plants, we are stepping up efforts on renewable energy to further improve our environmental footprint.

SDGs	12 CO 13 TO 15 TO SERVICE CONSUMPTION AND PRODUCTION		
VISION	The carbon footprint of cashew is markedly reduced through the implementation of climate smart agricultural practices, reduced waste, and improved resource-use efficiency.		
2030 TARGETS	Train 250,000 farmers on climate-smart agricultural practices and reducing waste		
	Build landscape partnerships to end ecosystem losses and regenerate forests in all high-risk sourcing areas		
	Reduce GHG emission intensity in cashew supply chains by 50%		
	Increase use of renewable energy to 30% of total consumption in processing facilities		



Monitoring tree cover in cashew supply chain



Extracting value from cashew apples to reduce waste



Harnessing solar power for processing

Using our OFIS (Olam Farmer Information Systems) technology, we have GPS mapped 100% of our AtSource Plus farmer groups in Vietnam to identify the proximity of every farm to deforested areas. The analysis showed a small number of farms in potentially high-risk areas where we are implementing deforestation remediation plans with the farmers.

1,868

farms GPS mapped in Vietnam

Weighing ten times more than the nut, the cashew apple is typically discarded and left to rot on farms as a by-product of the harvest. Farmers across all our origins are trained to convert cashew apple into organic compost, reducing the need for chemical fertiliser. In addition, in Ghana, which produces ~840,000MT cashew apple annually, we are training women to produce cashew apple-based products*, as both a way to reduce waste and provide an additional source of income.

130 MT

of organic compost created in Ghana in 2020

30 w

women trained on producing cashew apple products

* An **of** partnership with The Competitive Cashew Initiative (GIZ/ComCashew), Women in Agricultural Development (WIAD) of the Ministry of Food and Agriculture (MoFA) and Swiss State Secretariat for Economic Affairs (SECO).

100% of the energy consumed at the Tien Nga processing facility in Dong Nai Province, Vietnam, is generated from 2 MW solar panels installed on the rooftops, as part of efforts to step up our use of renewable energy.

25%

of energy consumption generated from solar power in all Vietnam cashew factories



We do not spend money on fertilizers to support our cashew's growth, we only use the fruits left after picking the nuts and this saves us cost and also protects the soil. **9

Tawiah JosephFarmer in Ghana



PARTNER WITH US

Train 100 cashew farmers

in your sourcing origin(s) on agroforestry practices such as Integrated Pest Management (IPM), water management and soil conservation

Install solar panels

to generate ~1,400kWh renewable energy each year for cashew villages in Vietnam

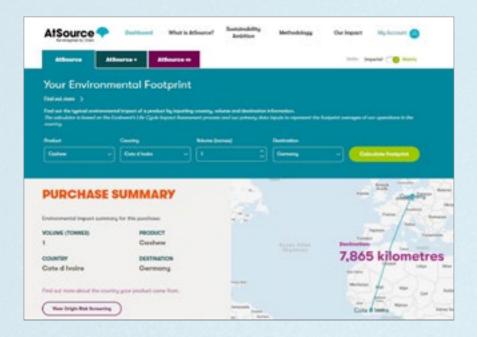
Supply 'eco-stoves'

for farming households in your sourcing origin(s), to offset CO2 emissions from traditional firewood stoves (1 eco-stove offsets 1.5-3 tonnes CO2 over 1 year)

TRACKING AND DRIVING POSITIVE IMPACT THROUGH ATSOURCE

AtSource is our B2B sustainability insights platform for agricultural supply chains, purposefully designed to evidence social and environmental impact and drive positive change for farmers, communities and eco-systems.

Through the end-to-end metrics, action plans and corresponding narratives, we aim to bring our cashew customers closer to the people and landscapes their products come from, so they can better understand the issues on the ground and work with us to improve them.



How it Works

Covering value chains end-to-end from the farm through logistics, processing, right to the factory gate.

- Three ascending tiers feature increasingly granular data and insights
- Each tier builds on and carries forward the benefits from previous tiers
- Developed to meet multiple needs; from environmental reporting and risk mitigation to transformational change
- Provides valuable content to inform and steer every customer's sustainability journey, from new entrants to mature leaders.





JOIN US ON OUR CASHEW TRAIL

We are looking for partners to help scale our efforts and positive impact so we can achieve our vision of a fair and resilient cashew supply chain.

Three ways to engage:

- By directly contributing to existing or new initiatives, based on premiums or a one-off payment.
 Opportunities to get involved could include:
 - funding six beehives for a farmer (US \$200)
 - a child's scholarship (US \$217)
 - sponsoring a VSLA for 15 women (US \$8,750)
 - village borehole (US \$8,000-10,000)
- 2 Through AtSource programmes which provide customers with engagement options tailored to individual sustainability ambitions.
- As a strategic partner, to support with technical expertise and resources for new and exciting initiatives on the ground

We can support you in developing a marketing campaign based on the supported initiatives; supplying you with evidence to demonstrate the impact of our share activities including verified data and testimonials from the field. We also welcome discussion and development of new initiatives.



To find out more about how you can support the Cashew Trail initiatives please email: cashewtrail@ofi.com

GLOBAL RELIABILITY WITH LOCAL SUPPLY CHAIN EXPERTISE

Our presence in most major producing and processing countries means greater reliability and supply chain control, while our marketing offices are close to our customers in consumption markets. Our mechanised processing facilities that operate under superior safety and hygiene parameters, and are all **HACCP** and **BRC** certified, enable us to offer our customers full traceability of our products to international standards.

Presence in most major producing and processing origins:

MY

U Australia

BF Burkina Faso

CHN ChinaCID Cote D'iviore

DXB Dubai

GH Ghana

India

IDN IndonesiaKH Cambodia

Netherlands

USA United States of Ameri-

Singapore

Thailand

ca

VT Vietnam





