



Olam Agri

Response to the Taskforce on Nature-related Financial Disclosures (TNFD)

Annual Report 2025



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Response to the Taskforce on Nature-related Financial Disclosures (TNFD)

As part of Olam Agri's commitment to be an early adopter of the Taskforce on Nature-related Financial Disclosures (TNFD) framework, we have deepened our analysis of nature-related dependencies, impacts, risks, and opportunities (DIROs) in line with TNFD's recommendations.

Building on prior assessments, we have adopted TNFD's Locate, Evaluate, Assess and Prepare (LEAP) approach to systematically identify and evaluate nature-related issues across our operations and supply chains.

Read more below on our approach and progress towards managing nature-related risks and opportunities.

Governance

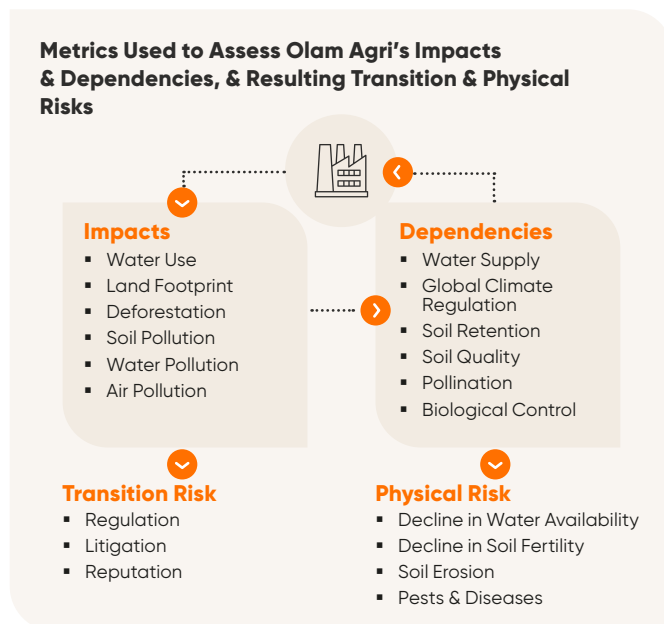
The Board's Oversight & Management's Role in Assessing & Managing Nature-related Dependencies, Impacts, Risks & Opportunities

We recognise that stakeholders, including indigenous peoples, local communities, farmers and workers, rely on local ecosystems and are key partners in shared efforts to sustain nature. They play an important role in Olam Agri's management of nature-related risks and opportunities in our own operations and supply chains. Our Living Landscapes Policy, Plantation Concession & Farms Code and Supplier Code set out the associated human rights policies and stakeholder engagement activities. The relevant stakeholders are engaged during processes including the implementation of policies, Environmental and Social Impact Assessments and the Company's Free, Prior and Informed Consent (FPIC) process. Our deforestation-free Policy is aligned to emerging consensus frameworks, such as the Accountability Framework and The Forest Dialogue – Understanding Deforestation-Free (UDF) platform, and locally adapted concepts and approaches to forest protection, including traditional and culturally appropriate forest management practices. Additionally, our Responsible Palm Oil Sourcing Policy and Responsible Natural Rubber Policy provide more details on product-specific policies. The Board Sustainability Committee reviews and oversees the adoption of these Policies.

 Read more on the board and management's oversight and management of nature-related dependencies, impacts, risks and opportunities in the Governance section of our [Annual Report 2025](#)

