



Specialty Grains & Seeds, Peru

Impact Report 2023-24



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Introduction

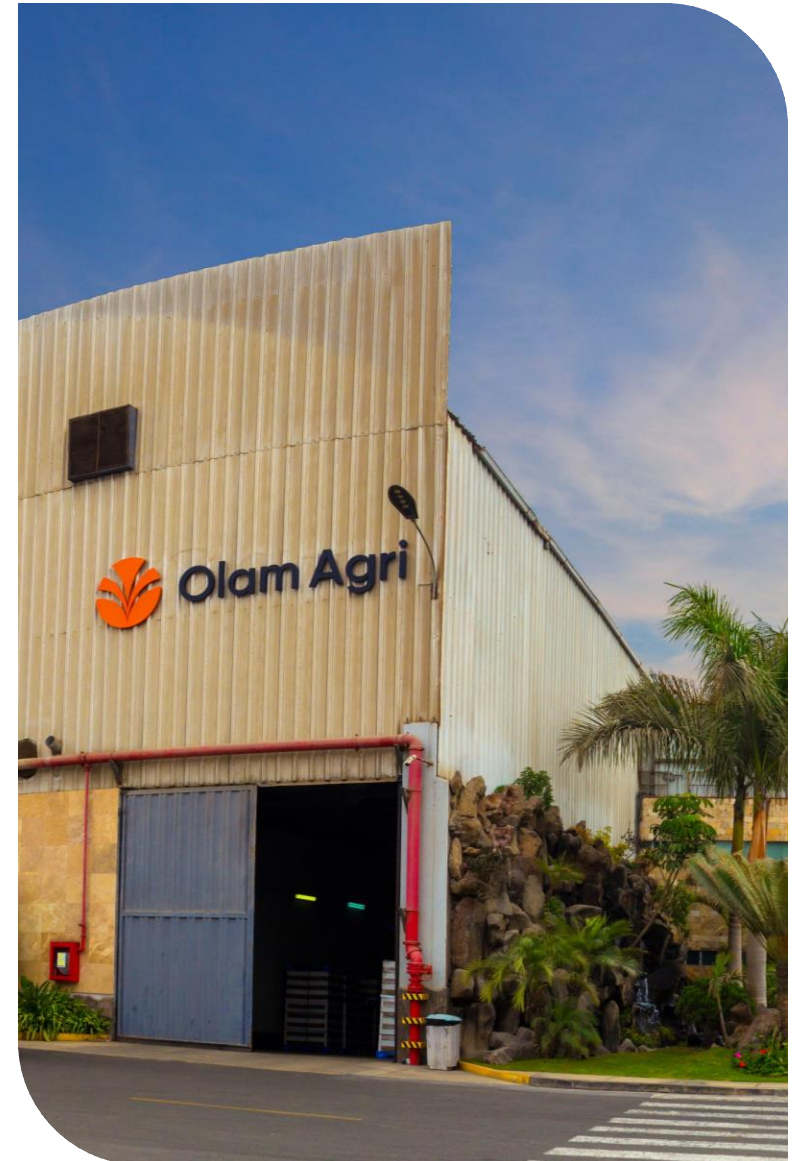
Business Overview

Olam Agri is a market leading agri-business, focused on high-growth markets, with a global origination footprint, processing capabilities and deep understanding of market needs built over 33+ years.

Our food, feed, fibre, agri-industrials & ag-services capabilities span 30+ countries. Together with our farmers, customers & partners, **we connect local origins and global destinations.**

As part of Olam Agri, our Specialty Grains & Seeds business is a leading supplier of processed quinoa, chia and amaranth grains and seeds, offering services to several distributors, manufacturers, supermarkets, and private brands across the 5 continents.

Since the beginning of our operations, we have had a differentiated approach to doing business in the country by managing the complete end-to-end supply chain. **This has led to us having a unique position in the specialty grains and seeds industry.**





We are the largest quinoa organic supply chain partner in Peru with a market share of more than 25%. Our long-term trusted partnerships with more than 2,500 organic smallholder farmers extend across all the main growing regions in Peru.



Our state-of-the-art processing facility located in Lima is a leader in the quinoa industry, offering unique packaging capabilities for both bulk and retail, with an annual capacity of 10,000 MT.



We adhere to the highest quality and food safety standards throughout every stage of the supply chain, ensuring that we deliver healthy & safe products to our consumers.



Through our strong commitment to sustainability, we positively impact smallholder farmers, their communities, and ecosystems, while maintaining a fully traceable, transparent & responsible supply chain.

