



COFCO INTL

Transforming ambitions into reality



Sustainability Report 2024
COFCO International Ltd

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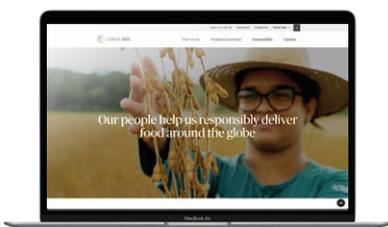


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For more information on our sustainability strategy and progress, see [our website](#).

Visit our [website](#)

About our 2024 Sustainability Report

Over the past year, we have taken action to implement our refreshed sustainability strategy, striving to achieve robust progress on our commitments.

We have sought to create value for our business and stakeholders, while transforming our operations and collaborating with partners towards sustainable agriculture. In this report we will share our performance on the material topics within each pillar of our strategy.

Report boundaries

The sustainability reporting includes all assets directly operated and/or controlled by COFCO International in 2024. Our environmental, health and safety (EHS) selected data and GHG emissions data are subject to external verification by DNV (see 'Independent assurance statement'). All financial values presented in this report are in USD, unless otherwise specified.

Reporting standards

At the time of publication, some of COFCO International's European subsidiaries are subject to the requirements of the European Union's Corporate Sustainability Reporting Directive (CSRD), with the first report corresponding to the European Sustainability Reporting Standards (ESRS) to be published in 2028. 'Our ESRS index' covers the requirements that will become applicable to our company in future reports, and includes references to the relevant sections of this report. To prepare for CSRD reporting, we updated our double materiality assessment (DMA) following ESRS guidance for the current reporting cycle and revised the structure and contents of this report accordingly. More information about the assessment can be found in 'Managing sustainability'.

As we prepare to report in line with the ESRS requirements, we continue to disclose our progress with reference to the Global Reporting Initiative (GRI) Standards and supplemented by a GRI content index table, which is available for download on our website. In addition, we report our climate-related performance in line with the disclosure recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD), as summarised in 'Our TCFD index'.

Basis for preparation of the report

This report represents COFCO International's consolidated sustainability statement and was prepared at the parent entity level. As a private company, COFCO International does not publish a public financial report and therefore our sustainability report also includes relevant financial information, particularly as relates to the company's impacts on sustainability topics, and how they influence our development, performance and position, in line with CSRD requirements.

Data for assets owned or operated by COFCO International or its subsidiaries is collected at both a local and global level (depending on data type). This information is consolidated and presented at the corporate level, with the exception of regional or entity summaries covering specific disclosure requirements. For information about our reporting risk management and internal controls, see 'Responsible governance and compliance'.

The report also covers material environmental, social and governance topics relating to COFCO International's upstream and downstream value chain. The level of reporting detail varies according to the relevance and applicability of each sub-topic to each value chain, as per our materiality matrix (see 'Managing sustainability'). For information regarding the distinction between what is considered our own operations and value chains, see 'Understanding our products and services' and 'Our role in the global agricultural value chain'.

Throughout the report, specific circumstances, sources of estimation and outcome uncertainty, changes in preparation or presentation of information, and reporting errors in prior periods are explained alongside the relevant disclosures.

Finally, we have followed the time horizons defined by the first ESRS, which outlines the mandatory concepts and principles applicable to CSRD-compliant sustainability statements. In particular, the required short-term horizon matches the reporting period in our financial statements (one year), the medium-term horizon corresponds to the period from the end of the short-term to five years, and the long-term horizon relates to more than five years.



Additional resources

Translated summaries of our sustainability report are available on [our website](#).

Taking definitive action towards sustainable agriculture



David Dong
CEO of COFCO International



Now more than ever, we must step up our efforts to contribute to global food security, helping to bring affordable nutrition to a growing population as demand rises.”

Now more than ever, we must step up our efforts to contribute to global food security, helping to bring affordable nutrition to a growing population as demand rises, particularly in Asia. As a major agri-business, we have a real opportunity to create a better future for people and the planet by helping to strengthen the food and agriculture system, protect the climate and conserve nature. And this in turn delivers value to our business and stakeholders. That’s why we are taking definitive action to improve our sustainability performance and build resilience across our supply chains, transforming our ambitions into reality.

Sustainability has long been a core value for our business, and while our strategy is delivering success, we know that we still have work to do to achieve our goals. In 2024, we continued our journey amid the ever more significant impact of climate change on the crops we source. Suppliers in key production regions faced floods, droughts and fires, limiting their ability to deliver sufficient, high-quality yields. Meanwhile, the complexity of trading commodities intensified, with geopolitical tensions affecting major ports and routes, and evolving regulations creating further uncertainty across our industry.

In my view, the socio-economic case for investing in climate action has become increasingly clear. Our long-term success depends on how effectively we integrate climate and nature considerations at the core of our work. Working closely with farmers to achieve this ambition is fundamental to securing future supplies of commodities, contributing to global climate goals, and supporting livelihoods through a shared path to greater resilience.

Once again, we share our progress in relation to our sustainability strategy, exploring our efforts to protect the Earth, empower people and champion our values. Our work is guided by our new double materiality assessment, in line with globally recognised, best-in-class sustainability reporting standards. It reconfirms climate action as our most important priority, together with ending deforestation and protecting workers in our supply chains. Transparently reporting our progress on these priorities reinforces our accountability to our stakeholders.



Our long-term success relies on how effectively we integrate climate and nature considerations at the core of our work.”

We are taking action to meet our Science Based Targets initiative-approved climate targets, guided by a clear roadmap to reduce emissions across our operations. Recognising that most of our emissions occur in our supply chain, we have prioritised action to address land use emissions, a major part of our Scope 3 footprint. We are therefore strengthening our focus on achieving deforestation- and conversion-free (DCF) soy and corn supply chains, bringing the target date forward to 2025. We believe this transition can unlock commercial benefits for farmers, while supporting more sustainable land use. And I am encouraged to see that we are making good progress.

Over the past year, 99% of the soy we sourced from Brazil was verified as DCF. We also reduced the emissions intensity of our Scope 3 Forest, Land, and Agriculture footprint by 9% for soybeans and 14% for corn, compared to our 2021 baseline year. In particular, we worked with suppliers to improve traceability and obtain better land use change data, largely in Brazil, enabling us to source commodities more strategically from sites with lower emissions. We support farmers to produce sustainably and explore innovations that create added value and improve their livelihoods, as we collectively advance our climate goals.

For example, we have been working with farmers to increase uptake of our COFCO International Responsible Agriculture Standard and other sustainability certification schemes. The results of these efforts are evident, with a 14% year-on-year increase in all certified sustainable commodities in 2024.

We will continue to invest in growing our certified sustainable volumes, in line with demand.

I am proud to share that we signed a landmark agreement to supply 1.5 million tonnes of certified sustainable soybeans from Brazil to China over the next five years, building on our earlier groundbreaking agreement with Mengniu Group to deliver verified DCF soy.

We continue to collaborate with key stakeholders to enable systemic change in our sector, including through the Agricultural Sector Roadmap to 1.5°C and the Soft Commodities Forum. In the Cerrado, the first year of the Soft Commodities Forum’s Farmer First Clusters supported soy farmers in adopting more sustainable land practices. By investing in the transformation of soy production to respect global climate and nature goals, we are also promoting food security.

Importantly, we have made significant reductions in the environmental impact of our assets. For example, 87% of our energy needs were met by renewable sources, and our sugar mills supplied 710 GWh of surplus bioenergy to local electrical grids – enough to power more than 60,000 households in Brazil for a year. We also excelled in waste management, with some 73% of our waste reused or sent for recycling, recovery or composting.

People remain at the centre of our business, and we strive to uphold respect for human rights within our company and supply chains, and among the communities surrounding our operations. We prioritise health and safety, and seek to foster a more diverse, inclusive work environment where every individual can flourish.

In 2024, we reached more than 46,000 people through projects to promote economic inclusion and sustainable livelihoods, including a new programme in India expanding access to locally grown food for 15,000 malnourished children.

Finally, I would like to thank our investors, employees, farmers and other suppliers, customers and partners for your continued support in 2024. Moreover, I invite our industry and stakeholders to join us in building a more responsible, resilient food system. We envision a food and agriculture sector that delivers lasting value, operates with integrity, supports a healthier planet, and empowers the farmers at its foundation. Looking ahead, we remain committed to creating a positive impact across our supply chains and making sustainable, high-quality food the global standard.

David Dong

Chief Executive Officer,
COFCO International

Our 2024 highlights

Managing sustainability



Received industry-leading Sustainalytics ESG risk rating



\$600_m

New loan with targets linked to soy and corn GHG emission reductions

Double materiality

Completed CSRD-aligned Double Materiality Assessment

Protecting the Earth

[Read more p32](#)

Emission reduction targets

Obtained SBTi validation of science-based GHG emission reduction targets



14%

Reduction in Scope 3 FLAG GHG emissions intensity from corn vs 2021 baseline



9%

Reduction in Scope 3 FLAG GHG emissions intensity from soybean vs 2021 baseline



87%

Global energy needs met by renewables

38%

reduction in Scope 1 and Scope 2 industry GHG emissions vs 2021 baseline



2025

Accelerated commitment to global deforestation-free and South America conversion-free for soy and corn

99%

Soy originated in Brazil verified as Deforestation- and Conversion-Free



Water withdrawal and discharges identified as material topics in updated Double Materiality Assessment

73%

of waste reused, recycled, recovered or composted

In 2024, we took action to implement our sustainability commitments, moving further towards fulfilling the goals of our strategy. In particular, we made definitive strides towards sourcing more sustainable commodities and addressing environmental and human rights risks in our supply chains. We moved ahead with our climate ambitions, empowered our employees to raise our performance and invested in our communities, while upholding our core values and ensuring robust governance.

Empowering people

Read more **p66**

46,000+

People benefitted from our community investment programmes

15,000+

Children provided nutritious foods through the 'Building Nutri Patshalas' project in India

223

Farms advancing sustainable land management and conservation via Farmers First Clusters, a soy industry initiative



Employee wellbeing certifications awarded to COFCO International Brazil

Completed commodity and country risk assessments to strengthen human rights due diligence

17%

Reduction in the lost-time injury frequency rate for contractors



Championing values

Read more **p90**

31%

Reduction in average Integrity Hotline grievance closure rate, with 89% of cases closed before year-end

ESG

Boosted EUDR, CSRD and CSDDD regulatory compliance readiness



Increased COFCO Standard sales in Brazil and Argentina, responding to growing market demand for sustainably produced crops



14%

Increase in volume of certified sustainable commodities



59%

of Brazil cotton sales certified as sustainable

We are COFCO International

As a major agricultural commodities business, we strive to create a positive and sustainable impact on our employees and investors, farmers, rural communities, customers and partners. To transform our company, promote systemic change in food production and support global food security, we aim to help empower farmers to adopt sustainable agricultural practices, collaborating within our business and across our sector to address shared supply chain challenges. Our workforce is comprised of 12,399 people of 63 nationalities in 36 countries. We strive to maintain a safe, inclusive workplace where diverse talents can thrive, helping us to innovate, catalysing creativity and ensuring operational excellence.

We continue to expand our business as the demand for agricultural commodities grows, focusing on the sourcing, storing, processing, and transportation of major commodities including grains, oilseeds, sugar, coffee and cotton. In 2024, we sold volumes of 108.4 million tonnes of commodities to third parties, achieving revenues of \$38.5 billion.

To supply more sustainable commodities, it is vital that we continue to strengthen our partnerships across our value chain. We require high ethical, technical and sustainability standards both within our business and among our suppliers. Meanwhile, to maintain optimal operational performance, we invest in proven technologies and robust infrastructure, helping to ensure continuous improvement, promote energy and resource efficiency, and accelerate the transition to clean energy. Our main focus remains in South America, the world's largest agricultural commodity-exporting region. We are also expanding the volumes of commodities we source from Europe, Africa and Asia-Pacific.

North America

-  **2** Warehouses
-  **2** Ports and transshipment

South America

-  **36** Warehouses
-  **8** Processing
-  **7** Ports and transshipment

Revenue	Employees	Countries
\$38.5bn	12,399	36

Tonnes sales volume	Tonnes port capacity	Tonnes inland storage capacity	Tonnes processing capacity
108.4m	35.6m	2.5m	28.8m

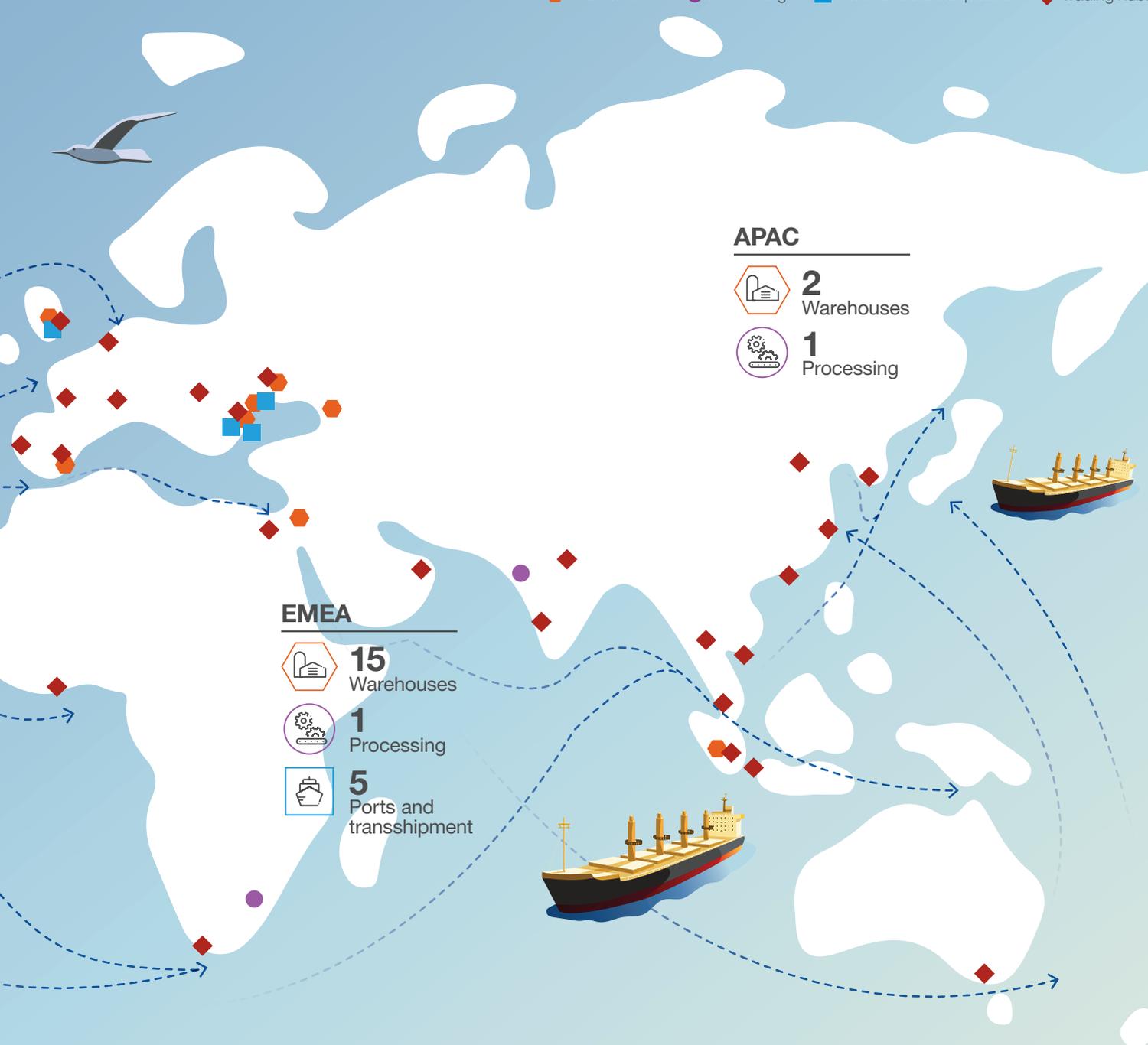
Our facilities

● Warehouses

● Processing

■ Ports and transshipment

◆ Trading hubs



APAC



2
Warehouses



1
Processing

EMEA



15
Warehouses



1
Processing



5
Ports and transshipment

Our investors

COFCO International is part of COFCO Fortune, the core agriculture and food business unit of COFCO Group, the world's largest agri-business by asset value. This provides access to the growing Chinese market, as demand for agricultural commodities continues to rise.

Other COFCO Fortune shareholders alongside COFCO Group, as its controlling majority shareholder, include National Council for Social Security Fund, COSCO Shipping, China Chengton, China Life, China Public-Private Partnerships Fund, Hopu Investment Management, Temasek, and Affirma Capital.



TEMASEK





Understanding our products and services



Grains

Corn, wheat, barley and sorghum (in raw form) provide the basis of animal feed. They are also used to make cooking oils, fuels, cosmetics and alcohols.



Oilseeds

Sunflower (seeds, meal, oil), rapeseed (seeds, meal, oil) and soybean (bean, meal, oil, biodiesel) can be used as ingredients for many products, particularly animal feed and edible oils.

Origin:

Americas, South Africa, Australia, Europe

Our role:

We originate, manage the shipping, storage and distribution of these commodities.

Market context:

Rising global demand for grains due to the growing population, dietary shifts and expanding livestock industries. Demand for oilseeds also due to increase, with demand for vegetable oil expected to reach 33m tonnes by 2030.

Challenges:

Market volatility – Price fluctuations due to geopolitical tensions, climate change and economic uncertainty.

Regulatory pressure changes – Compliance with sustainability regulations and evolving deforestation-free supply chain requirements.

Logistical disruption – Rising shipping costs and port congestion affecting global trade flows.

Climate impacts – Irregular weather patterns reducing yields and supply predictability.

Sustainability expectations – Stakeholders interest in transparency, reduced emissions and nature-positive practices.

Opportunities:

Regional trade growth – Expanding markets in Asia and Africa presenting growth opportunities.

Growing demand – Increasing global consumption of grains and oilseeds and greater demand for oilseeds for biofuel production.

90.7m

tonnes of grains and oilseeds sold to third parties in 2024



Soybean

Soybeans are largely grown for animal feed, delivering an efficient source of protein. They are also processed into soybean oil and biodiesel.

Origin:

South America, USA, South Africa

Our role:

We crush and process soybean, soy meal, soy oil and biodiesel, selling them to global markets.

Market context:

Global soybean consumption is predicted to grow over the next decade, largely due to the increase in livestock production linked to rising meat consumption, particularly in developing countries. There is sustained demand for vegetable oil derived from soybeans, with moderate growth expected as market preferences shift.

Challenges:

Addressing deforestation, while meeting evolving regulatory and market demand for traceability and sustainable practices. Some 39% of global soy production takes place in Brazil, with half of this located in the Cerrado biome. This can drive further land use change and create climate, biodiversity and human rights risks.

Opportunities:

Lowering GHG emissions and leveraging technology to improve supply chain transparency; capitalising on the growing demand for certified sustainable soybean products.

9%

reduction in Scope 3 FLAG GHG emissions intensity from soybean vs 2021 baseline



Palm oil

The versatility of palm oil ensures it remains popular as an ingredient in multiple food, cosmetics, hygiene and cleaning products. It can also be used to make biodiesel.

Origin:

Indonesia, Malaysia, Papua New Guinea, Thailand

Our role:

We purchase crude palm oil and palm olein from international traders, refiners and local Indian importers. At our refinery in Kandla, India, we process these commodities into edible oil for distribution in the domestic market. We do not own any oil palm plantations or mills, nor do we have direct relationships with these players.