Strategy

Building Nature Resilience & Leveraging Opportunities

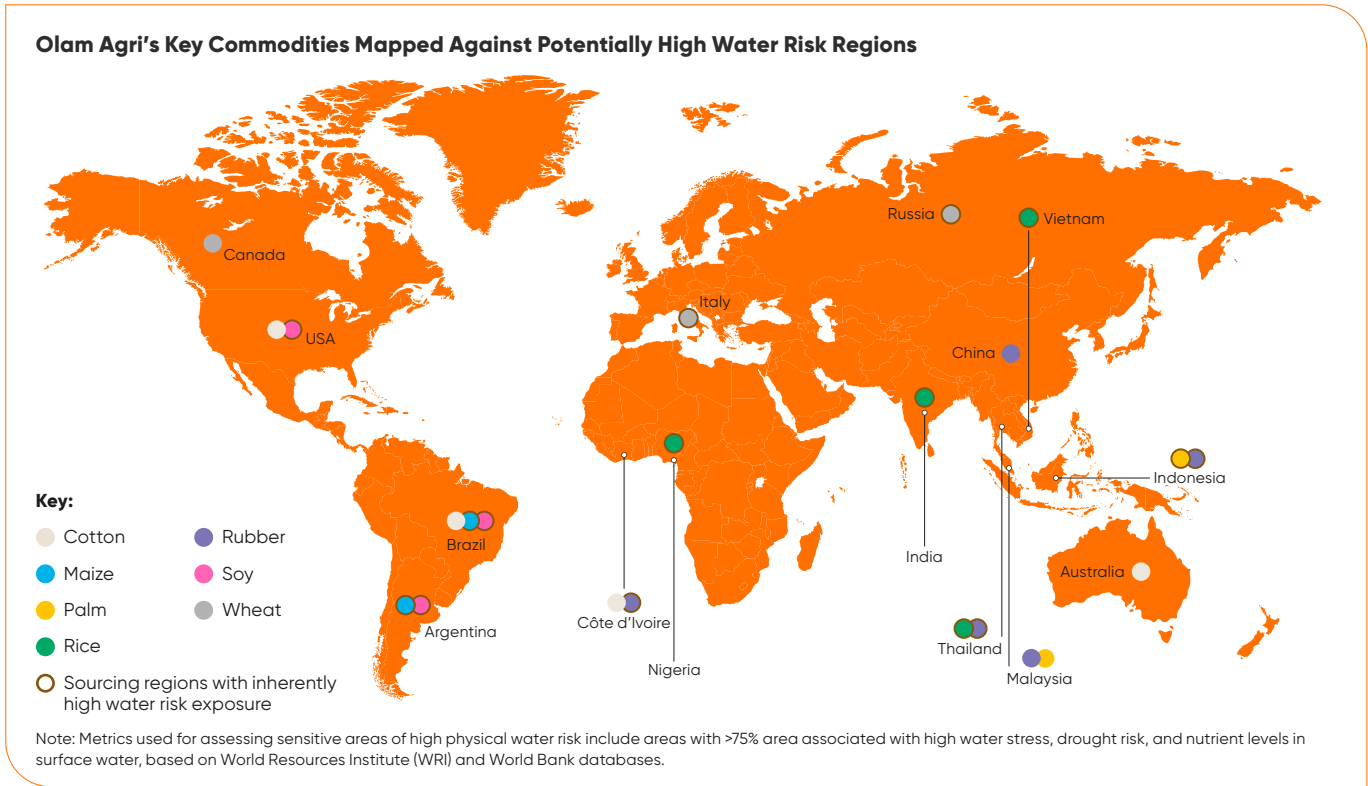


Our business activities both impact and depend on ecosystem services for our processing operations and supply of agricultural products. If the impacts are not managed sustainably and responsibly, they may lead to **degradation of ecosystem services on which the Company depends**. Conventional agriculture practices including monoculture cropping, excessive application of chemical fertilisers and pesticides, and deforestation lead to loss of biodiversity which underpins the provisioning of ecosystem services including water quality regulation, climate regulation, soil quality and retention, pollination and biological control of pests and diseases. The decline in the quality and availability of these ecosystem services poses **physical risks** to the business such as supply chain disruptions, which may lead to loss of revenue and/or higher cost of raw materials. The Company's **impacts on nature** could also lead to **transition risks** in the form of regulatory or reputational pressures.

The extent of physical and transition risks is assessed based on likelihood and magnitude of risks. The likelihood of risks is assessed as follows:

- **Physical Risks:** Extent of dependency on ecosystem services to produce each commodity and the state of nature available to supply those ecosystem services. For example, soy may have high nutrient intake requirements but may be grown in regions with declining soil fertility.
- **Transition Risks:** Exposure to Transition Risks may arise from evolving regulatory and reputational pressures based on policy ambition, historical regulations, governance effectiveness and stakeholder scrutiny in the country – especially where the magnitude of impact on nature arising from direct operations and supply chains is substantial. For example, deforestation in protected or key biodiversity areas may face high levels of scrutiny from stakeholders including governments, NGOs, media and customers, leading to regulatory and reputational risks.

