

Driving progress for a sustainable future

ECOM Group Sustainability Report 2025

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Welcome to ECOM’s 2025 Group Sustainability Report

We are pleased to bring you our 2025 ECOM Group Sustainability Report, which highlights our actions and progress in implementing our Group-wide sustainability strategy. The strategy is based on three core pillars: Improving farmer and worker livelihoods; Protecting and regenerating nature; and Managing change through transparency and traceability.

We have included actions across our primary commodities - cocoa, coffee and cotton, as well as our nuts and ingredients business. These actions cover origin-sourced countries, partner-sourced regions, factories and offices. This Report details the actions we have taken to advance our strategy as well as our progress towards achieving specific commitments.

The Report has been prepared with reference to the Global Reporting Initiative (GRI) standards and is structured around the Group’s Double Materiality Assessment. Please refer to the GRI content index for further details. We have included a glossary containing definitions of the key terms used throughout the Report.

In recognition of the evolving regulations surrounding sustainability reporting, our environmental, social and governance (ESG) management system complies with emerging reporting regulations. We continue to keep a close eye on the ongoing changes in the regulatory landscape.

This Report covers activities from 1 January to 31 December 2025. All financial figures are reported in US dollars (US\$) unless stated otherwise. The programmes, initiatives and activities discussed in this Report were undertaken in collaboration with various partners, including clients, donors, non-governmental organisations (NGOs) and area experts. We have credited these partners in our disclosures where relevant.

Full disclaimer available [here](#).

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1 Introduction

“As a global merchant, we are focused on building a resilient business that can adapt, evolve and create lasting value for our partners and across our global network. By working closely with producers, customers and partners, we continue to strengthen our operations, drive innovation and build a more sustainable future across the markets in which we operate.”

Alain Poncelet
ECOM Chief Executive Officer



Alain Poncelet
ECOM Chief Executive Officer

1.1 A note from our CEO

The year 2025 has continued to reflect a complex and increasingly unpredictable global environment, with ongoing volatility across the markets in which we operate. Intensifying conflicts in several regions, extreme weather events, evolving trade restrictions, and the introduction of US tariffs have all added pressure to global supply chains. At the same time, shifting geopolitical alliances and growing constraints on international aid budgets have changed the operating environment for our industries.

As a global merchant, our role is to navigate these external challenges with agility and discipline, while ensuring our operations remain resilient and focused on the future. These conditions have exposed inefficiencies in traditional trading models, but they have also created opportunities to accelerate innovation, strengthen supply chains and deliver more sustainable outcomes across the coffee and cocoa sectors, as well as the other commodity markets in which we operate.

With operations in more than 40 countries, we are uniquely positioned to help drive this progress. By strengthening collaboration with producers, customers, and partners, and by drawing on the expertise and dedication of our teams worldwide, we have continued to reinforce our position as a trusted and reliable partner. Across trading, logistics, operations, and sustainability, our teams have combined extensive market knowledge with strong local relationships to respond effectively to changing conditions and maintain continuity in a demanding environment.

For ECOM, resilience is defined by our ability to withstand disruption, and our capacity to adapt, learn, and strengthen over time. This is reflected in how we support producers in managing volatility, evolve our sourcing and logistics strategies, and invest in systems that enhance traceability and supply chain integrity. It is equally reflected in our continued commitment to responsible sourcing and long-term partnerships across our value chains.

Throughout our history, we have consistently adapted to changing market conditions while continuing to grow. Our adaptability remains central to how ECOM operates today. Looking ahead, we recognise that the challenges facing our industries, from climate impacts to regulatory change and shifting market dynamics, will continue to evolve. Our focus remains on managing these complexities responsibly, protecting value across our supply chains, and supporting the long-term viability of the producers and communities with whom we work.

1.2

About ECOM

ECOM is a world-leading soft commodity services group that specialises in coffee, cocoa and cotton, with ancillary activities in nuts and ingredients. We have a global reach, with more than 6,000 employees and operations in over 40 countries around the world. Our team of 1,000+ agronomists and technicians provide support to thousands of producers and local businesses and implement more than 150 sustainability projects worldwide.

As an origin-integrated company, part of our supply chains are traceable, sustainable, and client- and partner-specific. Our commodities are procured directly from producers and producer organisations, or indirectly through larger suppliers. We also provide primary processing, logistics and risk management services, as well as selling to branded product manufacturers.

We have three core businesses:

- Coffee – We are the world’s leading coffee dry miller. With operations in 30+ countries, more than 20 origin operations and 85 sales destinations, we are also one of the largest coffee traders in the world.
- Cocoa – We are one of the world’s largest cocoa traders and processors, sourcing through our origin operations in 10 countries and more widely from 30+ countries. We process beans in our six factories across three continents.
- Cotton – We operate in seven origin countries and 36 sales destinations.

Nuts and ingredients

We are providers of edible nuts and specialty ingredients, including seeds and superfoods. These are sourced from nine countries in Africa, Asia, Europe and North America.

Research division

We use scientific evidence to drive our decision making. We have our own research department of analysts, meteorologists and data scientists who work across our commodities. They carefully assess the risks surrounding critical issues such as deforestation and climate change, as well as analysing market dynamics and crop predictions. We also work closely with other corporations, universities, NGOs and research organisations to invest in developing innovative agricultural techniques and processes.

175+

Years of history

450,000+

Producers in direct supply chains

6,000+

Employees worldwide

40+

Countries of operation

1,000+

Agronomists and field technicians

Our origin countries, processing operations and trade offices

- | | |
|-----------------|---------------------|
| 1 Australia | 21 Japan |
| 2 Bangladesh | 22 Kenya |
| 3 Belgium | 23 Liberia |
| 4 Brazil | 24 Mexico |
| 5 Cameroon | 25 Netherlands |
| 6 China | 26 Nicaragua |
| 7 Colombia | 27 Nigeria |
| 8 Costa Rica | 28 Papua New Guinea |
| 9 Côte d’Ivoire | 29 Peru |
| 10 El Salvador | 30 Rwanda |
| 11 Ecuador | 31 Sierra Leone |
| 12 Ethiopia | 32 Singapore |
| 13 Germany | 33 South Korea |
| 14 Ghana | 34 Switzerland |
| 15 Greece | 35 Tanzania |
| 16 Guatemala | 36 UAE |
| 17 Honduras | 37 Uganda |
| 18 India | 38 UK |
| 19 Indonesia | 39 United States |
| 20 Italy | 40 Vietnam |

1.3

Our value chain

ECOM’s value chain comprises a wide range of stakeholders across global supply chains. Throughout this Report, we highlight how our coffee, cocoa and cotton supply chains operate in practice, and how actions are implemented at each stage. Across our value chain, we work with a variety of stakeholders to support supply chain integrity, manage risk and create long-term value.



Farmers

We work with hundreds of thousands of producers worldwide. Our agronomists and technicians support the adoption of agricultural practices that improve productivity and resilience, while field officers and specialists provide guidance on social topics, including gender equity and child labour.



Communities

We work with rural farming communities to support economic participation and local resilience. Through targeted programmes, we expand access to income opportunities and provide training on social practices and human rights.



Sourcing

We source commodities globally through established origin operations. Our origin teams provide market insight and maintain relationships with suppliers, while our trading teams manage price risk and market exposure across commodity markets.



Processing

We invest in our processing facilities to improve efficiency and operational performance. This includes energy-related projects that support our carbon reduction ambition and broader operational improvements across sites.



Clients and marketplace

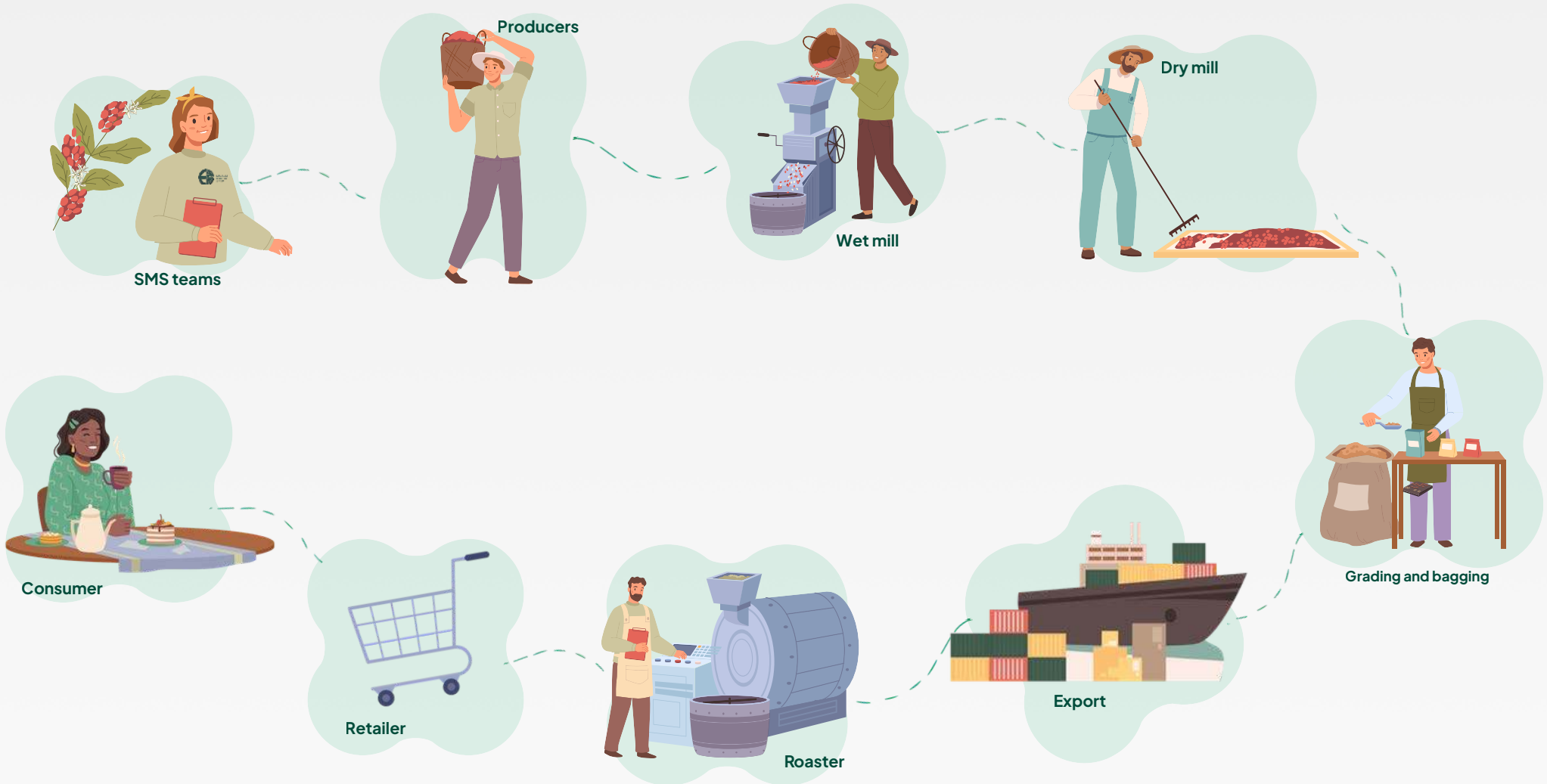
We work with clients to implement social and environmental programmes across supply chains. These partnerships support the delivery of interventions at origin and contribute to improved traceability, compliance and supply chain performance.

Throughout the Report, we highlight these different value chains in more detail.

1.4

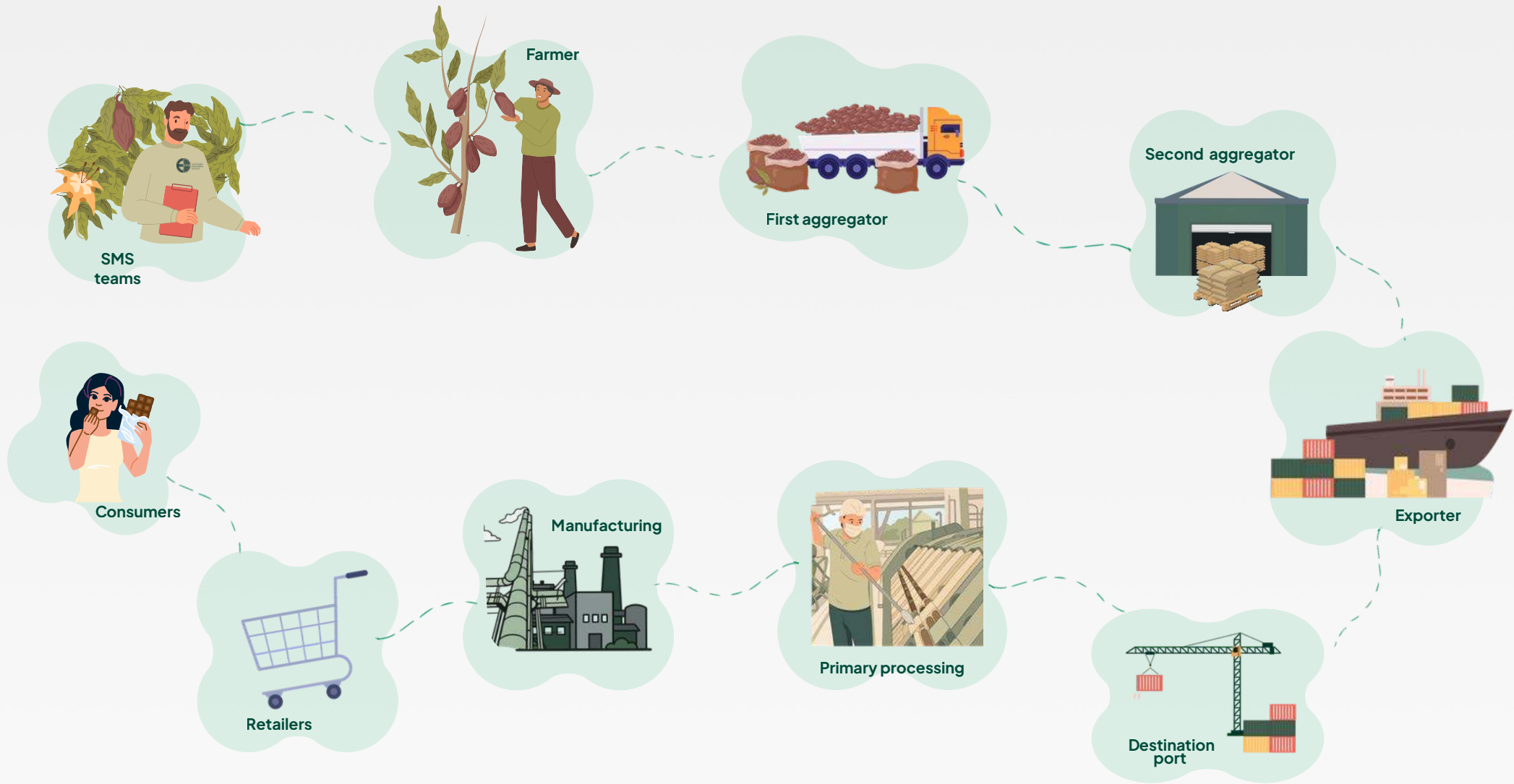
ECOM's coffee value chain

We operate across a diverse range of origins where local market structures and consumer demand differ. This results in different sourcing models with varying levels of traceability and farmer engagement. To manage this complexity, we work across a global coffee value chain spanning origin sourcing, processing, logistics, trading and supply to customers. The diagram below provides a simplified view of the ECOM coffee value chain and illustrates the key stages through which coffee moves from origin to customer.



1.5
ECOM's cocoa value chain

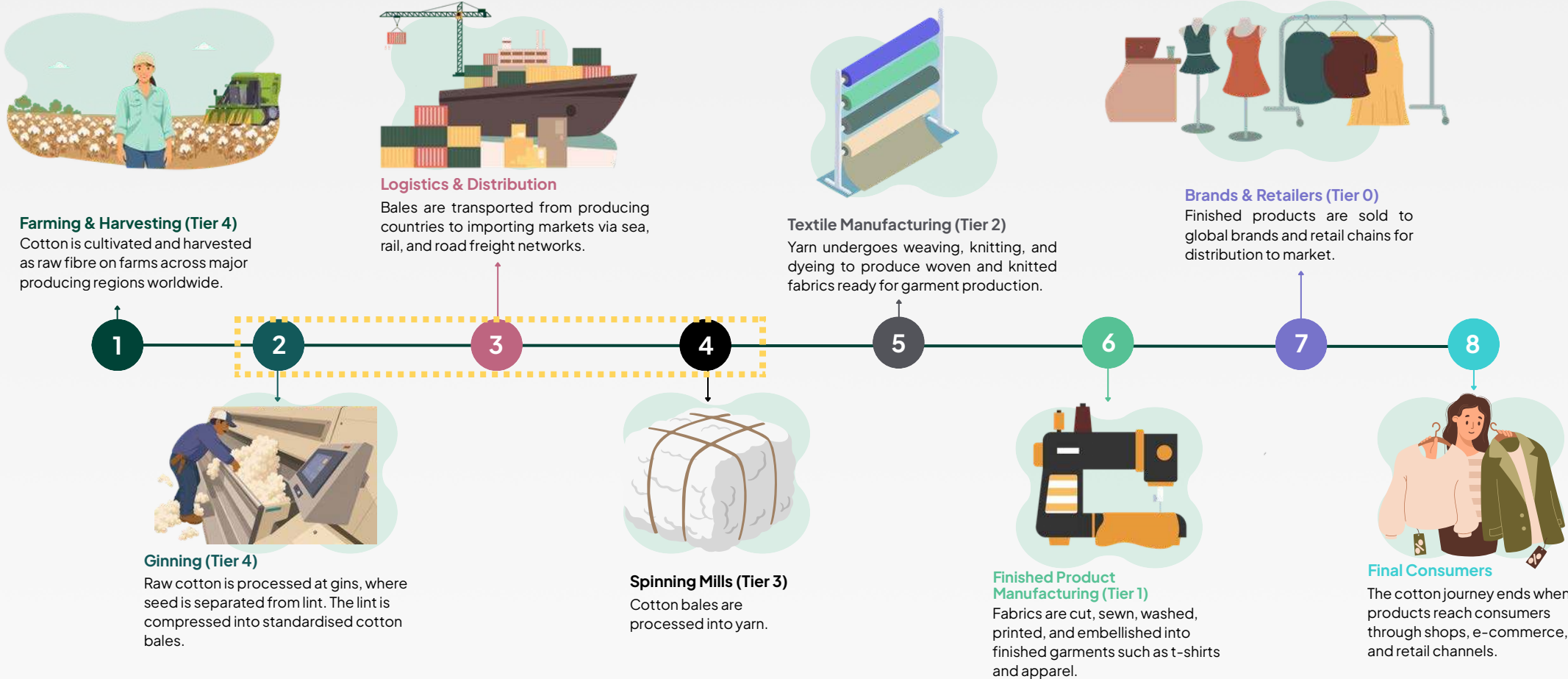
We operate across a diverse range of origins where local market structures and consumer demand differ. This results in different sourcing models with varying levels of traceability and farmer engagement. To manage this complexity, we operate three main sourcing models: direct sourcing within our origin operations; indirect sourcing through local partners within our origin operations; and volumes sourced via partners through non-origin based trade desks. This diversified structure reflects the scale of our global footprint and the differing levels of control and traceability across origins as it continues to evolve over time. The diagram below shows our direct origin-supply chain. Read more about our sourcing models on page 7 of our [2025 Cocoa Sustainability Report](#).



ECOM's Cotton value chain

The cotton supply chain differs significantly from coffee and cocoa, both in structure and in how market participants operate within it. While coffee and cocoa sourcing is often closely linked to origin-level engagement with smallholder producers, cotton trading requires coordination across a more fragmented and industrialised value chain, with distinct roles at each stage from farm to finished textile. Within this context, we strategically position ourselves between ginners and spinners – in between Tier 4 to Tier 3 as seen below – as a critical partner, while also helping brands and retailers connect their value chain. We ensure reliable supply from a diversified supply shed, guaranteeing consistent quality and adequate volume, delivering and managing complex logistical documentation when mills need it. We provide comprehensive sustainability certifications (BCI, regenagri®; USCTP; GOTS and more), strategically matching cotton to mill locations, provide carbon/GHG emissions and impact data for US programs, and we offer gin-level and farm-level traceability for most origins

We ensure reliable supply through a diversified sourcing base, delivering consistent quality and volume to meet mill requirements. Our role includes managing complex logistics and documentation, aligning cotton characteristics with mill specifications and locations, and supporting operational continuity for our customers. Sustainability and traceability are also integrated into this model. We provide access to a range of recognised certifications, including BCI, regenagri®, USCTP, and GOTS, alongside carbon and impact data for relevant programmes. In addition, we support gin-level and, where possible, farm-level traceability across most origins, reflecting increasing demand for transparency within the textile value chain. Through this approach, we adapt our role to the specific structure of the cotton sector, providing a combination of supply chain coordination, technical alignment, and sustainability support that differs from our operations in coffee and cocoa.



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2 Sustainability at ECOM

“At ECOM, sustainability is about making better choices today that strengthen our industry for tomorrow.”

Antoine de Saint-Seine

Head of Customer Management in Europe

2.1

What sustainability means to us

In a global commodity trading business, sustainability is intrinsically linked to the long-term strength and reliability of supply chains. Our ability to operate successfully depends on resilient production systems, healthy ecosystems, and stable sourcing networks. When these come under pressure, whether from climate impacts, market volatility, social risks, or the growing backlash against ESG commitments globally, our capacity to source, trade, and maintain supply security is directly affected.

Across our coffee, cocoa, and cotton supply chains, environmental and social conditions in producing regions directly shape production outcomes. Land use, soil health, and climate variability affect productivity, while income levels, labour conditions, and access to essential services influence the resilience of farming communities and agricultural livelihoods. We address these challenges through due diligence, supplier engagement, and targeted programmes, recognising that sustained partnerships create trust and support more effective and lasting outcomes.

Our sustainability strategy integrates environmental, social, and governance considerations into sourcing, trading, and supplier engagement. Farming practices influence environmental outcomes, which in turn affect yields, incomes, and supply continuity. Governance supports this approach through compliance with applicable regulations, adherence to internal standards such as the **ECOM Code of Conduct**, **Supplier Code of Conduct**, and the management of operational and market risks.

As we operate within complex agricultural systems, we aim to strengthen the areas we can influence by improving visibility, reinforcing responsible practices, and supporting sustainable production. Through this approach, we seek to build supply chains that are more resilient, transparent, and better equipped to respond to environmental, social, and market pressures.



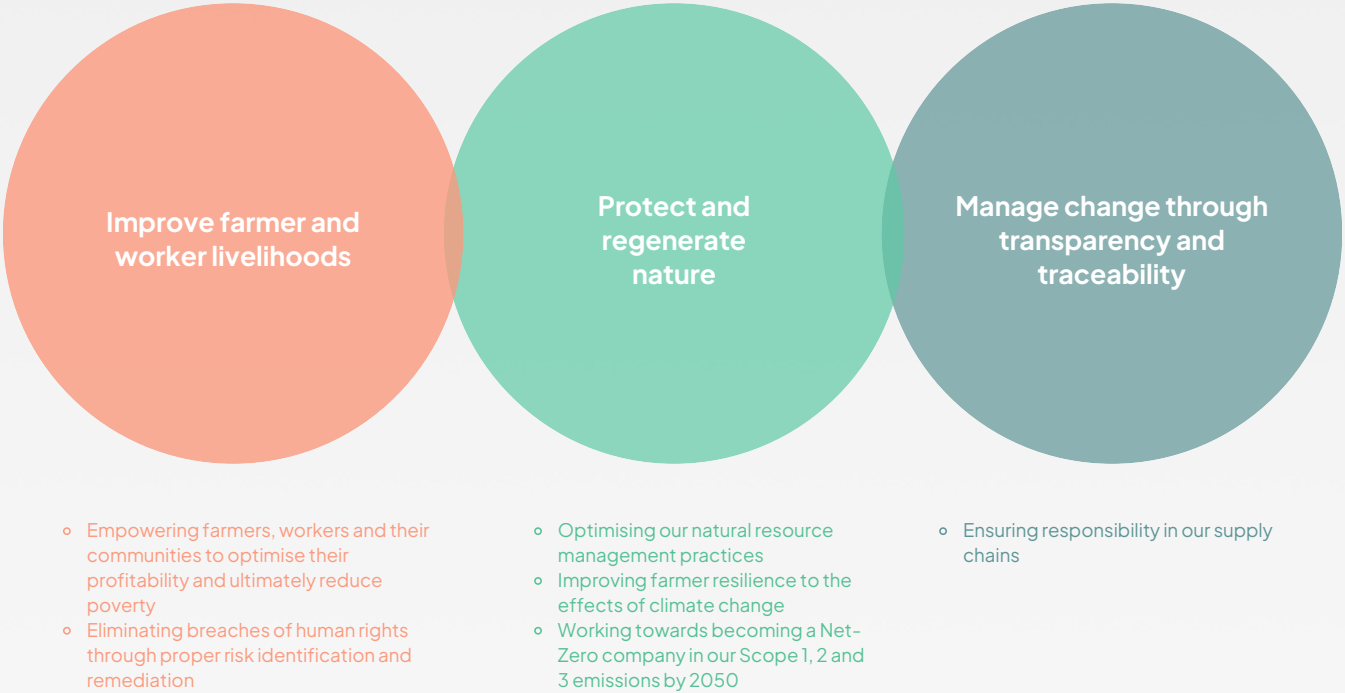
2.2

Our sustainability strategy

ECOM has a Group-wide sustainability strategy that guides how we manage environmental, social and governance topics across our operations and supply chains. It is informed by our most material topics, as identified through our **Double Materiality Assessment (DMA)**, and is reviewed periodically to reflect changes in our operating environment.