Market context:

Asia-Pacific remains the largest consumer of palm oil, with countries such as India, China, and Indonesia influencing demand due to population growth and economic development.

Global palm oil consumption is predicted to grow by 1.3% annually over the next decade, driven by increasing demand in developing countries, particularly India, which is expected to reach a per capita consumption growth of 2.6% each year. Demand is likely to be met by domestic production and imports from Indonesia and Malaysia.

Challenges:

While the rate of deforestation in major producer countries is decreasing, there are risks related to the overall environmental impact of palm oil plantations and the human rights of workers.

Opportunities:

Palm oil is more efficient to grow per hectare than other vegetable oils.

67%

of volumes sourced in 2023 were in the 'delivering' category of NDP Implementation Reporting Framework (NDP = no deforestation & no peat)



Sugarcane

Sugar is a highly popular food and drink ingredient. Raw sugar is derived from the juice extracted from sugarcane, before being refined into other products. Bagasse, a by-product of sugar production, and ethanol also provide fuel to generate power, particularly in Brazil.

Origin:

South America, South Asia, Southeast Asia

Our role:

We source sugarcane largely from São Paulo state, Brazil, where COFCO International manages 189,000 hectares of plantations and owns four sugar mills and one transshipment terminal. In addition to raw sugar, we produce energy and ethanol. We also trade sugar from South Asia and Southeast Asia.

Market context:

Global sugar consumption is expected to grow steadily, driven by increasing demand and changing dietary patterns.

As the world's largest producer of sugar (25% of global production) and ethanol, Brazil's sugarcane industry plays a fundamental role in the global market, with a significant portion of sugarcane used for biofuel production. As demand for biofuels and renewable energy rises, Brazil's integrated sugarcane sector is expected to expand, contributing significantly to the global energy transition.

Challenges:

In Brazil in particular, sugarcane plantations are experiencing climate-related risks (such as extreme weather events, including the significant São Paulo state wildfires and changing weather patterns). Sugar production also requires a significant amount of water, and some producing regions can be vulnerable to labour shortages.

Opportunities:

The sugar sector stands to capitalise on the growing demand for biofuels and bioenergy, improve operational efficiency through investments in low-carbon technology, and engage in emerging carbon credit markets.

710GWh

of surplus bioenergy sold to local electrical grids



Coffee

We source arabica and robusta beans. Coffee is a leading beverage worldwide, and represents one of the most traded commodities. Demand is rising for arabica and robusta beans, with market opportunities in emerging economies, as coffee consumption grows, and developed countries, with specialty coffee and product innovations gaining in popularity.

Origin:

South America, Central America, Southeast Asia, primarily Brazil, Vietnam, Indonesia and Colombia

Our role:

As a coffee merchant, we buy raw (green) coffee from local suppliers. We store and process it according to our customers' quality requirements, before selling to roasters in domestic and global markets.

Market context:

Coffee is one of the most consumed beverages globally and ranks among the top traded commodities. Demand is expected to rise, driven by rising demand in emerging markets and the ongoing popularity of coffee in established regions. The International Coffee Organization (ICO) and the FAO predict that demand will increase due to urbanisation and the growing middle classes in countries such as Brazil, India, and China.

Challenges:

Climate change presents significant challenges, influencing yields and quality through irregular weather patterns and rising temperatures. Empowering farmers to adopt sustainable practices is vital to preserving natural ecosystems and to mitigate social risks in the coffee supply chain.

Opportunities:

The coffee sector stands to build resilience and promote decent work by focusing on sustainable sourcing programmes or strengthening supply chain transparency and due diligence. Lowering emissions linked to coffee production also helps to ensure regulatory compliance and meet consumer expectations.

45%

of exports were certified under sustainability certification schemes



Cotton

Cotton is the world's most popular natural fibre, used in clothing and other textiles. It can be grown rapidly, given the right conditions, providing a good alternative to synthetic fibres. Producing cotton sustainably will help to ensure its future, particularly with demand predicted to rise, particularly in Asian countries.

Origin:

South America, North America, South Asia, Middle East, West Africa, Oceania (Australia), Europe

Our role:

We buy cotton bales from ginners and farmers and sell to textile mills (spinners), operating a storage facility in the US and using several third-party storage facilities. We also provide financial services to farmers (pre-finance and barter with our fertiliser division). In Brazil, where we have been the number one exporter for the past three seasons, we have a long-term contract with the largest cotton stuffing warehouse in Santos port terminal.

Market context:

Cotton is the leading natural fibre worldwide, with demand projected to increase in line with the rising demand for textiles, particularly in line with growing affluence in Asia (largely China and India). Sustainable cotton production presents a viable alternative to synthetic fibres, given cotton's natural origin and biodegradability.

Challenges:

The sector is increasingly impacted by extreme and unpredictable weather patterns related to climate change.

Opportunities:

Cotton supports the livelihoods of millions of smallholder farmers globally, particularly in developing countries, and therefore a thriving, sustainable industry stands to improve their quality of life.

As consumer demand for responsibly produced textiles rises, the growing production of more sustainable cotton will shape the market, help protect the environment and improve livelihoods.

59%

of Brazil cotton sales were produced under sustainability certification schemes



Maritime freight

Transporting commodities by freight presents the most efficient, low carbon way to service global food value chains and promote food security.

Key regions served:

Americas, Europe, Middle East, Africa, Asia-Pacific

Our role:

As a charterer, we operate a fleet of third-party-owned vessels, primarily for the dry bulk shipping of agricultural commodities from regions worldwide.

Market context:

Some 90% of global trade by volume is transported by sea. And the maritime freight sector is expected to grow as global trade expands. It is experiencing significant transformation, influenced by technological advancements, environmental regulations and shifting trade patterns.

Challenges:

The sector accounts for approximately 2-3% of global CO₂ emissions, which has led to increased regulatory requirements. However, maritime shipping is also the most carbon efficient mainstream transport mode.

Opportunities:

Industry decarbonisation efforts are underway, including through energy efficiency measures and the introduction of alternative fuels. Digital technologies and operational innovations are also improving resource efficiency.

41.3m

tonnes of sea cargo handled in 2024

Our role in the global agricultural value chain

Stages of the value chain where we are present

1 Agricultural production

We source a diverse range of commodities from agricultural producers globally. In addition, we operate around 265,000 hectares of plantations in Brazil and South Africa.

Commodities

Sourcing: grains and oilseeds, sugar, cotton, coffee.
Farming: sugarcane, grains and oilseeds.

Our operational and value chain footprint

- We primarily source our commodities from farmers, co-operatives, and other suppliers.
- To minimise supply chain risks, we focus on maintaining direct relationships in all key production countries.
- We cultivate a small volume of commodities, including 189,000 hectares of sugarcane plantations in Brazil and grains and oilseeds on 76,000 hectares operated through partnerships with local farmers in South Africa. Within a small portion of our sugarcane plantations (16,500 hectares), we also produce soybeans through a crop rotation programme.

Optimising our impact

- We require all our suppliers to meet rigorous social and environmental standards through our Supplier Code of Conduct and commodity-specific sourcing policies. We monitor their compliance and work together to encourage improvement, including by building farmer capacity.
- In regions with significant environmental and social risks, we regularly evaluate risks associated with our strategic suppliers, in order to identify and address performance improvement opportunities.
- Within our own farming operations, we are committed to improving practices and reducing our environmental footprint. For example, in our sugarcane plantations, we monitor local flora and fauna, protect natural habitats, contribute to reforestation efforts to support biodiversity around our farms, use organic pest control and more sustainable fertilisation methods, and strive to reduce GHG emissions.

2 Storage



We store commodities in warehouses, silos and other storage facilities prior to processing or delivery to our customers.

Commodities

Grains and oilseeds, sugarcane, cotton, coffee, fertilisers

Our operational and value chain footprint

- We store our agricultural commodities in 55 strategically located warehouses and silos worldwide.
- We also use a global network of third-party storage facilities.

Optimising our impact

- Across all our storage facilities, our teams adhere to consistent global corporate policies and comply with local legislation, maintaining high standards in product quality, health and safety and environmental management.
- For third-party storage facilities, we have processes in place to identify and address human rights risks.
- Before engaging in the use of suppliers' storage, we use our best efforts to ensure that they perform well on issues such as health and safety, access to clean drinking water, personal protective equipment, decent and hygienic working conditions, proper documentation, and the prevention of child labour, forced labour, and any form of unfair treatment or discrimination.

3 Processing

In our industrial assets, we crush, refine, and process commodities into products for both local and global markets.

Commodities

Sugarcane, corn, soybean, sunflower, palm oil

Our operational and value chain footprint

- Across South America, Asia, and Africa, we operate four sugar mills, a refinery and five oilseeds crushing facilities.
- We process raw agricultural commodities into products including vegetable oil, flour, meal, and biofuel for both local and global markets. At our Brazilian sugar mills, we also generate renewable electricity and direct the surplus energy to the local electrical grid.

Optimising our impact

- We invest in innovative technologies to reduce pollution, optimise energy and water consumption, increase the use of renewable energy sources, and extract value from waste and by-products.
- Keeping our employees safe and healthy is our first priority, while we develop and maintain environmental, health and safety management systems at our assets in line with international standards, in order to help ensure continuously improved performance.



As a leader in the global grains, oilseeds and sugar supply chains, COFCO International strives to help meet the rising demand for food responsibly, contributing to global food security, while empowering farmers to adopt more sustainable practices. We are headquartered in Geneva and operate across the Americas, Europe and Asia-Pacific, trading with more than 50 nations, while providing farmers with access to the growing Chinese market. We source agricultural commodities from the world's most important agricultural production regions and deliver products through our globally integrated supply chain. For every commodity that we source, we seek to raise yields sustainably, implementing our own Responsible Agriculture Standard and related policies, pursuing certifications where possible, and collaborating with our partners to prevent deforestation, protect the climate and respect human rights.

4



Marketing



We use a range of trading platforms to sell raw and processed agricultural products, reaching key markets across the globe.

Commodities

Grains and oilseeds and their derivatives, sugar, bioenergy, cotton, coffee, fertilisers

Our operational and value chain footprint

- We are present in 36 countries with over 129 offices, trading agricultural commodities across every region.

Optimising our impact

- We continuously monitor supply and demand trends to meet customer needs, and demonstrate agility in addressing market challenges, striving to ensure a steady flow of commodities.
- We are responding to the increasing demand for sustainable certifications by working with our suppliers and partners to raise standards.
- We are contributing to global food security, in collaboration with our stakeholders.

5



Transport

We operate a fleet of bulk carriers and trucks, offer freight services to customers worldwide, and transport products directly to customers in certain regions.

Commodities

Freight, grains and oilseeds and their derivatives, sugar, cotton, coffee

Our operational and value chain footprint

- In 2024, we operated 14 terminals (including sea, river and inland) and maintained our advanced global maritime logistics network, chartering a fleet of bulk carriers and investing in a fleet of barges dedicated to river transport in Romania.
- We also continued to offer freight services to industrial customers and operated a fleet of 25 trucks in the United Kingdom for local commodity transportation.

Optimising our impact

- We are monitoring and reducing the greenhouse gas emissions directly associated with vessels and trucks operated by COFCO International, as well as those arising from the transportation and distribution of our commodities.
- We address these emission hotspots by optimising logistics and investing in fuel- and energy-saving technologies.
- For maritime shipping, we continue to explore clean fuel alternatives and participate in collective efforts towards the shipping industry's goal of achieving decarbonisation by 2050.



Final product manufacturing, retail and consumption

While we do not have a significant downstream presence, we collaborate with our customers and suppliers to deliver responsibly sourced products, addressing the growing market demand for sustainable commodities. We strive to achieve this by developing projects and partnerships, leveraging our own Responsible Agriculture Standard, policies and third-party certification schemes, and participating in sector-wide initiatives dedicated to promoting more sustainable value chains.





Helen Song
Chief Financial Officer,
COFCO International

Q&A

Taking action on sustainability for business success and resilience

Shifting weather patterns are creating a significant impact on agricultural production around the world, requiring global agribusinesses such as COFCO International to be more adaptable, sustainable and resilient. Meanwhile, rising market demand for sustainable commodities presents distinct business opportunities, with a 14% year-on-year increase in certified sustainable commodities in 2024, and a landmark sustainable soybean agreement with a major Chinese customer. Here, Helen Song, COFCO International's Chief Financial Officer, discusses how sustainability promotes business resilience.

Why is resilience important to COFCO International?

Being a global agricultural commodity trader means being constantly exposed to physical, operational and political risks. For example, climate change and nature loss are increasingly affecting agricultural value chains, requiring commodity trading companies to withstand, absorb and adapt to disruption in the global supply and flow of commodities. This may be direct and physical, for example in the form of extreme weather events, or indirect and operational, such as disruptions caused by turbulence in geopolitics. Our capacity to anticipate, mitigate and respond to these events determines the short- and longer-term success of our business.

How does sustainability help make COFCO International more resilient?

Beyond helping us to manage climate-related risks, sustainability strengthens our operations and long-term competitiveness. Strong health and safety practices reduce operational risks and ensure the effective functioning of our assets. Overall, our ESG performance improves access to favourable lending conditions and helps us prepare for evolving regulations. It also plays a key role in attracting and retaining the best talent, which is essential in our dynamic industry. And by expanding our supply of sustainable commodities, we are meeting customer demand and unlocking new growth opportunities. Together, these efforts position our company to thrive.



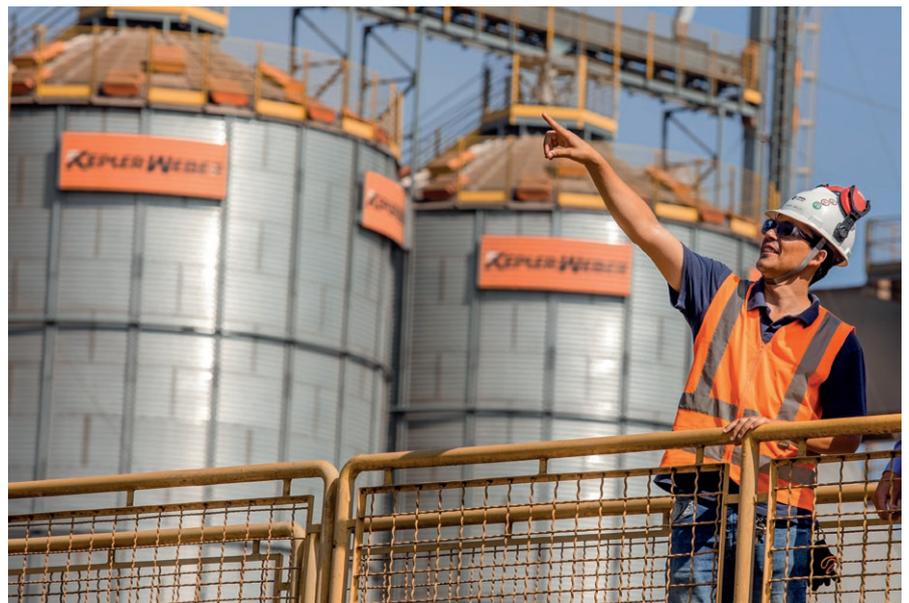
Our work in sustainability centres around future-proofing our business model. Considering the long-term is core to business strategy and strengthening our resilience to climate change impacts is therefore a fundamental part of our vision.”

Could you share how you are overcoming challenges in making this a reality?

As confirmed by our double materiality assessment, climate action is our first priority and is fundamental to achieving resilience in food and agriculture. We furthered the ambition of our climate strategy in 2024 by accelerating our deforestation-and conversion-free target to 2025 and including corn in this ambition, and we have already achieved significant Scope 3 emissions intensity reductions for soy and corn. This was primarily due to sourcing from regions with less recent land use change and therefore lower emissions.

Completing this shift, however, depends on empowering farmers to adopt more sustainable production methods. Supporting farmers across our supply chains to improve their performance, reduce emissions and use nature positive practices is the way forward. This enables us to meet our climate goals and strengthens the long-term resilience of our company and the broader agricultural sector.

For example, we are part of the Farmer First Clusters initiative in the Cerrado, developed in collaboration with our peers and the World Business Council for Sustainable Development. We have also supported 268 coffee farmers through our Coffee Responsible Origin Programme in Brazil, covering 11,900 hectares of plantations. Throughout these efforts, we are enabling farmers to gain access to global markets by cultivating more sustainable products, as consumer demand for sustainability grows.



What does COFCO need to achieve this year in sustainability to further build business resilience?

Our sustainability efforts must deliver value across the board – for farmers, consumers and investors. So we will continue to take action to improve farmer livelihoods, while providing affordable nutrition to the growing global population. In 2025, amid a more challenging environment for agribusiness and tightening margins, our work to deliver our sustainability strategy will remain focussed and efficient, as we strive to create a positive impact.

We are well placed to drive change, with sustainability integrated as a core value across our business – from trade flows and financing to regulatory compliance. This allows us to grow while reducing our environmental footprint. Key focus areas for 2025 include advancing our emission reductions, securing trade flows with sustainability requirements, and leveraging new sustainable investment opportunities. Progress in these areas drives resilience and supports revenues, ensures compliance, and reinforces our competitiveness in a rapidly evolving market.

Our strategy

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conversion-free supply chains





Our sustainability strategy: Meeting Tomorrow's Demand

Our sustainability strategy guides our efforts to help achieve the transition to responsible, sustainable agricultural value chains and food systems. Importantly, it enables us to manage environmental, social and governance risks across our business, while improving operational efficiency, creating commercial value and building resilience. Climate action, land use change and human rights are among our key strategic priorities.

Since launching our sustainability strategy and core policies in 2017, we have fully implemented key aspects across our company, and continuously sought to improve our policies (see 'Our sustainability policies') and the way we govern sustainability (see 'Responsible governance and compliance'). We continue to integrate due diligence within our governance, strategy and business model. This has led to tangible results, transforming the way we work and enabling us to achieve multiple public targets and commitments.

Understanding that materiality continues to evolve, we incorporate material topics into our annual sustainability planning process by reviewing the environmental, social and governance topics relevant to our business. In 2024, we redefined our list of potential material topics, involving internal and external stakeholders in our double materiality assessment (see 'Managing sustainability' and 'How we engage our stakeholders').

Our sustainability strategy covers three main pillars, in line with COFCO Group's philosophy, as reflected by the three elements of our company logo (the earth and its harvest, people and values). For each pillar, we have defined three areas of focus, each with a strategic objective and material topics, aligned with the United Nations' (UN) Sustainable Development Goals (SDGs), which we are committed to supporting.