The magnitude of financial impact from risks is assessed based on historical precedence and market evidence of financial impacts. Examples of financial impacts include revenue losses, compliance costs, fines and penalties, and drop in share prices.



Nature Dependencies for Olam Agri's Key Commodities

	Soil Quality Regulation	Soil And Sediment Retention	Water Supply	Biological Control	Global Climate Regulation
	Ecosystem services that regulate soil quality: soil salinity, fertility, texture, pH & compaction.	Ecosystem services supplying stable soils & mitigating sediment movement.	Ecosystem provision of water to achieve commercially viable yields.	Ecosystem services that mitigate yield loss from pests & diseases.	Dependence on specific climatic conditions (temperature or humidity) for growth or survival.
Cotton	✓	✓	✓		
Maize	✓	✓		✓	✓
Palm	✓		✓	✓	
Rice		✓	✓		✓
Rubber			✓		
Soy	✓	✓			
Wheat	✓	✓			

Note: ✓ Represents high inherent dependency on the above mentioned ecosystem service, assessed based on various commodity-specific scientific literature. There is a limitation in the biological control assessment methodology, as commodities such as cotton, maize, cereals and oil seeds are typically produced with regular pesticide use or varieties that have pest resistance. As such if pesticide application is removed or if there is resistance build-up in pest and disease populations, the biological control dependency may be higher. Pollination dependency was found to be low to medium.

Our key **strategies for nature resilience** across its value chain include land use practices detailed in our Living Landscapes Policy, such as regenerative agriculture, water use efficiency, pollution management and waste recycling. The Company leverages **nature-related opportunities** including resource efficiency, gaining access to regulated markets through early compliance with upcoming regulations such as the EUDR, and developing sustainable products that support nature positive outcomes such as the Sustainable Rice Platform certified rice,

FSC® certified¹ wood products, responsibly sourced palm oil, Deforestation and Conversion Free (DCF) soy, Regenerative Organic Certified (ROC) quinoa and regenagri® certified cotton.

The table below highlights Olam Agri's strategies for nature resilience across the value chain, for each of the following key environmental components.

 **Read more in the Sustainability section of our Annual Report 2025**

Environmental Component	Strategies for Nature Resilience
<p>Land Use</p> <p>Through land & biodiversity stewardship, we strive to protect the ecosystems that support our operations & supply chains, & enable farmers & their communities to prosper.</p>	<p>Our approach to land development and land use practices in our operations and direct supply chains is detailed in our Living Landscapes Policy. The approach centres around prosperous farmers and food systems, thriving rural communities and regenerating the living world.</p> <p>Our wood business in the Republic of Congo ensures sustainable forest management and healthy ecosystems through Reduced Impact Logging and wildlife management. All wood products originate from 2.1 million hectares of FSC® certified¹ natural forest concessions managed by us. Our operations are also certified under the Programme for the Endorsement of Forest Certification (PEFC).</p> <p>For third-party supply chains, supporting the mission of halting deforestation has been imperative.</p> <ul style="list-style-type: none"> • We are a signatory to the COP26 Agriculture Sector Roadmap to 1.5°C, and we support the sectoral roadmaps for soy and palm. • We are committed to halting deforestation linked to soy growing areas in Chaco, Cerrado and Amazon biomes by 2025, and the conversion of non-forest primary native vegetation no later than 2030. • As set out in our Sustainable Palm Oil Policy, we are committed to no deforestation, no peat, no fire, no exploitation (NDPE). • We are committed to responsible production, sourcing and processing of natural rubber and embrace sustainability principles and the policy framework of the Global Platform for Sustainable Natural Rubber (GPSNR). <p>Our sourcing policies, traceability solutions and additional monitoring actions mean that we are well placed to meet the requirements of the forthcoming EU Deforestation Regulation (EUDR) before they become enforceable.</p>
<p>Soil</p> <p>By committing to the protection & restoration of degraded soils through the use & promotion of regenerative agriculture practices, we can help restore soils in our operations & direct supply chains &, in turn, improve farmer resilience & food security.</p>	<p>We regenerate soils and ecosystems through nature-based solutions, including regenerative agriculture practices such as agroforestry, crop rotation, composting, mulching, biochar, bokashi, minimum tillage, and integrated pest management.</p> <p>Apart from soil health, our regenerative agriculture approach seeks to improve water quality, biodiversity, farm productivity, carbon sequestration and climate change adaptation.</p> <p>Our integrated ginning cotton businesses in Côte d'Ivoire procure from cotton production areas certified under the regenagri® and inseting carbon credit standards. Our cotton businesses also source regenagri® cotton from Australia, Brazil and USA.</p> <p>In Peru, we created more sustainable quinoa and chia supply chains by working with Andean smallholder farmers to obtain organic certification and adopt sustainable farming practices, improving crop quality and yields, increasing farmer income, and promoting long-term soil health and ecosystem resilience.</p>
<p>Water</p> <p>The effective management of freshwater resources across our operations & supply chains is critical, with a focus on implementing good water stewardship principles, reducing water consumption & pollution.</p>	<p>We work with smallholder farmers to adopt sustainable farming approaches to improve water use efficiency, including alternate wetting and drying and laser land levelling in rice farming. In line with our Living Landscapes Policy and our Plantations, Concessions and Farms Code, we have developed management plans and provided farmer training to protect water bodies and water courses from fertiliser and pesticide run-off.</p> <p>In our processing facilities, we implement efficiency measures and investments in their processing facilities to optimise water usage. To manage water discharge, wastewater quality standards are followed stringently. Across our operations, we aim to reduce the amount of waste produced, increase reuse and recycling to divert waste from landfills and minimise pollution.</p>

