

# Modern Slavery and Human Trafficking Statement 2024

**24 June 2024**

This Modern Slavery and Human Trafficking Statement (the “**Statement**”) is made by **OFI Group Limited**<sup>1</sup> on behalf of its wholly owned subsidiaries and broader affiliates in the **United Kingdom**<sup>2</sup>, **California**<sup>3</sup> and **Australia**<sup>4</sup>, together the “**Reporting Entities**” (“**ofi**”, “**us**”, “**we**” or the “**Group**”).

**ofi's** (Olam Food Ingredients) approach to modern slavery and human trafficking is consistent across the Group, with policies, approach, risk management, actions and governance being led at a corporate level, which are then tailored, adapted and localized by **ofi's** subsidiaries as required. As such, this Statement addresses the actions taken by all Reporting Entities.

This statement is for the financial year ending 31 December 2023.

Due to **ofi's** operational footprint, **ofi** subsidiaries in other jurisdictions may meet thresholds to report under applicable legislation addressing similar subject matter in their country<sup>5</sup>.

## **Our business**

**OFI Group Limited** is part of the Olam Group of companies ([www.olamgroup.com](http://www.olamgroup.com)) which is a leading food and agri-business supplying food, ingredients, feed and fibre to more than 22,000 customers worldwide. Olam Group's value chain spans over 60 countries and includes farming, processing, and distribution operations, as well as a sourcing network of an estimated 5 million farmers.

**ofi** (Olam Food Ingredients) is an operating group born out of the Olam Group, supplying food and beverage ingredients and solutions to customers worldwide. It consists of industry-leading businesses of cocoa, coffee, dairy, nuts, and spices, with a unique global value chain presence in ~50 countries including our own farming operations, farm-gate origination sourcing from approximately 2.4 million farmers,

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<sup>1</sup> This Statement has been voluntarily prepared by OFI Group Limited on a consolidated basis on behalf of the Reporting Entities.

<sup>2</sup> Olam Europe Limited is the UK company that meets the thresholds to report against the UK Modern Slavery Act. It is a corporate office within ofi based in London.

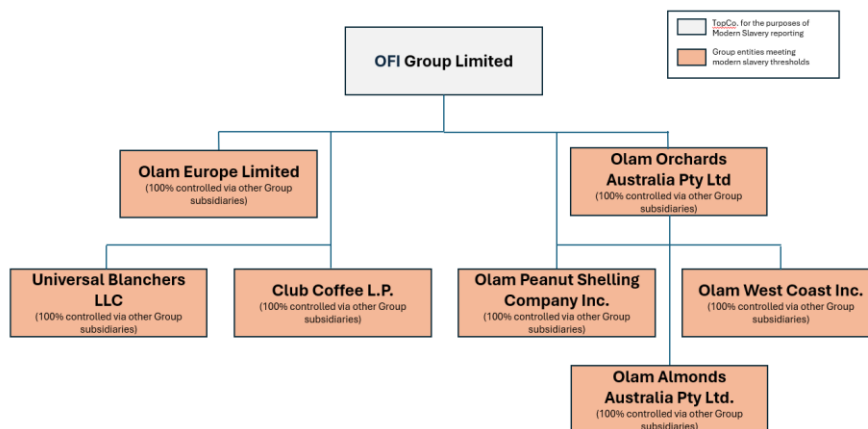
<sup>3</sup> Universal Blanchers LLC, Olam West Coast Inc. and Olam Peanut Shelling Company Inc. are the US companies that meet the thresholds to report against the California Transparency in Supply Chains Act.

<sup>4</sup> Olam Orchards Australia Pty Ltd is the Australian company that meets the thresholds to report against the Modern Slavery Act 2018.

<sup>5</sup> For example, Club Coffee L.P. is a Canadian entity that meets the thresholds to file a report in accordance with the Canadian Fighting Against Forced Labor and Child Labor in Supply Chains Act.

and manufacturing facilities. See page 8 of this statement for further details in relation to the Australian operations of **ofi**.