While the strategy is structured to provide clarity and accountability, our activities do not operate in isolation. The factors that influence our supply chains, including production, environmental conditions and social context, are closely interconnected. Our approach focuses on how these elements work together in practice, with an emphasis on preventative action to support long-term supply chain stability.

To support this, we are strengthening alignment across the Group. This brings together our different entities under a shared framework, improving visibility, supporting more consistent decision-making, and strengthening coordination across regions and supply chains.



2.3 Materiality

In 2025, we completed a DMA to align our reporting with the requirements of the Corporate Sustainability Reporting Directive (CSRD). The assessment defines which environmental, social and governance topics are material to ECOM from an impact and financial perspective, and therefore require disclosure under the European Sustainability Reporting Standards (ESRS).

Double materiality considers impact and financial materiality. Impact materiality assesses our impacts on people and the environment, whereas financial materiality considers how risks and opportunities may affect our financial position.

We engaged 29 internal stakeholders and 5 external stakeholders to test assumptions, validate scoring and ensure alignment with key risk areas across our supply chains.

The DMA identified 17 material matters as material for our organisation. These include environmental topics such as climate change mitigation, adaptation, energy and land-use change including deforestation. They also include social topics such as training, adequate wages, gender equality and labour risks. Likewise, governance topics such as corporate culture, supplier relationships and anti-corruption were identified.

These topics form the basis of our reporting scope under CSRD and inform how we prioritise actions across the business. Material topics require defined policies, action plans, targets and metrics, and are integrated into our risk management processes and internal controls.

By focusing on the most relevant impacts and risks, we are able to direct resources more effectively and improve the consistency of reporting across the Group. The outputs of the DMA inform our disclosures, data systems and governance processes as we prepare for future CSRD reporting requirements.

Financially Material (Risk)

Training and skills development (OW)

Forced labour (OW & VC)

Corporate culture

Corruption and bribery

Management of relationships with suppliers

Double Material

Climate change adaption

Child labour (VC)

Not Material

Impact Material

Climate change adaption

Pollution of water

Water discharges

Land use change including deforestation

Energy

Adequate wages (OW)

Gender equality and Diversity (OW)

Living income (VC)

Measures against violence and harassment (OW)

Gender equality (VC)

Environmental

Social

Governance

OW: Own Workforce

VC: Value Chain

2.4

What is ECOM’s Sustainable Management Services?

Our Sustainable Management Services (SMS) teams operate across our commodities and sourcing countries, working directly with producers and supply chain partners.

For over 20 years, SMS has supported the implementation of environmental, social and governance practices at origin, providing technical guidance, agronomic support and targeted training.

SMS exists to support the long-term function of our supply chains by addressing operational, environmental and social risks at source. Its work is aligned with ECOM’s broader strategy, translating Group commitments into practical action across sourcing regions. This includes supplier assessments, responsible sourcing programmes, Greenhouse Gas emissions tracking, traceability systems and compliance support. Activities are delivered through established methodologies, including field-level engagement, due diligence processes and the use of digital tools to collect and analyse data.

The department works closely with internal teams, suppliers, clients and external partners to implement programmes and respond to evolving regulatory and market requirements. This approach supports improved visibility across supply chains, enables more consistent application of standards, and contributes to risk management, compliance and operational efficiency. Performance is monitored through a range of indicators, including programme reach and impact, supplier engagement and improvements in data quality and traceability coverage.

Operating in complex supply chains presents ongoing challenges, including limited infrastructure, variable data availability and changing regulatory expectations. SMS addresses these through local expertise, long-term supplier relationships and continued investment in systems and tools. Innovation remains a focus, with ongoing development of digital solutions and approaches that support more effective implementation at scale. Examples of this work are included throughout this Report to illustrate how SMS operates in practice.



2.5

Driving sustainability across supply chains: an SMS interview

Sustainability in agricultural supply chains has evolved far beyond certification checklists. SMS has grown into a business-critical function that bridges producers, clients, and global markets. In this interview, Laurent Bossolasco, Regional Head of Sustainability for Asia, and HaiYa Zhang, Sustainability Manager for China, share how SMS creates value, reduces risk, and reshapes how sustainability is understood in practice. Although both work in our coffee department, the majority of the information applies to our cocoa teams as well.

Could you briefly introduce yourselves, including your roles at ECOM, how long you have been with the company, and your day-to-day responsibilities? What aspects of your work do you find most rewarding?

LB: I joined ECOM in 2011 as a sustainability manager for Robusta operations in Indonesia. In 2013, I started looking at Arabica too, and by the end of 2016, I relocated to Vietnam, taking on a regional role covering Asia, including China, India, Indonesia, Vietnam, and Papua New Guinea. So, it’s been about 14 years now.

Back then, sustainability was almost synonymous with certification. Over time, we realised that certification was just the first step and not the end goal in terms of impact. It was quite a top-down approach, and the value for producers was limited. What excites me most today is the technology transfer side, working as a bridge between research institutions and producers, bringing innovations out of laboratories and applying them in real conditions to improve profitability and resilience.

HZ: This month (February 2026) marks five years since I joined ECOM. I am the Sustainability Manager for China. Compared to other origins, China is relatively small. My role covers a wide range of activities, including certification, advisory services, client project coordination, and compliance data collection. What I find exciting is that SMS is not just about certification and sustainability projects. It is also about risk management and cost efficiency. We add value not only to ECOM but also to clients and producers, while helping prepare for regulatory requirements like EUDR.

You mentioned that SMS can deliver cost savings and also plays a role in risk management. Could you explain this further?

HZ: From a risk management perspective, we are constantly present on farms, conducting surveys, audits, and visits. This gives us a clear understanding of risks across the supply chain, whether environmental or social. For example, in China we faced stricter wastewater regulations. If we had not acted, it could have created a major bottleneck in coffee processing. Because we identified the issue early, we were able to respond by introducing activities such as composting systems for coffee pulp and organic waste to address regulation requirement effectively.

We also exchanged knowledge with colleagues in other origins like Vietnam and Nicaragua. In the end, we turned a potential risk into an innovation opportunity and positioned ourselves more proactively in the supply chain.

In relation to cost savings, to what extent are these linked to reduced reliance on external providers?

HZ: That is part of it, yes. But the bigger advantage is that we combine agronomic knowledge with commodity expertise. Agroforestry coffee projects, for instance. External consultants may understand trees, but not necessarily coffee. We know how to match the right shade trees with coffee systems. We also have our own nurseries. Some seedlings we produce ourselves, others we outsource. This approach reduces costs compared to relying entirely on external implementing agencies.



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Can you explain how SMS came to be and what services it provides?

LB: The SMS branding originated in Kenya in the mid 2000s. ECOM established SMS to create long lasting value for rural communities growing coffee and reinforce its supply base for Robusta and Arabica produce. From the early days of ensuring farmer training and certification services, SMS gradually moved on to the piloting and delivery of new products and services. These services include access to agro-inputs with inclusive finance for organic and mineral fertilisers including soil amendments like biochar; farming equipment such as solar powered irrigation pumps; and coffee seeds technology to name a few. In this regard, SMS has engaged in several public and private partnerships with external funding geared towards our clients' objectives of decarbonising their supply and transitioning to regenerative agriculture.

How does SMS create value for ECOM, and how do we compare to competitors?

LB: We invest heavily at the grassroots level. At one point, the size of our sustainability team in Vietnam alone was comparable to some competitors' global teams. That shows the level of commitment. Our model is different because we are deeply embedded in origin. We have infrastructure, teams on the ground, and direct relationships with producers. That allows us to go beyond compliance and offer real services.

We also take a more business-driven approach. For example, when clients request traceability or carbon related solutions, we can integrate those into our supply chains. That becomes a commercial advantage because we are offering something differentiated.

HZ: I agree. SMS connects producers, trade desks, clients, and external partners. This positioning opens up business opportunities. If a client wants carbon neutral coffee, we already have projects and data to support that. At the same time, we communicate those demands back to producers and encourage better practices.

How do we manage producer loyalty?

HZ: That is always a challenge. We would never seek to force so loyalty and trust have to be built. SMS plays a key role here. We are often the main point of contact between trade desk and producers. When producers feel supported, whether through technical advice or problem solving, they are more likely to stay with us.

LB: SMS helps us stand out not only to clients but also to suppliers. Producers may choose to work with ECOM because of our programmes, our access to inputs, or our reputation.

HZ: I can share a simple example. One producer had issues with mold on her coffee cherries. During a visit, we collected samples and sent them to a lab to identify the problem and provide advice. Later, when she had multiple buyers interested in her coffee, she chose to work with us because she found us helpful and professional. Small actions like that build long term trust.

Beyond farm visits, how do we reach new producers and maintain a positive reputation?

HZ: We rely on several channels. One is word of mouth, asking existing producers about new growers. We also participate in local coffee events where producers bring samples. Digital tools are becoming increasingly important. In China, we developed a WeChat based shade tree advice tool. Producers input basic information about their farms and receive tailored tree recommendations based on ecosystem services. It also helps us build a basic database of producers and understand where they are located.

LB: That is a great point. The key is integration. If you create a standalone app, people will not use it. But if it is embedded in platforms producers already use, like WeChat or WhatsApp, adoption is much higher.

How do you see the role of legislation and compliance influencing sustainability?

LB: Legislation like EUDR is important, but it can also create challenges. It can be difficult to operationalise on the ground. That said, there is always an upside. The systems we build for compliance, such as traceability, can later support other opportunities like carbon projects or differentiated sourcing. The key is how we present it. We try to frame it as an investment in future capabilities, not just a compliance burden.

HZ: Sustainability is dynamic and evolves over time. But at its core, it rests on three pillars: economic, environmental, and social. The most important is economic sustainability. Producers need to make a living. If they cannot, they will leave farming. Everything we do must ultimately make economic sense to producers.

How are environmental and social activities integrated into ECOM's core business operations?

LB: We are a business, and there is no issue with making profit if producers also benefit. That is a shift compared to 20 years ago when it was less common for sustainability operators to claim profits while delivering their services.

Setting up our SMS operations as profit centers guarantees the viability of said services should external funding stop. Which can be appealing as an exit strategy for customers/partners investing with us and looking at continuity post investment. If there is no coffee in the next 20 to 25 years, we do not have a business. So, sustainability is also about securing our future supply.

HZ: Producers don't think in terms of carbon reports. They think about production and income. Can they break even, can they make a profit? So, we always translate our work into economic terms. For example, composting is not just environmental. It also reduces fertiliser costs. That is what matters to producers.

How are client priorities and investment approaches evolving across coffee supply chains in the current operating environment?

LB: Coffee operates differently. We don't structure the delivery of certification via long term projects. The decision for customers to purchase certified coffee seems more short-term and more opportunistic in reaction to the price environment. And volumes for certified coffee could decrease when prices are at the highest as recently.

In parallel, the appetite to invest in long-term field interventions has increased recently with the urge to reinforce and automate traceability to comply with EUDR on one hand and to meet net zero ambitions on the other hand.

HZ: We are seeing some adjustments. Clients are not necessarily reducing support, but they are changing how they fund activities. For example, separating carbon data or traceability costs from project budgets. I appreciate how SMS is structured and the collaborative, supportive culture within the team, it aligns well with how I work. I'm excited about the opportunity to contribute my skills to the team and the positive impact we can create.

LB: Our homonym for SMS texting services allows businesses to send mass or targeted text messages to customers efficiently, with features like automation, analytics, and two-way messaging. We love to do the same with coffee.

It is exciting to push the boundaries and augment our value proposition for customers and suppliers, and for purpose-driven employees. This is how we got to pilot climate parametric insurance solutions in Indonesia and Vietnam, and how we were able to invest in training the next generation of coffee experts in China. What is the next meaningful investment we can chase?

¹ Producers that work with ECOM are independent actors.

2.6

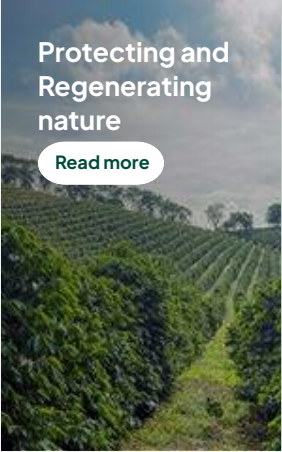
Case studies overview



Improving farmer and worker livelihoods

[Read more](#)

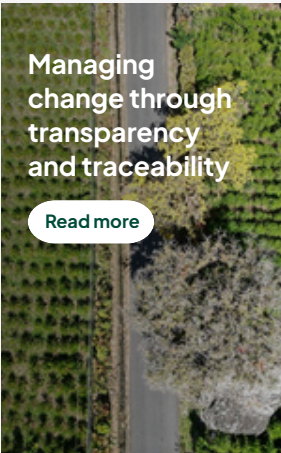
- Managing price volatility
- Standing with communities in Aceh and Sumatra after natural disaster
- Bridging the living income gap in Colombia
- Advancing the Youth for Sustainable Coffee Farming initiative in Mexico
- Advancing gender equity across ECOM Cocoa
- Improving coffee farming in Uganda
- Women as the next wave of growth



Protecting and Regenerating nature

[Read more](#)

- Building farm and landscape resilience
- Expanding coffee cultivation in Papua New Guinea
- Strengthening US cotton resilience through the Verde Programme
- Biodiversity in coffee supply chains
- Supporting climate adaptation in Vietnam’s coffee supply chain
- Water and environmental management at Beneficio Los Andes



Managing change through transparency and traceability

[Read more](#)

- Building a traceability system in our European factories
- Capturing auditable supply chain data with Integrity, powered by BanQu



Upholding ethical business standards

[Read more](#)

- Supporting specialty coffee production in Brazil
- Maintaining responsible practices in cocoa operations in Mexico
- Celebrating International Women’s Day 2025
- Supporting gender inclusion in Ecuador

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3 Improving farmer and worker livelihoods

“As an origin-integrated company, we focus on anticipating risks and addressing their root causes, not simply managing the effects.”

Thibault d’Huart

Managing Director ECOM Coffee Europe

3.1

Improving farmer and worker livelihoods: Overview

Our focus

Smallholder farmers produce roughly a third of the world's food supply, making them central to the global food system². They typically operate in rural, under-resourced regions where producers, workers, and their families face overlapping challenges, including climate impacts, low incomes, and limited access to infrastructure and finance.

These pressures are often intensified by broader social and environmental risks such as gender inequality, child labour, and weak worker protections. In areas affected by persistent rural poverty, these issues are closely linked and tend to reinforce one another across environmental, social and economic dimensions.

As an origin-integrated company, we prioritise preventative, forward-looking approaches that address the underlying drivers of these risks rather than their short-term effects. By identifying shared risks and opportunities across our key focus areas, we design targeted measures. Our efforts are adapted to local contexts while supporting more stable and sustainable livelihoods for producers, workers, and their families.

Our commitments

- Empowering producers, workers and their communities to optimise their profitability and, ultimately, reduce poverty
- Eliminating breaches of human rights through proper risk identification and remediation

² World Benchmarking Alliance



Photo credits: Bryan Serrano

3.2

Why livelihoods matter

Producers and workers are the foundation of agricultural supply chains. Stable incomes and safe working conditions are essential to maintaining reliable supply. When livelihoods are fragile, supply chains become more vulnerable to climate shocks, market volatility, and social risks.

Strengthening livelihoods is therefore a preventative priority. The International Labour Organization (ILO) estimates that poor occupational health and safety practices cost the global economy nearly 4% of GDP annually³. By supporting adaptive capacity at producer and worker level, we seek to reduce exposure to disruption. Secure incomes and safer working conditions enable households to better manage economic and environmental pressures, while stronger labour standards contribute to more stable operations and lower risk. When producers and workers can plan beyond a single season, they are better positioned to deliver consistent quality and reliable volumes over time.

Yet agricultural livelihoods continue to face interconnected challenges, including income instability, fluctuating global prices, small plot sizes, climate pressures, and social inequities such as gender inequality and child labour risks. These pressures are often compounded by market volatility and competition from larger-scale producers, which can drive short-term coping strategies at the expense of long-term sustainability.

Addressing these challenges requires long-term, collaborative approaches that create value throughout the supply chain. Building strong, integrated partnerships with suppliers and farming communities is therefore central to our strategy for strengthening resilience and supporting sustainable growth across commodities.

Our longstanding partnership with **Ecookim in Côte d'Ivoire** demonstrates this approach in practice. It reflects our commitment to working with partners over the long term to improve livelihoods, strengthen supply chain resilience, and create shared value. This ambition is reflected in our values, which are illustrated through five stories throughout the report that show how these principles are applied in practice. Read more about them [here](#).

³ International Labour Organization. (2019). Safety and health at the heart of the future of work: Building on 100 years of experience.



3.3

Improving economic and supply chain resilience through risk management

Economic resilience determines how effectively risks are absorbed and managed. It supports the ability to reduce vulnerability, adapt to changing conditions and maintain continuity. While often considered at producer level, it is equally critical for companies like ECOM to withstand financial shocks and sustain operations during market disruptions, such as cocoa price spikes linked to poor harvests in Côte d'Ivoire and Ghana, or coffee volatility driven by climate events in Brazil and Vietnam.

Rising input costs and stricter sustainability requirements are adding pressure across supply chains. In this context, resilience depends on effective liquidity management, diversified sourcing, hedging strategies, and improved transparency. These measures help manage price volatility and support continuity of supply across regions and commodities.

For producers, resilience is closely tied to income stability, access to finance, and the ability to invest in productivity. However, limited access to financial services in many rural areas remains a constraint. We work with producers and partners to address these gaps through tools such as crop insurance, financial literacy, and capacity-building initiatives.

The Organisation for Economic Co-operation and Development (OECD) notes that disruptions in sourcing, logistics, or downstream markets can amplify system-wide risk⁴. Climate change is intensifying these pressures. According to Climate Central, major coffee-producing countries experienced an average of 57 additional days above 30°C between 2021 and 2025, conditions that can reduce yields and increase sourcing uncertainty⁵.

These trends reinforce the importance of strengthening economic resilience at origin. By supporting producers' ability to manage risk, access finance, and invest in productivity, we help reduce vulnerability across our sourcing base and support more reliable supply over time.

⁴ OECD, (2025). OECD supply chain resilience review: Navigating risks.
⁵ Gayle, D. (2026, February 18). Coffee-growing countries becoming too hot to cultivate beans, analysis finds. The Guardian.

3.3.1

Managing price volatility

Sudden price movements create uncertainty for producers, traders, and clients alike, influencing sourcing decisions and the stability of supply over time. For traders, price volatility can also increase financial exposure, complicate contracting and inventory decisions, and create challenges in maintaining reliable supply relationships across the value chain.

Producers with stronger economic foundations are better positioned to manage price fluctuations, respond to climate shocks, and continue supplying during periods of uncertainty. This contributes to more predictable sourcing and helps secure future supply across regions and commodities.



Stable and predictable pricing is closely linked to the strength of our supply chains. Where producers are exposed to prolonged income instability, financial pressure can undermine productivity, reduce investment capacity, and increase the risk of supply disruption. Conversely, more stable incomes support better farm management decisions, strengthen long-term engagement at origin, and improve supply reliability for traders and clients.

Addressing price volatility is therefore not limited to market response alone. It requires interventions that reduce financial vulnerability and improve earning potential over time, supporting producers' ability to withstand price swings and external shocks while strengthening resilience across the supply chain.

Navigating uncertainty, volatility and regulation in cocoa

Global commodity markets are increasingly influenced by price volatility, evolving trade policies, and changing regulatory requirements. For companies operating across the cocoa supply chain, resilience depends on the ability to adapt to these changes while maintaining stable sourcing and strong partnerships. This means combining global market expertise with a diversified sourcing network and long-term relationships in producing regions. The following interview with cocoa trader Zach Byko explores how these dynamics are playing out in practice. The interview offers insights into cocoa price volatility, trade disruptions, and how we navigate risk in a complex and changing market environment.

Can you tell us about your background and how you entered the cocoa trade?

I started my career at Mars doing commodity market research and seasonal weather forecasting for agriculture. That role sparked my interest in markets, and I later moved into buying and trading grains and oils, which gave me broader exposure to global supply chains. In 2014, I moved into cocoa as the cocoa butter buyer for Mars. Cocoa felt like a natural next step because I enjoyed raw material sourcing and trading and wanted to take on a challenge in a much larger exposure. After more than a decade in cocoa at Mars, I recently joined ECOM as a Cocoa Trader based in New York City.

How has the transition from buyer to seller been?

It has been a very natural transition. The core subject matter, cocoa, is the same. The main difference is perspective. As a buyer, I worked with suppliers; now I work with customers. The conversations and market dynamics are very similar, just viewed from another side of the supply chain.

What are the main drivers of cocoa price volatility today?

In the long run, cocoa prices are driven by supply and demand fundamentals such as crop size, harvest quality, and consumption trends. These determine whether the market is in surplus or deficit. In the short term, however, prices are often influenced by trading flows, fund activity, large market participants, and major news events. So while fundamentals shape long-term direction, short-term movements are often driven by market sentiment and flow.

For ECOM, understanding both long-term fundamentals and short-term market dynamics is essential. As a global merchant and supply chain operator, the company continuously monitors market developments to support customers, manage risk, and maintain reliable sourcing from origin countries.

How have US tariffs affected global cocoa trade flows?

Tariffs had a significant impact when they were introduced. For imports into the United States, they effectively made cocoa 10–15% more expensive overnight. That change immediately altered how companies approached imports. Under normal conditions, trade houses might import cocoa and take a long position if they see value. But when the tariff adds a substantial cost, importers would only bring in cargo if there was a client who agreed to pay the tariff.

This created temporary supply imbalances, particularly in North America, and affected pricing dynamics in the futures market. Over time, prices adjusted and trade flows stabilised, but the transition created unusual volatility across the supply chain.

How were tariffs different from other types of supply chain disruptions?

Most supply chain disruptions are linked to operational or production issues such as crop failures or logistics challenges. Tariffs were different because they were purely financial. They added an immediate cost to the supply chain, and that cost had to be absorbed somewhere, directly affecting pricing and trade flows.

How can companies reduce financial vulnerability in such situations?

In the case of tariffs, there was no way to avoid the added cost because cocoa is not grown in the United States. Our approach was transparency. We made it clear to customers that any tariffs incurred would be passed through at cost. We would not profit from them, but we also could not absorb them. This ensured the financial burden did not fall disproportionately on one part of the supply chain.

What strategies help companies manage uncertainty in global trade?

One of ECOM's strengths is its global footprint. The company sources cocoa from many producing countries and operates across key trading regions. This diversity provides flexibility to address different market conditions. For example, when the US proposed different reciprocal tariffs depending on origin, ECOM's diversified sourcing network allowed the company to shift supply toward lower-tariff origins and reduce some of the risk exposure. Having a global presence is an important part of managing risk and maintaining resilient supply chains.

How do regulatory developments such as the EUDR affect the market?

Regulatory uncertainty tends to create hesitation in the market. With the EU Deforestation Regulation, we've already seen delays in implementation and ongoing debate about how it will ultimately be applied. When companies are unsure how regulation will be enforced, it can influence sourcing decisions and supply chain planning. For example, stricter traceability requirements may encourage companies to concentrate sourcing in larger producing countries where compliance systems are easier to implement. For ECOM, which already works closely with origin supply chains, these developments highlight the importance of traceability systems and strong relationships with producing regions.

What do these regulatory and trade developments mean for farmers?