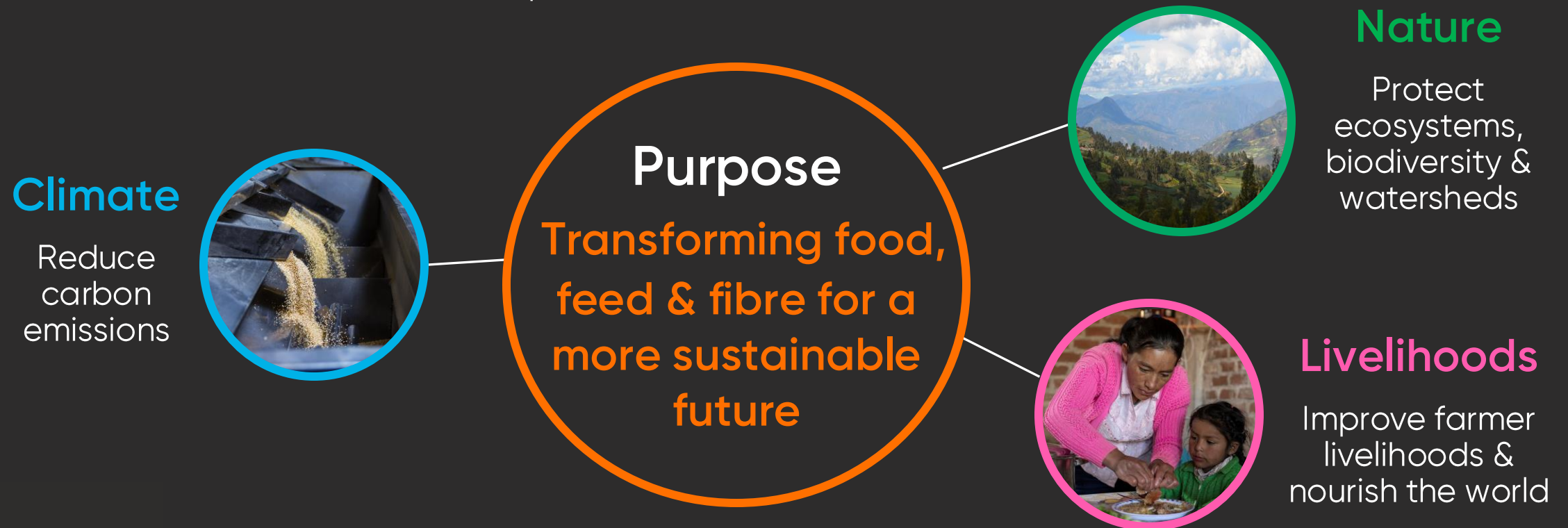
We hold certifications that ensure adherence to high standards of quality, safety, and excellence in our products and services.



Sustainability Framework

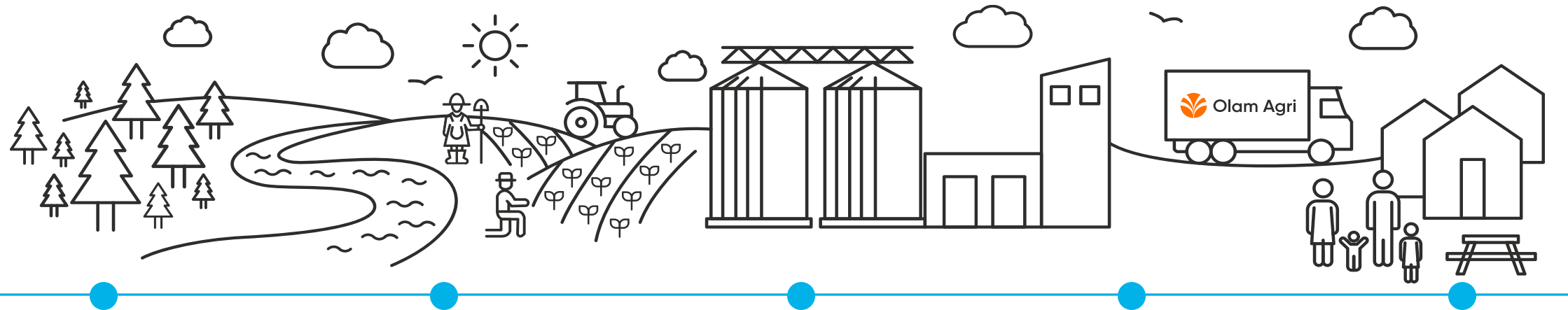
Olam Agri's Specialty Grains & Seeds is driven by our corporate purpose.

We're committed to making a positive impact on the **climate**, **nature** and **livelihoods**. Our sustainability strategy targets ten key areas, with six identified as priorities for our business. These focus areas correspond to the relevant UN Sustainable Development Goals (SDGs).



Value Chain Impact

We're putting our priorities into action across our value chain, **working with farmers, customers, communities and partners**, to make a lasting and tangible difference.



In landscapes

Ecosystems
Biodiversity
Watersheds
Forests



In farms & communities

Regenerative agriculture
Post-harvest loss
Food security
Living income



In operations

Carbon
Energy
Waste
Water



In workplaces

Inclusion & Diversity
Human rights
Safety



For our customers

Nutrition
Transparency
Responsibly sourced products





Our 2030 Corporate Sustainability Goals

Focusing our actions to make a positive difference.