**ofi**, through its group of companies, believes in maintaining a safe and healthy work environment, with all employees treated with dignity and fairness and the rights of people and communities across our value chain respected. Below we have provided a simplified breakdown of our group structure for the purposes of our Modern Slavery and Human Trafficking reporting. The Reporting Entities are all 100% controlled by **OFI Group Limited** via other 100% controlled group subsidiaries of **OFI Group Limited**.



## Our approach to addressing modern slavery and human trafficking

We are acutely aware of the risk of modern slavery and human trafficking in our business and supply chains, given the global presence of **ofi** and our diverse and fragmented agricultural supply chains, relying on millions of farmers, many of them smallholders.

We condemn illegal and unacceptable labor practices. Our local and global teams engage with suppliers, customers, civil society, governments, and communities to seek to identify and mitigate the risk of modern slavery in our business and value chains.

Olam Group was one of the first agri-businesses to be affiliated with the Fair Labor Association (“FLA”) which it joined in 2012, to strengthen processes and monitoring systems where most needed. **ofi** has continued this affiliation. The FLA carries out annual assessments of our policies, strategies and targets and conducts field assessments of our cocoa and nuts supply chains, to assess our monitoring systems and identify any non-compliance with labor standards. At their recommendations, we developed a Child Labor Monitoring and Remediation System (“CLMRS”), which includes monitoring for forced child labor, that is now rolled out across 11 countries and three **ofi** products (Cocoa, Coffee and Hazelnut).

Our approach to addressing modern slavery within our value chain is set out below:

- Our Agri-Supplier Code: The **ofi** Agri-Supplier Code (“ASC”) details the environmental, social and governance principles stated in our corporate policies that we expect all our agricultural suppliers (“suppliers”) to respect. This involves actively engaging suppliers on the topics covered in the ASC and requiring them to sign the ASC as evidence of acceptance. Suppliers are also trained on what the ASC means for their operations, highlighting that this is not just a “signing exercise.” Engaging our suppliers on the ASC is the first step towards building a more transparent and sustainable supply chain, by setting out expectations to purchase crops that are produced in a socially responsible, economically profitable, and environmentally sustainable way. **ofi** has rolled out the ASC to the majority of its global direct supply chain and an increasing number of indirect suppliers. We are also rolling out an ASC independent third-party verification process to measure ASC compliance levels among our direct suppliers and support them to improve performance against these standards. Where an independent verification is yet to be implemented, we are training **ofi** field teams and equipping them with the tools needed to conduct their own reviews. Where supplier non-compliance with the ASC is identified, we have developed guidance for origin teams to follow to know when they should engage with the supplier to put in place corrective action plans and when immediate exclusion might be needed. Assessing the risk of modern slavery in our supply chains: In partnership with Wageningen University and Research (“WUR”), we carry out human rights risk assessments, obtaining risk scores using public databases for a specific country-product combination. This helps us to understand where the risk of salient human rights issues, such as child labor and forced labor, are the highest within our supply chains. Using the risk scores, we establish monitoring systems and carry out more in-depth assessments to determine the most effective actions to take.
- Child and Forced Labor Monitoring and Remediation Systems: In supply chains where there is a high-risk of child labor, we strive to implement digital or non-digital systems to monitor and remediate where possible cases of child labor, including forced child labor. We also intend to work with these communities to implement tools to carry out monitoring of forced labor for adult workers.
- Farmer Support Programs: To address other human rights issues such as livelihoods, inclusion, living incomes and wages (which are often considered to be root causes of child labor, modern slavery and forced labor), **ofi** works with international expert organizations, donors and customers to implement multi-year projects and programs to address these issues.
- Reporting Mechanisms: **ofi** is committed to hearing input from stakeholders and any evidence of exploitation or possible modern slavery in our business or supply chains. We have a global grievance mechanism and whistleblowing channels to receive reports. All reports received are reviewed by our internal teams and remediation action taken where possible.

Our in-house sustainability management system, AtSource, offers the ability to track the social footprint of our products from the farmer to the factory gate. It includes social metrics aligned with the Global Reporting Initiative and the UN Sustainable Development Goals, including labor related metrics covering human rights, safe and decent work and diversity and inclusion. While AtSource does not track all farmers within our extensive supply chain, every year more farmers are being added to those already monitored within the platform. The volumes supplied through AtSource are verified by independent third-party audits.