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Strategic pillars

Protecting the Earth



Empowering people



Championing values



Our strategic objectives

Areas of focus	Strategic objectives	Material topics
Protecting the Earth		
Climate change	Taking action on our climate strategy, innovating to lower energy use and greenhouse gas emissions, and continuously source more renewable energy.	<ul style="list-style-type: none"> – Climate change mitigation – Climate change adaptation – Energy
Nature and biodiversity	Preventing deforestation and conversion within our supply chains and plantations by empowering farmers to adopt more sustainable practices, including conserving soil health, protecting biodiversity, restoring nature and promoting healthy ecosystems.	<ul style="list-style-type: none"> – Land-use change (direct impact driver of biodiversity loss) – Impact on the state of species – Impact on the extent and conditions of ecosystems – Impacts and dependencies on ecosystem services
Resource use	Optimising resource efficiency by better managing water, materials and waste, and preventing pollution.	<ul style="list-style-type: none"> – Pollution of water – Pollution of soil – Water withdrawal – Water discharge – Waste
Empowering people		
Human and labour rights	Respecting the rights of everyone who contributes to our business, ensuring health and safety in the workplace, promoting a diverse, inclusive culture and encouraging wellbeing, helping our employees to fulfil their potential.	<ul style="list-style-type: none"> – Working conditions (own workforce and workers in the value chain) – Work-related human rights (own workforce and workers in the value chain) – Occupational health and safety
Capacity building	Attracting and retaining the best talent by offering equal, high-quality learning and development opportunities, partnering with suppliers to improve their performance and build farmer capacity to raise productivity sustainably.	<ul style="list-style-type: none"> – Equal treatment and opportunities for all (own workforce) – Management of relationships with suppliers
Sustainable livelihoods	Helping farmers to achieve sustainable livelihoods and expanding access to markets and economic opportunities for responsibly produced commodities, listening to communities and addressing their needs.	<ul style="list-style-type: none"> – Communities' economic, social and cultural rights – Rights of indigenous communities
Championing values		
Ethics	Contributing to global food security, promoting high standards of business ethics and supporting progressive public policies.	<ul style="list-style-type: none"> – Corporate culture – Whistle-blower protection
Policies and standards	Delivering high-quality products, underpinned by rigorous policies and globally consistent standards.	<ul style="list-style-type: none"> – Consumer personal safety
Governance	Upholding good governance and ensuring legal compliance in all our markets and countries of operation.	<ul style="list-style-type: none"> – Corruption and bribery

Managing sustainability

As part of our commitment to conducting our business responsibly, we take a rigorous approach to managing social and environmental risks in our business and supply chains, continuously developing further insights and taking action to improve our performance. In particular, we research, analyse and review the issues that matter most to our business and stakeholders (our material topics) to help guide our progress towards our sustainability ambitions, exploring impacts, risks and opportunities, building resilience and strengthening our business for the future.

Our double materiality assessment

To ensure that we continue to address our most important material topics, we conducted a new double materiality assessment in 2024, in line with the ESRS, with the support of an external partner. This analysis enabled us to identify current and potential impacts of our business and operations both on society and the environment, and risks and opportunities to our business performance from a financial perspective, and prepare for compliance with the CSRD.



"This exercise establishes that we are on the right track and that our sustainability strategy focuses on what matters most."

Allan Virtanen, Director Communications and Sustainability, COFCO International

Building on the solid foundation of our previous materiality assessment, the aim was to enhance previous work by integrating regulatory changes and capturing new sustainability-related information across our value chain. We further prioritised the topics on which we have the greatest opportunity to make a difference, considering the strategic importance of each commodity and region for our business. We also reviewed how each commodity is produced, sourced, sold and distributed, in order to have a full view of each product's impacts.

Our most material topics

Of the 39 sub-topics considered in our assessment, we found 25 to be material from an impact and a financial perspective, and therefore relevant to our sustainability reporting.

We made some changes in methodology compared to our 2023 materiality assessment, ensuring that our list of potentially material topics and sub-topics respected ESRS definitions, and adopting a more targeted, customised engagement process to gather stakeholder insights. We also incorporated value chain mapping and improved the way we defined the relative contribution of each business division, commodity and region.

Understanding our assessment process

Our double materiality assessment enables us to establish which issues to prioritise as we move forward on our sustainability journey. There are four principle steps:

1

We assessed the impacts, risk and opportunities of all environmental, social and governance topics and sub-topics relevant to COFCO International's business, leveraging research and knowledge within our business. We also mapped our value chain, creating a robust foundation from which to quantify impact and financial materiality in relation to our business and supply networks.

2

We conducted comprehensive interviews with department leaders, while surveying a representative sample of our main stakeholder groups, ensuring that we focused on the most relevant material topics. In total, we obtained 28 external stakeholder responses, covering suppliers, customers, maritime freight business partners, industry associations, NGOs and civil society, and banks. We supplemented this with internal perspectives, as appropriate.

3

We performed the materiality analysis, quantifying the impact and financial materiality of our topics and sub-topics, and cross-referencing with the relative importance of each topic for our business. In addition, we leveraged information from the company's 2022 materiality assessment to create a more complete picture.

4

We listed the impacts, risks and opportunities of the identified topics, and selected the material ESRS disclosures to be reported (information materiality), in line with CSRD requirements.

As the materiality of diverse topics continues to evolve, we will update our list of impacts, risk and opportunities regularly to integrate insights and knowledge obtained through other assessments. We invite all stakeholders to provide inputs on potentially material environmental, social and governance (ESG) impacts, risks and opportunities regularly to sustainability@cofcointernational.com.

Finally, we integrated insights from other exercises, including assessments covering climate and water risks, and human rights impacts and due diligence.

In general, the results reflect the findings of our previous assessment, with the most material sub-topics confirmed as climate change, land use change (particularly in relation to biodiversity loss) and human rights in the value chain. For more detail, see our materiality matrix.

Certain ESRS sub-topics were not considered material (air pollution, microplastics, pollution of living organisms, substances of concern and very high concern, use and exploitation of marine resources, water consumption, resources inflow and outflow), equal treatment and opportunities for all (workers in the value chain), communities' political rights, information-related impact on consumers, social inclusion of consumers, political engagement and animal welfare). Some were not applicable to our business, while others scored below the respective materiality thresholds for social and environmental impact and financial materiality. We continue to prioritise the topics identified as material, as they reflect areas where COFCO International has both significant exposure and the potential to make a meaningful contribution. Other relevant topics not meeting materiality thresholds will remain subject to ongoing monitoring.



Allan Virtanen
 Director Communications and Sustainability,
 COFCO International

Harnessing double materiality to advance our sustainability journey

Transparency on our sustainability strategy and our progress integrating sustainability across all areas of our business is essential to building trust with our partners. Disclosing this information in a way that is comparable to our peers is also important for many stakeholders including our lenders, customers and civil society. The European Union's new CSRD requirements aim to support companies with exactly this, which is why we updated our double materiality assessment following these guidelines in 2024.

This assessment defined environmental, social and governance priorities for our company by considering both our impact on people and the environment, and the financial impact of different ESG topics on our company. This holistic approach included inputs from key internal and external stakeholders on key impacts, risks and opportunities to ensure results are robust. By engaging a wide range of stakeholders, from commercial customers and industry partners to NGOs, community representatives, and our own Board, we developed a 360-degree view of our most pressing sustainability topics. This process allowed us to integrate diverse perspectives and build a more comprehensive understanding of where our greatest responsibilities and risks lie.

The results confirmed that climate action, land use change and human rights remain the most material topics to our business. This was expected, as our core business is the trade and production of agricultural products, and agriculture uses land while depending on natural resources and ecosystem services, which are in turn highly impacted by climate change. Compounding this, climate-related risks to assets, agricultural activities and shipping, as well as water scarcity, and

evolving environmental regulations and high public scrutiny, can significantly affect our financial performance.

The results of the assessment were shared widely across the organisation, ensuring our priorities are embedded in decision-making at all levels. The process culminated in signoff by our Board, underlining the strategic relevance of the assessment and reinforcing alignment between our sustainability ambitions and corporate governance.

For me, this exercise establishes that we are on the right track and that our sustainability strategy focuses on what matters most. It provides us with a powerful tool to communicate this clearly and confidently to our Board, senior management, investors and other key stakeholders. It also enhances our ability to demonstrate transparency and accountability to external audiences. Already, we've seen positive feedback from key stakeholders, including lenders and commercial partners, who value the rigour of our approach. This supports broader stakeholder buy-in, making us a more attractive and trusted partner for those committed to sustainable value chains.

How we engage our stakeholders

To better understand and respond to stakeholder needs, we seek to maintain meaningful dialogue with our diverse stakeholders through dedicated communication channels, including our sustainability@cofcointernational.com mailbox. We engage with all relevant stakeholders at every stage of due diligence. Beyond this, we discuss shared challenges and how we can create value, ensuring that we respond to any concerns, as they arise. As part of our double materiality assessment, we consulted a representative sample of stakeholders and considered their insights, together with our leaders' views, when assessing the importance of environmental, social and governance (ESG) impacts, risks and opportunities. This also informs the development of our sustainability strategy. See our website for a full list of our partnerships and memberships.

Stakeholder group	Why do we engage?	How do we engage?	Examples of interaction
 <p>Board of Directors and investors</p>	<ul style="list-style-type: none"> — Sustainability strategy — ESG performance, risk management and regulatory compliance 	<ul style="list-style-type: none"> — Board meetings — Leadership events — Regular management updates 	<p>Our CEO and Chairman are responsible for corporate sustainability and approve our strategy (see 'Responsible governance and compliance'). We provide regular updates to our senior leaders on ESG risks and actions and performance. This includes our Board and Executive Team.</p>
 <p>Financial institutions</p>	<ul style="list-style-type: none"> — ESG performance and risk management — Sustainable and climate-linked finance 	<ul style="list-style-type: none"> — Regular bank update meetings — Questionnaires 	<p>In 2024, we held two sustainability-linked loans, through which we raised \$2.2bn of finance (see 'Leveraging sustainable finance to achieve our goals'). Together with OCBC bank, we agreed the first financing facility with interest rate incentives tied to SBTi-validated Forest, Land and Agriculture targets and respecting a 1.5°C climate pathway (see our website). We support restoration efforts in the Cerrado by providing funding to acquire native tree seeds and seedlings (see 'Strengthening the resilience of agricultural systems').</p>
 <p>Customers</p>	<ul style="list-style-type: none"> — Supply chain sustainability — Consumer personal safety — Sustainability certification schemes 	<ul style="list-style-type: none"> — Meetings — Questionnaires and response to consultations — Audits and external assessments 	<p>We continuously seek to raise social and environmental in our supply chains, as we move to meet rising market demand for sustainably sourced commodities. In particular, we support farmers in adopting the principles of our Responsible Agriculture Standard, and purchase certified sustainable products such as coffee, cotton, biofuels, corn and soybeans (see 'Upholding strong standards to deliver high quality products'). In 2024, we agreed to supply a major pet care customer in Argentina with sustainable soymeal, produced in line with our Standard.</p>
 <p>Suppliers, farmers and cooperatives</p>	<ul style="list-style-type: none"> — Sustainable sourcing requirements — Traceability, land use change and supply chain risks — Sustainable livelihoods — Grievance management 	<ul style="list-style-type: none"> — Meetings — Questionnaires — Audits and external assessments — Supplier training 	<p>We aim to empower farmers to produce sustainable commodities while improving their livelihoods and promoting global food security. Working with our suppliers, farmers and cooperatives, we help to build their capacity and connect them to global markets (see 'Improving farmer livelihoods and promoting sustainable communities'). We also partner to address climate, environmental and human rights challenges. In the Cerrado, we are supporting soy farmers through the Soft Commodities Forum's (SCF) Farmer First Clusters initiative. We have also launched our own "Sustainable COFCO Producer" programme in Brazil to support third-party sugarcane farmers.</p>

Stakeholder group	Why do we engage?	How do we engage?	Examples of interaction
 Sector peers and industry associations	<ul style="list-style-type: none"> — Collaboration on shared sustainable agriculture challenges 	<ul style="list-style-type: none"> — Meetings — Industry events and workshops — Joint reporting 	<p>We collaborate throughout our industry to address shared challenges, with a particular focus on climate action and preventing deforestation, as we seek to build momentum on the transition to sustainable agriculture and transforming the food system. For example, we support the Agriculture Sector Roadmap to 1.5°C, the Soft Commodities Forum (as a sector progress reporting platform), and the Global Maritime Forum's Operational Efficiency Ambition Statement. See 'Our contribution to global food security'.</p>
 Multi-stakeholder initiatives	<ul style="list-style-type: none"> — Environmental and social challenges — Partnerships 	<ul style="list-style-type: none"> — Meetings — Workshops 	<p>We support diverse multi-stakeholder initiatives to promote systemic change in agricultural value chains. This includes the SCF's Farmer First Cluster initiative and the Taskforce on Green Value Chains for China. In 2024, we joined the Landscape Accelerator Brazil initiative convened by the World Business Council Sustainable Development, BCG and COP Presidency to collectively develop landscape-level transition plans for the Cerrado biome and Pará state. See 'Our contribution to global food security'.</p>
 Policy makers	<ul style="list-style-type: none"> — Legal compliance — Supply chain resilience — Food security 	<ul style="list-style-type: none"> — Response to consultations — Meetings 	<p>We support business-led initiatives for progressive policies (see 'Our contribution to global food security'). Importantly, we also strive to ensure compliance with evolving corporate sustainability regulations, particularly within the European Union (EU). This includes the EU's Deforestation Regulation and Corporate Sustainability Reporting Directive. We are improving and adapting our reporting and materiality processes in line with the new European Sustainability Reporting Standards.</p>
 Non-governmental and non-profit organisations	<ul style="list-style-type: none"> — Climate change — Nature and biodiversity — Human and labour rights — Sustainable agriculture 	<ul style="list-style-type: none"> — Response to consultations — Collaborations — Meetings — External assessments 	<p>We partner with NGOs and not-for-profit groups to better understand and address social and environmental risks in our supply chains (see 'Our contribution to global food security'). In 2024, we partnered with human rights specialist Article One Advisors to strengthen our human rights due diligence system (see 'Building our capacity to uphold human rights').</p>
 Local communities	<ul style="list-style-type: none"> — Community health, safety and wellbeing — Education and training — Environmental stewardship — Economic inclusion and sustainable livelihoods — Impacts on communities affected by our operations 	<ul style="list-style-type: none"> — Community impact assessments — Social dialogue events — Community investment programmes, including capacity-building — Volunteering 	<p>We engage with communities where we operate, listening to their perspectives and seeking to understand and respond to their needs. In particular, we invest in programmes that help to promote wellbeing, expand access to education and skills, and promote environmental stewardship. In 2024, our community investment projects reached more than 46,000 people. For example, in India, we partnered with non-profit organisations to improve access to nutritious foods for 15,000 children.</p>
 Employees and trade unions	<ul style="list-style-type: none"> — Human and labour rights — Employee wellbeing — Diversity, equity and inclusion — Occupational health and safety — Talent development 	<ul style="list-style-type: none"> — Internal communication channels — Safety and diversity committees — Employee training — Dialogue with trade unions — Collective agreements — Employee surveys 	<p>We strive to ensure the health, safety and wellbeing of our employees, while respecting the human and labour rights of everyone who contributes to our business and supply chains. We seek to develop equal learning and development opportunities and foster a diverse, fair and inclusive workplace. In 2024, we retained the 'Great Place to Work' certificate in Brazil for the third year running, and a further certificate recognising employee wellbeing, following assessments based on employee satisfaction surveys. (see 'Attracting talent and providing high quality development opportunities').</p>



Alfonso Romero
MD G&O South Cone,
COFCO International



Wang Yunchao
MD Brazil & IPL Global Soybeans,
COFCO International

Q&A

Securing deforestation- and conversion-free supply chains

Building deforestation- and conversion-free supply chains is a cornerstone of COFCO International's climate strategy and our commitment to sustainable sourcing. In 2024, we raised our ambitions by committing to sourcing soy and corn free from deforestation globally and from native vegetation conversion in South America by 2025. This is integral to our Sustainable Soy and Corn Sourcing Policies, which define our social and environmental requirements for suppliers.

Here, our South America leaders share what this commitment means for our business, our suppliers and our customers, and how we are working with farmers to turn ambition into action on the ground.

Why are you stepping up your sustainable soy and corn sourcing efforts?

Soy and corn make up more than 60% of the commodities we sell by volume globally, so they represent a significant opportunity to strengthen our sustainable sourcing, lower our GHG emissions and meet growing market demand for responsibly sourced products. We know that land use change is the greatest contributor to GHG footprints in agriculture, and therefore working together with farmers to ensure our supply chains are free from deforestation and conversion (DCF) will contribute significantly to meeting our science-based climate targets. It will also help us respond to stakeholder expectations and meet the requirements of evolving regulations in multiple markets, while protecting natural ecosystems and building agricultural resilience in our sourcing regions by equipping farmers to adapt to environmental and market challenges. Importantly, through this work, we aim to create a positive impact on our communities, supporting both conservation and local livelihoods. Conservation brings tangible health and economic benefits such as cleaner water and healthier soils.

For farmers, meeting DCF requirements is increasingly essential to access global markets, as more customers seek sustainably produced commodities and seek to reduce their supply chain emissions.

How will your strengthened commitment be good for business?

Implementing our sustainability commitments is fundamental to building resilience in our business and ensuring we thrive in the future. And we're already seeing the benefits. Firstly, our strategic soy and corn suppliers are strengthening their production and market offering by taking action to improve soil health, using water more efficiently and improving their resilience to irregular and extreme weather.

At a financial level, this work helps us to meet the requirements of our sustainability-linked loans and strengthens our position with lenders offering sustainable finance. Our latest \$600m loan, agreed with OCBC in 2024, links lending terms to our progress on SBTi-approved Forest, Land, and Agriculture (FLAG) targets for soy and corn, in line with a 1.5°C pathway. As investor interest in climate action grows, our progress on DCF commodities puts us in a strong position to secure similar financing in the future.

“

Sustainable sourcing isn't just about compliance, it's a driver of resilience, unlocking market access, financial benefits, and long-term growth.”

In 2024, we signed a five-year agreement with Chinese dairy giant Mengniu to supply 1.5 million tonnes of certified sustainable, DCF soybeans. We envisage forging additional customer agreements, particularly in Europe and Asia, as demand for sustainable products continues to grow. With the European Union's new deforestation regulation (EUDR) anticipated for 2026, our work to meet our DCF commitment and prepare for compliance helps maintain access to this strategic market.

How are you implementing your commitments?

We are taking a strategic and efficient approach by focussing our resources on the areas where we stand to make the greatest impact.

We are concentrating our efforts in the ecologically sensitive Amazon, Cerrado and Gran Chaco biomes, where we are monitoring social and environmental risks in the areas where our suppliers' farms are located (see 'Placing responsible land use at the centre of sustainable sourcing'). We also work closely with suppliers to increase traceability of indirect supply, enabling us to monitor our supply chain and provide verified DCF commodities.

As part of our climate strategy, we are sourcing soy and corn from areas with less recent land use change, an approach that has already contributed to significant Scope 3 emissions intensity reductions across these crops.



We recognise that progress requires collective action. That's why we participate in industry initiatives such as the Agriculture Sector Roadmap to 1.5°C, the Soft Commodities Forum (see 'Partnering to empower farmers to adopt sustainable practices'), the World Economic Forum's Taskforce on Green Value Chains for China and Roundtable on Responsible Soy Taskforces (RTRS) (see 'Promoting food security'). We are also engaged through the Brazilian Association of Vegetable Oil Industries and Argentine chambers of oilseeds and Sectoral Vision for Argentina Gran Chaco Platform to help the sector agree shared, standardised reporting practices, and credible, landscape-scale solutions that promote sustainable land use.

How do you intend to build momentum?

Throughout 2025, we will continue working to meet our DCF target and implement other aspects of our sustainable soy and corn sourcing policies. This will enable us, and the farmers in our supply chain, to connect with more customers seeking sustainable commodities, while strengthening long-term business resilience. We are also pursuing innovative financing mechanisms to support the adoption of sustainable agricultural practices, furthering our environmental objectives. Making these practices viable for farmers is essential to ensuring they are widely adopted and achieving our DCF ambitions. Importantly, we'll continue collaborating to raise shared standards and make a definitive, lasting impact across the sector.