Policies such as tariffs rarely benefit farmers directly. They often add costs to the supply chain without improving producer incomes. Similarly, regulations like the EUDR can unintentionally exclude farmers who are unable to meet compliance requirements. In my view, the most positive impact comes from long-term investment in supply chains, strong sourcing relationships, and initiatives that support farmer livelihoods over time.

Looking ahead

Despite ongoing market volatility and regulatory change, the cocoa sector continues to adjust. For traders and supply chain actors, resilience depends on diversified sourcing, transparent partnerships, and the ability to respond to evolving market conditions.



Farmer and worker livelihoods continued

3.5

Community resilience

A community's ability to withstand economic and climate shocks depends on strong local institutions, reliable services, resilient infrastructure, and supportive social networks. We work with local partners and cooperatives to strengthen resilience through preventative measures such as access to improved planting material and training in good agricultural practices.

Financial resilience is also critical, particularly in agricultural regions vulnerable to weather-related shocks. Financial risk management tools, including parametric insurance, can help producers recover more quickly from extreme weather events by reducing income volatility and improving their ability to manage unexpected losses. Companies can expand access to these tools by working with producers, insurers, and financial partners to integrate them into supply chains. For example, Parametric insurance is a scalable risk-transfer approach that can be adapted across different origins, complementing agronomic support, market access strategies, and farmer capacity building. Over time, these tools can strengthen a community's ability to manage climate risk, recover from adverse events, and remain engaged in commercial supply chains.

Our work in this area began with pilot projects in Vietnam in 2021, supported by the International Climate Initiative (IKI), where we helped design insurance prototypes based on the key climate risks linked to yield losses and assessed adoption potential among producers in the Central Highlands. Building on this experience, a second phase, supported by the InsuResilience Solutions Fund (ISF), is now being implemented in partnership with Willis Towers Watson, Global Parametrics, the Alliance of Bioversity International and CIAT, the University of Southern Queensland, and Bao Minh Insurance Corporation. The programme uses satellite data to monitor rainfall during the coverage period and triggers payouts when cumulative rainfall falls below or exceeds predetermined trigger thresholds. In 2024, the mechanism delivered its first payout to participating farmers following low rainfall conditions.

The value of the mechanism was demonstrated again in late 2025, when participating farmers received a second payout following excessive rainfall associated with a series of severe typhoons that affected the region. The extreme weather caused significant damage to coffee farms and livelihoods, and the payouts provided timely financial support to help farmers recover and prepare for the next production cycle. Transparency and trust remains key features of the programme, with insured farmers able to independently monitor rainfall conditions through a tracking platform developed by UniSQ⁶.

The initiative has also attracted growing interest from actors across the coffee value chain. Yara, one of the world's leading fertilizer companies, committed to covering 100% of the insurance premium for 100 coffee farmers under the 2026 low-rainfall policy, demonstrating growing confidence in climate risk protection as a tool for strengthening farmer resilience. Support from ISF is helping to expand the initiative, generating further evidence for the role of parametric insurance in protecting coffee-growing communities against increasing climate risks.

⁶ Find the tracking platform [here](#)

Providing parametric insurance for Indonesian farmers

Encouraged by the positive results achieved, we are now expanding this approach to Indonesia through a partnership with CelsiusPro Group to develop insurance solutions for coffee farmers exposed to climate and natural catastrophe risks. The partnership is supported by the University of Southern Queensland (UniSQ) alongside a grant provided by the Natural Disaster Fund's (NDF's) Technical Assistance Facility. The NDF is managed by Global Parametrics - a CelsiusPro subsidiary. It combines public investment from the UK government's Foreign, Commonwealth and Development Office (FCDO) and Germany's development bank KfW, acting on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), with matching risk capacity from Hannover Re.

Additional support is provided by the Swiss Capacity Building Facility (SCBF), which is funding technical assistance activities to support product development, piloting, and capacity building. We are also partnering with MSIG Asia and MSIG Indonesia to support local insurance services and explore future expansion across coffee-growing regions in Asia. Sitara Merchant-Carter, CEO of SCBF said:

"The project illustrates how innovative partnerships can deliver climate-smart insurance solutions with the potential to scale. This initiative turns climate risk into inclusive insurance solutions that build real resilience for underserved communities."

Mark Rueegg, Chief Executive of CelsiusPro Group added:

"Our partnership with ECOM will help Indonesian farmers manage their climate risks and income volatility. The region is seeing increased frequency and severity of climate-related events, which makes accessible and affordable insurance products all the more important."

A key innovation of the initiative is its consumer-pay approach. The partnership involves the co-design, refinement, and distribution of parametric insurance products alongside a strong capacity-building component to train and engage local stakeholders and support long-term adoption. The model leverages our coffee supply chain by distributing insurance premiums and associated administrative costs across participating coffee products and value chain actors. This enables climate protection to be extended without transferring the full cost burden to farmers, while creating shared responsibility across the supply chain.

A promising example of this approach can be seen in Vietnam, where JDE Peet's, one of the world's leading coffee companies, supported premium financing for participating farmers over two consecutive years. By engaging actors across the value chain, the model demonstrates a scalable and replicable approach to climate risk protection that can be adapted across different coffee-growing origins, while strengthening the resilience and stability of coffee-producing communities.



Farmer and worker livelihoods continued



3.5.1
Standing with communities in Aceh and Sumatra after natural disaster

In late November 2025, severe floods and landslides affected parts of Aceh and Northern Sumatra, Indonesia, impacting several of the coffee-growing communities in which we work. Around 15% of farmers within our local network were affected, with several villages temporarily cut off due to damaged infrastructure.

Through our *Common Grounds* partnership with JDE Peet's, we delivered urgent support to the most affected areas, including remote highland communities that are often the hardest to reach.

To date, over 20 tonnes of food aid and medical supplies have been mobilised, including 2,000 essential food packages containing staple items such as rice, cooking oil, and canned food. This effort has been supported by approximately USD 18,000 in internal fundraising and EUR 15,000 in external contributions.

Reaching these communities was not always straightforward. With some roads damaged and heavy rain continuing, teams transported supplies by motorbike and on foot to ensure help reached even the most isolated villages.

This emergency response builds on longer-term engagement in the region. More than 2,000 farmers in Northern Sumatra have taken part in climate adaptation training focused on agroforestry and regenerative practices, helping to strengthen resilience in the region.

Through measurable targets, applied research and predictive modelling, we implement targeted programmes aimed at mitigating climate-related impacts and improving the durability of agricultural systems. Our SMS teams in-origin play a central role in this work, providing technical support, delivering training and monitoring progress against defined objectives.

Values at work



3.6
Strengthening supply chain partnerships in Côte d'Ivoire

Strong partnerships across the supply chain can improve stability, strengthen collaboration, and increase the resources and support available to farming communities. ECOM has partnered with Ecookim, a cocoa cooperative in Côte d'Ivoire, since 2004. What began as a sourcing relationship has evolved into a long-term partnership built on coordinated supply chain management, shared objectives, and a commitment to meeting client requirements.

Ecookim also established a direct relationship with Ferrero, a client ECOM has worked with since 2002. As this collaboration expanded, ECOM provided commercial guidance, logistics support, and supply chain coordination to help ensure cocoa volumes and quality consistently met customer specifications and international trade requirements.

Today, Ecookim manages sourcing and the implementation of the sustainability programme through its network of cooperatives, while ECOM supports contracting, logistics, export coordination, and client engagement. This clear division of responsibilities has strengthened alignment across the supply chain, improved responsiveness to customer needs, and supported sustainable growth in volumes over time.

As expectations around traceability, certification, and regulation have increased, including preparation for the EUDR, the partnership has continued to evolve. Meeting these requirements depends on robust data management and verification processes, with ECOM providing technical guidance, data support, and coordination with clients to strengthen these systems.

Beyond commercial activities, the partnership also delivers community programmes focused on education, access to clean water, and women's participation in cocoa-producing communities.

More than twenty years on, the partnership continues to adapt to changing customer expectations, regulatory requirements, and supply chain priorities, with an increasing focus on traceability, compliance, and transparency.

This case illustrates how long-term partnerships, underpinned by clearly defined roles, shared data, and coordinated processes, can strengthen supply chain resilience, support evolving market and regulatory requirements, and create lasting value for both customers and cocoa-growing communities.

Values at work



3.7 Bean to Brilliance: Next-Gen Coffee Processing in Kenya

ECOM's Kenyan subsidiary, Coffee Management Services Ltd (CMS), is redefining coffee processing through innovation, one of ECOM's core values. By embracing new approaches, CMS is helping create a more valuable and profitable environment for farmer suppliers, while also contributing to the protection and preservation of nature.

The challenges of traditional coffee processing in Kenya

Kenya is renowned for producing some of the world's finest coffee, known for its bright acidity, full body and rich flavours. However, traditional processing methods can be inefficient, costly and environmentally damaging.

Around 98% of Kenya's coffee producers still rely on traditional disc pulping, which uses large amounts of water and can damage coffee beans through "nibbing", affecting quality and value. With declining forest cover around Kenya's major water towers, protecting water resources and reducing wastewater is increasingly important for biodiversity, ecosystems and rural communities.

Drying is another challenge. Coffee can take up to 21 days to dry before secondary processing, delaying market access and potentially affecting producer prices. Traditional raised wooden drying beds also contribute to pressure on forests. Coffee processing is also highly labour-intensive, particularly after harvest. Greater efficiency can therefore reduce labour and processing costs while increasing farmers' returns.

Innovative solutions

CMS has partnered with 13 coffee cooperatives to install 13 ecological pulping machines, the first of their kind in Kenya. These machines use significantly less water, reduce processing costs and help improve coffee quality by lowering the risk of over-fermentation.

To address drying times and labour requirements, CMS has also installed six solar dryers, significantly reducing drying time and the need to turn coffee manually. The introduction of durable metallic drying tables has further reduced the need for timber while improving airflow and promoting more uniform drying.

The impact of innovation

CMS is helping usher in a new era of coffee processing in Kenya by working with supplier partners to implement innovative, solar-powered processing solutions. This state-of-the-art processing line is the only one of its kind in Kenya, reducing reliance on electricity and significantly lowering production costs.

Through innovation, CMS is demonstrating how more efficient processing can benefit farmers, improve coffee quality and profitability, and support the protection of Kenya's natural resources.



Human rights

We have a responsibility to ensure the protection of human rights of the people who are involved in our supply chains. We acknowledge that we operate worldwide in a number of high-risk countries for human rights.

As an origin-integrated business, we are able to monitor our supply chains to identify and remedy breaches of human rights and target risk mitigation where it is most impactful. We expect everyone we work with, including our employees and our partners, to uphold these values and share our commitment to doing business in a responsible, sustainable and ethical manner.

Our human rights policies are aligned with leading international frameworks, including:

- The United Nations Universal Declaration of Human Rights
- The International Labour Organization core labour standards, including Conventions 29 and 105 (Forced Labour), 100 (Equal Remuneration), 111 (Discrimination), 138 (Minimum Age), 155 and 187 (Occupational Health and Safety), and 182 (Worst Forms of Child Labour)
- Applicable local legislation governing child labour, forced or compulsory labour, slavery and human trafficking

Our **Supplier Code of Conduct** defines the standards expected across our supply chains, including commitments relating to legal compliance, labour rights and health and safety. In 2024, the Code was updated to strengthen references to audit processes, breach management and corrective action plans, aligned with our **Supply Chain Due Diligence Policy**, which sets a clear framework for us to identify, prevent, mitigate and address potential adverse human rights and environmental impacts across our operations and supply chain.

In addition, we implement programmes, in collaboration with clients and partners, that provide producers with practical guidance to prevent the use of illegal labour and to promote safe and fair working conditions. Further detail is available in our **Modern Slavery and Due Diligence Statement**.



3.9

Income diversification and financing

Accessing finance is essential for producers to invest in their farm, send their children to school and buy school supplies. It allows for greater productivity, improved access to markets, stabilising cash flows and more effective risk management. However, access to the necessary financing for these types of investments remains a major challenge in rural communities.

Our SMS teams have worked with producers, cooperatives, and partners to expand access to financial services, including crop insurance mechanisms, while also supporting financial literacy through training sessions and workshops.

A living income is a recognised human right and a foundation for resilient agricultural supply chains. In practice, respect for human rights includes enabling producers and workers to earn sufficient income to meet the basic needs of their households.

Achieving this is complex and shaped by multiple structural and operational factors, including farm size, productivity, price transmission, and climate conditions. Many of these drivers lie beyond the control of any single market actor, making coordinated action across the supply chain essential.

Living income is a material issue for our organisation, with access to finance representing a key barrier to progress. To address this, we work with partners to improve access to financial services for producers, supporting the development of productive, cost-efficient, and resilient farming businesses. These interventions can make a meaningful difference by enabling investment in farms, sustaining production, and ultimately strengthening long-term livelihoods and community resilience.

Reducing the living income gap is both a human rights priority and a long-term supply chain objective under the Smarter Cocoa Charter. In 2024, we introduced a cocoa KPI focused on implementing locally adapted roadmaps to address living income gaps across all direct origin-sourced supply chains by the end of 2027. In 2025, this work continued and expanded. Read more in our [2025 Cocoa Sustainability Report](#).

Income diversification and financing continued



3.9.1

Bridging the living income gap in Colombia

The “Bridging the living income gap in Colombia” project aimed to address unstable productivity, exposure to coffee price volatility, and economic vulnerability among smaller farms.

The project was implemented in partnership with IDH, Delica Switzerland, and Migros and took an integrated approach to improving access to sustainable markets, financial management, and income diversification via four components:

1. Increasing farmer productivity: Implemented Good Agricultural Practices (GAPs), including crop renovation and soil nutrition techniques, to improve yields and household income.
2. Rainforest Alliance certification: Linked the implementation of GAPs with access to differentiated markets, better prices, and environmental standards.
3. Farm profitability monitoring: Improved financial management through record-keeping and evidence-based decision-making.
4. Income diversification: Through poultry farming focused on the most vulnerable producers—those with lower coffee area and productivity who had not reached a Living Income.

It reached more than 600 coffee-growing families across Huila. Key achievements included:

- 678 producers trained in renovation planning, with an 80% adoption rate of renovation plans
- An 8.2% increase in yield (production per productive area) compared to the 2022 baseline
- 300 farms were supported in implementing the Rainforest Alliance standard
- 2,494 MT of certified green coffee were commercialised, with over USD 154,000 in sustainability premiums transferred directly to farmers
- A 10% reduction in coffee production costs per hectare compared to 2022
- USD 234,000 in net income was generated by participating families
- 626 producers were trained in alternative sources of income generation
- Income diversification strategy generated additional net income of up to USD 1,112 per farm annually, and by 2024, 50% of producers had surpassed the Living Income benchmark. The final results will be published in June 2026.

This initiative reflected a broader approach to livelihoods, addressing the structural drivers of income gaps through locally adapted programmes that improved producer resilience and long-term supply chain stability⁷.

⁷ Please note that the results stem from a self-assessment.

Income diversification and financing continued

3.9.2

Diversification as a tool for income resilience

Reducing income risk is central to strengthening economic resilience at farm level and across value chains. Agricultural markets remain exposed to price volatility, climate pressures and evolving global demand. This increases uncertainty for producers and supply chain actors. In this context, targeted financial and commercial tools strengthen producers' ability to manage risk and remain viable over the long term. Market diversification is particularly effective: access to specialty, certified, or niche markets enables premium pricing, while engagement with diverse buyers and certification schemes promotes knowledge transfer and stronger business skills. Together, these efforts enhance commercial independence and more informed decision-making at farm level.

Market diversification and added value at origin

By processing, fermenting or preparing products locally for multiple market segments, producers and cooperatives can retain a greater share of the economic value generated within the supply chain. A diversified market portfolio enhances resilience to external shocks. Producers who are connected to multiple buyers or market segments are less exposed to single-channel price swings or trade disruptions. This reduces vulnerability to volatility and supports more stable sourcing across regions and commodities. As a merchant, we also pursue diversification within our own business model. Operating across multiple commodities, geographies and service offerings enables the company to respond more flexibly to changing market conditions while maintaining continuity of supply for clients.

Increasing cocoa farmers' income through crop diversification

Côte d'Ivoire, Ghana, Nigeria and Ecuador are in the top ten major cocoa producing countries with a combined bean production of 3.95 million tonnes⁸. In July 2025, ECOM began working with DEG Impulse GmbH, a subsidiary of DEG – Deutsche Investitions- und Entwicklungsgesellschaft GmbH. DEG Impulse supports the project with funds from the German Federal Ministry for Economic Cooperation and Development (BMZ) through the develoPPP programme. Despite cocoa being a key driver of these economies, many farmers remain in poverty and are vulnerable to economic shocks, price volatility, and the impacts of climate change. This project helps to strengthen our approach to income diversification and living income gap reduction across these four countries.

Most farmers rely on cocoa as their main source of income, yet earnings are constrained by small farm sizes, ageing trees, and low yields. They are also limited by suboptimal farming practices, limited input use, and insufficient financial capacity to invest in productivity. High dependence on cocoa further increases vulnerability, while systemic challenges such as weak infrastructure and limited institutional support compound these pressures. The long-term objective is to reduce the living income gap by increasing cocoa productivity and earnings through improved practices and investment and supporting income diversification to create additional revenue streams beyond cocoa.

These approaches improve resource efficiency, strengthen household resilience, and reduce exposure to cocoa-specific risks, particularly for farmers with smaller plots. Through these activities, 6,750 smallholder farmers are expected to increase their income and improve access to local markets. The programme also supports 1,000 women in establishing income-generating activities. In total, 6,933 smallholder farmers, agronomists and field staff will complete short training courses. The initiative is also expected to create three warehouse positions linked to crop aggregation and storage. By promoting income diversification and strengthening market access, the programme contributes to reducing income vulnerability and reinforcing economic resilience in cocoa-producing communities.

⁸ World Population Review: Cocoa producing countries



3.10

Child and forced labour; Modern Slavery

Modern slavery is a crime and a serious violation of human rights. It includes practices such as forced labour, human trafficking, and servitude, and is estimated to affect around 50 million people globally⁹. ECOM Group takes modern slavery risks seriously and is committed to continuous improvement in identifying, preventing, and addressing modern slavery across our operations and supply chains. Further detail is available in our [Modern Slavery and Due Diligence Statement](#).

We work with our suppliers and clients to mitigate the risks of child labour, forced labour and other forms of exploitation through comprehensive policies and preventative measures (see [Upholding ethical business standards for more information](#)).

In our direct cocoa supply chains in Cameroon, Côte d'Ivoire, Ghana and Nigeria, Child Labour Monitoring and Remediation Systems (CLMRS) are in place. These systems are designed to identify, monitor and address cases of child labour through structured community-level engagement and follow-up. Where risks are detected, field teams work with households and local stakeholders to implement remediation measures and reduce the likelihood of recurrence. To learn more, please refer to page 18 of our [2025 Cocoa Sustainability Report](#).

Child labour is often linked to broader structural challenges, including poverty, seasonal labour demand, limited access to quality education and restricted livelihood opportunities for young people. Addressing these root causes requires sustained engagement and collaboration. Insights generated through monitoring activities are shared with clients and partners to encourage coordinated investment in prevention and remediation strategies in the regions where we operate.

We expect our suppliers to uphold the same standards, as explicitly mentioned in our [Supplier Code of Conduct](#). Suppliers must not engage in forced, bonded or involuntary prison labour, and all workers must have the right to leave their employment with reasonable notice. Through policy, monitoring and collaboration, we work to reduce the risk of labour exploitation and support safer, more equitable working conditions across our sourcing regions.

Strengthening child labour risk management through partnership in cocoa communities

In 2023, ECOM partnered with The Netherlands Enterprise Agency (RVO) and its Fund Against Child Labour (FBK) consultancy Propellerfish on a project to understand how to protect children in cocoa communities from hazardous activities.

The project is co-funded by FBK and the Dutch Ministry of Foreign Affairs. Phase A of the project involved investigating the causes of child labour by developing a human-centred design approach to refine our CLMRS based on conversations with cocoa-growing communities.

In 2024, the project entered Phase B, focusing on expanding access to sustainable and innovative technologies such as labour-saving tools, while creating job opportunities for young people and strengthening their skills. It also supported the establishment or improvement of school management systems, promoted women's entrepreneurship and access to microfinance, strengthened company due diligence processes, and developed action plans to address child labour beyond the funding period. Read more about the results after project closure on page 19 of our [2025 Cocoa Sustainability Report](#).

⁹ International Labour Organization, Walk Free Foundation and the International Organization for Migration. Global Estimates on Modern Slavery 2022



3.10.1

Advancing the Youth for Sustainable Coffee Farming initiative in Mexico

Coffee production in Mexico is undergoing an important generational transition. Nearly 40% of certified coffee producers are between 45 and 64 years old, while a further 20% are over 65. Without a new generation entering the sector, there is a growing risk of knowledge loss, lower productivity, and reduced continuity in coffee farming.

The Youth for Sustainable Coffee Farming initiative addresses this challenge by providing young producers with technical, financial, leadership, and regenerative agriculture skills to build more sustainable and profitable coffee businesses. Developed with industry and academic partners, the programme combines classroom learning, practical field training, mentoring, and digital tools.

Following three cohorts implemented between 2023 and 2025, the programme has supported young producers across key coffee-growing regions of Mexico, expanding its reach across Chiapas, Oaxaca, Puebla, and Veracruz while promoting greater participation among women and Indigenous communities. A fourth cohort is planned for 2026, with 20 young producers expected to participate.

Participants receive training in regenerative agriculture, farm management, business planning, sustainability standards, and digital mapping, alongside hands-on exposure to coffee processing, quality management, and sustainability practices across the value chain. This strengthens their technical capabilities while giving them a broader understanding of market opportunities and the coffee industry.

By strengthening youth engagement, technical capacity, and regenerative practices, the initiative supports generational renewal, improved farm productivity, and the long-term resilience of Mexico's coffee sector.

The programme is delivered with the support of Agroindustrias Unidas de México (AMSA), Sabormex, CHEP, Briannas, and CUESTAAM of the Universidad Autónoma Chapingo. Their expertise, resources, and continued collaboration have been instrumental to the programme's development and ongoing impact.

Child and forced labour continued

3.10.2

Access to education in coffee & cocoa

Access to quality education remains a significant challenge across many agricultural communities where we source coffee and cocoa. Limited educational opportunities can increase children's vulnerability to child labour while reducing longer-term opportunities for families and communities. Improving access to safe, quality education therefore forms an important part of our broader approach to child protection, community resilience and sustainable livelihoods.

Working through long-term partnerships with governments, NGOs and local communities, we support initiatives that strengthen education systems, improve school infrastructure, expand early childhood education and create safe learning environments for children.

Strengthening education systems in cocoa communities

In Côte d'Ivoire, limited access to quality education remains a key challenge in cocoa-growing regions. Most children do not reach expected literacy and numeracy levels, and child labour continues to affect school attendance. These issues are closely linked, as low school access increases vulnerability to child labour, which in turn reduces learning outcomes.

We are a member of the Child Learning and Education Facility (CLEF), a multi-stakeholder programme focused on improving education access and quality through school infrastructure, teacher training, and community engagement within national education systems.

In 2025, CLEF continued to deliver progress, including new school construction, bridging classes for out-of-school children, teacher training, strengthened education oversight, school feeding initiatives, and early childhood education facilities. Through CLEF, we contribute to strengthening education systems in cocoa-growing regions of Côte d'Ivoire, helping address the root causes of child labour and supporting more resilient farming communities. Please read more on page 20 in our [2025 Cocoa Sustainability Report](#).

Supporting access to education in coffee-growing communities

Across our coffee origins, we work with partners to improve access to quality education and create safe learning environments for children and young people. These initiatives range from building schools and early childhood education facilities to supporting child protection programmes and seasonal childcare during harvest periods.

Costa Foundation

We work with the Costa Foundation to improve access to education in rural coffee-growing communities, where educational opportunities often remain limited. The partnership focuses on creating better life opportunities for children and young people, particularly those from ethnic minority communities living in remote and underserved areas, by providing access to safe, high-quality early childhood education.

The projects have been implemented across multiple coffee-producing origins, with Vietnam standing out as a strong example of long-term impact. Between 2013 and 2023, eight nursery schools were established across several communities in Lam Dong Province, helping to create improved learning environments for hundreds of children.

This meaningful journey has since reached to Gia Lai Province in 2024, one of the most disadvantaged regions in Vietnam's Central Highlands. Following the successful completion of La Pet Nursery School, construction of a second school, 20-10 Nursery School, commenced in 2025 in another underserved community. The school is expected to welcome its first students in the 2026-2027 academic year, extending access to quality early childhood education to even more families. By then, the programme will have provided access to education for 2,433 children in the Central Highlands.