### **Our assessment of modern slavery and human trafficking risks**

In accordance with the UNGPs, **ofi** carries out risk assessments to identify the most salient human rights risks and where they are most likely to occur, to tailor interventions accordingly. Through a partnership led by WUR, we have commodity-specific risk scores for eight human rights principles, including: forced labor, child labor, violence and harassment, discrimination and unfair remuneration for the countries we source from. Understanding where the risks of modern slavery are the highest helps us decide where we should look to carry out in-depth assessments to identify the root causes of modern slavery in that particular context. It also allows us to prioritise actions to mitigate the risk of human rights infringements (including modern slavery practices) and carry out heightened monitoring systems where appropriate.

Refer below to the specific actions and interventions we have taken to address the risks identified within the above supply chains. While some risks are yet to be addressed, actions and interventions are being implemented on an ongoing basis to manage and mitigate the identified risks.

### **The actions we have taken to identify, assess and manage modern slavery and human trafficking risks within our operations and supply chain**

Our Chief Sustainability Officer and Chief Human Resources Officer, supported by the **ofi** Sustainability and Human Resources functions, undertake that all employees, businesses, and other functions across geographical areas of the Group, are clear about their role in respecting human rights, implementing necessary measures within our own operations, communicating our requirements to suppliers, monitoring the implementation and outcome of these measures, and maintaining and updating the relevant policies and codes. Top-level oversight is provided by the **ofi** Board of Directors and its relevant committees, including the Sustainability and Governance committee and the Audit and Risk committee. **Ofi** also has an Inclusion, Diversity and Equality (“IDE”) governance framework. Each of our regional teams has an IDE Council that reports to the Corporate Leadership Team. The IDE framework provides a strategy and actions on diversity, equality and inclusion for the **ofi** Group to follow.

During 2023, we began the process of updating the human rights risk scores together with WUR, to ensure that we have the latest data on where modern slavery risks are the highest. In supply chains that have been identified as high risk, we aim to carry out in-depth assessments to better understand how those risks manifest themselves in

our supply chain, and what interventions we can put in place to address them. The FLA has evaluated all high-risk cocoa supply chains and the Turkey hazelnut supply chains, mapping working conditions and labor risks and partnered with us to review our corrective action plans in order to strengthen our systems and response.

In addition to installing systems that help identify cases of forced labor, we also seek to provide additional support to help mitigate the risk of modern slavery from occurring in the first place. Some examples of our activities in 2023 to tackle the root causes are listed below.

### **Examples of actions taken to target specific child labour risks**

**ofi** rolled out its CLMRS, to cover the risks of child labor across multiple countries and supply chains. **ofi's** CLMRS covered nine cocoa, one coffee, and two nuts sourcing origins in 2023, with a roll-out in progress to other priority origins.

A lack of childcare facilities in communities can increase the risk of child labor when seasonal agricultural workers bring their children with them onto farms. To help monitor risks during the 2023 harvest, **ofi's** hazelnut team in Turkey conducted unannounced farm inspections and monitored children aged 5-17 using our digital CLMRS app. To support the workers, we continued our summer school program, in operation for many years, which was attended by over 500 children during the 2023 harvest.

We also recognise that tackling these complex challenges requires collaboration with others, including customers, governments and civil society. We participate in several multi-stakeholder initiatives to address these challenges collectively and mitigate the risk of forced labor from occurring, including the International Cocoa Initiative, the Child Learning and Education Facility ("CLEF"), the ILO Child Labor Platform ("CLP"), the World Business Council for Sustainable Development, the IDH Living Income Roadmap, the Living Income Community of Practice, and are a Global Living Wage Corporate sponsor.

### **Actions to target root causes in improving farmer livelihoods**

In 2023, **ofi** helped enhance farmer livelihoods by providing support such as training, agricultural inputs, credit and infrastructure to nearly 500,000 farmers within our global sourcing network. Additional income for farmers reduces the risk of exploitative labor practices occurring.