Our progress

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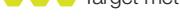
2024 progress against our targets

We are making progress across all three pillars of our sustainability strategy (Protecting the Earth, Empowering people and Championing values), towards clearly defined targets, some of which cover every pillar. Our targets inform every step we take and help to ensure that we continue to prioritise the topics that matter most to our business and stakeholders. We conduct regular reviews of our targets and strategy, continuously seeking to evaluate and improve our performance. We report our progress transparently, as we strive to respond to stakeholder interest in our business and remain competitive in the marketplace.

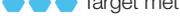
Protecting the Earth

Area of focus	Target	Performance	Our progress
Climate change	Set SBTi-validated climate targets by 2024	Our long and short-term targets have been approved by the SBTi. We have also developed a roadmap to guide our progress.	●●● Target met
	New Reduce GHG emissions in alignment with 2033 SBTi-targets	See 'Our corporate climate strategy' for more details about our performance.	●●○ In progress
	Updated Improve data granularity and reporting processes for our GHG inventory	In 2024, we developed our GHG Accounting Manual and expanded the scope of this target to include Scope 1 and Scope 2 emissions.	●●○ In progress
	New Annually maintain the portion of our assets' energy needs met by renewables above 85%	87% of our assets' energy needs were met by renewables.	●●● Target met
Nature and biodiversity	Updated By 2025, halt deforestation from soy and corn globally	99% of the soy we sourced in Brazil was verified as DCF. We also strengthened our DCF methodology.	●●○ In progress
	Updated By 2025, halt conversion from soy and corn in South America		●●○ In progress
	Updated Improve traceability to farm for soy and corn in South America	We maintained full traceability for direct sourcing of soy in Brazil. We are working on improving indirect supplier traceability, prioritising high risk regions, across our soy and corn supply chains.	●●○ In progress
Resource use	Reduce water intensity index by 10% by 2025 from 2019 baseline	We exceeded this target in 2023. Progress declined slightly in 2024, largely due to increased water requirements for industrial processes, as a result of the sugarcane quality having been affected by drought.	●●○ In progress
	New Annually reuse, recycle, recover or compost at least 70% of waste	We reused, recycled, recovered or composted around 73% of all waste generated. This percentage grows to 96% if we include the waste generated in the Santos port project.	●●● Target met

Empowering people

Area of focus	Target	Performance	Our progress
Human and labour rights	 Establish robust human rights due diligence (HRDD) system	We developed HRDD tools and created a training module. See ' Building our capacity to uphold human rights '.	 Started
	 Conduct HRDD gap analysis	With the support of a specialist consultancy, we explored evolving human rights-related regulatory trends and identified gaps in our HRDD system.	 Target met
	 Conduct human rights risk assessment for purchased commodities	We conducted a risk assessment for priority commodities and regions, identifying the most critical human rights risks and evaluating ways to strengthen our risk mitigation strategies.	 Target met
	 100% of employees covered by operations human rights risk assessment by 2026	In 2024, we performed an operations risk assessment in our main assets, reaching 64% of our workforce.	 In progress
	Safety Index for employees ≤ 1.5	This score was 2.0 for employees. We met our Safety Index target of a score lower or equal to 1.5 for contractors.	 In progress
	Safety Index for contractors ≤ 1.5		 Target met
	2% employee work time dedicated to EHS training	Employees dedicated 1.3% of their working hours to training.	 In progress
1.5% contractor work time dedicated to EHS training	Meanwhile, contractors spent 1.9% of working hours.	 Target met	
Capacity building	 Increase number of programmes to engage farmers in sustainable agriculture practices	We supported the SCF's Farmer First Clusters initiative in the Cerrado and the Buhle Farmers Academy in South Africa.	 In progress
	Annually evaluate the sustainability performance of all direct palm oil suppliers with regular business relationships	Our suppliers' NDPE performance is assessed annually through IRF profiles. We also update supplier scorecards regularly.	 Target met
Sustainable livelihoods	Conduct environmental and social impact assessment prior to all new site construction and acquisition	Guided by our Investment Review and Approval Policy, we conduct a full assessment of any site prior to acquisition. In particular, we collaborated with multiple stakeholders to ensure our Santos port terminal expansion was completed with full reference to local concerns and with respect for the community and environment.	 Target met
	Maintain ongoing social dialogue at all high community impact operations	We listen to our stakeholders and maintain a dialogue to respond effectively to their concerns. In Brazil, we organise formal social dialogue events in communities where our sugar mills are located.	 Target met

Championing values

Area of focus	Target	Performance	Our progress
Ethics	100% resolution of grievances received through our Integrity Hotline	We closed 88.7% cases before the end of the year, with an average closure rate of 33 days. All cases from 2023 were closed by the end of 2024.	 Target met
Policies and standards	Zero food/feed safety incidents	We experienced zero incidents in 2024 resulting in fines, penalties or warnings.	 Target met
	 Annually increase the total volumes sourced with sustainability certifications	There was 14% year-on-year increase from 2023 to 2024. See ' Meeting market demand through sustainability certifications '.	 Target met
Governance	100% compliance with applicable ESG regulation	We are preparing to comply with the European Union's Deforestation Regulation and comply with the FuelEU Maritime Regulation. We continue to evolve our reporting in line with CSRD requirements.	 Target met

Protecting the Earth



Our approach to managing environmental topics

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IFC Performance Standards



As an agricultural commodities business, protecting the Earth is core to our business, as we depend on a healthy environment to produce good yields of high-quality crops. We take action on our most material environmental issues while meeting the rising demand for more sustainable commodities. Our climate strategy defines our approach to lowering our greenhouse gas emissions and building climate resilience. Taking steps to prevent deforestation and conversion in our supply chains is another key pillar for us. We work with teams across our business to improve our environmental footprint and energy efficiency, increase our use of renewable energy and manage resources effectively. Collaborating with our suppliers, we also prioritise protecting biodiversity and soil health, conserving water and promoting healthy ecosystems.

Our most important environmental topics

To understand how we have identified these areas as material, see '[Managing sustainability](#)'. Our three core areas of focus are:

Climate change, including climate change adaptation, climate change mitigation and energy E1

Nature and biodiversity, including direct impact drivers of biodiversity loss, impacts on the state of species, impacts on the extent and condition of ecosystems, and impacts and dependencies on ecosystem services E4

Responsible use of resources, including water withdrawal and discharge, waste, and soil and water pollution E2 E3 E5

Through the company's environmental policies and efforts, COFCO International seeks to contribute towards the following Sustainable Development Goals (SDGs) and related priority targets:

SDG	Priority targets
 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.2 Achieve the sustainable management and efficient use of natural resources.
	12.5 Substantially reduce waste generation through prevention, reduction, recycling and reuse.
	12.8 Ensure that people have the relevant information and awareness for sustainable development and lifestyles.
 13 CLIMATE ACTION	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.
	13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.
 15 LIFE ON LAND	15.1 Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems, in line with obligations under international agreements.
	15.2 Promote the sustainable management of forests, halt deforestation, restore degraded forests and increase afforestation and reforestation.

Our corporate climate strategy

The agricultural sector is highly vulnerable to the impacts of climate change, while also contributing a significant proportion of the world's greenhouse gas emissions (GHG). We have adopted a clear and effective climate strategy in order to address the challenges posed by climate change to our industry. This strategy is designed to reduce land use emissions, while promoting food security and ensuring the long-term sustainability of our business. At the foundation of our strategy are clear, science-based targets for GHG reductions in relation to direct emissions (Scope 1), indirect emissions from energy consumption (Scope 2), and emissions across our entire supply chain (Scope 3).

We have robust GHG accounting practices in place to measure and disclose emissions, gradually improving the quality and detail of the data we collect. We identify and implement efforts to reduce emissions and adapt to climate risks, such as water scarcity and land degradation.

Beyond this, our climate strategy plays a fundamental role in achieving resilience throughout our supply chains. These efforts help us to strengthen our business and maintain our agility in the global market, while complying with evolving regulations and responding to rising consumer and investor interest in sustainability. We are also contributing to achieving global climate goals.

To learn more about our climate governance model, see '[Responsible governance and compliance](#)', for a description of who is involved in mitigating the impact of our business on climate change and adapting to physical and transition climate-related risks and opportunities.

Our GHG emission footprint

We use the GHG Protocol Corporate Standard to calculate our GHG emissions, and apply the Forest, Land, and Agriculture (FLAG) Science-Based Target Setting Guidance to categorise emissions into FLAG and non-FLAG groups. We also refer to the draft GHG Protocol Land Sector and Removals Guidance to include emissions from land use. To define the boundaries of our GHG inventory, we adopt the 'operational control' approach.

Overall, Scope 3 emissions represent the majority (98.7%) of our emissions. Those relating to FLAG activities account for some 81.7% of our total footprint, of which most are derived from the agricultural commodities we source. Our own farming operations contribute just 0.3% of our total emissions.

The single biggest source of GHG emissions in our footprint is emissions from land use change (deforestation and conversion). In 2024, Scope 3 emissions from land use change came to 94,203,295 tonnes of CO₂e, representing around 72.4% of our total FLAG emissions.



As part of our climate strategy, we are sourcing soy and corn from areas with less recent land use change, an approach that has already contributed to significant Scope 3 emissions intensity reductions across these crops."

Alfonso Romero, Managing Director Grains & Oilseeds Southern Cone, COFCO International



Scope 1 emissions, predominately driven by mobile combustion (fuels used in machinery and maritime vessels), contribute 1.3% of our emissions. Scope 2 emissions – purchased energy – are the lowest of all the scopes at only 0.1% of total emissions.

Our science-based targets

Our science-based targets were approved by the Science-based Targets Initiative (SBTi) in 2024, following a comprehensive validation process. Our near-term goals cover COFCO International's entire GHG footprint (using a 2021 baseline), guiding our climate strategy and supporting the Paris Agreement goal to limit global warming to 1.5°C by 2050.

Approval of our targets by SBTi ensures their robust nature and provides transparency and clarity to our stakeholders. The SBTi platform is comprised of partners including the United Nations Global Compact, the World Resources Institute (WRI), the World Wildlife Fund (WWF), CDP and We Mean Business coalition. SBTi have validated the climate targets of more than 5,000 companies representing 34% of the global economy.

2024 progress and highlights

- We set science-based climate targets approved by the SBTi.
- We launched the first financing facility with interest rate incentives linked to SBTi-validated FLAG targets for a 1.5°C climate pathway and achieved our targets for the first year.
- We reduced our Scope 1 & 2 emissions by 38% compared to 2021, largely due to a reduction in the emissions from our time-chartered vessels.
- We significantly reduced Scope 3 FLAG emissions from soybean and corn, including reaching 99% Deforestation- and Conversion-Free soy purchasing in Brazil.
- To further reduce our emissions from land use change we brought forward our target date for conversion-free soy and corn sourcing from 2030 to 2025.
- We partnered with Quantis to help us to advance the implementation of our climate strategy in key regions, addressing key emission reduction interventions (see '[Q&A: Exploring the importance of business action on climate change](#)').

Looking ahead, we will continue to put our climate strategy into action on the ground, working closely with our partners, ensuring operations perform in line with our targets, and making substantive, measurable progress year on year.

Progress towards our SBTi targets

Target type	Target description*	2024 performance*	Our progress
Industry, absolute emissions The target boundary includes land-related emissions and removals from bioenergy feedstocks.	54.6% reduction in Scope 1 and Scope 2 emissions by 2033	38% decrease	 In progress
	32.5% reduction in Scope 3 emissions from purchased goods and services, upstream transportation and downstream transportation by 2033	1% increase	 Requires attention
Forest, Land and Agriculture (FLAG)	Absolute emissions	39.4% reduction in Scope 1 FLAG emissions by 2033	 Requires attention
	Emissions intensity	46% reduction in Scope 3 FLAG emissions per tonne of soybean by 2033	 In progress
		45% reduction in Scope 3 FLAG emissions per tonne of maize by 2033	14% decrease

* Relative to 2021 baseline year emissions

See '[Improving our Scope 1 and Scope 2 emissions – own operations](#)' and '[Scope 3 emissions – supply chains and beyond](#)' for further information on our Scope 1 and Scope 2 and Scope 3 emissions, respectively.

Our climate-related risks and opportunities

To define our climate risks and opportunities and optimise our strategy, we undertook a cross-functional workshop in 2022. Our sustainability team led the project, supported by senior management, making a comprehensive assessment of our risks and opportunities. In this way, we formed a robust understanding of our current exposure and vulnerability towards climate hazards. The team also engaged with stakeholders, reviewed internal documents and leveraged in-house expertise.

We created a summary of relevant risks and opportunities in line with the Task Force on Climate-related Financial Disclosures framework (see 'Our TCFD index'), prioritising the most important 32 risks and opportunities. We subsequently analysed our exposure towards 2030- and 2050-time horizons under two scenarios: global warming of 1.5°C and 4°C above pre-industrial levels. This project continues to inform the way we manage and communicate our current and future climate change risks and opportunities, as we take further targeted action, working with our suppliers to advance towards sustainable agriculture and build resilience in our business.

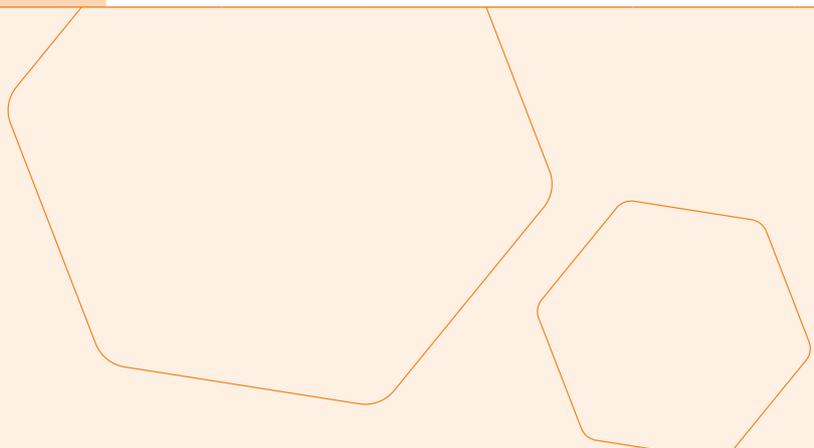


Rapid transition scenario

In this scenario, we consider the potential impacts on our company, should global warming reach 1.5°C above pre-industrial levels. This course of events could take place if government climate policies and action by businesses and individuals to halve global GHG emissions by 2050 yield results, helping to limit physical climate change impacts. Beyond this, it considers the International Energy Agency Net Zero by 2050 model and relevant regional and country-level and/or sector-specific scenarios, strategies and plans, where available.

Risk/opportunity rating: **L** Low, **M** Moderate, **H** High, **V** Very High, **U** Uncertain

Category	Type	Hazard	Physical impact	Financial impact	Cumulative risk rating		Methodology	Management response
					2030	2050		
Technology	Opportunity	Transition to low-carbon technology	Transition to more efficient, lower-carbon technology at the processing facilities	▲ CAPEX ▼ OPEX	H	V	We considered the outlook for the growth of viable, energy efficient and low-carbon technology in certain locations, making comparisons with existing technologies in use at our industrial facilities.	There is potential for us to adopt energy efficient and low-carbon heat generators, as the market grows. We will continue to invest in more efficient energy sources at our operations. In 2024, we prioritised rail over road transport at our Santos Port terminal expansion in Brazil, helping to lower fuel costs and GHG emissions, while respecting residents' quality of life.
Reputation	Risk	Negative investor perception	Negative financial positioning (lower rankings)	▲ Cost of capital	M	H	To better understand our key investors' view on climate protection, we studied their public commitments and strategies.	As commitments to invest in reaching net zero emissions grow, it is vital that our climate strategy remains ambitious and comprehensive. We aim to make progress on our SBTi-approved climate targets, guided by a detailed roadmap. We continue to explore sustainability and climate-linked financing opportunities, prioritising areas where we stand to make the greatest impact. For example, in 2024, we made an unprecedented \$600m loan agreement with OCBC, with targets linked to our science-based climate targets for reducing the FLAG emissions for soy and corn (our two most important commodities by volume).



Rapid transition scenario (continued)

Risk/opportunity rating: **L** Low, **M** Moderate, **H** High, **V** Very High, **U** Uncertain

Category	Type	Hazard	Physical impact	Financial impact	Cumulative risk rating		Methodology	Management response	
					2030	2050			
Reputation	Risk	Negative stakeholder perception	Loss of competitiveness	Revenues	M / H	U	We completed some research on the social and environmental impacts of key commodity cultivation in the most important locations.	The land use sector represents 23% of global GHG emissions, with deforestation accounting for a large proportion. This leads to distinct reputational risks for our sector. In 2024, we strengthened our deforestation- and conversion-free commitments by bringing forward the target date of our conversion-free goal for soy and corn from 2030 to 2025.	
Policy/ Legal	Opportunity	Bioenergy policy	Increased subsidies on bioenergy production	Revenues	H	H	To understand key trends and assess our exposure, we analysed the legal and political landscape in key producer and consumer countries.	Through our business in Brazil, we may benefit from renewable energy production, as the bioenergy market continues to expand.	
	Risk	Land use policy	Restriction of agricultural land use in key biomes	Revenues	M / H	U		OPEX	Recognising the urgent need to reduce GHG emissions and mitigate the impacts of climate change, global climate policies continue to evolve.
				CAPEX	H	H			
				OPEX					
	Risk	National net-zero policies	Global net zero	CAPEX	H	H		OPEX	To help ensure compliance, we monitor all relevant policy and legal developments that could affect our operations. As we work to meet the EUDR requirements, we are strengthening our DCF strategy and improving our traceability levels. We are also leveraging our Responsible Agriculture Standard and certified volumes through third-party sustainability certification schemes to help us manage this risk.
				OPEX					
	Risk	Traceability requirements	Additional administration requirements	CAPEX	H	H		OPEX	We continue to work within our business and across the maritime freight sector to reduce our shipping emissions.
OPEX									
Risk	Carbon pricing in South America	Emission-related restrictions and penalties	OPEX	H	H				
				H	V				
Risk	EU Emissions Trading System expansion			H	V				
Risk	IMO ship decarbonisation	Stricter IMO requirements on ship carbon efficiency			M	H			

High physical impact scenario

This reflects potential impacts on our business, should global warming rise to 4°C above pre-industrial levels. In particular, it is based on a continued rise in GHG emissions at current rates, which could generate significant physical climate change impacts, such as rising temperatures, changing rainfall or extreme weather events. In addition, it considers shared socio-economic pathways (SSP) 5-8.5, IPCC’s Sixth Assessment Report (AR6) and underlying Global Climate Models, while including regional and country level (downscaled) projections, where available.