Beyond Vietnam, we have supported additional projects through the Costa Foundation. We have also partnered on education projects in Nicaragua, with a focus on improving access through transport and digital inclusion.

The Costa Foundation focuses on improving access to safe and quality education in coffee-growing communities. Projects typically support the development of schools and learning environments, alongside improvements in water, sanitation and other essential facilities, contributing to long-term community development.

Across these projects, ECOM has supported educational infrastructure and access to education in coffee-growing communities. This work forms part of our broader commitment to strengthening farming communities and creating lasting opportunities for children and young people alongside our core sourcing activities.



3.11

Gender equity and social inclusion

Gender equity and social inclusion promote fairness and equal opportunity across organisations and supply chains. It focuses on addressing imbalances in access to resources, decision-making and economic participation. Social inclusion seeks to ensure that marginalised groups, including women and young people can participate fully in economic and community life. These principles contribute to more stable and capable agricultural systems.

Inclusivity is one of our core values. We recognise that diverse participation strengthens problem-solving capacity, improves governance and supports long-term supply continuity. Within our operations and across origin supply chains, we work to reduce structural barriers that restrict access to training, finance, land rights and leadership roles.

Through targeted programmes, we support skill-building, education and professional development initiatives for women and young people. These efforts include technical agricultural training, financial literacy and leadership development, alongside initiatives that expand access to schooling and vocational pathways.

In 2025, our commitment to inclusive opportunity was recognised through the SCTA Next Gen Sustainability Contest, where the company received an award for the Silent Brew, Strong Voices initiative. Led by Haiya Zhang, SMS Manager in China, the programme supports young people with hearing impairments in coffee-producing communities. It provides tailored vocational training and career pathways within the coffee sector. Read more about it [here](#).

By improving the attractiveness and viability of farming as a profession, and by strengthening women’s economic participation, we contribute to more inclusive growth and more resilient rural communities.

Values at work



3.12

Expanding access to employment and development opportunities in Brazil

Across our Brazil operations, including EISA, Bourbon, Capricornio, Carmo Coffees and DM Descafeinadores, we are implementing programmes to support workforce inclusion and skills development.

The programmes focus on early-career access and workforce diversity. Internship and young apprentice schemes provide structured entry points into the business, supporting practical training and professional development. These initiatives are delivered in partnership with organisations such as CAMPS (Center for Professional and Social Mobilization and Learning), which supports young people through training and access to employment opportunities.

Workforce composition reflects a mix of experience and backgrounds. Employees over the age of 50 represent 15% of the workforce, contributing operational experience and continuity across teams. Eight employees with disabilities are employed across the business, supported through workplace adjustments and inclusive practices.

Gender representation is monitored across the organisation. Women account for 29% of the workforce and 22% of leadership roles. Recruitment processes include gender-balanced shortlists to support more consistent representation across functions and seniority levels.

Employee development pathways are supported through long-term progression within the business. One example is Leonardo Bispo Santana, who joined as a young apprentice through CAMPS and now works as an Accounting Coordinator within the Shared Services Center. He supports both coffee and cotton operations.

These programmes support workforce stability, skills development and knowledge retention across Brazil operations.

Gender equity and social inclusion continued



3.12.1
Advancing gender equity across ECOM Cocoa

Across our cocoa division, gender equity is embedded as a measurable business priority. Clear targets have been established to strengthen accountability and drive improvement. By the end of 2025, 100% of our origin-sourced cocoa supply chains were covered by the Gender Equity Index (GEI) and corresponding improvement plans. Similarly, by the end of 2027, we have committed to achieving a 15% increase in the GEI score across origin-sourced operations

The GEI is a tool for identifying structural barriers within our origin operations for addressing gender biases. The GEI provides a diagnostic framework for assessing service provision, participation, decision-making and access to resources, forming the basis to design context-specific improvement plans, Gender Equity Development Plans (GEDPs), in each origin.

In 2025, GEI and GEDP coverage expanded further across our origin-sourced supply chains. Since the beginning of the process, ECOM has completed the GEI in nine country teams. Read more on page 23 in our [2025 Cocoa Sustainability Report](#).



3.12.2
Improving coffee farming in Uganda

In the rural village of Kitsutsu in Uganda's Kasese District, coffee farmer and tailor Ithungu Zeresi Kighoma has become a leading example of sustainable coffee farming. Through training and support from Kawacom's Ugandan Smallholder Livelihoods Initiative, she learned key techniques such as pruning, organic fertilisation, and proper post-harvest handling, helping her improve yields and gain Organic and Rainforest Alliance certification.

Before joining the programme, Ithungu struggled with low productivity and limited market access. Today, coffee provides 75% of her household income, allowing her to pay school fees, improve her home, and reinvest in her farm. She said:

"We use the income from coffee sales to meet household needs and invest in better farming practices."

Kawacom has trained 45 farmers in Kitsutsu, including 40 women, in sustainable farming, certification standards, financial literacy, and income diversification. The initiative has improved coffee quality, increased incomes, and encouraged more women in the community to adopt better farming practices. She added:

"Pruning and fertilisation techniques, especially using organic inputs, have improved my coffee quality and yields."



3.12.3
Women as the next wave of growth

In collaboration with Lavazza, this project seeks to transform the traditional roles of women in coffee-growing families in southern Huila, Colombia, by fostering gender equity and female empowerment. Through awareness-raising, capacity building, and practical training, it promotes self-sufficiency, leadership, and the active participation of women in farm decision-making and management, strengthening both family dynamics and the sustainability of coffee production.

[Click on the image above to read more about the project.](#)

3.12.4

Connecting environmental practices and community outcomes

This case study sits across two sustainability pillars, reflecting the interconnected nature of the challenges and solutions within agricultural supply chains. It illustrates how actions in one area can drive outcomes in another, highlighting the importance of integrated approaches to building resilience and long-term impact.

Improving livelihoods and climate resilience in Colombia’s coffee sector

Since 2023, our team in Colombia has been implementing the SADER Project (Seguridad Alimentaria y Desarrollo Rural), funded by NORAD (the Norwegian Agency for Development Cooperation) in the regions of Cauca and Huila, in collaboration with Caritas Norge.

The project is centered around two main objectives: improving food security and rural development by increasing producers’ income and market access; and enhancing the resilience of communities affected by climate change. The initiative aims to benefit 600 smallholder families and is scheduled to conclude in December 2027.

Since its launch, the project has made significant progress. Under the first objective, farms have joined certified specialty coffee programs like C.A.F.E Practices and Rainforest Alliance Certified Coffee. Efforts have also focused on boosting productivity and profitability through soil analysis, fertilisation plans, and the delivery of educational materials on deforestation. Additional support includes farm management plans, cost kits, and annual feasibility assessments.

For the project’s second objective, agroforestry systems have been introduced with personalised plans, tree distribution, and maintenance incentives. Farms are now part of environmental service payment platforms, and carbon footprint data is being collected. A regenerative agriculture strategy has been developed, featuring a regional working group, soil and biodiversity restoration practices, and farm-specific measures. Finally, climate-smart agriculture training has been rolled out, covering climate change, resilience, and responsible production practices.

We continue to implement the project in line with its objectives, supporting income stability and climate resilience across coffee-producing communities in Cauca and Huila.



4 Protecting and regenerating nature



“Protecting and regenerating nature requires long-term commitment, collaboration, and continuous improvement. As environmental and climate-related risks intensify, building knowledge and adapting our approach are essential to reducing impacts and strengthening the resilience of ecosystems and our operations.”

Mauricio Morera
Global E&S Operations Manager

4.1

Protecting and regenerating nature

Our focus

More frequent extreme weather events are already disrupting crop cycles and reducing yield predictability across multiple origin countries. For a global merchant operating across seasons and regions, this volatility directly affects supply continuity and cost stability.

At origin, producers are facing increasing pressure from unpredictable harvests and soil degradation, which heightens sourcing risk and exposure to regulatory requirements. As a result, the protection and regeneration of natural ecosystems is not only an environmental priority but also a core element of supply chain resilience.

We work with producers, partners, and clients to support the adoption of responsible agricultural practices that improve soil health, safeguard biodiversity, and sustain long-term productivity. Our approach is aligned with local, national, and international regulations, as well as recognised environmental and due diligence frameworks.

In 2025, we further strengthened this approach by embedding deforestation risk analysis into sourcing decisions, enhancing traceability systems, and engaging suppliers to meet EUDR requirements. These actions support regulatory compliance while helping to secure continued access to key markets and strengthen long-term supply resilience.

Our commitments

- Optimising our natural resource management practices
- Improving farmer resilience to the effects of climate change
- Our ambition to become a Net-Zero company in our Scope 1, 2 and 3 emissions by 2050



4.2

Why is protecting and regenerating nature important?

Healthy ecosystems are fundamental to the productivity and long-term viability of agricultural supply chains. Nature sustains the biological and environmental processes that impact cocoa-growing landscapes. This includes pollination, soil formation, nutrient cycling, natural pest control, water storage and purification, and microclimate regulation.

Together, these functions enable ecosystems to absorb and recover from external shocks such as droughts, floods, fires, pests and disease. Where these systems are degraded, agricultural risk increases and recovery is slower and more costly.

We continue to support producers in building long-term resilience at farm and landscape level. Through measurable targets, applied research and predictive modelling, we implement targeted programmes aimed at mitigating climate-related impacts. Our SMS teams at farm level play a central role in this work, providing technical support, delivering training and monitoring progress against defined objectives.

4.3

Building farm and landscape resilience

Resilient farming refers to agricultural practices and strategies that enable producers to adapt to, and recover from environmental and socio-economic pressures. These include extreme weather events, pests and diseases intensified by climate change, as well as market volatility and input cost fluctuations.

In coffee-growing regions, this includes measures such as shade tree management to reduce heat stress, soil cover practices to retain moisture during drought, improved water management at wet mills, and diversified cropping systems that reduce exposure to single-commodity risk.

In cocoa-producing regions, resilience-building efforts focus on agroforestry systems that integrate shade trees to regulate microclimates and improve soil health, alongside good agricultural practices such as pruning, pest and disease management, and soil fertility restoration. Diversification through intercropping or alternative income sources also plays a key role in reducing household vulnerability to price fluctuations and climate shocks, while supporting long-term farm productivity.

In cotton-producing regions, resilience strategies often centre on soil health and water efficiency. This includes practices such as conservation tillage, cover cropping, and crop rotation to improve soil structure and moisture retention, as well as more efficient irrigation methods where applicable. Integrated pest management is also critical to reduce dependency on chemical inputs and manage climate-driven pest pressures.

Our approach goes beyond value chain mitigation. While reducing Scope 1, 2 and 3 emissions remains a key ambition, climate risk is not confined to supply chain boundaries. Deforestation, land degradation, water scarcity and biodiversity loss in surrounding landscapes can directly affect production and market stability, even where operational emissions are controlled. To address this, we support ecosystem restoration and producer-focused programmes, including climate-smart agriculture training and landscape-level interventions, targeting the underlying drivers of these risks.



Protecting and regenerating nature continued

4.3.1

Assessing climate risk and opportunity across ECOM’s value chains

In 2025, we undertook a comprehensive climate risk and opportunity assessment across our global operations and sourcing regions. Climate risk intersects with operational continuity, financial stability, regulatory compliance and the long-term viability of farming communities.

The assessment was designed to strengthen disclosure in line with emerging regulatory requirements. Two climate scenarios were developed under a low-carbon transition pathway and a higher-emissions scenario. Seven material risks were prioritised for deeper analysis and quantification.

A key transition risk relates to the cost of moving towards low-carbon technologies¹⁰. We assessed alternative decarbonisation pathways for boilers and energy systems, including electrification and biomass solutions. Over the coming decades, analysis showed that using on-site biomass, such as cocoa shells, may reduce exposure to rising fossil fuel prices and offer favourable payback periods.

Physical climate risks were also assessed across factories, warehouses and supply chain infrastructure. The analysis identified increasing exposure to extreme heat, heavy precipitation and flooding in several regions. In some coffee and cocoa processing sites, higher temperatures could affect worker productivity and equipment reliability. At port level, several major shipping hubs face elevated flooding risk under future scenarios, reinforcing the importance of contingency planning and diversified logistics routes.

Upstream, changing temperature and rainfall patterns pose longer-term risks to crop suitability in key sourcing regions. Internal research indicates that suitability for coffee cultivation may decline significantly in parts of Brazil under higher-emissions scenarios. In West Africa, rising dry-season temperatures represent a material risk for cocoa production in Côte d'Ivoire and Ghana over the coming decades.

¹⁰ Physical climate risks refer to risks arising from the physical impacts of climate change, including acute events such as floods, heatwaves and storms, and longer-term shifts such as rising temperatures and changing rainfall patterns. Transition risks refer to risks associated with the transition to a lower-carbon economy, including policy and regulatory changes, technology shifts, market dynamics, and changes in energy systems.



4.3.2

Expanding coffee cultivation in Papua New Guinea

In collaboration with the University of Goroka, Monpi Coffee Export Limited (MCEL), our specialty coffee brand in Papua New Guinea, is establishing a new coffee nursery aimed at expanding local coffee production. Once fully operational, the nursery is expected to produce 15,000 coffee seedlings annually, contributing to a broader network of 400,000 seedlings from Monpi-affiliated nurseries.

To support local smallholders, these seedlings will be distributed free of charge, contributing to the development of Papua New Guinea’s coffee sector. The nursery will follow organic principles, ensuring that no synthetic chemicals are used, while compost is sourced naturally and is free from industrial farming inputs. This initiative reflects our commitment to sustainable and organic farming practices, supporting long-term soil health and producer livelihoods.

The initiative also responds to declining productivity levels faced by coffee producers. By providing farmers with high-quality seedlings and technical support, Monpi Coffee aims to enhance yields and improve livelihoods.

Monpi Coffee is also advancing efforts to introduce new coffee varieties from Latin America to Papua New Guinea. These varieties are specifically suited to the country’s unique microclimates and soil conditions. This supports greater resilience and productivity for the coffee growers we work alongside.

4.3.3

Strengthening US cotton resilience through the Verde Programme

Building on the Verde by ECOM USA programme introduced in previous sustainability reports, 2025 marked a year of meaningful progress and deepened impact. Extensive in-person engagement with US cotton growers, gins, and key partners across three sourcing regions strengthened relationships and provided valuable, region-specific insights. These interactions continue to evolve the Verde programme, ensuring it remains responsive to the realities faced by growers.

Amid ongoing challenges – including market volatility and rising input costs – US cotton growers are navigating significant financial pressure and uncertainty. In this context, ECOM remains committed to supporting growers and the broader industry by advancing initiatives that enhance resilience across the supply chain.

As part of the Verde by ECOM programme, 85% of USDA Advancing Markets for Producers (AMP) grant funds are directed to enrolled US cotton growers who meet programme requirements, including the adoption of USDA-recognised practices, third-party certification, and the provision of additional data. The remaining funds support key third-party programme partners who enable implementation and oversight.

Collaboration is central to effective grower engagement and programme delivery. This programme would not be possible without the participation of growers, ginners, and supporting organisations. Verde by ECOM features cotton through a network of participating growers and gins, including Quarterway Cotton Growers LLC in the Texas High Plains; Dooly County Gin LLC in southern Georgia; and Deyampert Gin & Trust, Epstein Gin Co, GPS Gin Co Inc., McGehee Producers Gin Inc, Portland Gin & Warehouse Inc, Tripp Gin Co, and Wincott Gin Co Inc. in Arkansas with support from PJS Inc.

By aligning programme design with market needs, the Verde team aims to deliver high-quality US cotton and robust, credible data that enhances transparency and value across the supply chain. In 2025, the Verde team, comprising ECOM staff and programme partners, engaged with growers through field days, data collection visits, soil sampling activities, and information sessions. Each interaction is approached as a region-specific learning opportunity, helping to build trust while continuously strengthening programme delivery. This approach is grounded in openness and responsiveness to feedback, ensuring that outreach efforts and resources are consistently adapted to local contexts.

ECOM USA and its Verde programme partners recently concluded the 2025 programme cycle with a strong sense of momentum heading into 2026. While the AMP initiative is time-bound, it provides a critical opportunity to establish the foundation for a long-term, market-driven programme that continues to incentivise and reward regenerative cotton production beyond the life of the grant. The team remains mindful of the significant constraints growers face, as well as the additional effort and recordkeeping required to participate in the programme.

As the global cotton landscape continues to evolve, adaptability remains central to how the Verde team delivers both programme value and high-quality cotton to clients. Building on the lessons learned, partnerships formed, and progress achieved to date, the team is focused on advancing a path forward that delivers meaningful benefits to all participants, from enrolled growers and the land they steward to brands seeking Verde cotton.

This material is based upon work supported by the USDA's Advancing Markets for Producers (AMP) initiative, under agreement number NR233A750004G043.



4.4

Biodiversity and interconnected systems

Regenerating nature goes beyond protection and focuses on restoring degraded ecosystems so they can function effectively over the long term. Restored landscapes typically show improved soil fertility, better water retention and increased resilience to environmental shocks. These changes are directly linked to agricultural productivity and to the stability of communities whose livelihoods depend on natural resources.

Biodiversity is a key driver of this resilience. More diverse ecosystems tend to be more stable and better able to recover from stresses such as drought, pests and disease. In agricultural systems, biodiversity supports essential functions including soil health, nutrient cycling and natural pest regulation, all of which contribute to sustained productivity over time.

Carbon, climate and biodiversity are closely linked in practice. Managing carbon is about maintaining and restoring the natural systems that store carbon. Approaches such as reforestation, regenerative agriculture and soil restoration can deliver emissions reductions while also supporting biodiversity and strengthening resilience at both farm and landscape level.

We operate within these interconnected systems. Through our value chains, we work with producers who adopt regenerative practices and take steps to reduce deforestation, supporting more resilient landscapes and supply chains over time.

Additional climate change mitigation leveraged by ECOM

Climate change mitigation is closely linked to the health of natural systems. Carbon, climate, and biodiversity are interconnected in practice, meaning that reducing emissions also depends on protecting and restoring the ecosystems that naturally store carbon.

Addressing climate change therefore requires both significant emissions reductions and increased carbon removals from the atmosphere. Natural climate solutions (NCS) are estimated to provide up to 37% of the emissions reductions needed by 2030 to keep global warming below 2°C.

NCS are often cost-effective, readily available, and capable of delivering wider environmental benefits, including biodiversity protection, healthier soils, and improved air and water quality. Different approaches offer different advantages. Protecting ecosystems can deliver immediate impact at relatively low cost while safeguarding biodiversity. Improved land management, including regenerative agriculture, can also generate rapid and cost-efficient benefits. Restoration activities often offer the greatest long-term mitigation potential, although typically at higher cost. Effective implementation therefore depends on understanding local environmental and socio-economic conditions and recognising that multiple approaches are needed.

ECOM contributes to these efforts through initiatives focused on forest protection and improved land management. In partnership with Fronterra, a Peruvian nature-based project developer, we support the protection of the Sierra del Divisor landscape in the Peruvian Amazon through a REDD+ initiative. Covering approximately two million hectares, the project aims to protect biodiversity, avoid deforestation, and support forest-dependent communities through activities such as community-led conservation, governance strengthening, surveillance programmes, and sustainable land-use practices.

We are also engaged in a soil organic carbon project in the Siaya, Kakamega, and Bugoma regions of Kenya. Through this initiative, subsistence farmers are trained in sustainable land management practices including agroforestry, mulching, cover cropping, composting, crop diversification, and soil and water conservation. These practices have translated in improved soil moisture and fertility, reducing emissions linked to soil degradation, strengthen resilience to climate variability, and have increased productivity and income, while contributing to carbon sequestration and long-term soil health.



Biodiversity and interconnected systems continued

4.4.1

Biodiversity in coffee supply chains

In our coffee supply chains, we address biodiversity through research and pre-competitive initiatives. For example, ECOFFEE is a collaborative initiative established by CIRAD (French Agricultural Research Centre for International Development) in 2020. It brings together scientific, industry and agricultural partners, including ECOM as a founding member, to co-develop approaches for reducing pesticide use across coffee value chains. The project assesses the agronomic and economic viability of pesticide reduction strategies at farm level, currently testing conventional, 50% reduction, and zero pesticide strategies across trial farms in Brazil and Costa Rica.

Country-level dialogue platforms bring together actors across the value chain, including those not always involved in sustainability discussions such as pesticide manufacturers. These forums help build shared understanding of risks and support more coordinated efforts to reduce dependency on harmful inputs.

In parallel, we are promoting Integrated Pest Management (IPM) through initiatives such as Brocap. This programme focuses on improving control of the coffee berry borer, one of the most significant pests in coffee production. It combines improved monitoring, biological control methods, targeted interventions and farmer training to reduce dependence on chemical pesticides while maintaining crop health and productivity.

Additionally, since 2018, our SMS teams in Brazil have worked with Nespresso to promote beekeeping among coffee producers. Activities have included practical training in Bahia and the development of honey production initiatives in the Cerrado and Minas Gerais regions. In addition to providing a diversified source of income, beekeeping supports natural pollination in coffee plantations. Research indicates that animal pollination can increase coffee fruit set by approximately 18% on average, with higher gains reported in some contexts¹¹.

In Nicaragua, we are advancing a complementary landscape restoration initiative through the Coffee for Nature project, implemented in partnership with Cornell University and supported by the Darwin Initiative. Since 2017, the project has focused on strengthening smallholder agroforestry systems to restore biodiversity within coffee-growing regions.

By 2027, the initiative aims to restore and conserve 150 hectares of agroforestry, support more than 50 smallholders and their families through access to agroforestry systems and financial resources and apply data-driven tools to monitor and guide biodiversity outcomes.

¹¹ Moreaux C., et al. (2022). The value of biotic pollination and dense forest for fruit set of Arabica coffee: A global assessment. Agriculture, Ecosystems & Environment, 323, 107680.



4.5

Agroforestry and early deforestation monitoring

As a multifunctional land use system, agroforestry improves agronomic, ecological and socio-economic outcomes across both cocoa and coffee production systems.

In cocoa systems, shade trees can regulate temperature and improve cocoa tree performance, reduce wind exposure and enhance water infiltration, helping farms manage periods of drought and heavy rainfall.

In coffee systems, shade management similarly helps moderate microclimates, reduce heat stress and improve moisture retention, which is increasingly important under changing climatic conditions. Across both crops, agroforestry also provides opportunities for diversification, helping farmers strengthen income stability and resilience to market and climate shocks.

Alongside farm-level practices, early deforestation warning systems are an important tool within our broader risk framework. Satellite monitoring and geospatial analysis enable the timely detection of land clearing and forest degradation. Early identification allows for faster engagement with suppliers and partners, helping to prevent further loss and protect existing carbon stocks and biodiversity. These systems strengthen traceability, enabling us to better maintain the integrity of landscapes connected to our supply chains.

Satellite data plays a central role in this work. Through ECOM Research, we developed ERDA (ECOM Research Deforestation Analysis), an in-house model designed to improve the accuracy of land-use monitoring. Unlike some public datasets, which may incorrectly classify activities such as tree pruning or replanting as deforestation, ERDA provides a more precise interpretation of land-use change.

The model has also been adapted to monitor illegal mining activity in West Africa, enabling sourcing teams to identify higher-risk areas and strengthen responsible sourcing practices by avoiding regions affected by illegal mining. Read more on page 45 of our [2025 Cocoa Sustainability Report](#).

Agroforestry and early deforestation monitoring continued



4.5.1

Supporting climate adaptation in Vietnam’s coffee supply chain

Climate projections indicate that rising temperatures and shifting precipitation patterns will continue to affect coffee production in Vietnam. Higher temperatures increase evapotranspiration, reducing soil moisture and intensifying irrigation demand. At the same time, more frequent and severe rainfall events can disrupt flowering cycles, increase disease pressure and complicate post-harvest drying, ultimately affecting both yield and quality.

In response, ACOM’s SMS team is implementing a range of adaptation and mitigation measures across coffee-growing regions in Vietnam, with agroforestry as a key focus. SMS provides training to support the integration of fruit and shade trees into coffee farms. These systems help moderate temperature extremes, improve soil structure and reduce erosion, while also creating diversified income opportunities for producers.

To strengthen financial resilience, SMS connects producers with insurance solutions designed to reduce losses associated with extreme weather events. In parallel, loan programmes supported by the International Finance Corporation (IFC) enable farmers to invest in more efficient irrigation systems, including Netafim drip irrigation technologies, improving water-use efficiency under increasingly dry conditions.