Under a pilot project between **ofi** and the NGO 100WEEKS, 94 coffee farmers in Uganda received weekly cash transfers and training to alleviate debt pressures and incentivise farm investment. According to the 2023 project survey, 80% of the participating famers found an additional income-generating activity with 78% saying the program helped increase their income. Supporting farmers to earn additional income reduces their need to resort to exploitative labor practices that could amount to forced labor.

### **Measures taken to remediate identified cases of modern slavery and human trafficking**

If confirmed cases of forced labor are identified or reported to us, we aim to support the victims where possible in cooperation with other stakeholders as appropriate, and track the status of case remediation until its resolution. While we did not identify any cases of forced labor in 2023, we did take action in response to labor issues being reported to us. For example, in our coffee operations in Uganda, we identified a seasonal worker lacking a written agreement with the employer and addressed this by putting a written agreement in place. In collaboration with the FLA, we have been working to put in place corrective action plans to address findings that they made during an assessment of our cocoa operations in Ghana. Specific plans have covered the improvement of contracts with farmers, encouraging farmers to retain workers' ID documents (a forced labor indicator if they do not retain these), training farmers on record keeping of payments for their cocoa, and encouraging farmers and workers to have third parties as witnesses for their verbal contracts.

### **How the reporting entity assesses the effectiveness of actions taken**

We are committed to reporting on our activities to prevent and remediate human rights risks in the Olam [Annual Report](#), commodity-specific annual progress reports such as the [Cocoa Compass](#), the [Coffee LENS](#) and the [Nut Trail](#) reports, the [Additional Sustainability Information Report](#), [publicly available FLA assessments](#) of our cocoa and hazelnut supply chains, and to national and multi-stakeholder initiatives such as the Cocoa Forests initiative and the International Cocoa Initiative.

We are also rolling out targeted monitoring systems (CLMRS and FLMRS) in our high-risk supply chains, to allow us to identify any issues of forced and child labor on the ground and provide remediation actions for victims as required.

Addressing modern slavery does not have a short-term solution as it is a complex problem and a shared responsibility. It will take time for our monitoring and remediation actions and processes to have the desired effect and drive real, systemic change. The effects of CLMRS and FLMRS are having positive outcomes, and we will continue to monitor this progress over the coming years.

### **Our policies in relation to modern slavery and human trafficking**

Our policies are informed by the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the Women's Empowerment Principles. As part of the Olam Group, we have also been a signatory to the UN Global Compact since 2016, noting Principle 4 "Businesses should uphold the elimination of all forms of forced and compulsory labor".

**ofi's** Code of Conduct sets out the principles by which we conduct our business, engage with our stakeholders, and prohibit child labor and any form of forced labor. All ofi employees are expected to commit to and uphold the standards set out in the Code of Conduct and can report breaches or raise serious concerns to their respective manager, country leadership team, Human Resources or Legal, or through the Speak Out! anonymous reporting line without fear of retaliation.

The **ofi** Supplier Principles and Agri-Supplier Code stipulate the human rights standards we expect our suppliers and business partners to uphold, and we engage and train suppliers on the topics covered in the ASC, including forced labor and the requirement that suppliers establish a process to receive, review and investigate any grievances coming from employees, farmer group members and local communities. Where supplier non-compliance with the ASC is identified, we have developed guidance for origin teams to follow to know when they should engage with the supplier to put in place corrective action plans and when immediate exclusion might be needed.

We regularly review and update our policies to reflect the changing landscape, with input from in-house experts and external stakeholders.

Name of Policy	Date published/revised
<a href="#"><u>Plantations, Concessions &amp; Farms Code</u></a>	July 2015
<a href="#"><u>Living Landscapes Policy</u></a>	April 2018
<a href="#"><u>Grievance Procedure</u></a>	July 2018
<a href="#"><u>Whistleblowing Policy</u></a>	April 2022
<a href="#"><u>Fair Employment Policy</u></a>	May 2022
<a href="#"><u>Code of Conduct</u></a>	November 2022
<a href="#"><u>Agri Supplier Code</u></a>	November 2022
<a href="#"><u>Supplier Principles (e.g., non-commodity procurement)</u></a>	March 2023
<a href="#"><u>SpeakOut! Reporting Platform</u></a>	January 2024

### **Trainings provided to employees on modern slavery and human trafficking**

We ensure that our field teams are trained on modern slavery identification and remediation, to be able to detect any such cases when conducting farm visits. During 2023, **ofi** trained 182,599 farmers on appropriate labor rights and practices.