Risk/opportunity rating: L Low, M Moderate, H High, V Very High, U Uncertain

Category	Type	Hazard	Physical impact	Financial impact	Cumulative risk rating		Methodology	Management response		
					2030	2050				
Physical	Risk	Drought	Transport disruption due to low river levels	▲ OPEX	U L	U L	We explored the most strategically important river-based transport routes for our company, focussing on examples where low river levels have led to disruption. We also considered the factors leading to potential droughts.	Given the relatively low risk rating, we will continue to monitor the potential for drought in order to ensure we take appropriate action, should the risk status change.		
			Negative impact on the crop quality and yields	▲ Commodity price	M	H			We explored the principal sourcing country regions for the commodities representing the largest proportion of our operational portfolio, in order to understand how the production of agricultural commodities is influenced by weather events. We conducted climate modelling and reviewed scientific literature, depending on the risk indicators and geography.	By identifying vulnerabilities in our supply chains, we are able to develop contingency plans to address potential disruption due to irregular weather events. To improve the resilience of our shared supply chains, we can also invest in technology and work closely with farmers and other industry stakeholders. In 2024, the drought in Brazil affected our sugarcane farming operations and production output, while the widespread wildfires in São Paulo State brought additional risks.
			Frost and Freezing	▲ Supply chain disruption	L	M				
			Heavy rainfall		M	M				
			Extreme temperatures		H	V				
		Wildfires		U	V					
		Tropical cyclones	Damage to assets and operations	▲ CAPEX	U	H	We have analysed the vulnerability of our logistical and industrial operations to certain weather events, depending on location and transport flows.	Tropical cyclones pose a risk to some of our operations and could present a future challenge. As part of our global risk management strategy, we will complete regular assessments and follow risk protocols in case of disruption. This will help us to monitor and address any risks and prevent financial losses. In 2024, we experienced no major damage to assets or operations as a result of this hazard.		
				▲ OPEX						
				▲ Supply chain disruption						
				Riverine flooding		L			L	We are monitoring any risk in order to ensure we are prepared to take action, should anything change.
Coastal flooding				L	L					



Khaja Qureshi
Chief Risk Officer,
COFCO International

Q&A

Why COFCO International is strengthening its approach to managing climate risk

As climate risks become ever more prominent for our business and industry, we speak to our Chief Risk Officer, Khaja Qureshi, about why he is increasingly thinking about climate risks in his role. In particular, he talks about how climate change is impacting the diverse risks he manages, and the action we are taking to mitigate these impacts and build resilience.

Could you describe your role?

I'm responsible for overseeing COFCO International's risk management, in particular risks linked to our operations, markets, credit and insurance. My mandate is to enable the company to take risks in a controlled and compliant way that addresses negative and maximises positive impacts on our business, customers and shareholders.

What is the business case for addressing climate impacts?

Climate change will have a significant impact on our operations and it is clear that reducing our GHG emissions and building the resilience of our business to climate change is required for us to continue trading in the future. As the agricultural sector is vulnerable to the impacts of extreme and irregular weather, we must do everything we can to secure a reliable, ongoing supply of commodities, particularly as demand continues to grow. This means future-proofing our operations, while working with our suppliers to address their climate risks.

How does climate change impact your operations?

Extreme weather is already disrupting our ability to supply commodities, both in terms of volume and efficiency. Flooding, for example, can eliminate an entire crop in the impacted area. And when we're obliged to source from alternative suppliers to cover shortfalls, we inevitably face new risks, whether logistical, financial or reputational.

There are also quality risks – as wetter conditions from heavy rainfall create ideal environments for pests and disease. To manage this, producers may turn to additional or new pesticides, which can affect product quality and pose regulatory compliance risks.

Climate change also poses physical risks to our assets – from warehouses damaged by wildfires, floods or storms to disrupted logistics. Shifting sourcing patterns can affect storage timelines, and transport routes are increasingly vulnerable. In Paraguay, the Missouri River (US), and the Danube (Europe), we've already seen river levels drop so low that key shipments were delayed or rerouted.

Why does climate matter from a market perspective?

We're already seeing greater market volatility driven by more frequent and unpredictable extreme weather events. This instability makes it harder to operate effectively – and limits our ability to offer producers strong, risk-mitigating prices. The historic market risk modelling techniques need to be adjusted and constantly tuned to a more volatile norm. This in turn creates challenges to prudent management of price risk.

Policy changes are also reshaping our markets. Around the world, governments are introducing new regulations on deforestation, biodiesel use, carbon trading and emissions – all of which have direct implications for our markets.

Importantly, the full impact of climate risks on agricultural commodity markets remains unclear. We must deepen our understanding in this area to better anticipate how these risks could impact our profitability and future growth.

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As the agricultural sector is vulnerable to the impacts of extreme and irregular weather, we must do everything we can to secure a reliable, ongoing supply of commodities, particularly as demand continues to grow. This means future-proofing our operations, while working with our suppliers to address their climate risks.”



Could you explain how climate change affects credit risk?

Climate change is increasing risks tied to providing credit across agricultural supply chains. The growing prevalence of extreme weather events raises the likelihood that suppliers may be unable to fulfil contracts. When crops fail, farmers can struggle to repay loans – raising the risk of defaults or even bankruptcy. For example, our suppliers were affected by the flooding in Brazil’s Rio Grande do Sul last year. In 2023, we saw crop failures in Argentina due to drought, and frost damaged coffee yields in Brazil. More recently, in 2024, grain production across Europe was significantly affected – wet weather in Western Europe delayed harvests, while dry conditions in Central and Eastern Europe reduced yields.

These pressures are prompting banks to reassess the risk profile of farm businesses. In some regions, they are pulling back from offering pre-financing, making it harder or less advantageous for farmers to secure funding. We must also assess pre-financing agreements more carefully to protect ourselves from exposure to these growing risks, while also supporting farmers to manage these risks.

How does the changing climate affect insurance?

Climate change presents a major challenge for the insurance industry, particularly in relation to agriculture. The increasing frequency of extreme weather events led to \$137 billion in insured losses in 2024 alone – and this figure is expected to rise in 2025. Insurers now face challenging questions about how to continue providing coverage to farmers and agribusinesses, as they become more vulnerable to climate risks.

And with regulators, shareholders and civil society increasingly expecting insurers to provide coverage only to sustainable or climate-friendly companies, they expect to see evidence of our strong ESG risk management.

How is COFCO International managing these risks?

Our efforts to end deforestation in our supply chains directly mitigate climate risks, as land use change linked to commodity sourcing is the largest contributor to our GHG footprint. It’s the single most important step we can take toward meeting our climate goals.

Beyond this, we’ve strengthened our ESG risk management, helping to safeguard our reputation with key stakeholders including insurers, banks, customers, and increasingly the next generation of landowners from whom we lease fields for our sugarcane operations in Brazil.

Finally, our proactive approach to preparing for evolving ESG regulation helps to secure continued market access and opens new opportunities, which is central to managing the full spectrum of risks we face.

How will you build on this work, moving forward?

Geopolitical tensions are amplifying many of these risks, particularly as competition grows over critical resources such as rare earths required for the energy transition. To navigate this uncertainty, we must remain agile, well informed and prepared to adapt our practices. Strengthening our sustainability performance will remain at the core of our efforts, enabling access to new markets, finance and insurance solutions that help us manage risks and stay resilient in a rapidly changing world. Climate risk is a fundamental challenge to humanity and not just our company or sector. We all need to do our part, whichever sector we’re in and however we can. At COFCO International, we are fully committed to this end.

Improving our Scope 1 and Scope 2 emissions – own operations

We are committed to improving energy and fuel efficiency by prioritising renewable energy use, optimising the application of fertilisers, refrigerants and other GHG sources, while managing crop residues, and ensuring responsible land management. We focus on the areas where we stand to create the greatest impact, leveraging cutting-edge technology and best practice to continuously improve our performance.

38%

decrease in Scope 1 and Scope 2 industry emissions

Our Environmental Policy defines our approach to measuring, managing, and communicating our environmental impact, including GHG emissions, through key performance indicators. We prioritise the use of renewable and non-fossil fuel energy, and aim to lower our GHG emissions and air pollution levels.

Understanding our Scope 1 and Scope 2 GHG emissions

In 2024, we further streamlined our GHG accounting methodology, striving for a greater level of detail and accuracy, with the support of an external partner, South Pole.

The scope for direct emissions covers all sites over which we had operational control during any period within 2024, including industrial assets, warehouses, port terminals, farming operations and offices, as well as the chartered vessels for which we were able to control fuel consumption.

Our total Scope 1 and Scope 2 GHG emissions represented 2,032,347 tonnes of CO₂eq. We observed a 4% year-on-year reduction, primarily driven by our freight business, where we prioritised larger vessels with a lower emissions intensity.

Progress towards our climate targets

We are making good progress towards our Scope 1 and Scope 2 industry targets, having achieved a 38% decrease compared to 2021 (2033 target: 54.6% reduction). This was largely due to a reduction in the emissions from our time-chartered vessels. This target covers approximately 1.57% of our total emissions (baseline year).

However, our farming operations have expanded, most notably in Brazil, where we have increased production outputs and yields, and expanded our crop rotation programme. This has resulted in higher absolute emissions compared to 2021. The related Scope 1 FLAG target covers approximately 0.16% of our total emissions (baseline year). We continue to improve our agricultural practices in order to ensure progress towards decarbonisation.

Responsible use of energy

To optimise direct and indirect energy resources and reduce related GHG emissions, we focus on improving energy efficiency, optimising energy consumption, and minimising our exposure to energy security risks. We are also committed to using renewable and non-fossil fuel energy at all our assets whenever possible, while continuously strengthening processes with advanced technologies to use natural resources, including energy and fuel, efficiently. Our target is to annually maintain the portion of our assets' energy needs met by renewables above 85%.

Scope 1 and Scope 2 GHG emissions, in tonnes of CO ₂ eq	2021	2022	2023	2024
Scope 1	2,946,369	2,339,717	2,139,751	2,032,347
Stationary combustion	218,908	162,227	155,124	264,406
Mobile combustion	2,495,496	1,977,101	1,738,599	1,419,918
Fugitive emissions	12,727	13,999	6,750	18,749
Plantations	219,238	186,389	239,278	329,275
Scope 2	95,030	68,269	82,540	91,425
Purchased electricity	77,968	53,049	61,723	71,561
Purchased heat	17,062	15,220	20,818	19,865
Total GHG emissions Scope 1&2 (market-based)	3,041,399	2,407,986	2,222,291	2,123,772
Outside of scopes	3,805,981	3,811,424	4,223,202	3,429,017
FLAG emissions, as a percentage of Scope 1&2	9%	11%	16%	19%
Non-FLAG emissions, as a percentage of Scope 1&2	91%	89%	84%	81%

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We are steadily advancing our efforts to optimise energy efficiency, adopt clean energy and lower our GHG emissions, making significant investments across our assets, in line with our climate targets.”

Yongjun Li, Global Asset Management Director, COFCO International

Some 87.3% of our assets’ energy needs were met by renewable energy in 2024. This represents a slight reduction compared to 89.2% in 2023, primarily due to a deceleration in sugarcane processing relative to grains and oilseeds (our sugar mills consume more renewable energy compared to our industrial operations for grains and oilseeds). It also relates to a lower use of wood chips for drying grains (driven by lower humidity).

Our sugar mills in Brazil supplied local electrical grids with 709,538 MWh of surplus bioenergy in 2024, 7% more than in 2023, despite the deceleration in sugarcane processing.

Our total energy consumption increased from 54.1 million GJ to 57.1 (+6%), largely due to increased processing in grains and oilseeds industrial operations, with some assets breaking annual processing records, and greater use of machinery in our sugarcane plantations, due to a longer harvest period. Within our assets, our sugar operations in Brazil continue to represent our most significant use of energy, accounting for around 83% of total energy consumption, including sugar mills and sugarcane plantations. These operations are served almost entirely by renewable energy, with a large share derived from bagasse (a by-product of sugarcane crushing).

The energy intensity of our industrial operations rose by 3% in 2024 (see the below table). While we achieved a 6% reduction in our grains and oilseeds operations (largely due to scale gains, with more processing leading to a more efficient use of resources), we also experienced an 8% increase in our sugar operations. This was due to more frequent production stoppages, which also led to a higher consumption of non-renewable electricity.



Addressing energy use and emissions across our operations

In 2024, we continued our efforts to improve energy efficiency, prioritise renewables and reduce GHG emissions of our operations. At our Catanduva sugar mill in Brazil, we invested \$47 million in the construction of a new, more efficient boiler. We also made changes to this asset’s production layout and adapted our equipment. In addition to increasing the efficiency of the process, we have also invested in technological innovations for environmental protection. For example, we have installed an air control system with an electrostatic precipitator that is highly effective in capturing fine particles and soot without the use of water. It improves air quality and reduces the use of water resources, thereby lowering the generation of effluent.

At our Standerton Oil Mills in South Africa, we have invested in new solar panels of a combined power of 400 KW to reduce our use of purchased electricity. Meanwhile, at our Kandla refinery in India, we have installed 720 KW of solar panels for on-site generation of renewable energy. We have also included variable frequency drives (an electronic device that controls the speed of an electric motor by adjusting the frequency and voltage supplied to it) and replaced the fan blades of our cooling tower, lowering energy needs.

At our Timbúes industrial complex in Argentina, we launched a project to improve our cogeneration turbine, and started using a mix of wood chips and natural gas to fuel the boilers, reducing GHG emissions and improving our plant’s resilience, avoiding shutdowns. Similarly, in our Saforcada crushing plant, we also rely on cogeneration, using soybean and sunflower hulls to fuel the boilers.

We continued to replace conventional lighting with more efficient LEDs in assets across Argentina, Brazil, Paraguay, Romania, Russia and Spain. In Argentina, we launched a lighting renovation plan through which obsolete, conventional lighting is replaced with LED bulbs.

In the UK, we replaced diesel forklifts with electric alternatives and are now taking part in the government’s Energy Savings Opportunity Scheme.

Our Santos port terminal in Brazil conducted a local GHG inventory and received a ‘Gold Seal’ recognition from the Brazilian GHG Protocol Programme. This also supported compliance with port authority requirements.

Energy efficiency	2019	2020	2021	2022	2023	2024
Energy intensity (MJ / tonne processed)	2,463	2,376	2,295	2,411	2,238	2,308

Decarbonising our farming operations

In 2024, the FLAG emissions linked to our sugarcane plantations and South Africa farming operations represented 19% of our total Scope 1 and Scope 2 emissions, compared to 16% in 2023. This reflects the expanding volumes produced by our sugarcane plantations, which represent the most significant proportion of our Scope 1 and Scope 2 FLAG emissions. However, with direct operational control over our sugarcane plantations, we have more influence in reducing emissions, and continuously strengthen our efforts to improve our performance.

To reduce these emissions, we invest in measures that enable us to optimise machinery use and enhance operational efficiency. In 2024, our Agricultural Operations Group began a partnership with the supplier Case New Holland on a project that leverages gamification to encourage machine operators to reduce fuel consumption related to idle machinery. In Catanduva, we replaced diesel pumps used for irrigation with electrical alternatives, reducing fossil fuel dependency.

Beyond this, we invest in measures and projects that address multiple sustainability challenges in an integrated way. For example, our crop rotation programme (see [‘Promoting biodiversity and healthy ecosystems’](#)) and our vinasse concentrators (which reduce fuel use from vinasse distribution) are designed to improve soil health and biodiversity conservation. In particular, rotating crops and adding microorganisms to the soil help to enhance nitrogen fixation, while compost and vinasse provide a more sustainable fertiliser, reducing our reliance on more emission intensive synthetic fertilisers. This in turn lowers the GHG emission intensity of our sugar operations.

Our contribution to nature conservation and ecosystem restoration, including our reforestation efforts, also have a positive impact on mitigating climate change (find more details in [‘Strengthening the resilience of agricultural systems’](#)).

In our South Africa farming operations, we partner with local contracted farmers to support investments and encourage the adoption of advanced agricultural technology, in order to raise yields and lower emissions.



Decarbonising our maritime freight operations

Shipping is of vital economic importance, transporting some 80% of global trade. However, there is much to be done to achieve net zero shipping emissions by 2050. On the right, Jian Zhang, our Global Head of Freight, summarises the steps we are taking to reduce the GHG emissions of our maritime freight operations, in line with the sector's energy transition.

The way we account for our emissions from maritime freight depends on the level of control that we have over the part of our business they arise from. We have operational control over our time-chartered vessels, which are managed by our freight team and represent over three quarters of our scope 1 and 2 emissions. In 2024, we reduced our Scope 1 and 2 Industry emissions by 38% compared to our 2021 baseline. We have limited direct control over our voyage-chartered vessels; these emissions are accounted for in Scope 3. We are working hard to reduce these emissions through work within our business as well as through collaborative work with the maritime freight sector.

One way we are reducing emissions is through the use of specialised software to optimise voyages and verify ship Energy Efficiency Indexes before arranging time-chartered vessels. Furthermore, a project we conducted with Lloyd's Register in 2023 and 2024 provided us with insights into existing technologies to lower emissions and considered their potential impact on our emission profile. Following this, around a third of the ships in our chartered fleet have at least one energy-saving device (such as a propeller duct, rudder bulb, pre-swirl stator fin, bow enhancement, and/or hull fin).

We continue to take part in collaborative industry initiatives. As a signatory to the Sea Cargo Charter (SCC), we report the annual progress of our chartering activities towards the industry's decarbonisation journey, following the methodology established by the SCC. In 2024, we managed to collect a lot more data on voyages, which in turn increased the number of voyages reported under the SCC. Key to this achievement was the introduction of charter party clauses for voyage data reporting, which ensured that ship owners provide us with the requested fuel emission reports.



Our 2024 SCC climate alignment score was +10.1% (towards the minimum trajectory) or +16.7% (striving trajectory), reflecting the progress the sector still needs to make to align with IMO targets. The data used to compile our 2024 SCC scores underwent an external audit with Lloyd's Register. All the verification checks demonstrated that the data used for the SCC calculation was valid, taking into account the accuracy constraints of data measurement procedures employed to source the information.

In the year ahead we are participating in multiple pilot projects, as we continue to explore innovative freight decarbonisation approaches. Continued efforts to optimise shipping routes, berthing times and fuel efficiency will also contribute to further emissions reductions in this part of our business. We will also continue to support the Sea Cargo Charter, the Getting to Zero Coalition and the Global Maritime Forum's Operational Efficiency Statement as we recognise the need for sectoral action to reach our shared goals.



Jian Zhang

Global Head of Freight,
COFCO International

How we are taking steps towards freight decarbonisation

As part of our commitment to supporting the International Maritime Organization's (IMO) goal to fully decarbonise the freight sector by 2050, we take every opportunity to improve the efficiency of our maritime operations and reduce GHG emissions. This work is increasingly important as the global population expands and more commodities are transported around the world by sea. Meanwhile, as emissions regulations evolve, we must be ready to ensure compliance. For example, the European Union Emissions Trading System is now relevant to many of our shipments to Europe. That's why we continuously seek to improve our ship speeds and routes. We take a best practice approach to optimising our energy use and efficiency, with our freight team overseeing fuel consumption for the vessels we manage.

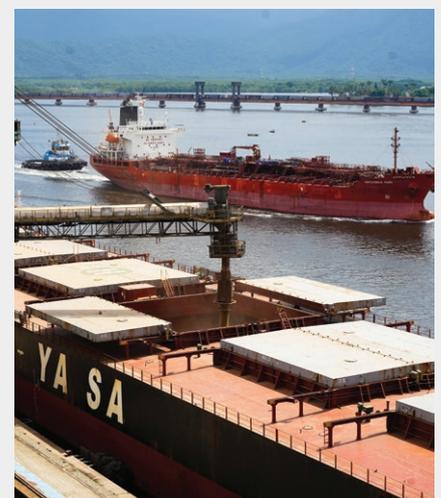
In 2024, as part of our commitment to the Sea Cargo Charter, we improved our monitoring of fuel emissions for chartered vessels, obtaining information for significantly more voyages in 2024 than in 2023. These insights help us to improve the way we select our vessels (based on efficiency and route optimisation) and enhance voyage efficiency by leveraging the most suitable tools and technology on the market.

In this way, we were able to achieve significant emissions reductions for our maritime operations. This contributed to a 38% reduction in Scope 1 and 2 emissions compared to 2021 under our industry targets, of which more than three quarters arise from our freight business. We also worked to identify the most appropriate emission reduction technologies for our fleet, reviewing the latest technologies and assessing their potential impact on our maritime freight emissions, building the foundation for further reductions.