Research and innovation also underpin longer-term adaptation efforts. Through the Breedcafs programme, trials are assessing coffee varieties with improved performance under different climate scenarios, while the BOLERO project is evaluating grafting techniques and rootstock resilience under varying environmental conditions. Additional SMS initiatives focus on coffee berry borer monitoring and broader climate risk analysis to support earlier and more targeted intervention.

Farmer training sessions are delivered one to two times per year and focus on climate adaptation strategies and Good Agricultural Practices.

Looking ahead, SMS continues to strengthen its climate monitoring and forecasting capabilities. Weather data analysis supports both short-term (two- to three-month) and longer-term yield forecasting, enabling earlier engagement with producers and more targeted technical support.

4.6

Soil management

Healthy soils are fundamental to long-term agricultural productivity. Maintaining and improving soil structure supports nutrient balance, reduces vulnerability to pests and diseases and enhances crop performance. Effective soil management also contributes to reduced erosion, improved water retention and preservation of soil biodiversity.

Across our origins, our agronomists and technician teams provide advice, guidance and training on Good Agricultural Practices (GAPs) and alternative inputs, including the use of organic fertilisers. This approach reflects our experience that sustained soil health is central to plant vitality and to avoiding nutrient depletion over time. By working with producers and technical partners, we continue to refine soil management practices that support productivity and resilience.

An important aspect of soil management is regenerative agriculture. Regenerative agriculture is increasingly recognised for its role in improving environmental outcomes, strengthening farm resilience, and supporting the long-term viability of cotton supply chains. In response, ECOM has established regenagri-certified cotton programmes across a range of origins, supporting the adoption of practices aligned with the standard's objectives.

Scaling regenerative cotton: ECOM's global regenagri programmes

ECOM's engagement with regenagri began through early discussions with clients and industry peers, as interest grew around credible regenerative frameworks. This direction was reinforced at the Textile Exchange conference in Dublin in 2021, where the shift toward data-backed systems capable of supporting robust sustainability claims became clear. Since then, ECOM has not only implemented regenagri programmes across multiple origins but has also contributed to the framework's early development, positioning itself as an active and committed participant.

Today, ECOM is actively involved in programme implementation in the United States, Mexico, Australia, and Brazil. In Spain, while not directly engaged at farm level, ECOM has supported the introduction of the regenagri framework by working with growers, ginners, and partners, including guidance on certification processes. Additional commercial flows exist in Turkey, India, Pakistan, and Bangladesh, where regenerative cotton markets are still at an earlier stage of development.

The United States represents ECOM's largest and most established regenagri programme, reflecting its early leadership as the first regenagri-certified merchant. Mexico is the second-largest programme and currently the only regenagri cotton farm initiative in the country, developed through targeted pilots and sustained engagement with growers.

In other regions, including Australia and parts of Europe, programmes remain smaller in scale but play an important role in building technical capacity, testing regenerative approaches across different farming systems, and supporting future expansion.

Across all origins, ECOM's regenagri programmes promote improved soil management, reduced reliance on synthetic inputs, enhanced water stewardship, and increased resilience to climate variability. Through early and continued investment, ECOM is supporting the transition toward more regenerative and resilient cotton supply chains.



4.7

Fertiliser and crop management

We encourage the producers we work with to reduce, and where feasible, eliminate the improper use of chemical fertilisers, pesticides, fungicides, herbicides and other synthetic inputs. Through our SMS teams, Integrated Pest Management (IPM) approaches are embedded within GAPs training and certification programmes.

Training covers safe handling and storage of chemicals, appropriate use of personal protective equipment and awareness of health risks associated with pesticide exposure for adults and children. Our teams provide tailored, farm-level guidance and follow-up support to reinforce adoption and monitor progress.

Our approach to chemical management is governed by our [Environmental Policy](#) and SMS Code for coffee. Together, these frameworks define restrictions on permitted pesticides, establish phase-out targets for higher-risk substances and prioritise non-chemical alternatives. They also set out measures to protect beneficial insect life, promote grove renewal and support soil health initiatives. At the profit centre level, control measures and application requirements are implemented through local Environmental and Social Management Systems (ESMS), which are aligned with the global ESMS and tailored to specific regulatory requirements, operational conditions and risk profiles. In 2025, we updated our banned substances product list to include additional chemicals, pesticides, fungicides and herbicides.

In our coffee and cocoa supply chains, targeted IPM programmes aim to reduce pest pressure through preventive and biological controls. Compliance with these standards is assessed through farm-level monitoring aligned with our SMS Code.

In 2025, we continued field validation of alternative inputs, where trials indicate positive impacts on productivity and crop quality. These efforts contribute to reducing input-related risks while supporting resilient and productive farming systems.



Water stewardship

We are committed to maximising water use efficiency across our operations and preventing adverse effects arising from water consumption and disposal. We seek to control and reduce water use across processes and ensure reliable monitoring of discharged wastewater. Consistent treatment approaches are implemented to meet local compliance requirements and protect natural watercourses and their ecosystems. Water-use efficiency is integrated into operational processes and informed by monitoring of water abstraction, consumption, and wastewater generation. Our approach focuses on reducing reliance on freshwater resources through recirculation or reuse and managing wastewater to minimize potential negative impacts on receiving environments. When wastewater is discharged or reused, treatment and control measures are implemented in line with applicable regulations and industry best practices.

Water stewardship is addressed as a collective challenge. We work with producers within our supply chains to support improved water management practices at farm level, including water conservation, reduced pollution risks, and improved awareness of local water constraints. This contributes to more resilient production systems and shared benefits for communities and ecosystems. Governance of water use and wastewater management is embedded within our Environmental and Social Management System through the Water and Wastewater Management Plan, which is aligned with the IFC Environmental, Health and Safety Guidelines. The plan defines minimum requirements for operational controls, monitoring, reporting, and continuous improvement and applies across all ECOM-owned facilities.

Water management

We are one of the largest coffee wet-mill processors in the world and recognises the responsibility that comes with this scale. Untreated coffee wastewater can contain high levels of organic pollutants and lead to eutrophication if discharged without proper treatment. To prevent this, we ensure wastewater is processed to safeguard surrounding ecosystems.

All ECOM-owned facilities that generate wastewater are required to implement appropriate treatment measures consistent with their operational context and risk profile. Facilities must maintain oversight of wastewater performance and submit periodic discharge analyses. These reviews support internal assurance, enable trend analysis, and inform continuous improvement actions. High-risk facilities, those discharging treated wastewater directly into rivers, must adhere to the Global Wastewater Management Improvement Programme (WWPIP), overseen by the E&S Global team. The WWPIP is reviewed on a regular basis, with particular attention to peak operational periods when water and wastewater risks are heightened. Performance is tracked through defined indicators and supported by site visits, technical reviews, and capacity-building activities. Following each operational cycle, participating facilities undergo consolidated evaluations of performance, corrective actions, and risk management outcomes.

Protecting freshwater resources through community partnerships

Access to safe water and the protection of freshwater ecosystems are closely linked to climate resilience and rural livelihoods. Across origins, we work with partners and communities to safeguard water resources through landscape protection and targeted infrastructure initiatives.

In the Peruvian Amazon, we collaborated with Fronterra on a forest conservation project that combines ecosystem protection with climate mitigation. Key components include control and surveillance activities, biological monitoring and research, support for sustainable economic activities and carbon impact certification. The initiative is expected to reduce an estimated 121,664 tonnes of CO₂ emissions annually, while contributing to the protection of freshwater resources connected to surrounding forest landscapes.

In Uganda, Kawacom, ECOM's operation, completed a three-year partnership with Taylors of Harrogate focused on water, sanitation and hygiene in coffee-growing communities around the Sipi region. The project aimed to support 13,500 farmers and their families by improving access to clean water. Through sustainable water management practices and community-led initiatives, clean water access was improved for at least 92.7% of coffee producers in the target communities.

These initiatives reflect two complementary dimensions of water stewardship: protecting upstream ecosystems that regulate water systems and improving access to safe water at community level. Together, they support resilient production landscapes and reduce environmental and social risk across our value chains.



Water stewardship continued

4.8.1

Water and environmental management at Beneficio Los Andes

Floriselva Elvir works at ECOM Honduras’s Sogimex division, where she has helped strengthen environmental management and water stewardship at Beneficio Los Andes. Her work focuses on coordinating wastewater treatment, ensuring regulatory compliance, and embedding sustainability into daily operations. By combining technical oversight, staff training, and alignment with international E&S standards, she has helped reduce environmental risks, improve community relations, and support the Beneficio’s long-term sustainability.

How would you describe your role in coordinating environmental management and wastewater treatment at Beneficio Los Andes?

My role has been to connect technical, regulatory, and operational processes to ensure Beneficio Los Andes maintains responsible environmental practices and demonstrates a strong commitment to sustainability.

I have coordinated environmental management and wastewater treatment to ensure operations meet sustainability principles and regulatory requirements. This has included supervising the wastewater treatment system completed in 2019, optimising water reuse and discharge processes through laboratory analysis, and ensuring compliance through technical reporting, staff training, and continuous performance reviews using the global E&S platform.

When this work began, what were the main operational or environmental challenges at that time?

Environmental regulation in Honduras is highly demanding and comparable to international standards. Due to the location of the Beneficio, with nearby communities and surrounding natural areas, one of the company’s main challenges was achieving full compliance with discharge requirements.

What have been the most relevant changes in water and wastewater management at Los Andes in recent years?

The most relevant changes have been the ability to achieve and consistently maintain regulatory discharge parameters, ensure proper wastewater management, manage water consumption responsibly, and operate without environmental fines. These efforts have also contributed to maintaining positive relationships with the community and government authorities.

What key learnings have been essential to maintaining consistent operations between harvest seasons?

Continuous monitoring and control have been fundamental. Constant measurement of environmental and water quality parameters allows early identification of deviations and timely corrective actions. We have also learned that operational consistency depends on the active involvement of all plant personnel and strong leadership commitment from senior management and key operational leaders, which has enabled smooth transitions between harvests. In addition, the incorporation of new Penagos equipment, replacing traditional wet mill processing systems, has significantly improved efficiency and operational consistency.

How has collaboration with the global E&S team supported monitoring and improvement of the environmental management plan?

Collaboration with the global E&S team has been very strong and genuinely two-way. Ongoing and fluid communication has been critical to strengthening the environmental management plan at Beneficio Los Andes. This collaboration has focused on aligning global sustainability commitments with local operational needs, ensuring that international standards are met while remaining relevant to the Honduran context.

How have global guidelines been adapted to the operational reality of the Beneficio?

The adaptation process has been gradual but continuous. The initial focus was on achieving compliance with local regulations, followed by the progressive adoption of best practices in daily operations. This flexible approach has enabled compliance without affecting operational efficiency and has helped staff view standards as part of continuous improvement rather than as an external imposition. As a result, the Beneficio has transitioned smoothly toward a more robust operational model aligned with global expectations.

Which achievements in environmental management give you the greatest satisfaction?

Key achievements include investments in new Penagos eco-pulping coffee machinery and structural improvements that have reduced waste generation and improved overall efficiency. A proactive environmental management approach has been established, where operational staff identify risks before they become incidents. Proper by-product management and optimization of energy and water consumption reflect a genuine commitment to reducing the environmental footprint of the Beneficio.

What will be key to further strengthening sustainability and water management in the coming years?

Strengthening sustainability will require daily monitoring of water use, systematic maintenance of pipelines and rapid repair of leaks, and continued improvements to wastewater treatment systems. Maintaining alignment with national and international regulations, ongoing staff training, and active engagement with communities and authorities will also be essential to reinforce transparency, trust, and long-term environmental performance.



4.9

Our approach to carbon

Measuring carbon emissions is a critical first step in identifying the highest emitting activities. It helps us prioritise interventions that can reduce our impact, whilst increasing productivity.

Perennial crops such as cocoa and coffee have complex supply chains. Quantifying the emissions associated with their cultivation and processing requires a thorough and detailed approach. In 2024, we launched our carbon calculator Green Meter to assess emissions and removals from farm to port and to guide impactful interventions.

In the past 2 years we've trained more than 480 field technicians on measuring carbon footprints across our cocoa and coffee origins and have supported 28 sustainability projects in measuring carbon emissions and analysing main drivers. Our decarbonisation efforts include on-farm activities, such as fertiliser optimisation, fertiliser use with low production emissions, shade tree planting, crop residue management, applying biochar and biochar production. Meanwhile, for our main processing facilities, the focus has been on onsite renewable energy production, purchasing renewable electricity and using biomass waste.

Establishing a baseline for land management emissions across cocoa supply chains

As part of our ECOM Cocoa KPI, "establish a baseline of land management emissions and removals for all direct origin-sourced supply chains by the end of 2027", we have continued scaling the rollout of Green Meter in 2025 across seven cocoa origins: Côte d'Ivoire, Mexico, Ecuador, Cameroon, Ghana, Peru and Nigeria. Green Meter collects primary farm-level data on production systems, land use and management practices, enabling emissions and carbon removals to be quantified and aggregated across sourcing regions.

Establishing these baselines is a critical step in understanding the climate impact of agricultural supply chains and identifying opportunities to reduce emissions. Land management emissions vary significantly depending on factors such as soil type, climate, farming systems and agricultural practices, including fertiliser use, soil management and agroforestry. By developing reliable baseline data, ECOM can track changes in emissions and carbon sequestration over time and support targeted decarbonisation strategies across different origins and production systems.

Implementation is progressing through a phased rollout across cocoa producing countries. To date, for cocoa, ECOM has completed several carbon emission assessments. These assessments have generated insights from more than 1,200 cocoa farms, while more than 200 technicians have been trained to support data collection and implementation activities.

As rollout continues, Green Meter is helping strengthen ECOM's ability to work with farmers and supply chain partners to better understand emissions drivers and support long-term climate action across agricultural supply chains.

Read more about this on page 30 of our [2025 Cocoa Sustainability Report](#).



Our approach to carbon continued

4.9.2

Supporting farmers through mitigation and adaptation for climate change

Ensuring farmers are resilient to our changing climate is essential for the long-term sustainability of coffee and cocoa farms. As such, we are expanding the scope of Green Meter to include a climate resilience score that is generated after collecting data at the farm level. This resilience score assesses and measures farmers' readiness and capacity to adapt to climate change.

It is designed to evaluate how mitigation measures support climate preparedness, risk reduction and long-term supply stability. This includes projecting impacts from key climate hazards across sourcing regions as a measure of the cost of inaction. The score draws on primary farm-level data, assessing vulnerability to relevant climate hazards alongside existing adaptation practices. The methodology, developed internally for smallholder contexts, will continue to evolve as we extend climate risk analysis across origins.

Resilience and carbon for biochar

Biochar is part of our decarbonisation and resilience framework. As detailed in our Biochar Strategy, biochar offers potential to sink carbon in soils on the long term while contributing to soil health and productivity. Within perennial systems such as cocoa and coffee, soil quality plays a central role in climate resilience. By improving soil structure and water retention capacity, biochar can support crops during periods of drought and reduce nutrient loss during heavy rainfall.

Biochar is produced through the pyrolysis of biomass, generating three primary outputs in industrial systems: energy, biochar and bio-oils. This process creates a circular model for agricultural and processing residues, with multiple potential value streams. By converting local biomass into soil amendments and energy, biochar systems can support regional value creation and reduce dependence on external inputs.

Our assessment of biochar focuses on measurable carbon sequestration potential alongside agronomic feasibility, benefits on crop resilience, cost considerations and suitability for smallholder contexts. As with other carbon interventions, we evaluate biochar as part of a wider system that includes agroforestry, land use management and existing biomass. In agricultural systems, biochar can improve soil structure, enhance water retention and support nutrient availability. As a stable form of carbon, biochar can also contribute to long-term carbon sequestration when applied appropriately and monitored.

Biochar across origins

We are currently advancing a number of biochar pilot projects across cocoa, coffee and cotton supply chains. Many of these pilots have been initiated in response to client interest and emerging market opportunities. Read more about our work in Ecuador and Peru on page 29 of our [2025 Cocoa Sustainability Report](#).

We have been working on biochar since 2021, testing production methods and field applications. With support from Proparco, a French development finance institution, this work has accelerated, enabling further development and implementation across ECOM's origins.

In Nicaragua, these efforts are being translated into practical, farm-level applications. ECOM Nicaragua is advancing a circular approach to soil management by converting farm wood residues into biochar and incorporating it into compost derived from coffee pulp. This enriched compost is applied at the seedling stage in nurseries, as well as mature trees in managed farms, supporting plant development, improving seedling survival rates and contributing to long-term soil health. By recycling locally available biomass, this model also reduces reliance on synthetic fertilisers while creating additional value from agricultural waste streams.

Building on these experiences, and Proparco's support, we have developed a global biochar strategy for our supply chains, identifying priority origins, and establishing a structured approach to project assessment. This includes capacity development at origin level, ensuring local teams are equipped to implement biochar initiatives, as well as the development of training materials for both staff and farmers.

Across our pilot projects, several key learnings are emerging. Technical feasibility depends on reliable feedstock supply and appropriate technology selection. Agronomic performance varies by soil type and crop system, requiring local validation. Robust governance and monitoring frameworks are essential to ensure environmental integrity and to credibly quantify carbon outcomes.



4.10

Energy management

Energy efficiency and the increased use of on-site renewable sources such as biomass, together with the sourcing of renewable energy remain central to ECOM’s Net Zero ambition. Across the Group, we continue to seek to reduce energy consumption, improve operational efficiency, and increase the share of renewable energy in our energy mix.

Our cocoa processing facilities remain the most energy-intensive part of our operations, accounting for 46% of total Scope 1 & 2 carbon footprint emissions. These sites are a primary focus of our energy transition strategy. In recent years, we have conducted energy efficiency audits across multiple facilities to identify opportunities for heat recovery optimisation, process improvements, and renewable integration.

By the end of 2025, 17 sites had installed solar photovoltaic systems. Together, these installations supplied approximately 9% of total electricity consumption across production facilities and offices. This reflects the ongoing expansion of our solar capacity, with the amount of solar electricity used more than doubling compared to 2024. Alongside the rollout of solar systems, we continue to evaluate opportunities to further increase renewable energy use where grid conditions and infrastructure allow.

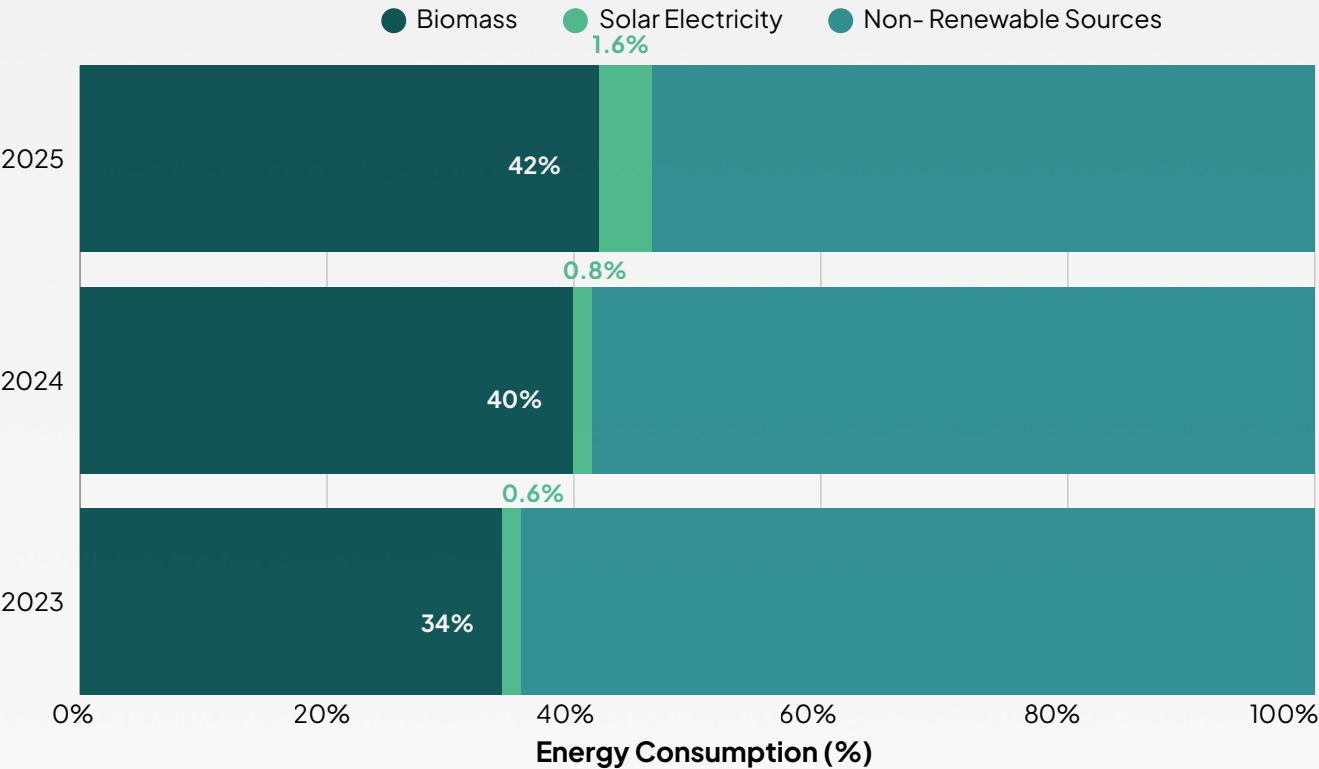
Fuel switching remains another priority. In several locations, fossil fuels are being replaced with biomass for high-heat applications, which now account for 51% of total energy consumption. Most dry mills and wet mills with mechanical drying already use on-site coffee husks in biomass furnaces. In parallel, we are assessing technologies to optimise biomass utilisation, improve combustion efficiency and potentially generate additional by-products that can be reintegrated into our supply chain.

Strengthening energy data and transparency

In 2025, we placed greater emphasis on strengthening the systems behind our energy data. While our internal reporting includes detailed metrics, we are working to improve clarity around how data is collected, verified and consolidated across sites. Energy data is gathered at facility level, reviewed through internal controls and aligned with our Group carbon accounting framework. Continuous improvements in metering, traceability and reporting processes support more accurate Scope 1 and Scope 2 emissions tracking.

Energy mix: a four-year perspective

Over the past three years, our energy transition has progressed through incremental shifts in the energy mix. This includes increased renewable electricity generation through on-site solar, greater use of biomass residues and reduced reliance on fossil fuels in selected operations. Reviewing this period highlights how changes in electricity sourcing and fuel use have gradually reshaped our energy profile.



4.11

Waste management and utilisation

We aim to maximise the recovery, reuse and recycling of waste and by-products generated through the harvesting, processing and packaging of commodities. By embedding circular economy principles across our value chain, we seek to reduce waste generation at source and ensure that any unavoidable waste is managed responsibly.

All industrial processes owned or operated by ECOM are required to implement defined procedures for waste management. Waste streams are monitored at site level to increase recovery rates and ensure appropriate storage, handling and disposal of both hazardous and non-hazardous materials. These processes are governed by ECOM's [Environmental Policy](#) and supported by site-level controls and reporting systems.

Beyond compliance and disposal, our SMS teams actively explore practical approaches to repurposing production residues. This includes the use of industrial waste generated at wet mills as manure, as well as the conversion of other commodity by-products into compost and organic fertilisers, reducing waste volumes while contributing to soil fertility. These circular applications support reduced reliance on synthetic inputs and can lower associated emissions across supply chains.

Through improved monitoring, responsible management and reuse of organic residues, we aim to reinforce environmental performance and operational efficiency across our value chains.



5 Managing change through transparency and traceability



“In a changing world, transparency and traceability give us the clarity to navigate uncertainty, strengthen trust and make responsible decisions across our global supply chains.”

Rita Bouhout
Global Head of Marketing and Communications

5.1

Managing change through transparency and traceability: Overview

Our focus

A responsibly managed supply chain relies on strong traceability and transparency. While global, multi-layered supply chains can be complex, we view this complexity as an opportunity to strengthen our systems, increase visibility, and drive continuous improvement across our operations.

We have developed a long-standing capability in collecting and analysing digital data across our origin-sourced supply chains. By identifying potential social, environmental, and operational risks early, we can take proactive steps to promote transparency and support responsible sourcing practices.

For cocoa, we disclose our direct origin-sourced supply chain on our website annually, providing stakeholders with information about our sourcing practices and partner networks.

Our interactive map improves visibility across our cocoa supply chain. The map offers a dynamic visual representation of our suppliers, which enables stakeholders to explore the structure and geographic distribution of our sourcing network.

Our commitments

- To ensure responsibility in our supply chains



Legislative changes

In 2025, legislative developments continue to influence how international companies operate across jurisdictions. As new laws and regulatory amendments are introduced, organisations must adapt internal systems, operational processes and governance frameworks to remain compliant. For companies operating across global commodity value chains, these changes can affect sourcing practices, reporting requirements, supply chain management and risk oversight.