¹ Certified licence numbers are: FSC-C014998 / FSC-C128941 / FSC-C104637 / FSC-C156094 / FSC-C005457 / FSC-P001887.

Risk & Impact Management

Olam Agri has followed the TNFD's Locate, Evaluate, Assess and Prepare (LEAP) approach, and additional Agriculture sector guidance, for the identification and assessment of nature-related dependencies, impacts, risks and opportunities.

The scope of the assessment included:

- **Upstream Assets:** All owned plantations, concessions and farms were included in the analysis.
- **Processing Assets:** More than 50% of Tier 1 facilities¹ were selected based on their relevance to the key commodities identified.
- **Supply Chain Coverage:** 71% of purchased volumes across eight key commodities² were included, focusing on the top sourcing countries per commodity based on materiality of purchased volumes. This scope covers 23 supply chains across more than 170 regions in 15 countries.
- **Exclusions:** Commodities and countries with lower annual purchased volumes were excluded from this year's analysis. We aim to progressively expand the breadth of our nature-related risk assessments.

Locate: In the Locate phase, sensitive locations were identified as locations where the interface with nature is significant in terms of biodiversity importance, ecosystems integrity, water risks and importance for ecosystem provision including indigenous rights.

Evaluate: In the Evaluate phase, impact drivers (land use, water use, air pollution, water pollution and soil pollution) and dependencies (soil quality regulation, soil and sediment retention, water supply, biological control and global climate regulation) were assessed based on magnitude and state of nature. The assessments utilised global datasets including EXIOBASE, Commodity Footprint, IBAT, Satellite data, WRI Aqueduct, World Bank, and various commodity-specific scientific literature.

Assess: In the Assess phase, 11 risks were prioritised for engagement with business units, including physical risks based on nature dependencies, and transition risks based on nature impacts. Insights are consolidated and integrated into our nature-related strategy during the Prepare phase.

 **Read more on our processes for managing nature-related dependencies, impacts, risks and opportunities and integrating them into overall risk management processes on pages 50 to 53 of our [Annual Report 2025](#)**



 **A quality engineer checking the humidity of cotton in one of our ginning facilities, Côte d'Ivoire**




¹ Tier 1 facilities are large manufacturing plants.

² Cotton, maize, palm oil, rice, rubber, soy, wheat, and wood products.

Metrics & Targets

To manage nature-related dependencies, impacts, risks and opportunities, we have set nature-related commitments related to regenerating nature, protecting ecosystems, reducing water use and diverting waste from landfills.

Refer to the below index for metrics aligned with the TNFD Core Global Metrics and Agriculture Sector Guidance.