Priority Areas	Goals	Climate	Nature	Livelihoods
Forests	No net deforestation in our operations and supply chains	●	●	
Regenerative Ag	Advance regenerative agriculture in our operations and direct supply chains	●	●	
Water	Reduce water use intensity by 10% in large processing facilities	●	●	
Waste	Divert waste from our operations away from landfills	●	●	
Energy	Improve energy efficiency and increase share of energy from renewables	●		
Food Loss	Reduce harvest & post-harvest losses by 50% in our direct supply chains	●		
Farmer income	Increase net incomes for 500,000 farmer households			●
Inclusion & Equality	Reduce social inequities for 200,000 women, youth and marginalized groups			●
Food security	Improve food security for 200,000 vulnerable farmer households			●
Nutrition	Produce one trillion servings of fortified food			●

Highlights

In 2023-24, we have continued to put our purpose into action and further our sustainability efforts into our business. Engaging with a variety of stakeholders, including local and national governments, NGOs, grassroots movements, international agencies, and clients, has enabled us to expand our impact and achieve improved economic, social, and environmental outcomes.



Collaboration with MINAM (Ministry of Environment) to measure the carbon footprint of our processing facility (see more on Page 23).



More than 2,500 farmers benefited from our Organic Program (see more on Page 12).



Successful completion of the first phase of our cooperative agreement with USAID (see more on Page 15).



Recognitions

Companies that transform Peru

Selected to be part of the “Companies that transform Peru” list for our Organic Program. This recognition, developed by IPAE, RPP group, Manuel Delgado Parker Association, and USAID, promotes the adoption of Shared Value initiatives and recognizes companies making significant contributions to the country's development through their implementation.

 Read more about it [here](#).



CADE

Participation in CADE Ejecutivos 2023, the most important business forum in Peru that brings together leaders from the business sector, government, and civil society to discuss and prioritize relevant topics related to the country's development. Biswajeet Singh, our Vice President and Business Head, joined a panel discussion on "Companies that Transform: Shared Value Strategies for Generating Well-Being." He shared insights into our business model, which places smallholder farmers at its core, and discussed the challenges faced in the quinoa supply chain in Peru. Additionally, he emphasized that **creating shared value is essential for the long-term sustainability of every business.**

 Watch the full session [here](#).



Our Approach: In Landscapes, Farms & Communities



Organic Program

As the largest supply chain partner of organic quinoa in Peru, our Organic Program equips farmers with the knowledge and tools to improve crop quality, increase yields, and obtain organic certification.

We provide farmers with training in good agricultural practices that meet international organic standards and trade requirements, along with personalized technical assistance throughout the entire crop cycle, from soil preparation to harvest and post-harvest. Through strategic partnerships, we also help farmers access infrastructure, inputs, and technology to further enhance their livelihoods.



Technical assistance in the preparation of organic fertilizers.

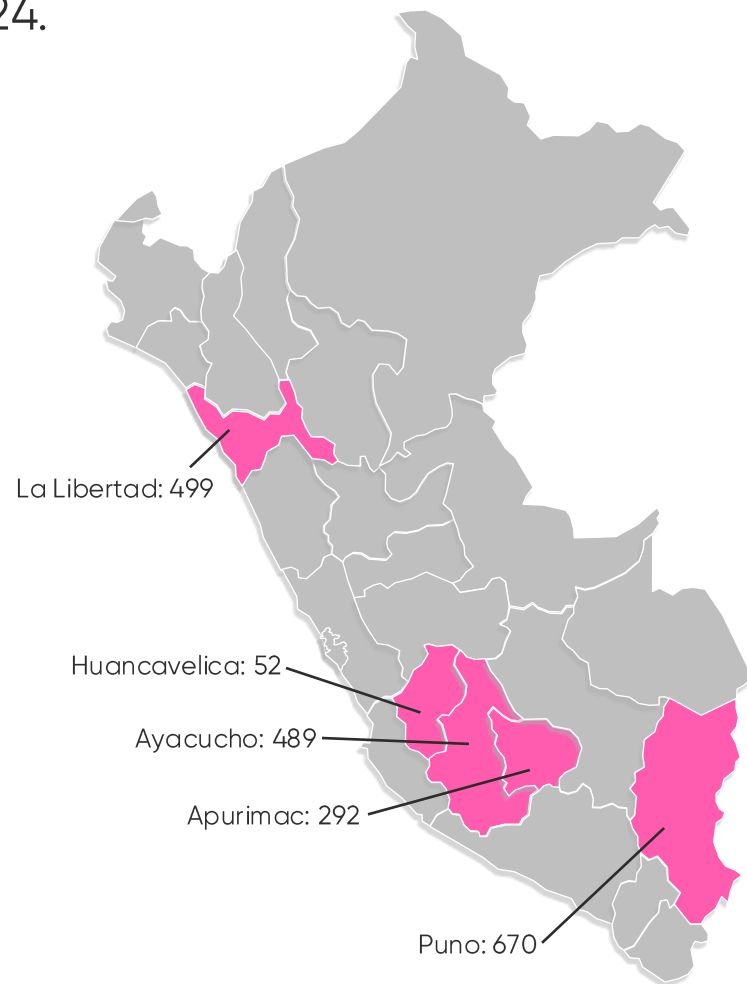


On-farm training in post-harvest management practices.