Legislation can also influence the cost and structure of operations. Changes to environmental standards, labour regulations, trade agreements or tariff structures may alter supply chain dynamics or increase operational expenses. As outlined in our **interview with cocoa trader Zach Byko**, tariff structures can increase prices overnight, impacting how companies approach imports. At the same time, clear regulatory frameworks can support fair competition and encourage more consistent practices across the sector.

Corporate reporting and disclosure requirements

One of the most significant developments affecting businesses operating internationally has been the evolving sustainability regulatory landscape within the European Union, whose impact extends well beyond Europe. Recent reforms seek to simplify corporate reporting and due diligence requirements while maintaining expectations around transparency, accountability and governance.

The Corporate Sustainability Reporting Directive (CSRD) establishes reporting obligations for large EU companies and groups, as well as some as well as some non-EU companies with significant operations in the European Union¹². In April 2025, the EU adopted the "Stop-the-Clock" Directive, postponing CSRD reporting requirements by two years for companies that had not yet entered the reporting regime. In parallel, the EU's Omnibus reform process significantly reduced the number of companies expected to fall within the scope of CSRD reporting. Revisions to the European Sustainability Reporting Standards (ESRS) are also intended to simplify reporting requirements, strengthen the focus on material information and provide greater flexibility in how disclosures are presented¹³.

Prior the announcement of these changes, we finalised our Double Materiality Assessment (DMA) and had started working on gap assessment and data governance to prepare for CSRD compliance. The additional time allows us to strengthen internal processes relating to data collection, governance and harmonisation across the Group.

Due diligence expectations across value chains

The Corporate Sustainability Due Diligence Directive (CSDDD) requires companies to identify and address adverse human rights and environmental impacts across their operations and value chains using a risk-based approach.

Recent reforms have increased the employee and turnover thresholds, narrowed the scope of application and simplified certain requirements. However, the directive continues to emphasise robust risk identification, prioritisation and supplier engagement.

These developments reinforce the importance of proportionate due diligence processes, including supplier engagement, risk-based decision-making and effective documentation. This work also supports compliance with other regulatory requirements, including the UK Modern Slavery Act, the Swiss Code of Obligations and the EU Forced Labour Regulation, as well as client and financing expectations.

Deforestation-related trade requirements

The EU Deforestation Regulation (EUDR) introduces due diligence requirements for commodities associated with deforestation risk, including cocoa and coffee, and prohibits the placement of products linked to deforestation on the EU market after the applicable cut-off date¹⁴. At the end of 2025, the EUDR was postponed by one year, with the new application date of 30.12.2026.

The EUDR requires companies placing relevant products on the EU market to demonstrate that commodities are deforestation-free and legally produced. Compliance involves mapping supply chains, verifying origin and maintaining robust documentation¹⁵.

The EUDR has direct implications for sourcing practices, traceability systems and data management. We have multiple roles that depend on the supply chain; we can be an upstream actor, operator, or a downstream trader. Implementation requires coordination with suppliers and downstream partners to ensure accurate geolocation data, effective verification processes and reliable documentation systems across sourcing regions. In 2025, we formalised our approach through an EUDR Internal Management System, aligning our framework with necessary compliance across different supply chains.

Industry collaboration plays an important role in developing practical approaches to traceability, satellite monitoring and supplier verification. We are involved in multi-stakeholder initiatives to help align our industries with best practice.

¹² CSRD Directive

¹³ Council and Parliament strike a deal to simplify sustainability reporting and due diligence requirements and boost EU competitiveness. (2025). Consilium.

¹⁴ European Commission. (2023). Regulation on Deforestation-free Products. European Commission.

¹⁵ EUDR - EU Parliament



Values at work



5.2.1

Improving collaboration across the specialty coffee business

Keynote Coffee was established in 2021 by Jamie Marler, following nearly a decade at Mercanta. From the outset, the business was built to operate within the ECOM Group.

Rather than positioning itself independently, Keynote integrated with existing ECOM coffee businesses, including Mercanta in the UK and Supremo in Belgium. This approach reduces duplication and improves early identification of opportunities and risks.

Keynote sources most of its specialty coffee through our origin partners and operates within the Group’s sustainability framework. This provides alignment with established sourcing practices and traceability standards, while maintaining consistent supply.

Operationally, Keynote works closely with our central functions. The central coffee shipping desk in Vietnam enables continuous export operations. This structure gives Keynote direct use of global logistics capability and market expertise without replicating these functions internally. It supports continuity across trading operations, particularly in periods of market volatility.

Collaboration also extends across our wider coffee network. Keynote is part of the European coffee team and works alongside trading desks across the region. Participation in initiatives such as Nexco (a group of ECOM’s future coffee talents across the business) and ECOM University Advanced connects senior leaders across commodities and geographies, supporting alignment and knowledge exchange.

This model enables Keynote to operate as a focused specialty coffee business while remaining integrated within our global platform, supporting efficient trading and consistent decision-making.



Legislative changes continued

5.2.2

Building a traceability system in our European factories

As sustainability regulations reshape global commodity supply chains, cocoa companies are under increasing pressure to strengthen traceability, transparency, and accountability. In a discussion with Robert Jan van Beekhoff, Operations & Supply Chain Advisor, key insights emerged into the technical and operational changes required to build an end-to-end traceability system capable of linking geo-location data directly to finished cocoa products.

Robert explained that Theobroma has developed a comprehensive traceability system that tracks cocoa products from import into the European Union through to final customer delivery. The system links incoming cocoa products and Bills of Lading (BLs) to their corresponding Due Diligence Statements (DDSs), enabling full supply chain traceability.

Products are monitored throughout production using enterprise resource planning (ERP) systems integrated with factory automation systems based on programmable logic controllers (PLCs). Batch and trace numbers are assigned to all materials, allowing sourcing and geo-location data to remain connected to finished products throughout processing. As a result, we can identify which cocoa batches were used in specific final products, retrieve the relevant DDSs, and provide customers with traceability information as products leave the factory. The system has been implemented primarily at factories in Germany and the Netherlands.

Factory automation systems play a critical role in supporting traceability and operational control. PLC-based systems monitor key production stages, including roasting, storage, pressing, butter and powder production, and intermediate storage. These systems track how materials move and blend throughout the factory, including residual material in tanks and processing lines, enabling accurate traceability calculations even for blended products. Connecting geo-location data to physical products through this integrated system represented a major technical achievement for the company.

Robert also noted that cocoa stock imported before implementation of the EUDR is currently classified as “transition stock” and may continue to be processed. Looking ahead, we are working closely with our supply chain to ensure readiness of compliance and data requirements for all cocoa imports by the end of the year.

Although implementation challenges remain, substantial progress has been achieved. Traceability processes are now significantly faster and more accurate, enabling compliance information to be generated almost immediately when products leave production facilities. Further system integration and fine-tuning are ongoing, with full operational readiness expected by the end of the year.



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6 Upholding ethical business standards

7 Global Reporting Initiative

5.3

Supplier due diligence

Supplier due diligence is essential for managing ESG risks across global commodity supply chains, where many impacts occur beyond a company’s direct operations.

We use structured due diligence processes, aligned with the OECD Due Diligence Guidance for Responsible Business Conduct, to identify, assess and manage risks associated with sourced goods and services. This includes monitoring supplier practices related to labour rights, working conditions and worker protection.

Due diligence also strengthens governance by helping reduce legal and reputational risks, meet regulatory requirements such as the EUDR, and provide the transparency increasingly expected by regulators, investors and clients regarding commodity origins and production practices.

Supplier assessment key findings

In 2025, we conducted two supply chain deep dives in high-risk sourcing countries, Côte d’Ivoire and Mexico, focusing on coffee, cocoa and cotton. Building on the country and supply chain risk assessments completed in 2024, the objective was to strengthen our understanding of risk exposure and assess suppliers’ human rights due diligence maturity to identify opportunities for improvement.

Supplier assessments and deep dives are a key part of our due diligence process. Across priority origins, most invited suppliers participated in annual surveys and targeted engagement activities. The assessments showed that larger suppliers, exporters and cooperatives generally have established environmental and social policies, monitoring systems, grievance mechanisms and designated personnel responsible for sustainability and compliance. Awareness of human rights and environmental risks was generally strong, and health and safety procedures were typically formalised.

The engagement process also highlighted differences in supplier capacity and responsiveness. Smaller and less formal suppliers were often more difficult to reach and less likely to participate in questionnaire-based assessments. Opportunities for improvement were identified across the supply base, particularly in strengthening engagement with farmers and workers, improving documentation and information sharing, enhancing access to grievance mechanisms, and increasing supply chain transparency.

Looking ahead, we will continue refining our due diligence approach to balance comprehensive coverage with a risk-based methodology. This includes improving supplier self-assessment tools, increasing the use of targeted interviews and site visits, and working with suppliers to strengthen risk management practices where elevated risks are identified. In 2026, we plan to undertake similar supply chain deep dives in four additional countries across Africa and Asia to further strengthen oversight and risk management.

Supplier due diligence continued

5.3.1

Capturing auditable supply chain data with Integrity, powered by BanQu

As regulatory, client and investor expectations continue to evolve, ECOM is investing in digital systems that strengthen traceability records, improve data quality and provide auditable evidence of sourcing practices. These capabilities support compliance with emerging requirements such as the EUDR, while helping us manage risk, improve reporting efficiency and strengthen transparency across our supply chains.

To support these objectives and strengthen evolving compliance, traceability and reporting capabilities, ECOM partnered with BanQu to enhance first-mile data collection and supply chain transparency.

The value of auditable traceability data

Obtaining complete and reliable first-mile data can be challenging. ECOM’s Integrity powered by BanQu platform provides an auditable system for capturing transactions and sustainability information across the early stages of the supply chain. In many cases, this has enabled teams to move away from more manual paper or Excel based data collection and storage as we digitise data capture methods. With each farmer record and transaction recorded in a secure and auditable format, ECOM can more quickly harness near real-time reporting both at Origin and global levels.

Through ongoing integration with ECOM’s global technology landscape, ECOM is working to create a more consistent and streamlined data landscape across origins, supporting compliance, reporting and client requirements.

Piloting and scaling the platform

Integrity powered by BanQu was initially tested in coffee supply chains in Vietnam and cocoa supply chains in Nigeria. These pilots helped identify practical challenges related to data collection, supply chain structures and local operating contexts, allowing the system to be refined before wider deployment, with feedback from operational teams resulting in continued enhancements and improvements for our origins.

The Integrity powered by BanQu platform has now been deployed across 12 operations, with over 2,000 registered users and more than 200,000 registered farmers. Further rollouts are planned throughout 2026 and 2027 as ECOM origins implement a standardised global approach for key traceability and compliance data, alongside local adaptation to reflect country-specific supply chain structures.

Successful implementation depends on engagement, feedback and adoption by origin teams. To support this, ECOM has established Champion Networks across participating operations. who provide training, support day-to-day users and help share platform updates across origin teams. This ongoing feedback mechanism ensures that digital tools continue to evolve alongside business needs, helping ECOM strengthen traceability data, improve reporting capabilities and meet growing stakeholder expectations for supply chain transparency.

Values at work



5.3.2

Enhancing supply chain visibility and decision-making in cotton

Our cotton division is implementing new systems and processes to improve how information is managed and used across the supply chain.

Across cotton trading and logistics, large volumes of operational and customer data are generated at each stage. Historically, this information has been held across multiple systems and formats, limiting visibility and slowing decision-making. Fragmented datasets and manual reporting processes can also increase operational risk.

To address this, the cotton division has implemented analytical and customer-focused tools, including Microsoft CRM and Power BI. These systems support a more structured approach to managing customer information, tracking activity and analysing performance across Profit Centers.

The division has expanded access to cotton data, enabling teams to retrieve relevant information more quickly. This improves transparency across operations and supports faster decision-making.

Customer information has been centralised into a single system. This creates a consistent record of client interactions and improves accuracy across teams, supporting a more coordinated approach to client management.

Reporting processes have also been simplified. Dashboards have replaced manual spreadsheets and fragmented datasets, providing clearer and more timely operational insights.

The systems and processes developed within the cotton division are now being prepared for rollout across other commodities. In turn, this enables a more integrated approach to data management and operational oversight across the Group



6 Upholding ethical business standards

"Strong governance, collaboration and a shared commitment to doing the right thing shape the way we work. By acting with integrity and transparency, we strengthen trust and help embed sustainability across our business."

Dominika Jankowska
Legal Counsel (Regulatory and Compliance)

6.1

Upholding ethical business standards: Overview

For more than 175 years, we have operated in global soft commodity markets with a focus on long-term relationships and responsible business practices. Ethics are an important part of our day-to-day operations, from management practices to our engagement with customers and suppliers.

Our business ethics refer to the principles that support consistent and responsible decision-making. This includes compliance with applicable laws and regulations, as well as an emphasis on acting with integrity, transparency and accountability.

Maintaining appropriate ethical standards contributes to building trust with stakeholders and supporting the long-term sustainability of the business. It also supports risk management, accountability and stable relationships across global supply chains. Given the link between our activities and environmental and social contexts, ethical considerations play a role in responsible sourcing and engagement in producing regions.

As a long-standing family-owned business, we continue to be guided by values such as innovation, inclusivity, excellence, integrity and collaboration. These principles inform our approach and support our efforts to develop responsible and resilient commodity supply chains from origin to customer.



6.2

Governance and ethics

We are committed to building trust with all our stakeholders. Through our policies and actions, we support integrity, transparency and ethical conduct within our own operations and across our supply chains. Strong corporate governance frameworks support improved economic, social, and environmental outcomes, while ensuring compliance with applicable regulations and legislation in all regions where we operate.

ESG governance

ESG governance at ECOM is anchored in strong Board oversight and cross-functional coordination. Overall responsibility for Environmental, Social, and Governance (ESG) strategy, and its alignment with the Group’s objectives, rests with the Conseil d’Administration (Board of Directors), which delegates day-to-day management to the CEO. The Executive Committee, reporting to the CEO, acts as a collective decision-making body supporting the implementation of ESG priorities across the business.

To ensure effective integration of ESG considerations, including human rights, into operations, a cross-functional ESG Committee brings together members of the Executive Committee and representatives from Legal, HR, Sustainability, and other relevant functions. Meeting at least quarterly, the Committee oversees the implementation of policies, procedures, and actions, and provides guidance and recommendations to both the Executive Committee and the Board’s Audit Committee.

We have in place an overarching human rights due diligence framework modelled after the **OECD Due Diligence Guidance for Responsible Business Conduct**. Human rights, labour practices, and human capital management are considered alongside supply chain oversight; health and safety; stakeholder and community engagement; and diversity, equity and inclusion in collaboration with Group HR. Guidance is provided on compliance-related topics such as business ethics, anti-bribery and corruption, sanctions, anti-money laundering, and data protection.

Through these structures and processes, we ensure effective oversight, accountability, and continuous improvement in managing our material ESG impacts in line with the Global Reporting Initiative (GRI).

ECOM Code of Conduct and other policies

We are committed to conducting business in an ethical, legal, environmentally and socially responsible manner. As part of our commitment to continuous improvement, we regularly assess our policies to ensure they are aligned with best practice in ethical business conduct.

The key policies and documents include:

- ECOM Code of Conduct
- Equality, Diversity and Inclusion Policy
- Speak Up Policy (internal and external)
- Anti-Discrimination and Harassment Policy (internal)
- Modern Slavery and Due Diligence Statement
- Environmental Policy
- Supplier Code of Conduct
- Supply Chain Due Diligence Policy
- Social Policy

Find them [here](#).

Adherence to the Code of Conduct is mandatory for employees, agents and representatives. We do not tolerate breaches of the Code or attempts to circumvent its requirements. To support accessibility across our global workforce, the Code of Conduct is available in multiple languages and is communicated to all employees by email.

We expect employees, contractors, subcontractors, suppliers, agents and other third-party representatives to uphold high standards of integrity. To support this, we maintain policies addressing key risk areas, including anti-bribery and corruption (ABC), anti-money laundering (AML), market conduct, abuse, economic sanctions and grievance reporting.



6.3

Employee engagement, learning and development

Attracting individuals with strong technical expertise and sound judgement supports the responsible and effective management of operations. Retaining employees is equally important, as it helps preserve situational knowledge and maintain long-standing relationships with farmers, suppliers and customers.

We support employee development through a range of learning opportunities and training programmes. These are designed to build relevant skills, support career progression and ensure employees are able to operate effectively across diverse markets and roles.

ECOM University

ECOM University is our flagship onboarding learning and development programme for early-career and emerging talent. It brings together colleagues from across regions, functions and commodities to build a shared understanding of the Group's history, operations and strategy.

In 2025, the programme was held in Nairobi, Kenya for the first time. This location allowed participants to combine classroom learning with exposure to origin operations, including visits to local facilities.

The initiative brought together more than 30 participants from 17 countries for a three-day in-person workshop. The curriculum covered key areas of the business, including supply chain operations, trading, risk management, market dynamics, sustainability and legal frameworks, alongside application of our five values.

"The main highlight of the week (aside from the knowledge gained) was the collaborations and new connections made with colleagues within the greater ECOM community. Hopefully, we can further leverage the collaboration that was built within existing and future projects."

— Maurice Bruns, Business Analyst, Netherlands

"It was an amazing week, I could really see that ECOM is much bigger than I had imagined, and it was fascinating to see how all the pieces fit together"

— Andre Ricardo de Santana, Risk Analyst, Brazil

Senior leadership engagement is also a key element of the programme. Members of the Executive Committee contributed to sessions, providing perspectives on business priorities, market developments and strategic direction.

ECOM University Advanced

The ECOM University Advanced Programme is a senior leadership initiative designed to strengthen and elevate leadership capabilities across the organisation. The programme focuses on developing high-impact people leaders who can effectively guide teams, drive performance, and embody the company's values together with a growth mindset in an increasingly complex global environment. It serves as a platform for experienced leaders to refine their leadership approach while aligning more closely with ECOM's strategic priorities.

A key pillar of the programme is fostering meaningful connections among senior leaders across geographies, commodities, and business areas. By bringing together diverse perspectives, it encourages collaboration and shared understanding across the organisation. Participants also gain deeper insight into the Group's strategy, transformation agenda, core businesses, and internal functions, enabling them to make more informed decisions and contribute more effectively to ECOM's continued growth and evolution.



Employee engagement, learning and development continued



6.3.1
Supporting specialty coffee production in Brazil

Luiz Paulo Dias Pereira Filho is the co-founder of Carmo Coffees, part of our specialty coffee network in Brazil. He was recognised by the Alliance for Coffee Excellence (ACE) with the “Legends of Excellence” title. This recognition was introduced in 2025 to acknowledge producers with a consistent record of high performance in the Cup of Excellence, a global coffee quality competition.

Luiz Paulo is one of six producers globally to receive this recognition. The award reflects repeated performance in the Cup of Excellence, where he has achieved 23 wins. The competition, established in Brazil in 1999 and now managed internationally by ACE, is widely used as a benchmark for specialty coffee quality.

Carmo Coffees operates in Carmo de Minas, within Brazil’s Mantiqueira region, an area known for quality coffee production. The business builds on a long-standing coffee-growing tradition and has maintained a focus on quality, technical development and market engagement. Consistent performance at this level reflects investment in production practices, knowledge exchange and collaboration across the supply chain. Engagement with international buyers and producers supports the adoption of cultivation techniques and understanding of market preferences. In addition to production outcomes, the award reflects contributions at sector level. These include participation in industry organisations, knowledge sharing and support for producer communities. This supports our access to high-quality supply and strengthens relationships with clients in specialty coffee markets.



6.3.2
Maintaining responsible practices in cocoa operations in Mexico

ECOM Cocoa México received the Socially Responsible Company (ESR) distinction for the 15th consecutive year. The recognition is awarded by the Mexican Center for Philanthropy (CEMEFI) and reflects performance across areas including business ethics, community engagement and governance. AMSA (Agroindustrias Unidas de México), which oversees coffee and cotton operations in Mexico, has also received this distinction for 19 consecutive years.

The ESR distinction was awarded based on an annual assessment of company practices, including policies, processes, and their implementation at the operational level, as well as compliance with requirements for workers and regulatory authorities. Maintaining this recognition over multiple years required the consistent application of these standards across all business activities.

In Mexico, ECOM Cocoa’s operations include engagement with cocoa-producing communities, with a focus on responsible sourcing practices and supply chain transparency. These activities form part of a broader approach to managing social and operational risks within the cocoa value chain. This distinction reflects the sustained implementation of internal standards and processes and supports our position as a responsible supply chain partner in the region.

6.4

Launching ECOM’s values

People and purpose

We launched our official ECOM values in 2024. As a global company, we have grown significantly over the years. With this growth and extensive history, the family values that shaped our early journey required a renewed expression – one that reflects the company we are today and the one we are striving to be.

Consequently, we have defined five core values that serve as the guiding principles for how we operate. These values also shape how employees, leaders and teams across the organisation interact with each other and the world around us. Our five values are:

- Innovation
- Inclusivity
- Excellence
- Integrity
- Collaboration

These values inform our decisions, drive our sustainability efforts and guide how we engage with our colleagues, partners and communities. Together with our mission statement, they define our culture and decision-making processes, ensuring we always act according to ethical standards. By aligning our actions with these principles, we create a shared foundation for progress, one rooted in responsibility, purpose and impact.



6.5

Our values at work

Following the introduction of our values, the focus has shifted to how these are applied in day-to-day activities and decision-making. The values provide a shared framework that guides how teams operate across regions, functions and supply chains. This is reflected in how colleagues approach their work, collaborate across the Group and respond to operational challenges. The perspectives below illustrate how individuals across our organisation interpret and apply these values within their roles.

These examples offer insight into how the values are applied across the organisation and help support a consistent way of working across different markets and teams.



Inclusivity

"Our strength comes from our people. By bringing together different generations, experiences, and perspectives, we build an inclusive environment that drives development, innovation, and a sense of belonging."

Rosana Alcine Viesa

Read more on Inclusivity at work [here](#)



Excellence

"By adapting, continuing to improve, and striving to be better than yesterday, Cotton is helping to set the benchmark for operational excellence at ECOM."

Jaynil Patel

Read more on Excellence in practice [here](#)



Integrity

"Through its traditional family management, ECOM has sought to create an atmosphere that promotes integrity through honesty and accountability. It is demonstrated through our well earned reputation of dedication to long term success for all the actors in the supply chain."

Pam Schreier

Read more on Integrity at work [here](#)

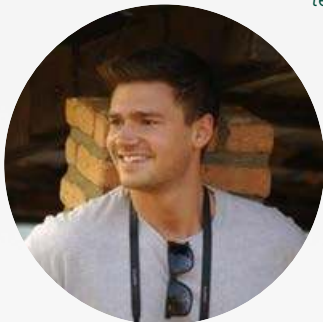


Innovation

"For me, innovation means making coffee processing smarter, greener, and fairer for every farmer."

Catherine Nganga

Read more on Innovation at work [here](#)



Collaboration

"We are ECOM. We are part of one of the largest trading companies in the world. That's how we exist. That's how we can provide the service we do."

Jamie Marler

Read more on collaboration at work [here](#)



6.6

Diversity, equity and inclusion

We operate in over 40 countries and employ more than 6,000 people across our global operations. This geographic reach brings a wide range of perspectives, skills and experiences across the business.

We aim to maintain a working environment where individuals are treated fairly and have access to equal opportunities. This includes recruitment, development and progression, supported by policies and processes that promote transparency and consistency across regions.

We strive to promote a culture that values meritocracy, openness, fairness and transparency. We continually work to promote equal treatment, guided by an **Equality, Diversity and Inclusion Policy** that reinforces our values and responsibilities.

These principles apply across our operations and are reflected in how teams are structured, managed and developed. We also encourage suppliers to adopt similar standards within their own operations.

In practice, this includes fair hiring processes, clear pathways for progression and access to training and development. These measures support a consistent approach to recognising and developing talent across the business. They allow us to attract and retain top talent, strengthen cross-cultural collaboration, and operate more responsibly and effectively in a complex, interconnected world.

A workforce that reflects different backgrounds and experiences supports better decision-making and more effective operations across diverse markets. Strengthening inclusion across teams also supports collaboration and knowledge sharing across regions.

We continue to review our policies and practices to support equal treatment and address potential barriers, with the aim of maintaining a working environment where all employees can contribute and develop within the organisation.

Diversity, equity and inclusion continued



6.7.1

Celebrating International Women’s Day 2025

We marked International Women’s Day 2025 through a series of internal discussions focused on gender equality in the workplace. These sessions were delivered across regions and brought together employees to examine barriers affecting women’s participation and progression.