Our work under the Sea Cargo Charter is a key part of our freight decarbonisation strategy, helping us to collect the emissions data we need to make informed decisions, and ensuring that we calculate and disclose emissions in a way that is standardised across the industry.

We must still do more to respect the trajectories defined by the Sea Cargo Charter to meet IMO targets. To this end, we participate in a number of platforms and events to drive industry collaboration and innovation for freight decarbonisation, including the Global Maritime Forum's Getting to Zero coalition, Suisse Négoce, and events such as Geneva Dry.

Through our own efforts and collective industry action, we know there is tangible progress to be made. We will continue to explore promising freight decarbonisation innovations, while renewing our efforts to optimise shipping routes, berthing times and fuel efficiency, as we strive to make a lasting difference.



Scope 3 emissions – supply chains and beyond

In addition to taking action in our own operations, we engage with suppliers, farmers and other partners across our supply chain in order to drive innovation to reduce our Scope 3 emissions and address their underlying causes. In particular, we focus on reducing emissions associated with the agricultural commodities we source, as well as those linked to transportation, distribution and product consumption.

14%

Reduction in Scope 3 FLAG GHG emissions intensity from corn vs 2021 baseline

9%

Reduction in Scope 3 FLAG GHG emissions intensity from soybean vs 2021 baseline

We source some of our commodities from countries with energy-intensive practices, particularly where fossil fuels are used in agricultural production (for farming equipment and irrigation systems) and transportation, with many suppliers lacking access to renewable energy infrastructure. The production of some nitrogen-based fertilisers is also energy-intensive.

Rising energy costs may affect the prices of commodities, and physical climate-related risks could lead to increased fuel use (for example, when irrigation is needed on farmland affected by drought). However, there are also opportunities related to the generation of carbon credits linked to decarbonisation and these have the potential to generate added revenue.

We have clear requirements for our suppliers within our Supplier Code of Conduct and are taking decisive steps to prevent deforestation and conversion from our supply chains (see [‘Placing responsible land use at the centre of sustainable sourcing’](#)).

Under our Supplier Code of Conduct, suppliers must:

- Use renewable and non-fossil fuel energy, and apply climate-friendly products wherever possible, in order to lower GHG emissions.
- Implement measures that contribute to decarbonisation and/or capturing carbon from their own operations and supply chain.

To manage climate risk, our suppliers of agricultural commodities must account for climate change risks (including physical, transitional and reputational), to the extent possible. This also encompasses risks relating to water resources and food security. We require them to adopt sustainable practices that lower the potential impact of climate change, where possible.

For volumes produced in line with our Responsible Agriculture Standard, we require farmers to lower their GHG emissions. They should strive to implement measures that contribute to decarbonisation and/or capturing carbon within their operations and across their supply chain. The Standard supports farmers with calculations of GHG emissions.

Understanding our Scope 3 GHG emissions

In 2024, we continued our efforts to address Scope 3 emissions by improving data granularity and launching targeted projects aimed at better understanding and managing the most significant emission categories.

Progress related to SBTi

Overall, our Scope 3 emissions decreased by 11% in 2024, compared to the previous year. The primary reason for this was the improvements in our soybean and maize sourcing practices leading to reductions in Category 1 Purchased Goods and Services emissions. Importantly, our 2024 SBTi FLAG Scope 3 emissions results are on track to meet our 2033 targets. In particular, we achieved a 14% reduction in emission intensity for purchased corn volumes, and a 9% reduction for purchased soy volumes compared to 2021. This is an important improvement, given that corn and soy-related FLAG Scope 3 emissions represented 82.34% of our total baseline year emissions.

In particular, we made progress through more strategic sourcing from regions with lower emissions intensity and improving traceability on land conversion dates, allowing us to make better informed sourcing decisions.

This performance represents a significant step towards our SBTi targets. For further measures we are taking to address Scope 3 FLAG emissions, see the next page, and [‘Placing responsible land use at the centre of sustainable sourcing’](#), where we cover how we are approaching land use change, the main driver of our Scope 3 FLAG emissions.

To address Scope 3 industry-related emissions, we have launched two projects (Rumo rail assets and LNG trucks, see below), from which we expect to see a positive impact on our emissions in future years. In 2024, the emissions covered by our Scope 3 industry target were 1% higher than 2021. In 2025 we will further refine our GHG inventory approach for upstream and downstream transportation and distribution, which will enable a more accurate understanding of this portion of our emissions profile.

Scope 3 category*, in tonnes of CO ₂ eq	2023 emissions	2024 emissions	% of the total Scope 3 emissions
Cat. 1: Purchased goods and services	151,855,733	134,204,146	85.4%
Cat. 2: Capital goods	66,284	39,109	0.0%
Cat. 3: Fuel and energy-related activities	406,969	332,880	0.2%
Cat. 4: Upstream transportation and distribution	8,741,377	8,530,162	5.4%
Cat. 5: Waste generated in operations	5,520	5,383	0.0%
Cat. 6: Business travel	1,402	1,402	0.0%
Cat. 7: Employee commuting	9,127	9,127	0.0%
Cat. 9: Downstream transportation and distribution	7,079,749	6,099,161	3.9%
Cat. 10: Processing of sold products	3,118,695	2,871,337	1.8%
Cat. 11: Use of sold products	705,450	1,147,162	0.7%
Cat. 12: End of life treatment of sold products	4,661,311	3,290,869	2.1%
Cat. 13: Downstream leased assets	351,817	631,050	0.4%
Scope 3 Total	177,066,483	157,161,788	100%
Scope 3 FLAG	148,397,534	131,125,878	82.5%
Scope 3 FLAG Cat. 1: Purchased goods and services	147,755,388	128,554,615	
Scope 3 FLAG Cat. 11: Use of sold products	642,146	1,134,754	
Scope 3 LUC	102,418,889	94,203,295	59.9%

* Observation: Categories 8 (upstream leased assets), 14 (franchises) and 15 (investments) are not applicable to our business, thus not represented in this breakdown.

Improving our Scope 3 industry and logistics emissions

To improve our logistics emissions, we invested \$202 million in the acquisition of 979 train wagons and 23 locomotives to enhance our logistics operations in Brazil and meet growing demand. Operated by Rumo, these rail assets will transport up to four million tonnes of grains and sugar annually to COFCO International's new export terminal (STS 11) at the Port of Santos. The investment will contribute to a more efficient and lower-cost supply chain, reducing emissions by 80% compared to the equivalent road transportation.

For Scope 3 industry-related emissions, we changed diesel-powered trucks to Liquefied Natural Gas (LNG) vehicles for a key grain transport route in the state of Maranhão. COFCO's agreement with VirtuGNL, a logistics company for trucks powered by LNG, is valid for two years and provides for the transportation of up to 180,000 metric tonnes of grains between Balsas and the port city of São Luís. The agreement is part of COFCO International's efforts to decarbonise our on-road freight transport and achieve our global science-based emissions reductions targets.

The LNG-fuelled fleet will have a daily consumption of approximately 8,480 m³ of natural gas, which compared to diesel-powered trucks, could result in a 20% reduction in greenhouse gas emissions and a 90% reduction in the release of nitrous oxides (NO_x). In addition to the environmental benefits, the project will create a positive impact on the regional economy, supporting the development of infrastructure for LNG supply and promoting the energy transition in Brazil.

Carbon credits to incentivise emission reductions in our value chain

We trade RenovaBio-certified sugar- and soybean derived biofuel in Brazil in order to promote emission reduction efforts in the biofuel value chain. This also generates carbon credits (CBIOS). In 2024 our grains and oilseeds business in Brazil sold 207,315 CBIOS, a 16% increase compared to 2023. We also generated 599,989 CBIOS through our sugar business, 5% more than in 2023. These credits led to a combined revenue of \$12.7 million.

Reducing GHG emissions in our coffee business

In Brazil, in partnership with CECAFE (the Brazilian Council of Coffee Exporters), we conducted a study covering 26 conilon coffee production farms in the Espírito Santo region. In particular, we assessed emissions and sequestrations by exploring the inputs required for coffee production, evaluating the structure and weight of biomass and collecting soil samples, in order to interpret the data for the carbon balance in conilon production.



Addressing farming emissions

Measuring the GHG emissions of soy farmers in Argentina

In Argentina, as part of a pilot project to assess and reduce GHG emissions, we worked with 20 soybean farmers covering a total of 60,000 hectares to help measure their emissions and identify opportunities for future reductions. Together, they represented volumes of 40,000 metric tonnes of soybeans, which were delivered to our Saforcada complex, ready to be used for flour or within oil or biofuel production. Farm-level traceability data was available for all participating farmers, whose farms are largely certified as deforestation-free under EPA or 2BSvs programmes.

Suppliers were required to provide production information from the fields in question to determine net emissions from soybean production. We completed the measurement of emissions with the support of Plataforma Puma. Participating farmers benefit from third-party verification (via Control Union), a deeper understanding of their environmental impact, and the potential to access carbon credits or international certifications in the future.

Placing responsible land use at the centre of sustainable sourcing

Land use change, including deforestation and conversion of natural landscapes, is the most significant contributor to greenhouse gas emissions in our supply chains. It also leads to biodiversity loss and threatens land rights of vulnerable groups such as indigenous communities. Identifying solutions for promoting local economic development and supporting thriving farmer livelihoods without converting natural ecosystems is a priority for the agricultural industry.

We continue to take action on this issue across our supply chains, and in 2024, launched a new goal to ensure deforestation and conversion-free soy and corn supply chains by the end of 2025 (bringing the conversion target forward from 2030). Importantly, these commodities represent more than 50% of the volumes we sell to customers. This ambition also supports our SBTi-approved climate targets and our commitment to the [Agriculture Sector Roadmap to 1.5°C](#), through which we are collectively striving to address GHG emissions from land use change by achieving zero deforestation and conversion in soy from the Amazon, Cerrado and Gran Chaco biomes.

As we prepare to comply with the European Union's Deforestation Regulation, which requires products³ entering Europe to prove that there is no deforestation or conversion in its supply chain, we have been establishing the required due diligence processes. See '[Responsible governance and compliance](#)'.

Understanding deforestation and conversion

Deforestation is understood as the removal of forest, leading to the permanent loss of tree cover and subsequent use of land for purposes including agriculture. Conversion refers to the change of any natural ecosystem (for example, tropical savanna, grasslands, forests or peatlands) to another use.

In the Brazilian Amazon, Brazil's Forest Code requires all rural farmers to farm only 20% of their land, and to protect the remaining 80%. To support implementation of this law, all rural properties must be mapped and registered through the country's Rural Environmental Register. There was a decrease (17%) in deforestation in the Amazon in 2024 compared to 2023, while land degradation increased, primarily following an increase in fires.

Elsewhere in Brazil, the Cerrado tropical savannah is of considerable ecological importance, as the world's most biodiverse savannah. It is also Brazil's largest production region for soybean, corn and cattle. In this biome, the Forest Code requires farmers to protect 20-35% of their land, presenting challenges for companies in encouraging nature conservation beyond the legal requirement. There was a 41% reduction in conversion in 2024, compared to the previous year, in part due to increased enforcement and a decrease in clearance in the Matopiba region (90% of which is in the Cerrado).

The Gran Chaco Forest is South America's second largest forest. The majority (two thirds) is in Argentina, with the rest in Paraguay, Bolivia and Brazil. Deforestation rose in the Argentinean Gran Chaco in 2024, following the same trends as recent decades. Meanwhile, in Indonesia, deforestation and the conversion of peatlands remains a concern. Deforestation increased in 2024, reaching the highest level since 2021, largely due to legal land clearing, yet is taking place at relatively low levels compared to previous decades.



* The scope includes palm oil, soy, cattle, coffee, cocoa, rubber and timber.



Why responsible land use is important for COFCO International

Agricultural production relies on healthy ecosystems (good soil health, availability of freshwater resources and biodiversity) and a stable climate, and therefore conserving forests and other natural landscapes is of vital importance to our ability to source sufficient, high-quality yields and help promote global food security. Taking action to promote responsible land use sits at the centre of our sustainable sourcing priorities, and will help to ensure the long-term resilience of our company. We are partnering with our suppliers to affect change, particularly as a business sourcing significant volumes from commodities associated with high rates of deforestation and conversion.

How we protect forests and natural landscapes

We take a risk-based approach to the use of land in our supply chains, prioritising action in sourcing regions with the most significant risks. In South America we are prioritising working with suppliers in the Amazon, Cerrado and Gran Chaco (for soybean and corn, for which crop land typically overlaps). We also help to promote responsible land use in palm oil in Indonesia and Malaysia, and in coffee and cotton production, which we source from lower risk regions, building on our existing traceability and due diligence efforts.

Our policy requirements

Our suppliers must use environmental practices that prevent deforestation and the conversion of natural and critical habitats, in line with our Supplier Code of Conduct.

In 2024, we developed a new Sustainable Corn Sourcing Policy (published in 2025) and updated our Sustainable Soy Sourcing Policy to include our updated commitment to DCF sourcing by 2025.

For palm oil, our Sustainable Palm Sourcing Policy requires suppliers to respect High Conservation Value areas, High Carbon Stock forests, protected areas and peatlands.

Stakeholders can report cases of non-compliance with our sourcing requirements, including those related to deforestation and conversion, through our Integrity Hotline. We investigate every incident, managing palm oil grievances following our Palm Oil Grievance Management Procedure. For more on effective grievance management, see '[Our corporate culture, values and business ethics](#)'.

Making progress towards DCF supply chains

We assess supply chain risks, including deforestation and conversion risks, following different approaches for each commodity and monitoring DCF performance. This enables us to understand the regions and jurisdictions where risks are more significant, and prioritise our efforts to improve performance. We adapt our approach to managing risk and improving supply chain traceability in line with the sustainability challenges of each commodity.



Land use change is the greatest contributor to GHG footprints in agriculture, and therefore working together with farmers to ensure our supply chains are deforestation and conversion-free (DCF) will contribute significantly to meeting our science-based climate targets.”

Wang Yunchao, Managing Director Brazil and Integrated Product Line Global Soybeans, COFCO International

Soy and corn

Aligned with methodologies developed with industry peers in the Soft Commodities Forum (SCF) and the Agri-Sector Roadmap to 1.5°C, we consider soy and corn to be DCF if it comes from low-risk regions (country, state or province/municipality), from plots of land verified DCF since the cut-off date, or from silos with negligible risk of deforestation or conversion within a 50km radius. Where these criteria are not met, COFCO International works directly with the supplier to develop action plans towards compliance.

Also aligned with industry peers, COFCO International applies a 2025 latest cut-off date, meaning soy and corn volumes will be DCF if there has been no land use change on the plot of land where the volumes were produced since that year. COFCO International can apply cut-off dates earlier than 2025 where relevant, for example the Amazon Soy Moratorium and where required by regulation or customer demand.

In South America, we buy products from farmers and producers (direct supply) and indirectly through cooperatives and other traders (indirect supply). We have already made strides on supply chain traceability among our direct suppliers, where we have a closer commercial relationship. We are now focusing our efforts on our indirect suppliers, working collaboratively to increase visibility over entities further up the chain.

In Brazil, our work on traceability centres on farm geolocation information, obtained through records of the farm’s legally registered lands (as per the national Rural Environmental Register system). In this way, we analyse social and environmental information such as the boundaries of a farm, any recent land use change (through Brazil’s PRODES system), whether cases of land use change were legal (i.e. completed with governmental authorisation), and if the area sits within embargoed areas. Similarly, we cross-reference the supplier information with names of any companies involved in human rights abuses or illegal practices. We can also leverage the information to investigate any potential grievances. We continuously strive to expand the type of information that we monitor, as new data is made available to the market.

Overall, this work enables us to identify potential cases of non-compliance and prevent any business from taking place with farms that do not comply with our sourcing requirements. In 2024, we maintained full traceability to farm for directly sourced Brazilian soybean (externally verified) and obtained the same for corn. We mapped and analysed more than 4.48 million hectares of soybean farms (corresponding to 2,299 farms) for social and environmental risks. This represents a 32% increase, compared to 2023. In addition, we conducted 377 analyses for pre-financing, covering 872 individual properties and more than 500 suppliers.

We also enhanced traceability for indirect suppliers in Brazil, with our teams, meeting cooperatives and resellers in Matopiba states and elsewhere throughout the year, and encouraged them to use our sustainability platform My COFCO Portal to improve their performance. See [‘Engaging with suppliers and promoting farmer capacity building’](#) for more information.

Beyond traceability, in 2024, 99% of the soy we sourced (directly and indirectly) in Brazil was verified as DCF through an external audit. Through the SCF, we also report our verified annual DCF performance for volumes sourced in the Cerrado biome. In 2023 (reported in 2024), 98.5% of the soy we purchased from direct suppliers and 99.9% of the volumes from indirect suppliers in the Cerrado were verified as DCF. Both of these analyses used a 2020 cut-off date.

Some of our financing mechanisms are linked to soy traceability and environmental and social risk assessments, and, from 2024 onwards, our science-based emission reduction targets for soy and corn. See [‘Leveraging sustainable finance to achieve our goals’](#).

Overall, the SCF expanded the scope of its work to include the entire Cerrado biome, covering more than 200 million hectares across 800 municipalities. This represents a 1,124% increase compared to 2019. The group also revised its methodology for assessing risks for indirect farmers, and segregated reporting for direct and indirect farmers. Meanwhile, its Farmer First Clusters initiative reached 178 farms, covering 700,000 hectares, and preventing 1.3 gigatonnes of CO₂ from entering the atmosphere (see [‘Q&A: Partnering to empower farmers to adopt sustainable practices’](#)).

In Argentina, certified products are more widely available, and therefore there are fewer risks to address. However, we remain committed to improving performance, and in 2024, with the support of specialists at Agrosatélite, we completed a comprehensive analysis of risks and opportunities related to commodities sourced from the Chaco biome in order to evolve our strategy for the region. Through our participation in the Platform for the Sectorial Vision of the Argentine Gran Chaco, we are supporting sector-wide efforts to address deforestation and land use change in Argentina. See [‘Our contribution to global food security’](#) for more information, and our work to supply sustainable soymeal to an Argentinean pet care customer ([‘Meeting market demand through sustainability certifications’](#)).

Palm oil

As a trader and downstream refiner of palm oil (see '[Understanding our products and services](#)'), we continue to partner with our suppliers, peers and customers to address the challenges of deforestation and development and expansion of plantations on peatland in Indonesia and Malaysia. These countries represent the majority of our sourced volumes (50% and 39%, respectively, with the rest sourced from Papua New Guinea and Thailand). Our collective efforts have led to significant sector progress, largely due to the implementation of widespread 'No deforestation, no peat development and no exploitation of human rights' (NDPE) commitments, government-led action and non-governmental initiatives (including those of the RSPO, ISPO and MSPO).

Despite the high risk of deforestation and conversion in our sourcing regions, our palm oil business is relatively small (by volume) and therefore our related GHG emissions remain low, and do not meet the thresholds to be considered within the scope of our emission reduction targets.

In collaboration with our direct suppliers, and with the technical support from Proforest, we are working to continuously improve our traceability and implement our NDPE commitment in our supply chain. We produce annual, externally verified mill lists, publishing them on [our website](#). We also consolidate information on the percentage of volumes traceable to plantation-level.

In 2024, our global traceability to mill level was 77%, a decrease from 86% in 2023, due to the need to source greater volumes from domestic importers in India, over whom we have less influence than our own operations.