Access to machinery through public partnerships.

In 2023, 2,002 smallholder farmers achieved organic certification, including 649 women. Building on this success, we aim to partner with and certify an additional 500 farmers in 2024.



More to know...



Our Organic Training School in Puno plays a vital role in addressing the infrastructure gaps within the farming communities. Each year, approximately 350 smallholder farmers receive training there.



Apart from their extensive experience, our field technicians are fluent in Quechua, the native language spoken by many of our farming communities. This fosters trust and enhances communication, **ensuring stronger relationships between farmers and Olam Agri.**



In addition to organic training, we promote the use of ancestral practices that have proven effective for the fragile Andean lands, **enhancing smallholder farmers' resilience to adverse climatic conditions.**



We have embarked on our regenerative agriculture journey in the northern part of the country, collaborating with approximately 250 smallholder farmers to achieve Regenerative Organic Certification (ROC) by the end of 2024.

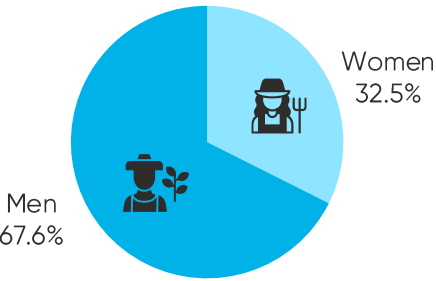
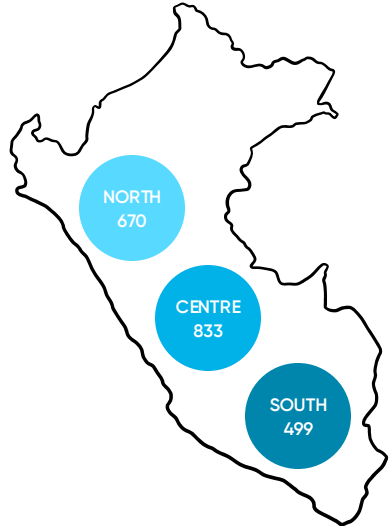
This initiative reflects our commitment to sustainable agriculture and our dedication to nature-, climate-, and livelihood-positive goals.





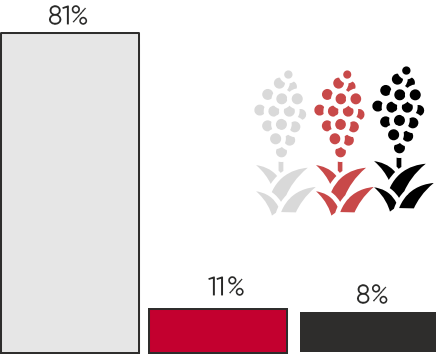
Organic Quinoa Supply Chain Profile

Organic Farmers Registered:



The average quinoa-farm size is 0.79 ha

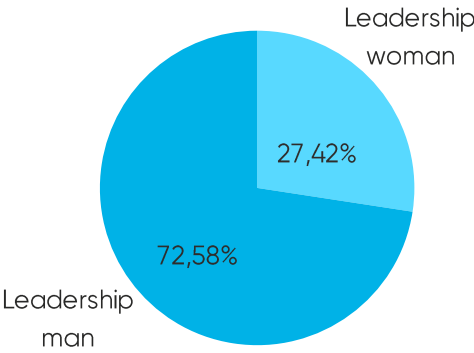
Most cultivated quinoa colors:



1,582 kg/ha is the average yield

71% of our farmers are food secure

The most common pests and diseases are Peronospora variabilis, followed by Euryssacca quinoae.

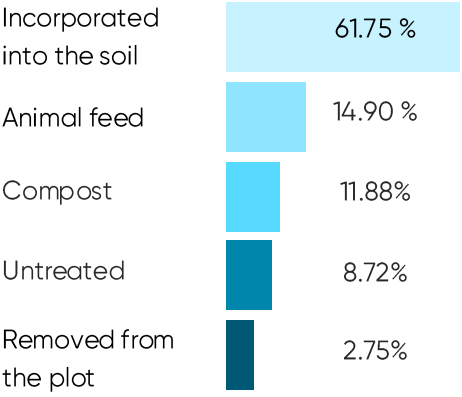


85% of our farmers have access to water

The most commonly used tillage method by our farmers is spring tillage

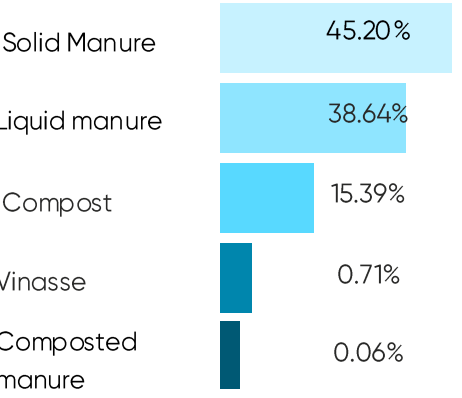
There is no evidence of deforestation or forest degradation practices in organic quinoa production in our supply chain