The discussions addressed topics including unconscious bias, structural barriers and confidence in the workplace. Panel sessions included contributions from employees across functions and regions, providing practical perspectives based on individual experience and business context.

Each session included open discussion and Q&A, enabling participants to share experiences and identify common challenges across teams. Case studies from within the business were also shared, highlighting different career pathways and progression opportunities.

These activities form part of a broader approach to employee engagement and inclusion. They support awareness of workplace dynamics and encourage more consistent approaches to recruitment, development and progression.

This work contributes to ongoing efforts to strengthen gender representation and support equal opportunities across the organisation.



6.7.2

Supporting gender inclusion in Ecuador

Agroarriba, ECOM’s cocoa operation in Ecuador, has been recognised among the Best Places to Work for Women 2025 by Great Place to Work Ecuador, ranking sixth in the 50–150 employees category.

This recognition reflects workplace practices related to employee experience, organisational culture and gender inclusion. It is based on an independent assessment of employee feedback and company policies.

Within Agroarriba, efforts have focused on supporting female participation and progression across the business. This includes creating opportunities for development, encouraging representation across roles and maintaining working environments that support inclusion.

These practices form part of our broader approach to workforce management across its operations. Strengthening access to opportunities and supporting diverse perspectives contributes to team performance and supports long-term business continuity.

The recognition highlights how local implementation of workforce practices can contribute to a consistent approach across the Group.

6.8

Health, safety and wellbeing

Health, safety and wellbeing are a core part of our Environmental and Social Management System (ESMS) and are managed through a structured, risk-based approach across all operations. Given the nature of our activities, our focus is on identifying operational risks early, implementing practical controls, and continuously improving based on incident data and site-level feedback.

Occupational Health and Safety Management Approach

All operations are required to implement Occupational Health and Safety (OHS) procedures aligned with corporate standards. This includes risk assessments, incident reporting and investigation, emergency preparedness, and the use of appropriate personal protective equipment (PPE).

During the reporting period, we introduced an updated global OHS Policy, which reinforces our commitments, updates minimum requirements across all operations, and strengthens alignment with international standards and good industry practice. The policy also places additional emphasis on risk-based management, contractor oversight and accountability at site level.

Our approach is risk-based and reflects the realities of our operations, where key risks include machinery use, material handling, hot work, and maintenance activities. Particular attention is given to higher-risk sites and tasks, as well as to periods of increased activity such as harvest seasons.

Global OHS Audit and Continuous Improvement

In 2025, we carried out a global internal OHS audit across our operations. The objective was to understand how OHS requirements are being implemented in practice, identify gaps, and define clear improvement actions at both the global and site levels. It covered 20% of the operations globally, including 25 countries and 47 facilities. The review combined:

- Site-level self-assessments
- Supporting documentation review
- Follow-up discussions with local teams

This allowed us to assess not only whether procedures are in place, but also how they are applied in day-to-day operations. The audit covered key areas such as:

- Quality and consistency of risk assessments
- Incident reporting and investigation practices
- Implementation of corrective and preventive actions
- Training and awareness
- Contractor management

Based on the findings, we developed a structured improvement plan, prioritising actions depending on the level of risk and operational context. Common gaps identified include the need to strengthen the quality of incident investigations, improve hazard identification processes, and ensure more consistent management of contractors across sites.

Wellbeing and Next Steps

In addition to physical safety, we recognize the importance of overall working conditions and worker wellbeing, particularly during high-demand operational periods.

Following the global OHS audit, the focus will be on implementing the defined improvement actions, strengthening consistency across operations, and improving the quality of risk management processes. This includes better follow-up on corrective actions, more robust contractor oversight, and continued improvement in training and awareness.

Product safety and quality

We support the production of safe, high-quality food products and to minimise health and safety risks associated with production, handling, preparation and storage across the value chain.



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- 5 Managing change through transparency and traceability
- 6 Upholding ethical business standards
- 7 Global Reporting Initiative

6.9

Workers’ rights

We maintain grievance mechanisms and policies to enable stakeholders to raise and manage internal and external concerns. We aim to ensure that stakeholders are aware of available processes and have access to clear and consistent channels for reporting. A global remediation process is in place to address cases of discrimination and other reported issues.

Workers’ rights

Our Speak Up Policy establishes a mechanism for raising and investigating concerns in relation to ethics and compliance practices within ECOM Group. A third-party reporting Speak-Up platform was launched in December 2023. It is accessible 24/7 in over 70 languages via web, app or phone to employees, suppliers, customers and third parties and enables anonymous reporting. All submitted grievances are investigated by the relevant team (typically Group Legal or HR) and outcomes are monitored. ECOM strictly prohibits retaliation.

Freedom of association and collective bargaining

We support the establishment of groups that represent the interests of producers and workers across our supply chain, including direct employees and those employed by suppliers. We recognise the rights of these groups to organise and to engage in collective bargaining, and we maintain open dialogue with worker representatives. Across the Group, 100% of employees have the right to collective bargaining.

6.10

Living wage and fair employment

We aim for workers and producers across our value chain to receive at least a living wage or living income. This supports a decent standard of living and access to essential services for supply chain workers and their families. A core principle of our operations is fair and respectful treatment of workers and producers, alongside the protections, freedoms and rights expected within responsible employment practices.

In the Cocoa division, we have established a living income baseline across origin-sourced supply chains to better understand income gaps in relation to farmers. Experience indicates that a uniform approach has limited impact. We therefore apply targeted interventions based on producer segmentation, including factors such as farm size, household structure and the size of the living income gap.

We have introduced a KPI for completion by 2027 to implement locally adapted roadmaps addressing living income gaps across all direct origin-sourced cocoa supply chains. This builds on earlier work to assess income levels and identify priority areas for action.

In addition to quantitative data, we continue to collect qualitative insights informed by the Thriving Index. This includes producer perspectives on livelihood security, financial resilience and food security, supporting a broader understanding of household conditions.

6.11

Land tenure rights

We promote secure land tenure rights, recognising our role in supporting farming communities and stable supply chains. We work with local stakeholders and relevant government agencies to address land-related issues and support agreed outcomes.

As part of our approach to social performance, we have established a Social Policy that governs how land tenure matters are managed across our operations. This includes engagement with responsible authorities, the provision of fair compensation where applicable, and support for affected individuals and communities.

Where resettlement is required, we follow structured processes that prioritise consultation, transparency and appropriate support.



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Global Reporting Initiative



Global Reporting Initiative: Content index

ECOM Group has reported the information cited in this GRI content index for the period 1 January – 31 December 2025 with reference to the GRI Standards.

General Disclosures			
Standard	GRI sector standard ref. no	Disclosure	2025 location and responses
GRI 2: General Disclosures 2021		2-1 Organisational details	a. This Report covers ECOM Agroindustrial Corp. Limited and its Group (ECOM). b. ECOM Agroindustrial Corp. Limited is a private limited company. c. Location of headquarters: Avenue Etienne Guillemin 16, 1009 Pully, Switzerland.
		2-2 Entities included in the organisation's sustainability reporting	This Report covers the Group's global activities across our three principal commodities of coffee, cocoa and cotton, including origin sourcing countries, secondary sourcing regions, our factories and offices.
		2-3 Reporting period, frequency and contact point	1 January – 31 December 2025, in line with the calendar and fiscal year. Contact point for questions regarding the Report: sustainability@ecomgroup.com
		2-4 Restatements of information	None
		2-5 External assurance	None
		2-6 Activities, value chain and other business relationships	ECOM Group Sustainability Report 2025 > Introduction > Our value chain, page 7–11
		2-7 Employees	ECOM Group Sustainability Report 2025 > Introduction > About ECOM, page 6
		2-8 Workers who are not employees	ECOM Group Sustainability Report 2025 > Appendix > Data tables, page 85
		2-9 Governance structure and composition	The Conseil d'Administration (ECOM's Board) has oversight of ECOM Agroindustrial Corp. Ltd and its subsidiaries, and is responsible for ensuring the establishment of a clear Group governance framework to ensure effective steering and supervision of the Group, and taking into account the material risks to which the Group and its subsidiaries are exposed. The Conseil has delegated day-to-day operational oversight to the Executive Committee, while remaining ultimately responsible for all actions. The CEO and CFO report to the Board on a frequent basis, formally no less frequently than monthly and informally through the sharing of papers and committee minutes, as such meetings occur. The Corporate Practices Committee and Audit Committee (the Terms of Reference of which includes responsibility for ESG). ECOM Group Sustainability Report 2025 > Appendix > Data tables, page 81

General Disclosures

Standard	GRI sector standard ref. no	Disclosure	2025 location and responses
GRI 2: General Disclosures 2021		2-11 Chair of the highest governance body	The Chair of the Board is a non-executive member.
		2-12 Role of the highest governance body in overseeing the management of impacts	The Conseil d'Administration (ECOM's Board) is responsible for the overall direction, supervision and control of the Group and its management, as well as for compliance with applicable laws, rules and regulations.
		2-13 Delegation of responsibility for managing impacts	The Conseil d'Administration (ECOM's Board) has oversight of ECOM Agroindustrial Corp. Ltd and its subsidiaries and is responsible for ensuring the establishment of a clear Group governance framework to ensure effective steering and supervision of the Group, and taking into account the material risks to which the Group and its subsidiaries are exposed. The Conseil has delegated day-to-day operational oversight to the Executive Committee while remaining ultimately responsible for all actions. The CEO and CFO report to the Board on a frequent basis, formally no less frequently than monthly and informally through the sharing of papers and committee minutes, as such meetings occur.
		2-14 Role of the highest governance body in sustainability reporting	ESG governance at ECOM is anchored in strong Board oversight and cross-functional coordination. Overall responsibility for Environmental, Social, and Governance (ESG) strategy, and its alignment with the Group's objectives, rests with the Conseil d'Administration (Board of Directors), which delegates day-to-day management to the CEO and Executive Committee.
		2-15 Conflicts of interest	The Conseil has approved a Conflicts of Interest Policy and delegated to Group HR the collection of information about potential conflicts of interest from its Executive and top managers each year. Any potential conflicts are clarified and reported to the Executive Committee, which evaluates all instances and makes recommendations as needed. If appropriate, conflicts may be escalated to the Conseil for consideration.
		2-16 Communication of critical concerns	Our Speak Up Policy establishes a mechanism for raising and investigating concerns in relation to ethics and compliance practices within ECOM Group. A third-party reporting Speak-Up platform was launched in December 2023. It is accessible 24/7 in over 70 languages via web, app or phone to employees, suppliers, customers and third parties and enables anonymous reporting. All submitted grievances are investigated by the relevant team (typically Group Legal or HR) and outcomes are monitored. ECOM strictly prohibits retaliation.
		2-17 Collective knowledge of the highest governance body	Subject-matter experts report developments pertinent to the Group to the Conseil.
		2-18 Evaluation of the performance of the highest governance body	ECOM has a formal Annual Performance Appraisal and Goal Setting process for all Executives and Heads of countries and departments. The process involves both self-evaluation and supervisor evaluation, discussion of results and scoring. Results and behaviours are evaluated during the year.
		2-19 Remuneration policies	Group Management Personnel bonuses are discretionary, with an emphasis as applicable on profitability of operations within the direct responsibility of the individual. Discretionary bonuses are determined by factors such as the achievement of individual performance objectives, overall commodity results, overall profit centre(s) results or overall Group results. They are determined by the Group Executive Committee members, and reviewed through the Corporate Practices & Compensation Committee with approval from the Conseil d'Administration (ECOM's Board).
		2-20 Process to determine remuneration	ECOM's compensation system takes into account both regional market and industry factors in order to encourage and reward excellent performance throughout the company. The key objectives are to ensure that: overall compensation parameters are market competitive; compensation is performance based; and drivers for compensation are aligned to business objectives and plans. Management Personnel discretionary bonuses are determined by the Group Executive Committee members, with review through the Corporate Practices & Compensation Committee and with approval from the Conseil d'Administration (ECOM's Board).
		2-22 Statement on sustainable development strategy	ECOM Group Sustainability Report 2025 > Introduction > CEO statement, page 5

General Disclosures

Standard	GRI sector standard ref. no	Disclosure	2025 location and responses
GRI 2: General Disclosures 2021		2-23 Policy commitments	As a participant of the UN Global Compact (UNGC), ECOM is committed to making the UN Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engage in collaborative projects which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals. We support the Ten Principles of the United Nations Global Compact on human rights, labour, environment and anti-corruption, and will annually disclose our company's continuous efforts to integrate the Ten Principles into our business strategy, culture and daily operations through the UN Global Compact Communication on Progress. ECOM submitted its third Communication on Progress to the UNGC this year. We integrate our commitments into organisational strategies, operational policies and operational procedures by identifying in which departments of the Group these are relevant, therefore prioritising different commitments to appropriate sectors. Commitments that are relevant throughout Group level are implemented through employees in managerial positions who oversee business operations. Our commitments are further integrated into policies, where relevant, making them an integral part of business conduct. ECOM Group Sustainability Report 2025 > Upholding ethical business standards > Governance and ethics, page 59
		2-24 Embedding policy commitments	ECOM implements its commitments with and through business relationships through our Supplier Code of Conduct Policy. We expect our suppliers to share our commitment to doing business in a responsible, sustainable and ethical manner, and set out below our Supplier Code of Conduct (the 'Code') to which we expect our suppliers to act in accordance: Supplier Code of Conduct Policy We integrate our commitments into organisational strategies, operational policies and operational procedures by identifying in which departments of the Group these are relevant, therefore prioritising different commitments to appropriate sectors. Commitments that are relevant throughout Group level are implemented through employees in managerial positions who oversee business operations. Our commitments are further integrated into policies, where relevant, making them an integral part of business conduct.
		2-25 Processes to remediate negative impacts	ECOM Group Sustainability Report 2025 > Upholding ethical business standards > ECOM Code of Conduct and other policies, page 59
		2-26 Mechanisms for seeking advice and raising concerns	ECOM Group Sustainability Report 2025 > Upholding ethical business standards > Workers' rights, page 67
		2-29 Approach to stakeholder engagement	We prioritise meaningful engagement by employing various channels such as surveys, consultations and regular dialogues. To enhance this engagement and ensure we gather insights, address concerns, and incorporate feedback into our decision-making, ECOM has implemented a Speak Up Policy. Our Speak Up Policy establishes a mechanism for raising and investigating concerns in relation to ethics and compliance practices within ECOM Group. A third-party reporting Speak-Up platform was launched in December 2023. It is accessible 24/7 in over 70 languages via web, app or phone to employees, suppliers, customers and third parties and enables anonymous reporting. All submitted grievances are investigated by the relevant team (typically Group Legal or HR) and outcomes are monitored. ECOM strictly prohibits retaliation. www.ecomgroup.com/about-us/reports-and-policies Our commitment to transparency is reflected in our comprehensive engagement approach, which encompasses a diverse range of stakeholder categories including but not limited to suppliers, customers, employees, local communities and investors. ECOM Group Sustainability Report 2025 > Introduction > Materiality, page 14
		2-30 Collective bargaining agreements	ECOM Group Sustainability Report 2025 > Upholding ethical business standards > Freedom of association and collective bargaining, page 67

Material Topics

GRI 3 Material Topics 2021	3-1 Process to determine material topics	ECOM Group Sustainability Report 2025 > Introduction > Materiality, page 14
	3-2 List of material topics	ECOM Group Sustainability Report 2025 > Introduction > Materiality, page 14

Economic Inclusion

Standard	GRI sector standard ref. no	Disclosure	2025 location and responses
Topic 13.22 Economic Inclusion	13.22.1	3-3 Management of material topics	ECOM Group Sustainability Report 2025 > Improving farmer and worker livelihoods > Income diversification and financing, page 27 ECOM Group Sustainability Report 2025 > Improving farmer and worker livelihoods > Managing price volatility, page 21
	13.22.3	203-1 Infrastructure investments and services supported	ECOM Group Sustainability Report 2025 > Improving farmer and worker livelihoods > Income diversification and financing, page 27 ECOM Group Sustainability Report 2025 > Improving farmer and worker livelihoods > Child and forced labour; Modern Slavery, page 29
	13.22.4	203-2 Significant indirect economic impacts	ECOM Group Sustainability Report 2025 > Improving farmer and worker livelihoods > Income diversification and financing, page 27 ECOM Group Sustainability Report 2025 > Improving farmer and worker livelihoods > Managing price volatility, page 21

Anti-Competitive Behavior

Topic 13.25	13.25.1	3-3 Management of material topics	ECOM conducts its business in compliance with all applicable laws, rules and regulations.
Anti-Competitive Behavior	13.25.2	206-1 Legal actions for anti-competitive behavior, antitrust, and monopoly practices	None.

Energy

GRI 3 Material Topics 2021	3-3 Management of material topics	ECOM Group Sustainability Report 2025 > Protecting and regenerating nature > Energy management, page 48
GRI 302 Energy 2016	302-1 Energy consumption within the organization	ECOM Group Sustainability Report 2025 > Appendix > Data tables, page 82
	302-3 Energy intensity	ECOM Group Sustainability Report 2025 > Appendix > Data tables, page 82

Supplier Environmental Assessment

GRI 3 Material Topics 2021	3-3 Management of material topics*	ECOM Group Sustainability Report 2025 > Managing change through transparency and traceability > Supply chain due diligence, page 55 ECOM Group Sustainability Report 2025 > Improving farmer and worker livelihoods > Human rights, page 26 Indirect supply chain (medium and large suppliers across coffee, cocoa and cotton): In 2024, we developed our first Supply Chain Due Diligence Policy and continued working with Sourcemap rolling out the Due Diligence Questionnaire. Prior to the launch, the 2024 questionnaire was reviewed and amended based on supplier feedback and industry best practices. This was rolled out to 1200 coffee, cocoa and cotton indirect/partner suppliers. The questionnaire requests information about the supplier’s human rights and environmental policies and practices, and readiness for traceability/transparency, and includes more targeted questions about risk factors around forced labour, child labour, deforestation, and health and safety. It also covers certifications, environmental permits, and labour and wage practices. For suppliers that have their own sub-suppliers, it asks whether they have their own supplier code of conduct and how it’s enforced. The questionnaire also confirms the supplier’s knowledge and commitment to ECOM’s Supplier Code of Conduct. The responses were then analysed, and we followed up with high-risk suppliers to understand their practices better. All of the actions and follow-ups were closed with the suppliers during 2025.
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Emissions			
Standard	GRI sector standard ref. no	Disclosure	2025 location and responses
Topic 13.1 Emissions	13.1.1	3-3 Management of material topics	ECOM Group Sustainability Report 2025 > Protecting and regenerating nature > Our approach to carbon, page 46
	13.1.2	305-1 Direct (Scope 1) GHG emissions	ECOM Group Sustainability Report 2025 > Appendix > Data tables, page 83
	13.1.3	305-2 Energy indirect (Scope 2) GHG emissions	ECOM Group Sustainability Report 2025 > Appendix > Data tables, page 83
	13.1.4	305-3 Other indirect (Scope 3) GHG emissions	ECOM Group Sustainability Report 2025 > Appendix > Data tables, page 83
	13.1.5	305-4 GHG emissions intensity	ECOM Group Sustainability Report 2025 > Appendix > Data tables, page 83
	13.1.6	305-5 Reduction of GHG emissions	We have not yet calculated reductions from our baseline, as we don't yet have the corporate carbon footprint data for 2023.
Climate Adaptation and Resilience			
Topic 13.2 Climate Adaptation and Resilience	13.2.1	3-3 Management of material topics	ECOM Group Sustainability Report 2025 > Protecting and regenerating nature > Why is protecting and regenerating nature important? page 36 ECOM Group Sustainability Report 2025 > Protecting and regenerating nature, page 35 - 49
Biodiversity			
Topic 13.3 Biodiversity	13.3.1	3-3 Management of material topics	ECOM Group Sustainability Report 2025 > Protecting and regenerating nature > Biodiversity and interconnected systems, page 39
Natural Ecosystem Conversion			
Topic 13.4 Natural Ecosystem Conversion	13.4.1	3-3 Management of material topics	ECOM Group Sustainability Report 2025 > Protecting and regenerating nature > Agroforestry and early deforestation monitoring, page 41 See ECOM's Environmental Policy for more information
Soil Health			
Topic 13.5 Soil Health	13.5.1	3-3 Management of material topics	ECOM Group Sustainability Report 2025 > Protecting and regenerating nature > Soil management, page 42 ECOM includes the following activities in our strategy to address chemical management or pesticide use: education of producers, monitoring, evaluation, and learning, integrated pest management, measures to protect and enhance beneficial insects, safety and exposure, restrictions on pesticides permitted, preference for non-chemical methods, grove renewal, advocacy and pilots. See ECOM's Environmental Policy for more information

Pesticides Use			
Standard	GRI sector standard ref. no	Disclosure	2025 location and responses
Topic 13.6 Pesticides Use	13.6.1	3-3 Management of material topics	ECOM Group Sustainability Report 2025 > Protecting and regenerating nature > Fertiliser and crop management, page 43 See ECOM's Environmental Policy for more information
Water and Effluents			
Topic 13.7 Water and Effluents	13.7.1	3-3 Management of material topics	ECOM Group Sustainability Report 2025 > Protecting and regenerating nature > Water stewardship, page 44
	13.7.2	303-1 Interactions with water as a shared resource	ECOM's industrial and processing operations involve water-intensive processes such as wet coffee wet mills, cocoa processing plants, a coffee freeze-dried facility and a decaffeinated coffee plant. Water for these facilities comes from surface water bodies, private wells or public utilities. Water permits are required as per the local legislation, and following ECOM's Environmental and Social (E&S) Guidelines, all wastewater-producing facilities owned by ECOM must undergo consistent treatment and provide an annual discharge analysis to the E&S Global team. This ensures compliance with local regulations and confirms the effectiveness of the treatment process. High-risk facilities, such as those discharging directly into rivers or using wastewater for irrigation, adhere to the guidelines set by the Global Wastewater Management Improvement Programme (WWPIP), overseen by the E&S Global Team. The WWPIP, managed by the E&S Global team, undergoes yearly revisions and updates, particularly during harvest seasons. Site visits are conducted to verify or assess enhancements related to wastewater management. Country-level teams collaborate with the E&S Global team by providing essential resources and assigning internal responsibilities to meet compliance requirements. Facilities enrolled in the WWPIP report weekly performance indicators as per agreements established with both the E&S Global team and facility management. On-site measurements are conducted based on annual reports and tailored performance benchmarks. Third-party consultants conduct comprehensive reviews and validation of all actions and analyses at WWPIP facilities at the end of the harvest seasons. If a new processing facility is acquired or constructed at ECOM, the local team must inform the E&S Global team of all the details concerning water consumption, wastewater treatment, and local regulatory requirements for wastewater management. Based on this information, a risk assessment is conducted, and a follow-up plan is established to mitigate these risks. For facilities discharging wastewater directly into a river, an annual water quality study of the river and statistical significance tests of key quality parameters are conducted to assess any significant impacts from the wastewater discharge. The methodology for the water quality study and statistical significance tests is used to determine the impacts of direct discharge. For facilities discharging wastewater into grass irrigation fields, a risk assessment is conducted following ECOM's Irrigation Risk Assessment for Coffee Mills with Irrigation Fields as Wastewater Treatment – Integrated Procedure. Depending on the identified risks, follow-up actions may include constructing and monitoring groundwater wells, conducting groundwater flow surveys and studies, and assessing contaminant transit distribution from irrigation fields. Management of water resources within the supply chain is primarily handled by sustainability teams working directly in the field and largely governed by certification programmes. Substantial advancements have been achieved, shown by initiatives such as the Akawa Project, which is dedicated to identifying and preserving natural water reservoirs throughout Burundi. Through an extensive topographical survey of the region, 36 water sources were assessed based on criteria such as flow, accessibility and current state. Consequently, 20 of these water sources have been secured, spanning across 9 hills and 2 washing stations, thus providing 1,175 households with reliable access to clean, potable water, with additional projects currently in progress. The process for establishing water-related goals and targets within the organisation's management approach typically involves a comprehensive approach. Initially, sustainability teams, in collaboration with relevant stakeholders, conduct comprehensive assessments of water resources in the areas of operation. These assessments consider factors such as water availability, quality and usage patterns, as well as the local context, including public policy and the level of water stress in each area. Regular monitoring and evaluation mechanisms are put in place to track progress towards these goals and targets, allowing for adjustments to be made as needed in response to changing conditions or emerging challenges.