We are in the process of rolling out Human Rights training to all employees, manager and above, later in 2024.

### **Complaints mechanism for modern slavery to be reported**

Our publicly available grievance mechanism, "Speak Out!" is available to all **ofi** employees and will be made available to **ofi** stakeholders in the future, including our farmers, to enable concerns about modern slavery to be raised confidentially. All grievances are logged and investigated with status updates, and actions reported and dealt with in an anonymous and timely manner. We are in the process of putting together a roll-out plan for origin teams which will include raising awareness of our grievance mechanism among farmers and trainings on how it works and should be used. During 2023, 669,354 stakeholders were covered by the **ofi** grievance mechanism.

### **Third party assurance and verification of our modern slavery reporting**

**ofi** does not currently obtain external, third-party assurance over our modern slavery statement and other human rights reporting. However, in accordance with EU regulations and our upcoming obligations to report in accordance with CSRD and the ESRS standards, we intend to obtain external assurance over our ESG reporting in 2026. During 2023, we engaged Ernst & Young ("EY") as our external financial auditors, to begin the process for external assurance over selected ESG metrics. We expect to continue working with EY in the coming years to increase the scope of assurance received.

### **Australia specific:**

**ofi** Australia has an established business growing, processing and trading almonds both locally and internationally. **ofi** operates approximately 15,000 hectares of almond orchards, across 13 farms in Victoria and New South Wales and has an almond processing facility located at Carwarp in Victoria. **ofi** Australia has its own established marketing and distribution network in all major almond consuming regions. It also operates a processing, packing and warehouse facility at West Melbourne in Victoria. Along with **ofi's** products, this facility is used to source and process various other nut types. **ofi** Australia also imports and trades finished cocoa products, being cocoa powder, butter and liquor.

**ofi** Australia has 217 employees located in Brisbane and Melbourne offices and across the various orchards and facilities. **ofi** Australia has a global supply chain, encompassing both local and international suppliers as part of its direct and indirect procurement activities. Categories of suppliers include the following: raw materials (cocoa products produced from cocoa beans sourced from growers across various countries and processed at **ofi** facilities), logistics (e.g. freight, storage and handling, stevedoring and port terminal services, shipping), seasonal labor, packing products and site and plant related suppliers.

Olam Orchards Australia Pty Ltd holds 100% of the share capital of Olam Almonds Australia Pty Ltd.



## **Our continuing commitment**

We are committed to playing our part to work with stakeholders from the public and private sectors to tackle discrimination, eliminate unsafe and illegal labor practices for children and adults where possible, promote fairness and equality, and champion inclusion and diversity, while continuing to improve the livelihoods of farmers and communities.

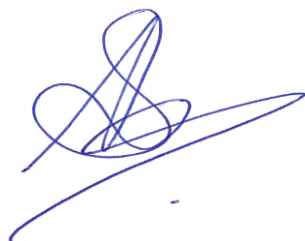
To access previous versions of our UK Modern Slavery and Human Trafficking Statement, please click [here](#).

## **The process of consultation with subsidiaries in preparing this statement**

In preparing this Statement, we consulted with representatives from each of the Reporting Entities. In particular, representatives were asked to provide input into how modern slavery and human trafficking is being addressed within their business and supply chains.<sup>5</sup> As stated above, ofi's approach to modern slavery is consistent across the Group, and importantly, supported and tailored by ofi's business at local level as necessary.

## **Board approval**

This Statement was approved by the Board of Directors of **OFI Group Limited** on behalf of the Reporting Entities on 24 June 2024.



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Shekhar Anantharaman

Executive Director and Group CEO

**OFI Group Limited**

24 June 2024

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<sup>5</sup> For Olam Orchards Australia Pty Ltd, consultation included representatives from entities owned and controlled by Olam Orchards Australia Pty Ltd.