Agricultural waste management practices:



81.37% of our farmers are retained

Applied organic fertilizers:



Development of the Quinoa Supply Chain

Over the past decade, Peru became the world's leading producer and exporter of quinoa. After the FAO declared 2013 the "International Year of Quinoa", the crop gained popularity as a superfood, driving a surge in demand and prices. This led to a significant increase in supply. In Peru, production nearly tripled, driven by expanded conventional farming. Intensive cultivation and pesticide use boosted yields, especially among coastal farmers with better access to capital, technology, credit, and geographical advantages.

While the boom temporarily improved the financial stability of quinoa smallholder farmers, when prices fell, they struggled to compete in an increasingly demanding global market. Today, **the main challenges these farmers face include low yields, poor quality, and limited or no product differentiation, which prevent them from reaching premium markets.**



In this context, in 2022, **Olam Agri developed the project 'Development of the Quinoa Supply Chain'**, aimed at improving the livelihoods of 700 organic smallholder quinoa farmers in the regions of Ayacucho, Apurímac, and Puno.

Results of Phase 1 (2022 – 2023):

- 191 quinoa farmers transitioned from conventional to organic farming practices, achieving third-party organic certification and increasing their yields by an average of 14%.
- 204 farmers received organic inputs to produce cost-effective organic fertilizers.
- A manual on organic quinoa production was developed, specifically tailored to the local context of Apurimac region.
- A Farmer Field School (FFS) was implemented for farmer leaders.
- Four greenhouses were established, benefiting four communities, with a dual purpose: serving as solar dryers during the harvest season and as structures for cultivating vegetable gardens during the lean season.
- 35 sieves were provided to quinoa farmers to improve the quality of their quinoa during the post-harvest process.
- 925 community members received nutritional support: 503 adults were trained in nutrition, healthy diets, and the nutritional benefits of quinoa; 260 women took part in cooking demonstrations using quinoa; and 162 children were screened for anemia and malnutrition.



Helping Children Pedal to a Brighter Future



In the remote areas of Peru, many children endure a challenging journey to school each day. Some of them walk for over an hour each way, which not only takes up significant time but also leaves them fatigued, making it harder to concentrate on their studies.

To tackle this problem and promote inclusive livelihoods while addressing social inequalities for women, youth, and marginalized communities, Olam Agri has teamed up with **Nissan** and the local **NGO Baika**. Together, they have provided more than 100 bicycles, along with helmets, to children aged 3 to 16 in the farming districts of Cabana and Cabanillas in Puno, the largest quinoa-producing region in Peru.

This initiative seeks to simplify the commute for these children, allowing them to dedicate more energy to their education rather than to the challenges of reaching school.



Read more about it [here](#).



District of Cabana, Vizallani community:



District of Cabanillas, Taya Taya community:





Our Approach: In our Operations & Workplaces



Energy Management

We are committed to reducing the environmental footprint of our business, with a key focus on improving energy efficiency across our operations.

To achieve this, we implemented a series of initiatives focused on transitioning to cleaner energy sources.



Electric forklift: Implementation of electric forklifts.



Led lighting: Replacement of 400W halide lights with 200W high-bay LED lights.

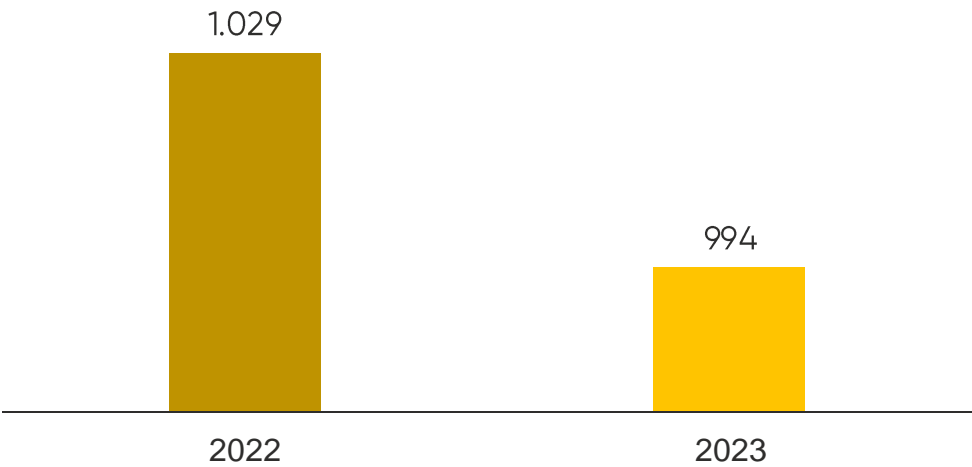


LPG conversion: Installation of a new boiler in the pre-cooked quinoa processing line, which will run on LPG instead of the diesel-powered.