Water and Effluents

Standard	GRI sector standard ref. no	Disclosure	2025 location and responses
Topic 13.6 Pesticides Use	13.7.3	303-2 Management of water discharge-related impacts	All effluent discharges must comply with local regulations and align with the World Bank Group’s Environmental, Health, and Safety Guidelines for Food and Beverage Processing, or demonstrate minimal environmental impact at the receiving body where wastewater is discharged. ECOM’s partnership with developmental financial institutions requires the application of the World Bank Group’s Environmental, Health, and Safety Guidelines for Food and Beverage Processing standard where local legislation doesn’t apply. All ECOM-owned facilities that generate wastewater are required to implement appropriate treatment measures consistent with their operational context and risk profile. Facilities must maintain oversight of wastewater performance and submit periodic discharge analyses. These reviews support internal assurance, enable trend analysis, and inform continuous improvement actions. High-risk facilities, those discharging treated wastewater directly into rivers, must adhere to the Global Wastewater Management Improvement Programme (WWPIP), overseen by the E&S Global team. The WWPIP is reviewed on a regular basis, with particular attention to peak operational periods when water and wastewater risks are heightened. Performance is tracked through defined indicators and supported by site visits, technical reviews, and capacity-building activities. Following each operational cycle, participating facilities undergo consolidated evaluations of performance, corrective actions, and risk management outcomes.
	13.7.4	303-3 Water withdrawal	ECOM Group Sustainability Report 2025 > Appendix > Data tables, page 83
	13.7.5	303-4 Water discharge	ECOM Group Sustainability Report 2025 > Appendix > Data tables, page 84
	13.7.6	303-5 Water consumption	ECOM Group Sustainability Report 2025 > Appendix > Data tables, page 84

Security Practices

GRI 3 Material Topics 2021		3-3 Management of material topics	Before engaging a security personnel contractor, ECOM accepts its duty to identify all aspects of the work expected of them. In particular, ECOM: (i) considers the environmental, health and safety implications of the proposed job; and (ii) assesses the level of risk associated with the required work both internally and externally. ECOM makes reasonable inquiries to ensure: • Personnel providing security are not implicated in past abuses, criminal offences or human rights abuses • Those providing security are aware of ECOM expectations and codes of conduct, including ‘zero-tolerance’ policy on the use of drugs and alcohol in the workplace • Proof of completion of training on the safe use and management of firearms and security threats/risks can be reasonably verified • Local ECOM entities assess the need for security officers to be armed. Force is only to be used for preventive and defensive purposes in proportion to the nature and extent of the threat • ECOM considers and, where appropriate, investigates all allegations of unlawful or abusive acts of security personnel, takes actions to prevent recurrence, and reports unlawful and abusive acts to public authorities
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Economic Inclusion

GRI 3 Material Topics 2021	13.7.3	3-3 Management of material topics	ECOM Group Sustainability Report 2025 > Improving farmer and worker livelihoods, page 19 Indirect supply chain: ECOM continues to advance the implementation of its due diligence protocol, including the annual questionnaire that addresses key topics such as economic inclusion, human rights, labour practices, and responsible business conduct.
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Local Communities

Standard	GRI sector standard ref. no	Disclosure	2025 location and responses
Topic 13.12 Local Communities	13.12.1	3-3 Management of material topics	ECOM Group Sustainability Report 2025 > Improving farmer and worker livelihoods > Community resilience, page 23

Land and Resource Rights

Topic 13.13 Land and Resource Rights	13.13.1	3-3 Management of material topics	ECOM Group Sustainability Report 2025 > Upholding ethical business standards > Land tenure rights, page 67
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Rights of Indigenous Peoples

Topic 13.14 Rights of Indigenous Peoples	13.14.1	3-3 Management of material topics	ECOM Group Sustainability Report 2025 > Upholding ethical business standards > Land tenure rights, page 67 Please see our Social Policy
	13.14.3	Additional sector disclosures	Locations of operations where indigenous peoples are present or affected by activities of the organisation: Mexico, United States, Costa Rica, Nicaragua, Guatemala, Peru, Colombia, Brazil, China, Papua New Guinea, Nigeria, Uganda, Kenya, Tanzania, Rwanda, Cameroon, Ethiopia, India, Indonesia and Vietnam.

Diversity and Equal Opportunity

Topic 13.15 Non-Discrimination and Equal Opportunity	13.15.1	3-3 Management of material topics	ECOM Group Sustainability Report 2025 > Improving farmer and worker livelihoods > Gender equity and social inclusion, page 31 ECOM Group Sustainability Report 2025 > Upholding ethical business standards > Diversity, equity and inclusion, page 64 Please see our Equality, Diversity and Inclusion Policy
	13.15.2	405-1 Diversity of governance bodies and employees	ECOM Group Sustainability Report 2025 > Appendix > Data tables, page 81

Forced or Compulsory Labor

Topic 13.16 Forced or Compulsory Labor	13.16.1	3-3 Management of material topics	ECOM Group Sustainability Report 2025 > Improving farmer and worker livelihoods > Child and forced labour; Modern Slavery , page 29 Modern Slavery and Due Diligence Statement
	13.16.2	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	ECOM Group Sustainability Report 2025 > Improving farmer and worker livelihoods > Child and forced labour; Modern Slavery , page 29 Modern Slavery and Due Diligence Statement

Child Labor

Topic 13.17 Child Labor	13.17.1	3-3 Management of material topics	ECOM Group Sustainability Report 2025 > Improving farmer and worker livelihoods > Child and forced labour; Modern Slavery , page 29 Modern Slavery and Due Diligence Statement
	13.17.2	408-1 Operations and suppliers at significant risk for incidents of child labor	ECOM Group Sustainability Report 2025 > Improving farmer and worker livelihoods > Child and forced labour; Modern Slavery , page 29 Modern Slavery and Due Diligence Statement

Freedom of Association and Collective Bargaining			
Standard	GRI sector standard ref. no	Disclosure	2025 location and responses
Topic 13.18 Freedom of Association and Collective Bargaining	13.18.1	3-3 Management of material topics	ECOM Group Sustainability Report 2025 > Upholding ethical business standards > Freedom of association and collective bargaining, page 67
Occupational Health and Safety			
Topic 13.19 Occupational Health and Safety	13.19.1	3-3 Management of material topics	ECOM Group Sustainability Report 2025 > Upholding ethical business standards > Health, safety and wellbeing, page 66
			ECOM Group Sustainability Report 2025 > Upholding ethical business standards > Governance and ethics, page 59 Social Policy Supplier Code of Conduct
	13.19.2	403-1 Occupational health and safety management system	ECOM Group Sustainability Report 2025 > Upholding ethical business standards > Health, safety and wellbeing, page 66
			ECOM Group Sustainability Report 2025 > Upholding ethical business standards > Governance and ethics, page 59 Social Policy Supplier Code of Conduct
	13.19.3	403-2 Hazard identification, risk assessment, and incident investigation	All operations are required to implement Occupational Health and Safety (OHS) procedures aligned with corporate standards. This includes risk assessments, incident reporting and investigation, emergency preparedness, and the use of appropriate personal protective equipment (PPE). The scope covers the environmental and social risks of operations, and is managed at the ECOM Group level.
			Quality is ensured by the periodic evaluation of compliance with country regulatory health and safety guidelines and requirements, and international best practices. Processes are carried out by the site's or local company's trained OHS specialist.
			Each processing/storage facility assesses its specific OHS risks periodically (the period depends on the country's regulation, upgrades in the processing line, and particular events) as part of a Health and Safety Programme and identifies the proper prevention measures.
		Employees are encouraged to use the existing communication channels to express concerns and issues: accident reporting, near-misses reporting, incident reporting and direct communications with supervisors.	
		ECOM Group's Internal Health & Safety Policy sets out the requirements under which the company must provide safe working conditions to workers. Any breaches of this or consideration from workers to remove themselves from unsafe work situations can be reported and expressed through the local grievance mechanism, which has channels to ensure anonymity and overall protection against reprisal.	
		All accidents and incidents that occur within ECOM's operations or during employees' work hours must be reported. Each event is investigated to determine its root cause and the appropriate preventive/corrective measures. The accident/incident reporting policy requirements apply to all accidents and incidents involving ECOM employees, on-site vendors and contractors that result in (or might have resulted in) personal injury or illness.	

Occupational Health and Safety			
Standard	GRI sector standard ref. no	Disclosure	2025 location and responses
			The safety and wellbeing of our employees is a top priority for the ECOM Group. Each operation encompasses various functions aimed at safeguarding the health and wellbeing of workers, which include:
	13.19.4	403-3 Occupational health services	Hazard Identification: OHS conducts comprehensive assessments to identify potential workplace hazards that may pose a risk to employees' health and safety Minimisation: Once hazards are identified, OHS collaborates with relevant departments and stakeholders to develop effective control measures (for example, modifying work processes, providing personal protective equipment (PPE)) Health Surveillance: OHS facilitates regular health surveillance programmes for employees whose jobs involve high-risk activities Training and Education: To raise awareness among employees about workplace hazards, safe work practices, and the proper use of protective equipment ECOM ensures that OHS is staffed with qualified professionals, adheres to national regulations and international best practices, and maintains a culture of continuous improvement.
			Where applicable under country regulations, ECOM establishes formal channels for consultation and dialogue between management and workers regarding OHS, such as regular meetings, forums or joint committees where workers can voice concerns, provide input, and contribute to the decision-making processes related to OHS policies, procedures and initiatives. Representatives are selected by the workers. Committees have both employee and management representation, and are given decision-making authority within their designated scope. They play a significant role in making recommendations to management regarding OHS matters and are responsible for promoting and maintaining a safe and healthy work environment.
	13.19.5	403-4 Worker participation, consultation, and communication on occupational health and safety	Duties typically include: • Reviewing and assessing workplace hazards, incident reports and near-miss incidents • Participating in the development, implementation and evaluation of OHS policies, procedures and programmes • Conducting regular inspections and audits to identify potential hazards and ensure compliance with regulations • Analysing injury and illness trends • Reviewing and providing feedback on risk assessments, emergency response plans and training programmes The frequency of committee meetings is based on the operation's needs and the complexity of the work environment. Typically, the committees meet regularly, though this may increase during critical periods, such as during the implementation of new initiatives or in response to emerging risks.
			The following training is provided: 1. Generic Training: Provides workers with basic knowledge and skills on OHS. This typically covers topics such as: ◦ Introduction to OHS laws, regulations, and policies ◦ Basic principles of hazard identification, risk assessment and risk control ◦ Safe work practices, including proper use of PPE ◦ Emergency procedures and evacuation protocols ◦ Reporting procedures for incidents, near-misses and hazards 2. Specific Hazard Training: Focuses on risks and hazards that are unique to certain job roles and tasks, for example: ◦ Chemical safety ◦ Machinery and equipment safety ◦ Working in confined spaces ◦ Manual handling and ergonomics ◦ Working at heights 3. Hazardous Situations Training: Prepares workers to respond effectively in emergency situations or high-risk scenarios, for example, training on: ◦ Fire safety and evacuation ◦ First aid and CPR ◦ Emergency response (for example, responding to emergencies, such as chemical spills, natural disasters or workplace violence incidents)
	13.19.6	403-5 Worker training on occupational health and safety	

Occupational Health and Safety

Standard	GRI sector standard ref. no	Disclosure	2025 location and responses
	13.19.7	403-6 Promotion of worker health	The organisation facilitates workers' access to non-occupational medical and healthcare services through a multifaceted approach. This includes organising regular general health check-ups, ensuring comprehensive health insurance coverage for employees to access necessary medications and medical care, and conducting health promotion campaigns aimed at promoting healthy lifestyle choices. These initiatives collectively empower employees to prioritise their health and wellbeing, enabling them to address potential health concerns proactively and access essential healthcare services when needed.
	13.19.8	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	The organisation adopts a proactive approach to prevent or mitigate significant negative occupational health and safety impacts that are directly linked to its operations. Each ECOM entity conducts comprehensive risk assessments to identify potential hazards and risks associated with its operations. This involves analysing work processes, equipment, chemicals and other factors that may pose occupational health and safety risks. By identifying these hazards, the organisation can prioritise preventive measures and control strategies.
	13.19.9	403-8 Workers covered by an occupational health and safety management system	ECOM has implemented an Occupational Health and Safety management system based on legal requirements for 100% of employees and workers who are not employees but whose work and/or workplace is controlled by the organisation, who are covered by such a system; 100% of all employees and workers who are not employees but whose work and/or workplace is controlled by the organisation, who are covered by such a system that has been internally audited. There are no workers who are excluded from this disclosure. The company performs annual Environmental and Social Monitoring to collect the information directly from each operation.
	13.19.10	403-9 Work-related injuries	ECOM Group Sustainability Report 2025 > Appendix > Data tables, page 84

Living Income and Living Wage

Topic 13.21.1 Living Income and Living Wage	13.21.1	3-3 Management of material topics	ECOM Group Sustainability Report 2025 > Improving farmer and worker livelihoods > Income diversification and financing, page 27
	13.21.2	Additional sector disclosures	1,862 employees were covered by collective bargaining agreements during 2025.

Supply Chain Traceability

Topic 13.23.1 Supply Chain Traceability	13.23.1	3-3 Management of material topics	ECOM Group Sustainability Report 2025 > Managing change through transparency and traceability, page 51
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Public Policy

Topic 13.24 Public Policy	13.24.1	3-3 Management of material topics	ECOM recognises that change needs to be an industry-wide process and engages with all stakeholders. While ECOM does not directly lobby, our change efforts take place through our collaboration with NGOs and industry-wide engagements, including sitting on the steering committee for CFI and being board members of WCF. We work with the industry to try and create positive change to address the protection of natural resources. We are also members of the ECA and ECF, and serve on committees relevant to government legislation, such as the new EU Due Diligence Legislation.
	13.24.2	415-1 Political contributions	None.

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regenerating nature

5 Managing change through
transparency and traceability

6 Upholding ethical
business standards

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Initiative

GRI

data tables

General disclosures

Governance structure and composition

	Conseil	%
	Non-executive members	100%
	Independence	100%
	Types of work they perform	The Conseil d'Administration (ECOM's Board) has oversight of ECOM Agroindustrial Corp. Ltd and its subsidiaries, and is responsible for ensuring the establishment of a clear Group governance framework to ensure effective steering and supervision of the Group and which considers considering the material risks to which the Group and its subsidiaries are exposed. The Conseil has delegated day-to-day operational oversight to the Executive Committee, while remaining ultimately responsible for all actions. The CEO and CFO report to the Board on a frequent basis, formally no less frequently than monthly and informally through the sharing of papers and committee minutes, as such meetings occur.
	Underrepresented social groups	0
	Shareholder representatives	28%
	Corporate Practices Committee	%
	Non-executive members	100%
	Independent	67%
	Types of work they perform	The Terms of Reference.
	Underrepresented social groups	0
	Shareholder representatives	33%
	Audit Committee	%
	Non-executive members	100
	Independent	67%
	Types of work they perform	The Terms of Reference of which includes responsibility for ESG.
	Underrepresented social groups	0
	Shareholder representatives	0

Energy

Energy consumption within the organisation – Non-renewable sources

	Fuel type	2025 (TJ)	2024 (TJ)
	Diesel	260	233
	Wood	191	218
	Residual fuel	27	32
	Petrol	34	20
	LPG	25	22
	Natural gas	444	461
	Total	981	986

Energy consumption within the organisation – Renewable sources

	Source	2025 (TJ)	2024 (TJ)
	Coffee husk	178	199
	Solar electricity	33	16
	African palm kernel	536	439
	Other bio-residues	168	160
	Total	915	814

	Energy consumption	2025 (TJ)	2024 (TJ)
	Electricity	337	333
	Total	337	333

Energy intensity

	Energy intensity ratio for ECOM	395 kWh/MT
	Types of energy included	Fuel and electricity
	Boundary	Within ECOM

Emissions

Direct (Scope 1) GHG emissions

	Datapoint	2025 (tCO ₂ e)
	Gross direct GHG emissions	56,484
	Gases included	All GHGs
	Base year	2022
	Emissions in base year	60,197

Energy indirect (Scope 2) GHG emissions

	Gross location-based emissions 2025 (tCO ₂ e)	34,503
	Gross market-based emissions 2025 (tCO ₂ e)	51,657
	Emissions in base year (tCO ₂ e)	51,974

Other indirect (Scope 3) GHG emissions

	Scope 3 emissions (tCO ₂ e)	
	FLAG emissions (tCO ₂ e)	
	Emissions in base year (tCO ₂ e)	21.1 million

Water and effluents

Water withdrawal

	Source	Megalitres
	Surface water	297
	Groundwater	913
	Seawater	0
	Produced water	0
	Third-party water	235
	Total	1,446

Water and effluents

Water discharge

	Destination	Megalitres
	Surface water	57
	Groundwater	255
	Seawater	0
	Third-party water	481
	Total	794
Total water consumption		1,446 ML

Occupational H&S

Work-related injuries

For all employees:

	Data point	Number
	Number of fatalities as a result of a work-related injury	1
	Rate of fatalities as a result of a work-related injury	0.049
	Number of high-consequence work-related injuries (excluding fatalities)	10
	Rate of high-consequence work-related injuries (excluding fatalities)	0.49
	Number of recordable work-related injuries	91
	Rate of recordable work-related injuries	4.4
	Main types of work-related injury	Fall from heights, crush by object, limb entrapment
	Number of hours worked	20,502,000

Occupational H&S

For all workers who are not employees but whose work and/or workplace is controlled by the organisation

	Data point	Number
	Number of fatalities as a result of a work-related injury	0
	Rate of fatalities as a result of a work-related injury	0
	Number of high-consequence work-related injuries (excluding fatalities)	0
	Rate of high-consequence work-related injuries (excluding fatalities)	0
	Number of recordable work-related injuries	34
	Rate of recordable work-related injuries	N/A
	Main types of work-related injury	Crush by object
	Number of hours worked	N/A
The work-related hazards that pose a risk of high-consequence injury, including		
	How these hazards have been determined	Same as last year
	Which of these hazards have caused or contributed to high-consequence injuries during the reporting period	Material handling, unstable/falling loads
	Actions taken or underway to eliminate these hazards and minimise risks using the hierarchy of controls	Administrative controls (strengthen material-handling controls)
The work-related hazards that pose a risk of high-consequence injury, including		
	Description of actions taken or underway	Same as last year

Occupational H&S

Whether the rates have been calculated based on 200,000 or 1,000,000 hours worked

What were the rates
calculated based on? 1,000,000 hours

Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded

Description of whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded N/A

Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used

Contextual information Same as last year

Glossary of terms

Term	Definition
Agroforestry	Agroforestry is a land management system that intentionally integrates trees or shrubs with agricultural crops and/or livestock to improve farm productivity, diversify income, enhance resilience, and deliver environmental benefits such as improved soil health, biodiversity, carbon sequestration, and water management.
Carbon reduction roadmap	The purposeful reduction of a carbon footprint through the scientific analysis of a supply chain, mapped out through a comprehensive, long-term plan.
Causal sLUC	The causal sLUC refers to a methodology to estimate GHG emissions reflecting the direct responsibility of a commodity in relation to land-use change, when farm-level traceability data is not available. A causal sLUC indicates that, although land-use change values generated may not be supply chain-specific (not a dLUC), they still provide a more accurate value as opposed to sLUC values that rely on high-level crop statistical data. The causal sLUC can therefore show the direct responsibility of, for example, cocoa through advanced satellite imagery and commodity-specific maps. In the absence of farm-level traceability data, it is best practice to use a causal sLUC based on a cocoa map of the country/supply chain a company procures volume from.
Certified	Cocoa, coffee or cotton that has been certified by Rainforest Alliance, Fairtrade or Organic, or any other third-party certification.
Child protection and the prioritisation of education and training	Informal or non-formal education based on a curriculum and delivered to producers using best practice methods for adult learning. It is focused on increasing knowledge, understanding and skills. It can be delivered one-on-one or in groups and can be continual or a one-off. The training curriculum includes all four core topics as per industry standards: • What is child labour? • What types of work are children allowed/not allowed to do? • What activities are hazardous? • What are the associated risks?
Climate resilience	The ability of a household, community, agricultural system, or landscape to anticipate, withstand, adapt to, and recover from the impacts of climate change and climate-related shocks. In the context of cocoa farming, climate resilience is strengthened through both on-farm and landscape-level interventions. These may include agroforestry, soil and water conservation, climate-resilient planting materials, nearby forest protection or ecosystem restoration.
Climate-smart agriculture (CSA) training	An approach to agricultural production that aims to increase farm productivity and profitability, strengthen farmers' resilience to climate change, and reduce greenhouse gas emissions where possible. CSA is a set of context-specific interventions that vary according to local climate risks, farming systems, and farmer capacity. Examples include agroforestry, soil and water conservation, climate-resilient planting materials, and improved farm management practices. ECOM is working to further refine its definition and measurement of CSA using Green Meter data to better assess outcomes related to productivity, resilience, and emissions reduction.
Counterparty	The legal entity or individual on the opposite side of a financial transaction or contractual agreement, with whom financial or contractual risk may be associated.
ECOM Group	ECOM Agroindustrial Corp. Limited, a company headquartered in Switzerland, together with its global operations and all other commodities and operations (e.g. coffee, cotton, etc.).

Glossary of terms

Term	Definition
Economic resilience	The ability of a household, community, or economic system to withstand, adapt to, and recover from economic shocks and stresses while maintaining or improving livelihoods. In the context of cocoa farming, economic resilience is often strengthened through increased cocoa productivity and profitability, improved market access, and diversified income sources that reduce dependence on a single crop or revenue stream.
Environmental, social and governance (ESG)	A company’s policies, practices, impacts, and performance related to environmental stewardship, social responsibility, and corporate governance. ESG considerations aim to minimize negative impacts while enhancing positive outcomes, both in operational terms and from a reputational perspective.
EU Deforestation Regulation (EUDR)	The European Union Deforestation Regulation (Regulation EU 2023/1115). It is a landmark European law requiring companies to prove that key agricultural and forestry products sold or exported from the EU do not come from recently deforested lands.
Good agricultural practices (GAP)	A set of farm management practices designed to improve cocoa productivity, quality, and profitability while promoting sustainable production. GAP typically includes activities such as pruning, pest and disease management, weed control, shade management, harvesting, and post-harvest handling. These practices help maintain healthy cocoa farms, improve yields and bean quality, and provide the foundation for long-term farm performance and resilience.
Income diversification programmes	Initiatives designed to increase the proportion of household income derived from sources other than cocoa production. These programmes aim to strengthen livelihoods and reduce farmers’ dependence on a single crop by promoting alternative income-generating activities.
Net Zero	Achieving a balance between the greenhouse gas emissions produced and the emissions removed from the atmosphere, with the goal of limiting global warming and reducing the impacts of climate change.
Origin-sourced supply chain	All products purchased through an ECOM-managed operation in a sourcing country. Beans do not have to be sustainable or under a programme.
Parametric insurance	Parametric insurance is a type of coverage that pays a fixed, pre-agreed amount when a specific, objective event occurs (such as an earthquake of a certain magnitude or a hurricane with specific wind speeds), rather than compensating for actual physical damages assessed after the fact.
Partner-sourced supply chain	All cocoa or coffee beans purchased through a third-party/non-ECOM managed origin operation. These can be certified or conventional.
Responsible practices and trade	The proactive and deliberate implementation of business practices and supply chain operations that avoid causing significant negative impacts on people, communities, or the environment.
Traceability	The ability to follow the physical movement of cocoa through specified stages of production, processing, and distribution. Traceability systems provide visibility into the origin and movement of cocoa within the supply chain and can operate at different levels of granularity, including farmer or community (first aggregation point).
Traceability to community (first aggregation point)	A traceable supply chain in which cocoa can be linked to the first aggregation point where cocoa transfers from the farmer’s control to another supply chain actor and is typically mixed with cocoa from other producers. This location is usually identified through GPS coordinates and may include buying stations, cooperative sections, farmer groups, Purchasing Clerk Sheds (Ghana), traitants, pisteurs, intermediaries, or other local purchasing points.
Traceability to farm(er)	A traceable supply chain in which commodities can be linked to individual producing farmers through unique farmer identifiers and farm location data. Farm locations are typically recorded as GPS points or polygons and linked to the first point of purchase within the supply chain. We include over declaring within definitions of traceability to farmer for our partner-sourced supply chain. Over declaring is the practice of associating a larger number of farmers and farms with a supply chain than is strictly required to account for the volume of cocoa purchased. This is commonly used in traceability systems to manage uncertainty in sourcing patterns, seasonal fluctuations, and producer participation. As a result, traceable supply chain datasets may include more farmers or land area than would be required to produce the reported cocoa volumes, meaning that inclusion in a traceability system does not necessarily indicate that cocoa from a specific farmer or farm was included in a particular shipment.



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