The NDPE Implementation Reporting Framework (IRF) is the industry's primary tool to measure progress in implementing NDPE policies in the palm supply chain in a consistent way, enabling a credible overview of progress. In 2024, we published our externally verified IRF profiles on [our website](#), reporting a year-on-year performance improvement, with 67% of our 2023 volumes confirmed as free from deforestation and peat development. This is a significant improvement on 41% in 2022. Our 2024 performance will be assessed and externally verified in 2025, as we continue to work with our suppliers to expand our use of this measurement tool for the volumes we source and promote its adoption in the sector.



Additionally, we monitor the performance of our direct suppliers in implementing NDPE commitments through supplier scorecards, using the results to prioritise supplier engagement. We plan to update our supplier scorecards in 2025 to reflect our most recent NDPE implementation progress. Using our mill lists, we also conduct supply chain risk assessments when there is a significant shift in our sourcing footprint (most recently in 2022).

Sugarcane

We maintain supply chain traceability programmes for our own sugarcane farming operations. These plantations are cultivated on consolidated land and are deforestation-free. For the sugarcane we source from third-party producers and farmers in Brazil (processed with our own sugarcane), we monitor our direct suppliers using data from the Rural Environmental Registry, sourcing from a low deforestation risk region.

Coffee and cotton

There is a high level of traceability for products such as cotton and coffee due to the way these products are processed, with batches physically segregated by quality, making it harder to mix products from different sources. There are also physical differences in the way products are moved, stored or transported in bales or big bags instead of primarily in bulk.

For cotton sourced in Brazil, where we source the largest volumes, we complete on-the-ground analysis in the event of identifying social or environmental risks. This enables us to decide whether to continue or cease trading with suppliers. To achieve greater traceability and supply chain risk mitigation, in addition to trading cotton bales produced under certification schemes, we also rely on the industry traceability system hosted by the Brazilian Association of Cotton Producers.

For Brazilian coffee, as a member of the Brazilian Coffee Exporters Council, we use the Brazilian Traceability Platform to track supply chain traceability, conduct due diligence and assess social and environmental risks. By combining traceability data with publicly available databases such as PRODES, we can assess potential cases of illegal deforestation and labour embargoes, identifying and addressing risks, as appropriate. In Colombia, we assess risks by using Global Forest Watch in combination with national maps of protected areas in the regions of Cauca, Tolima and Quindío.

Promoting biodiversity and healthy ecosystems

Biodiversity and healthy ecosystems are fundamental to the sustainability, resilience and success of the agribusiness sector and its value chains. In particular, thriving species and ecosystems help to ensure the health of crops, the stability of agriculture and long-term productivity. For example, they contribute to better soil health, so that soils retain water, become more fertile, and build resilience to extreme weather and pests, which helps to reduce reliance on chemical fertilisers and pesticides. Biodiversity also supports human health, food security and the economy, and protecting biodiversity is a natural solution to mitigating climate change.

By prioritising sustainable sourcing and adhering to the strict standards outlined in our Supplier Code of Conduct, we strive to protect biodiversity, promote good soil health and conserve ecosystems. We also work with suppliers to support their conservation efforts through our ongoing work to prevent deforestation, conversion and degradation, and our support to transition farmers to sustainable agricultural practices.

In 2024, significant fires in Brazil led to the loss of many crop plantations, which substantially affected local biodiversity.

Here, we cover the impacts, risks and opportunities linked to:

- Direct impact drivers of biodiversity loss (including land use change, which is covered in a separate chapter)
- Impact on the state of species
- Impact on the extent and conditions of ecosystems
- Impact and dependencies on ecosystem services

We consider the impact of our operations and value chains on the following topics:

Biodiversity and ecosystems – We explore how we affect variability among living organisms, including diversity within species, between species and of ecosystems, particularly in relation to our operations and suppliers in or close to sensitive biomes. We consider the indirect impacts and risks related to biodiversity loss in terms of human health, food security, economic prosperity and preventing and building resilience to climate change. Importantly, we optimise the opportunities linked to the sustainable use of ecosystem services, including through regenerative farming (see '[Strengthening the resilience of agricultural systems](#)').



Soil health – We consider the capacity of soil to function as a living ecosystem, sustain plant and animal productivity, promote plant and animal health, and maintain or enhance water and air quality. We know that the extent to which we rely on healthy soils for good yields could also create financial risks. And by contributing to achieving good soil health, our business stands to benefit and ensure its long-term viability.

Biodiversity and ecosystems in our own operations

Importantly, in the 189,000 hectares of sugarcane plantations we operate in Brazil, we take action to encourage more sustainable sugarcane production. We have three dedicated standard operating procedures to promote biodiversity conservation and help ensure adequate maintenance of ecosystems services in and around our sugarcane production areas and sugar mills. Our operations are also subject to evaluation through an Environmental Impact Study and Environmental Impact Report (EIA/RIMA).

Our policies and procedures

Environmental Policy – We commit to protecting the biodiversity of habitats surrounding our facilities and ensure that our operations are not responsible for creating net biodiversity loss.

Environmental impact assessment for new industrial and farming operations includes biodiversity, in order to avoid operating in high biodiversity value areas.

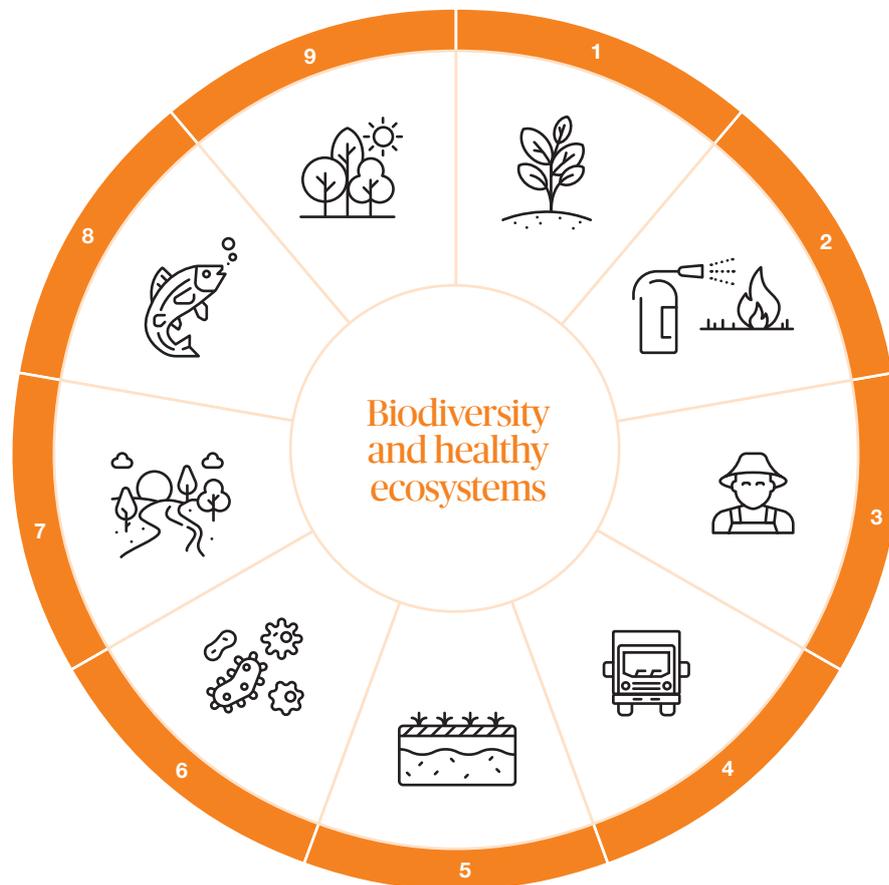
Within our sugarcane plantations, we have dedicated policies and procedures in place to help conserve nature and promote biodiversity.

Biodiversity Conservation Procedure – This defines the mitigation or compensatory measures or mechanisms we have in place to address the direct and indirect biodiversity impacts of our sugar business operations, from origination and farming operations to transportation and industrial operations.

Management of Ecosystem Services Procedure and Sustainable Management of Living Natural Resources Procedure

– These cover some of the measures we have in place to address the impacts of our business.

How we take action to conserve biodiversity and better manage ecosystem services and living natural resources



1. Monitoring flora and fauna –

We monitor flora and fauna around our sugar mills, as part of our Fauna and Flora Monitoring Programme. In 2024, our monitoring covered a combined area of 3,683 hectares. We conduct fauna monitoring campaigns in the years when three of our sugar mills undergo a renewal process of their environmental licence. We monitor flora annually for the areas managed by our sugar teams, measuring the conservation status of native vegetation, for example.

2. Ensuring fire safety – Monitoring fire safety and working with local authorities to minimise risks, largely through our participation in mutual aid programmes (with shared firefighting capacities), investing in awareness-raising (publicity and outdoors in the main points of the cities near our sugar mills and media adverts, environmental education campaigns in local schools), drills, our occupational health and safety programmes (see '[Protecting our employees' health and safety](#)') and risk mapping.

3. Building capacity – Providing training to our own farming teams and supporting third-party farming partners in improving their understanding and compliance with legal requirements. See '[Engaging with suppliers and promoting farmer capacity building](#)' for more details.

4. Promoting road safety – We install road and traffic signs in strategic locations to reduce the risk of road accidents involving animals, and minimise other impacts to wildlife. We also provide road safety training to our truck drivers.

5. Enhancing soil protection – We seek to reduce soil erosion and silting of freshwater bodies (see '[Soil health in our own operations](#)' in the next page).

6. Optimising our use of agricultural inputs and using microorganisms – We strive to make the best use of our inputs and use microorganisms as biological pest control methods and to enhance nutrient fixation in soils (thereby reducing the need for chemical fertilisers).

7. Protecting freshwater bodies –

We monitor fertirrigation systems to prevent leaking events leading to contamination. We conduct regular monitoring and analyses of the quality of freshwater bodies within the direct and indirect areas of influence of our industrial operations.

8. Raising awareness beyond our operations – We conduct campaigns to promote the protection of fish life in local freshwater bodies.

9. Reforesting and maintaining protected preservation areas – We use native tree seedlings to enhance natural restoration of degraded lands.

Protecting the Earth

Soil health in our own operations

We commit to applying good agricultural practices to enhance soil fertility and minimise erosion, in line with our Environmental Policy, reducing water loss and using inputs efficiently, including the exclusion of World Health Organization products classed extremely or highly hazardous.

How we take action to conserve soil health in our sugarcane plantations:

Enhancing compost preparation and creating value from by-products – We continue to use vinasse (a liquid by-product of our sugar mills, which is rich in potassium) to improve the fertilisation of cropland and continue to study other ways to make the best use of this by-product. We also combine processed residue from the decantation stage of sugar and/or alcohol production (filter cake) with compost fertiliser to improve nutrition in our plantations.

Taking precision agriculture measures to avoid overburdening the soils –

We reduce the number of manoeuvres of agricultural machinery (also lowering fuel use and related emissions and costs), and use precise application methods for agricultural inputs.

Running a crop rotation programme –

We are planting diverse crops within our sugar plantations to fix more nitrogen into the soil in some 70% of our plantations, while generating an additional source of income. Rotation crops include soybean, millet, crotalaria and the forage crop *brachiaria ruziziensis*. In 2024, we also trialled planting cotton over 250 hectares.

Rotating crops improves soil carbon and retains more nitrogen, decreasing the need for fertilisers. It also enables a more integrated soil management system for the land, helping to decrease erosion, retain water, increase organic matter and therefore improve soil structure and fertility, with certain crops releasing nutrients in different ways. The rotations also interrupt pest lifecycles, helping to lower the need for pesticides.

Furthermore, increasing more plant diversity attracts a larger variety of insects, birds and animals, with bees and butterflies helping to promote pollination, ecosystem health and soil microbiota.

Healthy and biodiverse soils are more resistant to droughts, floods and other extreme weather conditions, helping us to build resilience to climate change while improving sugarcane productivity and long-term plantation sustainability. Looking ahead, we aim to expand the rotations to cover more of our plantations, while also focusing on maximising the economic value of the crops we plant.



Holding a soil conservation workshop

– We organised a workshop with talks by experts, focussing on soil conservation and fire prevention. This was attended by some 200 people, including our employees and representatives from neighbouring mills and rural landowners. We shared experiences and best practice, while raising awareness of these important topics. In particular, we highlighted that fires detract from soil health, removing the straw after harvesting and leaving it exposed and susceptible to erosion, for example.

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Our crop rotation programme is making a tangible difference to sugarcane yields by improving soil health and encouraging biodiversity. Building on this success, we plan to expand this approach to more of our plantations.”

Luiz Gustavo Ares Kabbach, Agronomic Planning & Development Director, COFCO International

Biodiversity and ecosystems and soil health in our supply chains

We work with suppliers, farmers and partners to ensure the products we source are produced with respect for biodiversity and using good soil management practices. We also consider environmental criteria linked to biodiversity within our regular supply chain risk assessments of commodities such as soybean and palm oil, and in some of our due diligence efforts.

Through our Environmental Policy we commit to encouraging good environmental practices throughout our supply chains that comply with all relevant environmental legislation, and protecting natural resources and biodiversity.

For all new significant investments, we conduct public consultations with the community, in addition to disclosing sustainability reports. In line with our Supplier Code of Conduct, our suppliers must use environmental practices that avoid deforestation and protect against the conversion of natural and critical habitats and any subsequent loss of biodiversity. We also promote reforestation near our suppliers' sites and/or within local communities, for the benefit of natural and critical habitats. Overall, we incentivise suppliers to apply optimal agricultural practices to enhance soil fertility and prevent erosion.

We also have commodity-specific requirements for:

Palm oil – Suppliers commit to conserve biodiversity and respect High Conservation Value (HCV) areas and High Carbon Stock (HCS) forests, as well as other protected areas.

Soybean and corn – Suppliers must provide soy and corn products that are free from deforestation or conversion. This includes products sourced in landscapes of high biodiversity and ecological value, such as the Amazon, Cerrado and Gran Chaco. They must also implement sustainable agricultural practices to enhance soil health.

The commodities we source under some sustainability certification schemes or in line with the requirements of our Responsible Agriculture Standard and Coffee Responsible Origin Programme must also meet specific criteria related to biodiversity protection and soil quality. For example, our Standard sets strict requirements for the conservation of native vegetation, the methods used by farmers to apply agricultural inputs, and adequate soil management, while limiting the types of agrochemicals used.

Some of our projects and partnerships with farmers and producers also contribute to stronger standards in biodiversity protection and soil management across and beyond our supply chains.

Partnering to promote pollinators

Our partnerships with local beekeepers encourage pollination, helping to boost crop productivity, and demonstrating the value of biodiversity in improving yields. We protect pollinating insects (mostly bees) on the land surrounding our sugar plantations, supporting the livelihoods of smallholder producers, including beekeepers. We maintained our Pollinate Programme in 2024, protecting the areas around bees' flight paths from agricultural inputs in our sugarcane plantations. We also invested in raising community awareness of the importance of conserving bees in collaboration with "Instituto A.B.E.L.H.A", the Brazilian Bee Studies Association (see '[Our contribution to global food security](#)').



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We seek to protect biodiversity surrounding our assets and strive to conserve plants and wildlife, while also leveraging innovative solutions to fertilise our sugarcane crops. We encourage pollinators by monitoring flora and fauna near our plantations, investing in reforestation and supporting beekeeping in local communities.”

Kassia Barbosa Cajuela, Environmental Coordinator, Sugar, COFCO International Brazil

Strengthening the resilience of agricultural systems

We are committed to restoring nature in order to help conserve healthy ecosystems, ensuring good yields of high-quality crops and improving farmer livelihoods, as a fundamental part of our sustainability strategy. The restoration of natural forests and drained peatland also contributes to capturing more carbon and reducing ecosystem vulnerability to climate change. In particular, we define nature-based solutions (such as regenerative agriculture and reforestation) as working with nature in a way that addresses social, economic and environmental challenges, benefitting both human wellbeing and biodiversity.

Within our own business, we are developing restoration projects on the land surrounding our sugarcane plantations. To encourage nature restoration in our supply chains, we prioritise investment in sensitive regions, partnering within the sector and beyond to address shared challenges. These solutions can involve efforts to protect, restore or manage natural and semi-natural ecosystems, and promoting the sustainable management of agricultural plantations. We engage local communities and indigenous peoples in the design and implementation of large-scale projects.

Understanding our restoration policies

We highlight our restoration requirements for suppliers through our Supplier Code of Conduct, commodity-specific sourcing policies, our Responsible Agriculture Standard and CROP programme. In particular, through the Supplier Code of Conduct, we require our suppliers to promote reforestation on their farms and/or in their local communities, in order to protect natural and critical habitats.

Within our sugarcane farming operations in Brazil, our teams must follow our Management of Ecosystem Services Procedure, which includes guidance on supporting and incentivising our partners in the restoration and maintenance of protected and preservation areas. Following this process is central to ensuring their land complies with environmental requirements. Additionally, we support partners in maintaining rural properties in a way that respects nature and relevant regulations through a formal programme accompanied by technical guidance.



We are taking action to strengthen agricultural systems and build resilience by supporting regenerative agriculture. Farmers are at the centre of this transition, and we partner throughout our supply chain and industry to invest in building their capacity to adopt sustainable practices.”

Thiago Silveira, Sustainability Coordinator, Coffee, COFCO International Brazil

Partnering to balance nature and agriculture in Brazil

We have recently joined WBCSD's [Landscape Accelerator Brazil](#) initiative to develop landscape-level transition plans for the Cerrado and the state of Pará, focusing on regenerative agriculture. In particular, the programme is exploring policy, finance and advanced monitoring systems as a way to encourage and scale regenerative production.

Elsewhere, we continue to support the Cerrado Waters Consortium, which seeks to promote greater protection and conservation of the environment in the Cerrado, including through the Programme of Investment in Responsible Producers, which invests in restoration through for example the planting of native trees and improving the nutritional value of the soil.

Within our coffee business, we distributed native trees seedlings through the 'Viveiro de Atitude' programme, an initiative organised by the monteCCer coffee cooperative. Some 60,000 seedlings of native trees are incubated every year and made available to farmers and other stakeholders to plant on and around coffee farms, with technical assistance provided to help maintain the trees. Local charities benefit from the funds raised through the sale of the seedlings. We also developed a project with a partner farm to create an experimental seven-hectare wildlife corridor, connecting protected areas.



Restoring nature around our sugarcane plantations

Beyond the biodiversity protection efforts in the areas around our sugarcane plantations, covered in '[Promoting biodiversity and healthy ecosystems](#)', we also contribute to local reforestation efforts. In 2024, our teams planted more than 126,000 native tree seedlings (compared to 222,216 in 2023 and 132,140 in 2022), covering an area of 75.7 hectares. We have also achieved independent recognition for our restoration efforts in the area to date, with the local environmental body for biodiversity observing that 186.7 hectares of land reforested in previous years had reached self-sufficiency (compared to 58 hectares in 2023).

Supporting regenerative agriculture

Within our Brazil Cotton business, we have started developing a programme to help producers achieve the [Regenagri](#) certification, which demonstrates that crops have been cultivated in line with the principles of regenerative agriculture (holistic techniques to promote soil health, encourage biodiversity, capture carbon and improve resource efficiency). This is a mutually beneficial partnership, through which we aim to increase our volumes of certified cotton and strengthen our relationships with suppliers. Meanwhile, farmers benefit from achieving a sustainability certification that expands their access to attractive markets.