Most of the electricity consumed within the facility is used by the various machines operating on the processing lines. These machines are essential for the production process, ensuring smooth and efficient operations. The electricity is supplied by Luz del Sur S.A.A. Thanks to the implemented changes, electrical energy consumption was reduced by 3.4%

Electric power consumption in MWh





Waste Management

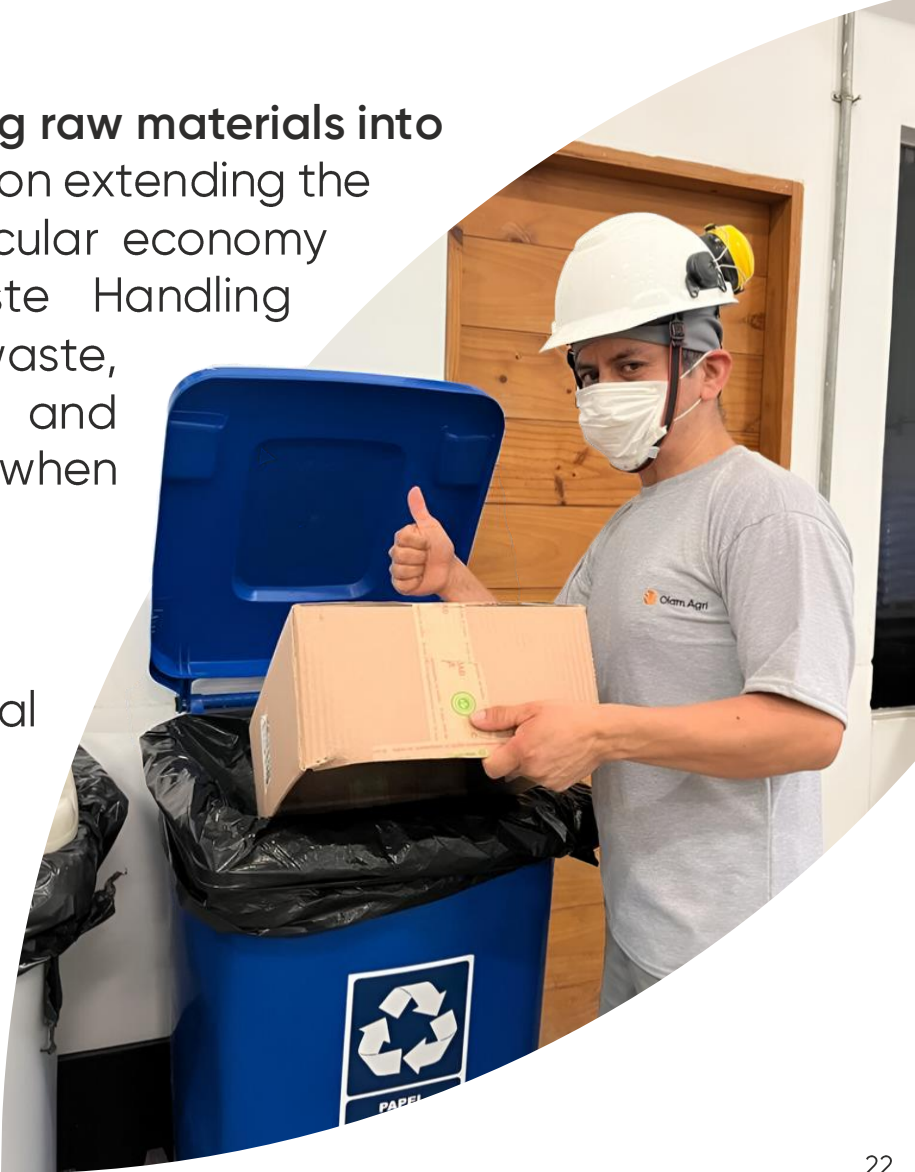
Olam Agri’s operations produce waste as a by-product of transforming raw materials into products for our customers. Our waste management strategy focuses on extending the

	TM	%
Recycled plastic	0.35	4.2%
Recycled wood	8.07	95.8%
Total recycled waste	8.42	100%

life cycle of waste within a circular economy framework. Through our 'Waste Handling Protocol', we aim to reduce waste, promote reuse and recycling, and dispose of waste responsibly when necessary.

Valorization of Saponin:

Quinoa grains are covered by a thin layer of saponin, a natural compound with foaming properties and a bitter taste. During production, the saponin is separated through friction, then weighed and bagged. This by-product can be valorized as an additive in animal feed. **In 2023, through the valorization of 596 MT of saponin, we prevented the generation of 1,021 MT of CO2eq.**








Carbon Footprint

For 2023, we measured our greenhouse gas emissions using the 'Peru Carbon Footprint' platform, developed by the Ministry of Environment, in accordance with ISO 14064-1. As a result of these efforts, our operation earned one out of four stars in the recognition system for completing the first step.