Indicator	Metrics	Indicator	Metrics
GHG Emissions	<p>Our 2025 greenhouse gas (GHG) emissions:</p> <ul style="list-style-type: none"> • Scope 1: 1.58 million tCO₂e • Scope 2 (market-based): 0.09 million tCO₂e • Scope 3: 61.19 million tCO₂e <p> Read more on GHG emissions in our Sustainability Data & Disclosures (SDD)</p>	Withdrawal & Consumption from Areas of Water Scarcity	<p>Volume of water consumed from water stressed areas for Tier 1 and 2 facilities: 619,907 m³/year.</p> <p> Read more on water consumption in our SDD</p>
Total Spatial Footprint	<p>Total area of farms and forest concessions controlled/managed by Olam Agri is approximately 2.1 million hectares.</p>	High-Risk Natural Commodities Sourced from Land/Ocean Freshwater	<p>We are committed to responsible sourcing across the various supply chains, with a strong emphasis on traceability, transparency and supplier engagement in our direct supply chains.</p> <p>Wood: All of our wood products originate from 2.1 million ha of FSC® certified³ natural forest concessions managed by the Company in the Republic of Congo. The operations are also certified under the PEFC.</p> <p>Rubber: We are committed to responsible production, sourcing and processing of natural rubber and embrace sustainability principles and the policy framework of the Global Platform for Sustainable Natural Rubber (GPSNR).</p> <p>Soy: Consistent with our commitment to the Agricultural Sector Roadmap to 1.5°C, we are committed to halting deforestation linked to soy areas in Chaco, Cerrado and Amazon biomes by 2025, and the conversion of non-forest primary native vegetation no later than 2030.</p> <p>Palm: All three edible oil refineries under Olam Agri have achieved RSPO Supply Chain Certification System (SCCS) certification. Consistent with our commitment to the Agricultural Sector Roadmap to 1.5°C, we will report on the progress of implementing the No Deforestation, No Peat, No Exploitation (NDPE) Implementation Framework. Olam Agri is delivering on No Deforestation and No Peat for 84.1% of fresh fruit bunches (FFB) from directly managed production⁴.</p> <p>Cotton: Our integrated ginning cotton businesses in Côte d'Ivoire procure from cotton production areas certified under the regenagri® and inseting carbon credit standards. Our cotton businesses also source regenagri® cotton from Australia, Brazil and USA.</p>
Products Release to Soil	<p>Soil inputs applied in our upstream assets:</p> <ul style="list-style-type: none"> • Amount of pesticides applied as active ingredients: 502 MT • Amount of nitrogen fertiliser: 2,176 MT • Amount of phosphorous fertiliser: 1,058 MT 		
Wastewater Discharged	<p>Across all Tier 1 and 2 facilities¹:</p> <ul style="list-style-type: none"> • Wastewater discharged²: 126.5 ML • Wastewater recycled: 362.6 ML 		
Waste Generation & Disposal	<p>Total waste generated in Tier 1 and 2 facilities: 81,890 MT</p> <ul style="list-style-type: none"> • 81,821 MT non-hazardous, 69 MT hazardous • 64,167 MT recycled, 17,723 MT directed to disposal <p> Read more on waste generation and disposal in our SDD</p>		
Plastic Pollution	<p>1,655 MT of plastic recycled/reused at Tier 1 and Tier 2 facilities.</p>		
Non-GHG Air Pollutants	<p>We are committed to regular monitoring of air pollution in its operations and is taking the necessary steps to collate data on the same.</p>		

While nature-related financial risk valuation methodologies are still evolving due to their relative nascency, we intend to further strengthen and refine these assessments. Going forward, we aim to enhance the depth, robustness, and analytical rigour of nature-related financial risk evaluations to enable more effective integration of the resulting insights into strategic decision-making processes.

1 Tier 1 facilities are large manufacturing plants and Tier 2 facilities are primary processing plants.
 2 Water discharge information was available for 12% of Tier 1 and 2 facilities in 2025. Olam Agri aims to improve data coverage for wastewater discharge.
 3 Certified licence numbers are: FSC-C014998 / FSC-C128941 / FSC-C104637 / FSC-C156094 / FSC-C005457 / FSC-P001887.
 4 Edible Oils Sustainability Profile.

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