Olam Agri

Responsible Soy Sourcing Policy for Origination Volumes



Introduction

Olam Agri is committed to protecting forests and areas of high conservation value. In line with our Company-wide approach, we are committed to responsible soy sourcing that protects forests and natural ecosystems, and respects native communities and workers' rights in Brazil.

Brazil's Amazon Biome covers nearly 49% of the country's land area[1] and contains around 10%[2] of the planet's known biodiversity. The Cerrado savanna, which occupies about 24%[1] of Brazil's territory, is recognised as one of the world's most biodiverse savanna ecosystems, home to roughly 5%[3] of global species.

Since 2008[4], Brazil has lost an estimated 143,000 km^2 of primary vegetation in the Amazon and about 168,000 km^2 in the Cerrado, mainly due to agricultural expansion. In recent years, the rate of deforestation and conversion has declined due to the combined effects of stricter environmental law enforcement, improved monitoring, and greater private-sector engagement.

Alongside seven of the world's leading agricultural companies, we have come together under the Soy Agriculture Roadmap to 1.5°C to accelerate this progress and jointly work towards eliminating deforestation and the conversion of natural ecosystems linked to soy production in Brazil. This Policy will effectively contribute to the realisation of this ambition and ensure that our supply chains are sustainable and free from human rights abuses and environmental violations.



[1] IBGE/MMA. Map of Brazilian Biomes – First Approximation, 2004.
https://brasilemsintese.ibge.gov.br/territorio.html
[2] ANEC / Observatório Nacional de Justiça Socioambiental Luciano Mendes de Almeida – OLMA. Amazônia: Biodiversidade, desafios e potencialidades, Brasília–DF, 2019.
https://anec.org.br/wp-content/uploads/2020/02/Subsídio-Amazônia-Biodiversidade-desafios-e-potencialidades.pdf
[3] WWF Brasil. Cerrado.
https://www.wwf.org.br/nossosconteudos/biomas/cerrado/
[4] INPE: PRODES / DETER – Alertas de Desmatamento
https://terrabrasilis.dpi.inpe.br/

Responsible Soy Sourcing

Our Responsible Soy Sourcing Policy outlines the processes and commitments that guide our soybean sourcing across our supply chain. This aligns with the Olam Agri Supplier Code, which sets out the standards and principles we expect of suppliers of agricultural products to uphold our Policies and all applicable laws.

Compliance with the national law is the foundation of our sourcing approach. All our suppliers must demonstrate compliance with Brazilian environmental, labour, and land tenure legislation, including, but not limited to, the provisions of the Forest Code, such as the requirements for Permanent Protection Areas and legal Reserves.

This Policy is designed to ensure ethical and sustainable sourcing practices for our soy origination in Brazil. It establishes specific requirements for both direct and indirect suppliers, recognising that each group plays a distinct role within our supply chain for origination volumes and therefore requires different approaches to traceability, monitoring, and compliance.

Origination from Direct Suppliers

When sourcing from a direct supplier, it is mandatory that the supplier provide the CAR (Cadastro Ambiental Rural, Brazil's Rural Environmental Registry) for the specific property where the beans were produced. The CARs must be submitted to the Soy Sustainability team for verification and approval before any sourcing activity proceeds.

The supplier must either be the registered owner in the CAR or provide a valid land lease agreement.

The Soy Sustainability team will assess the CAR in accordance with Olam Agri Sutainability Protocols (see Appendix 1)

- If the property meets all compliance criteria, the sourcing process is authorised to continue.
- If the property fails to meet the established criteria, sourcing from that supplier will not be approved.

When sourcing in the State of Pará, the assessment must follow the criteria established in the 'Pará State Green Grains Protocol' (see Appendix 2).

Contact Information

Soy Sustainability Team

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Origination from Indirect Suppliers

When sourcing from indirect suppliers, such as cooperatives, resellers and elevators, soybeans may originate from multiple farms and locations. Origination is often determined by the supplier at the time of shipment, based on logistics, availability, pricing, and other operational considerations.

In this case, Olam Agri can only confirm the beans' origin upon receipt of the shipment, as indicated on the invoice. To assess compliance with this Policy, each shipment is classified into one of three risk categories (as per the sectoral methodology developed in the operating model in the Roadmap).

1. **No Risk** – Municipalities with 0% soybean overlap with deforestation/conversion.
2. **Negligible Risk** – Municipalities with <1% soybean overlap with deforestation/ conversion.
3. **High Risk** – Municipalities with >1% soybean overlap with deforestation/conversion.

For all shipments originating from a high-risk municipality, the supplier must provide the CARs for the plots of land that produced the beans as evidence that the shipment is deforestation- and conversion-free (DCF).

In addition to these case-specific checks, suppliers operating within priority biomes (Amazon and Cerrado) undergo ongoing engagement and verification. We proactively request CARs from our frequent suppliers, ensuring ongoing evidence of DCF compliance.

Supplier Engagement

Engaging with suppliers is key to our approach to responsible soy sourcing. We believe that to achieve progress towards eliminating deforestation and the conversion of natural ecosystems, and to advance our sustainability objectives, developing partnerships with our origination suppliers is critical.

We raise awareness among our suppliers of the importance of conservation, respect for labour rights, and the rights of local communities and indigenous peoples. We seek our suppliers' acceptance of the principles of sustainable farming and include sustainability provisions in supplier contracts.

Transparency & Reporting

We will report annually on the implementation of this Policy, including progress on supplier engagement, updates on risk monitoring, and the percentage of DCF volumes.

All processes and reporting must remain fully compliant, as the Company will undergo periodic audits to verify adherence to the Soy Agriculture Roadmap to 1.5°C, the 'Pará State Green Grains Protocol', and any future regulatory or voluntary frameworks that may be introduced.



Appendix 1

Olam Agri Sustainability Protocol

Suppliers should be compliant with:

- Rural Environmental Registry (CAR).
- Proportionality between the supply and the productive area declared in the registry.
- Not appear on the embargoed areas lists of IBAMA or SEMAs.
- Not appear on the list of degrading or slave-like labour.
- CAR cannot overlap:
  1. Deforestation and conversion alerts (PRODES): no deforestation and conversion after 31 December 2025.
  2. Deforestation Embargoes: IBAMA, state agencies or ICMBio
  3. Conservation Units (UCs)
  4. Indigenous Lands (TIs)
  5. Quilombola Territories

Appendix 2

Pará State Green Grains Protocol

Suppliers should be compliant with:

- Rural Environmental Registry (CAR).
- Proportionality between the supply and the productive area declared in the registry.
- Provide an invoice (Nota Fiscal) for all products, which may be issued globally, covering the total volume traded, or individually for each transport operation.
- Not appear on the embargoed areas lists of IBAMA or SEMA/PA.
- Not appear on the list of degrading or slave-like labour.
- Have no land clearing detected by official PRODES/INPE data on the property/properties, larger than 25ha, as of July 22, 2008, except when authorised by the competent environmental authority.
- Have no overlap with Indigenous Lands (TIs).
- Have no overlap with Conservation Units (UCs).

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