Results:

Our total emissions amount to **4,257.41 tCO2 eq** which is equivalent to **0.43 tCO2eq/MT**. The data shows that Scope 1 is the largest contributor, with 2,387.74 tCO2 eq (56%), indicating significant direct emissions from operations. Scope 2, related to energy use, contributes 212.43 tCO2 eq (5%), while Scope 3 accounts for 1,657.24tCO2 eq (39%), reflecting substantial indirect emissions from the value chain.

Scope	Emissions (tCO2 eq)	%
Scope 1	2,387.74	56.08%
Scope 2	212.43	4.99%
Scope 3	1,657.24	38.93%
TOTAL	4,257.41	100.00%

Main sources of emissions			
	Owned vehicles 2,301.98 tCO2 eq, 54% of total	Transport of inputs 850.40 tCO2 eq, 20% of total	Maritime transport 433.71 tCO2 eq, 10% of total

Health & Safety

Olam Agri invests in its workforce and prioritizes a safe work environment. The goal is to reduce injury rates by 50% while fostering a shared responsibility for safety, which supports quality and productivity.

In 2023, there were no fatalities, and unsafe acts were corrected to prevent potential accidents, aided by training programs. In April, the Safety Week was celebrated, during which activities such as games, active breaks with dancing, and the awarding of the internal safety contest were held.



Health and Safety Training at Work



Interactive games for recognizing occupational health and safety signage.



Recognition of the top 3 positions in the internal safety contest.



AtSource

AtSource

Time to transform agricultural supply chains.

AtSource is a sustainability management system designed for sustainable products and supply chains. It assists customers in the food, beverage, and ingredient sectors in optimizing their supply chains' sustainability performance with actionable data. AtSource highlights the impact achieved through targeted actions driven by data and insights.

AtSource was developed to address:

1. The complexity of agricultural supply chains.
2. The increasing demand for transparency, traceability and data.
3. The growing need to comply with legislation and ESG reporting requirements.





AtSource provides a **three-tiered solution** to meet varying sustainability needs: **Entry, Plus, and Infinity**. Each tier builds upon and extends the benefits of the previous one.

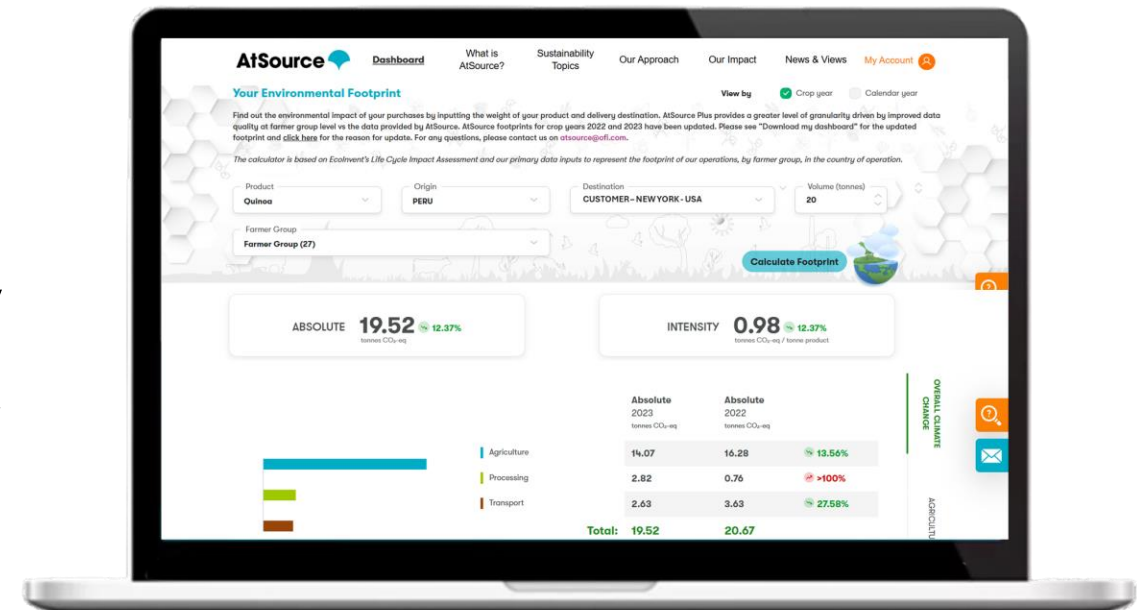
In 2023, we registered **2,001** organic quinoa farmers in **AtSource+**.



Purchasing a product verified by **AtSource+** means it has been sourced from a **responsible supply chain**. We track how the product was **grown, harvested, and processed**. Additionally, every three years, this data is **verified** by an independent party to ensure compliance.

AtSource enables our customers to:

- Manage and mitigate sustainability risks.
- Enhance performance and impact in supply chains efficiently through verified, data-driven insights.
- Accurately report on metrics related to sustainability commitments.
- Implement effective on-the-ground actions and clearly communicate the impact of sustainability programs and partnerships at the source.

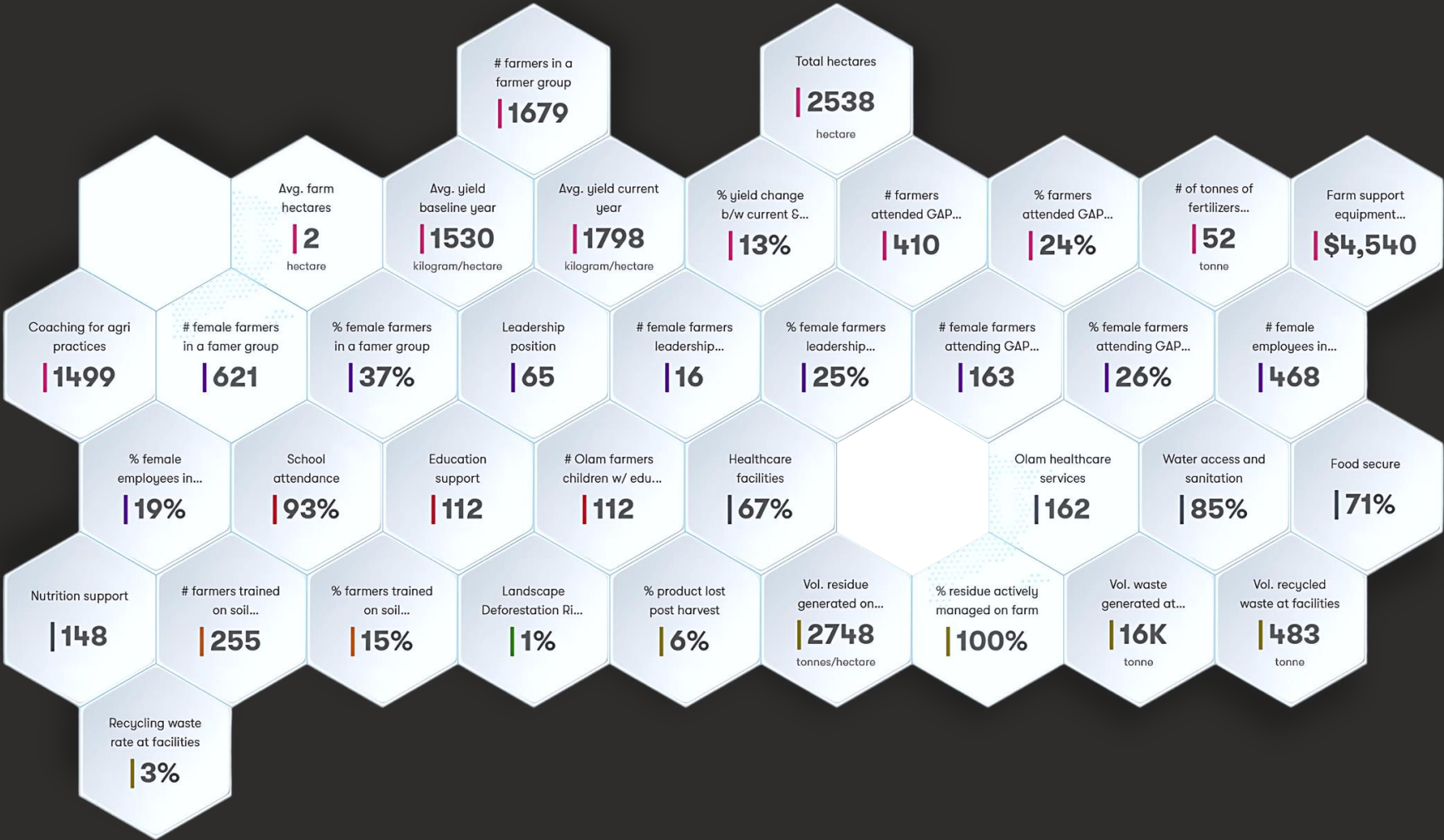


Want to know more? Click [here](#).



Metrics Monitored for Our Organic Quinoa Farmer Supply in 2023

via **AtSource+**:



Thanks to:

We extend our gratitude to all our partners who have contributed to our sustainability programs and initiatives.

A special thanks to the entire **Olam Agri's Specialty Grains & Seeds team**, our clients and most importantly, the dedicated quinoa farmers across the country, whose efforts are vital to every step we take toward meaningful change.

Be the change with us:

Join us in building a sustainable and food-secure future. We invite you to partner with us, whether by expanding existing programs or leveraging our technical expertise and resources to develop new and impactful initiatives. Our team is excited to explore opportunities for collaboration. Contact us.

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