Elsewhere, to encourage the adoption of regenerative agriculture practices in coffee supply chains, we distributed a total of over 3,200 kg of cover crop seeds to farmers across the regions of Southern Minas Gerais, Mata de Minas, and Northern Espírito Santo, and held field day events on regenerative agriculture, reaching 90 people in two of these regions.



Collaborating with soy farmers in the Cerrado to promote sustainable agriculture

As part of our commitment to the Agriculture Sector Roadmap to 1.5°C, we are supporting deforestation and conversion free soy supply chains. To achieve this, we are supporting soy farmers in high risk areas of the Brazilian Cerrado to better manage and conserve their land through the Soft Commodities Forum's (SCF) Farmer First Clusters (FFC) initiative.

In particular, COFCO International is working with Produzindo Certo to provide farmers with technical assistance and support with the Brazil Forest Code compliance, in return for a commitment to supplying deforestation and conversion-free soy. Participating farmers gained knowledge on water management, climate-friendly agriculture, precision pesticide use and conservation methods, while strengthening their relationship with our business, and making strides towards sustainability certification schemes. In 2024, we engaged 11 suppliers through this initiative, reaching a total area of over 14,000 hectares.

In its first year, the FFC project has engaged 223 farms across 665,840 hectares, restored 178 hectares of land and prevented the emission of 1.3 gigatonnes of CO₂. The SCF also partnered with the Consumer Goods Forum's Forest Positive Coalition of Action to scale the project, launching the Sustainable Landscapes Partnership at New York Climate Week in September 2024.

Looking ahead, we will continue to work with the FFC initiative to ensure it brings value to farmers and farming communities.

Managing resources responsibly

As part of our commitment to protect the Earth, we strive to manage resources responsibly, particularly as demand for water rises, intensifying the pressure on the world's freshwater supplies. By optimising our use of water and materials, we aim to lower our impact on the environment, while also strengthening the agricultural value chains on which our products rely, helping to promote food security. We work across our operations and collaborate with suppliers to raise standards, conserve nature and prevent pollution. We also seek to manage waste efficiently, prioritising reuse and recycling, where possible.

Understanding our relationship with water and waste

The majority of crops we source are rain fed and are therefore exposed to seasonal variability. Meanwhile, with agricultural production accounting for 70% of global freshwater use, it is fundamental that farming practices include efficient water management. As the climate changes, water availability may also be affected through irregular rainfall or droughts, while extreme rainfall or flooding could wash away seedlings, ultimately influencing crop yields.

Plantations can indirectly contribute to the pollution of water resources through the risk of pesticide and fertiliser run-off, which can disrupt ecosystems and deplete oxygen in water bodies (eutrophication) respectively, affecting aquatic life.

Within our operations, we withdraw significant volumes of water, and while this does not typically take place in water-stressed regions, we remain committed to sharing responsibility for relevant water basins in order to ensure responsible resource use. From a regulatory perspective, rigorous rules around irrigation permits could increase operational costs for water-intensive crops. Meanwhile, water discharges, pollutants and accidental spills could also affect the quality of water resources in the river basins where our assets are located.

Our processing plants produce hazardous and non-hazardous waste, including industrial by-products, wastewater and packaging waste. However, there are also opportunities to recover value from resources such as sugarcane bagasse and soybean husks and use plant-based residues to enrich the soil.

See '[Our role in the global agricultural value chain](#)' for more information on our role and impacts at each step of the value chain.

How we manage water, waste and pollution

Our Environmental Policy guides all our efforts to use resources efficiently. Our commitments relating to water, waste and pollution apply to all our operations. We comply with relevant legislation and continuously improve our performance, leveraging the latest technologies, best practice systems and production processes. We strive to address any negative impacts of our operations (such as GHG emissions, particulates in the air, effluent, waste and discharge) on the environment, including the air, water resources and biodiversity. In particular, we adopt sustainable practices to use water and agricultural inputs efficiently, minimise water loss and improve soil health. To share freshwater resources fairly, we engage with relevant stakeholders. We also raise awareness of protecting the environment among our employees, contractors and partners.

To identify, assess and manage environmental risks, we implement management systems consistent with ISO 14001 and World Bank EHS Guidelines. We also conduct regular internal and external audits on our assets' EHS management systems.

Importantly, we monitor and measure our performance effectively, supported by comprehensive audits, and use ambitious targets to improve it. Using a centralised platform, we track the environmental performance of all assets owned or operated by our business. To promote quality, consistency and accuracy, we undergo an annual external audit (see '[ESG reporting risk management and internal controls](#)'). The scope includes our industrial operations (crushing facilities and refineries), storage facilities (silos and warehouses), port terminals and transshipment units. Our global and regional EHS teams manage our progress, reporting directly to our Global Asset Management Director.

We also consider environmental criteria in capital expenditure, acquisitions and disposals. See '[Leveraging sustainable finance to achieve our goals](#)'.

To raise standards in our value chains, we include our requirements on water, materials and waste in our Supplier Code of Conduct, commodity-specific sourcing policies and specific supplier guidelines related to these topics. We also address these topics through our own Responsible Agriculture Standard and third-party certification schemes, with an increasing share of our volumes certified as sustainable.

Water – Suppliers are required to use water efficiently by minimising withdrawal, preventing pollution, avoiding downstream adverse impacts on communities and ecosystems, and taking additional resource efficiency measures in water-stressed areas. They should also account for climate change-related risks, including those affecting water resources and the security of food systems, where possible, using environmental practices designed to minimise the potential impact of these risks.

Through our sustainable sourcing policies for soy and corn – which represent the majority of our traded volumes – suppliers are required to implement sustainable agricultural practices that enhance soil health and mitigate climate change impacts, including by using water resources responsibly.

Investing in the promotion of regenerative agriculture practices (see [‘Strengthening the resilience of agricultural systems’](#)) also contributes to improved water management. Similarly, investments in measures to improve soil health help to decrease the risk of water pollution (see [‘Promoting biodiversity and healthy ecosystems’](#)).

Waste – Suppliers must minimise, reuse and recycle waste, where possible, and dispose of waste in a responsible way.

Assessing water risks

We prioritise our water management efforts by gaining a thorough understanding of water-related risks. This is informed by our 2020 water risk assessment and the results of our recent climate risk assessment.

Within our operations, only our Kandla refinery in India is located in a region with a significant overall risk (encompassing risks of physical, regulatory or reputational nature). However, this asset’s water withdrawal only represents 1% of our global water withdrawal, and continues to be among our best performing industrial assets on water use efficiency, with substantial water efficiency improvement measures such as our zero liquid discharge plant, which went into operation in 2024.

Beyond this, two of our sugar mills in Brazil are located in regions with an overall medium-high risk level. In these cases, we are investing significantly in technology to improve water efficiency and engage with multi-stakeholder water stewardship platforms. The rest of our assets are based in regions with an overall low-medium risk level, presenting diverse physical, regulatory and reputational risks.

Through our climate risk assessment, we have identified physical risks such as drought, heavy rainfall, and riverine and coastal flooding. The most significant of these are medium-level (2030), evolving to high-level (2050) risk of drought, leading to a potential negative impact on crop quality and yields in our supply chains. There is also a medium-level risk of heavy rainfall events leading to the same potential negative impact.

In addition, we have conducted a new water risk assessment for our Brazil grains and oilseeds sourcing, taking advantage of the improved levels of supply chain traceability, covering our Brazil direct soy and corn sourcing (see [‘Placing responsible land use at the centre of sustainable sourcing’](#)). To complete this work, we used the World Resources Institute’s Aqueduct Water Risk Atlas tool, which maps and analyses current and future water risks across locations.

The majority of farms from our traceable soy and corn Brazil origination are located in the Amazon and La Plata water basins, followed by Tocantins and São Francisco. The average overall water risk score for the farms inside scope was 1.96 for soy and 1.73 for corn, representing a low-medium risk level. The majority of farms in our supply base (67% and 88% of soy and corn farms, respectively) have a low-medium overall water risk. Only 2% of farms have an overall extremely high risk, with physical risks related to water stress and interannual variability. We will update this assessment regularly and harness the findings to inform our business strategy.

Improving water management in our own operations

The majority of water we withdraw continues to be sourced from surface water bodies (55%). Our sugar operations (sugarcane plantations and mills) account for 72% of our water withdrawal, followed by industrial operations for grains and oilseeds (27%) and storage and port terminals (1% combined).

In 2024, our total water withdrawal increased from 11,838,546 to 13,594,827 m³, a 15% rise due to an overall production increase in our grains and oilseeds industrial facilities. In particular, many of our assets reached new levels of production, increasing water withdrawal. Additionally, significant fires and drought in the regions surrounding our sugar operations impacted sugarcane quality, leading to greater volumes of water being withdrawn (see below).

In 2020, we set a target our water intensity indicator, with a 2025 ambition to have reduced industrial water intensity by 10%, compared to 2019. After meeting the target ahead of time in 2023, in 2024, we observed a 12% year-on-year increase in water intensity (from 0.491 to 0.548 m³ per tonne of processed product). This reflects a longer-term reduction of 6%, comparing 2024 performance to our 2019 starting point.

This development was largely due to the effect of the fires and drought that we experienced across São Paulo state, where our sugar operations used more water in the industrial process. In particular, the drought led to higher fibre content in sugarcane, which in turn leads to increased water requirements for sugar extraction.

However, our industrial complex in Puerto General San Martín, Argentina, observed a significant efficiency improvement in 2024, following the negative impacts of a drought in 2023, and leveraging the benefits of a water reuse project (see below).

We expect fewer challenges in 2025 and aim to make further progress through our various water efficient investments.

Water efficiency	2019	2020	2021	2022	2023	2024
Water intensity (m ³ / tonne processed)	0.583	0.591	0.559	0.631	0.491	0.548
Freshwater withdrawal (m ³)	12,832,443	14,373,108	11,439,861	13,234,708	11,840,374	13,594,827



Improving wastewater treatment and discharges

We commit to minimising any potential negative effects of our operations in the form of effluent and discharges in line with our Environmental Policy, while complying with all national regulations. We use on-site wastewater treatment technology at our industrial operations (including physical, chemical and biological treatment processes), and send effluent to off-site treatment, where this is not possible. In this way, we help to ensure a low concentration of water pollutants in any discharge, in order to minimise any impact on water systems.

Wastewater discharges are typically linked to water withdrawal. The majority of water we withdraw is safely returned to the river basins from which it was sourced. In 2024, 75% of the water we discharged was applied to agricultural land or used for irrigation, fertirrigation and the wetting of unpaved roads (to minimise air pollution from passing trucks). Our water discharge per tonne of production remained stable in comparison with previous years. For more details about our water discharges, including quantitative data, see our supplementary [GRI Index](#).

How we are taking action to reduce water withdrawal and improve water reuse and recycling

Over the past few years, we have implemented measures to reduce water withdrawal and improve water reuse, with a special focus on the operations where water usage is most significant.

Within our sugar operations in Brazil, three of our four sugar mills have vinasse concentrators. We are exploring the possibility of installing a concentrator at the fourth mill. This technology enables us to extract and reuse water from vinasse (a by-product of sugarcane processing), thereby lowering the volume of water withdrawn and making good use of the nutrients in concentrated vinasse. This also lowers the need to transport greater volumes of unconcentrated vinasse for the fertirrigation of fields and related transport GHG emissions. Three of our mills also have on-site industrial wastewater treatment plants, enabling them to treat and reuse significant volumes of water, further reducing our water withdrawal needs.

For example, in Catanduva – the sugar mill with the lowest water intensity – we have implemented several efficiency measures. These include a recovery pump for hydro jetting, reusing water from the cooling towers and the condensation from vinasse, reusing water from retro washing the sand filters used at the water treatment station, reusing effluent from the industrial station, and improving the efficiency of our refrigerant systems. The new boiler we installed in this sugar mill also includes an air control system that reduces the need for water resources and decreases the generation of effluent.

In addition to the operation of our Kandla refinery's new Zero Liquid Discharge plant to recycle treated wastewater, we also installed new air diffusers in its wastewater treatment plant to improve the aeration system, thereby reducing the wastewater's chemical oxygen demand and optimise its quality.

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Among our water efficiency investments, the majority of our sugar mills leverage vinasse concentrators to extract and reuse water from vinasse (a by-product of sugarcane processing), significantly lowering the volume of water withdrawn.”

Marcelo Sper Cavalli, Head of Engineering and Project, COFCO International

In Puerto General San Martín, Argentina, our project to reuse condensate water (from the crushing operation) also delivered water efficiency benefits. We provided our employees at this facility with water-related training, and improved monitoring of our steam trap’s performance.

At our Saforcada plant, in Argentina, we redesigned the piping system of liquid effluents, and replaced components of our wastewater treatment plant to improve the efficiency of the treatment (aerated lagoon membrane and aerators). Elsewhere, in Timbúes, Argentina, we started a project to enclose our boiler, reducing the use of water for cleaning.

Across our Argentinean silos, we acted to eliminate common leaks and water losses in the water tanks of our firefighting network. We also installed flow meters on all well pumps of our Lima port to improve water monitoring.

In Paraguay, we established a programme to inspect and address leaks in water pipes, delivered training to employees on efficient water use and raised awareness by placing posters in water consumption hotspots.

Meanwhile, at our Standerton Oil Mills in South Africa, we installed skim pits and settling ponds to improve on-site wastewater treatment efficiency, and at our Santos port terminal in Brazil, we installed a tank to capture and enable the reuse of rainwater.

In Romania, we conducted annual maintenance on the technology we use to separate oil from rainwater collected on site. And at one of our UK sites, we initiated plans to install a self-contained water treatment plant.

Promoting water stewardship in our value chains

We recognise our role in ensuring water is adequately used throughout our supply chains, with an emphasis on irrigation in farms.

The water performance of suppliers is considered in volumes sourced through our Responsible Agriculture Standard (see ‘[Leveraging our Responsible Agriculture Standard to advance sustainability and create value](#)’). In particular, we require that suppliers implement good agricultural practices to minimise impacts on surface and ground water quality from residues of agricultural inputs, fertilisers, erosion or other sources. These practices help to maintain a buffer zone around water bodies, treating wastewater and encouraging precision farming.

Beyond this, we engage with suppliers on water performance, among other topics, through our supplier training activities, and collaborative efforts such as the Cerrado Waters Consortium.

Around our sugarcane plantations in Brazil, we continued to participate in the discussions of River Basin Committees to help ensure we are sharing local water resources fairly and using them responsibly.

Waste management and material efficiency

To help prevent and manage waste effectively and sustainably, we implement rigorous policies, focussing on maximising material efficiency. In particular, we prioritise environmentally responsible treatment and disposal methods, such as reusing by-products, generating on-site energy, and recycling as much as possible. We have a target to annually reuse, recycle, recover or send to composting at least 70% of waste we produce globally.

Our waste performance

The total volume of waste we generated increased significantly, from 55,649 tonnes in 2023 to 185,155 tonnes in 2024. This was due to the Santos port terminal demolition and construction works, which intensified in 2024. Without considering the waste generated in this project (some 78 tonnes of hazardous waste and 158,595 tonnes of non-hazardous waste), our total waste generation decreased from 29,067 tonnes in 2023 to 26,481 tonnes in 2024 (a reduction of 8.9%).

We reused, recycled, recovered or composted around 96% of all waste generated by COFCO International in 2024 (compared to 82% in 2023). Similarly, excluding the waste generated in the Santos port project (99.5% of which was sent to recycling), the proportion grew from 68% in 2023 to a record 73% in 2024. Some 25% of our assets sent zero waste to landfill in 2024, an improvement compared to 22% in 2023. These assets generated 26% of our total waste in 2024.

The total hazardous waste generated in our operations (without considering port terminal demolition and construction waste) decreased from 1,510 tonnes in 2023 to 1,364 tonnes in 2024, with the respective hazardous waste intensity declining by 13%. Meanwhile, the total non-hazardous waste generated in our operations decreased from 27,557 tonnes in 2023 to 25,118 tonnes. In this case, the non-hazardous waste intensity decreased by 12%. See the below table for more information.

In both cases, the waste intensity declined largely due to a reduction in the absolute waste generated and improved production efficiency.

Waste generation	2019	2020	2021	2022	2023*	2024*
Hazardous waste (kg / tonne processed)	0.029	0.030	0.027	0.037	0.033	0.029
Non-hazardous waste (kg / tonne processed)	0.607	0.564	0.715	1.021	0.603	0.531
% of waste reused, recycled, recovered or composted	54%	66%	53%	62%	68%	73%

* To enable comparability, the 2023 and 2024 values in this table exclude the waste generated through the Santos port terminal demolition and construction works.

Protecting the Earth

Decreasing waste generation and improving waste management

The majority of our operations are covered by initiatives to reduce waste generation and manage unavoidable waste appropriately, including hazardous waste, and prioritise the reuse and recovery of materials and waste treatment methods producing fewer environmental impacts.

Across our industrial operations, which generate 94% of our hazardous waste and 81% of non-hazardous waste, disregarding the waste generated in the Santos project, we make use of processing by-products such as bagasse (from sugarcane processing) and soybean hulls (from crushing) to generate energy on-site, and other organic by-products to produce compost.

In our sugar operations in Brazil, we reuse vinasse and filter cake (by-products of sugarcane processing) to prepare compost with sufficient levels of nitrogen, phosphorus and potassium, and improve cropland fertilisation (see 'Soil health in our own operations').

Elsewhere, we leave sugarcane straw waste in the fields, in order to improve soil health (in this way, the soil temperature decreases, promoting moisture retention and enabling the reabsorption of organic matter and nutrients). We collect and manage other waste generated in our farming operations as effectively as possible.

When harvesting soybeans, we deposit the remaining residue from the soybean crop rotation (in our sugarcane plantations) on the surface of the soil, where it decomposes, adding organic matter and nutrients to the soil. Importantly, soybean is a legume that fixes nitrogen in the soil, encouraging the health of the sugarcane crops that are subsequently planted on these plots. We are therefore able to benefit from the economic value of the soy rotation, while helping to improve our sugarcane yield.

In our South Africa farming operations, we leave some 40% of crop waste in the fields for grazing, with 60% mulched and returned to the soil.



Raising waste efficiency

In 2024, we replaced the product used for the flocculation process leading to a reduction in the generation of sludge at the on-site wastewater treatment plant at our Kandla refinery. Additionally, we participated in a local programme through which we collected 250 tonnes of plastic packaging from end users in 2024, sending it for recycling and energy recovery.

Our Timbúes industrial complex in Argentina established a multidisciplinary team to reduce organic waste at source, placing emphasis on points of loss, opportunities for internal reprocessing, and savings opportunities in the case of final disposal. Elsewhere in Argentina, we observed a significant decrease in non-hazardous waste generation at our Puerto General San Martín industrial complex, as a result of implementing an organic waste reduction and recovery plan and investments in the production process. In this way, we reduced losses and increased material recovery (in particular through the acquisition of an industrial vacuum cleaner for the recovery of spilled material and tunnel cleaning).

In Argentina, we continued our zero effluent project, encouraging our teams to reduce waste generation and eliminate points of material loss across the operation. For example, our Saforcada crushing plant in Argentina, we achieved savings of just under \$200,000.

Meanwhile, at our Rondonópolis crushing plant in Brazil, we met our local annual waste intensity target as a result of continued efforts in waste minimisation measures.

At our Constanta port terminal, we implemented a new cereal segregation procedure, thereby reducing 1,400 tonnes of non-hazardous waste. In the UK, we collected grain dust and sent it to aerobic digestion plants.

Beyond this, at our Santos port terminal, we met a local zero waste to landfill target and received recognition from the local port authorities for our efficient waste management.



Promoting environmental stewardship among employees and local communities

To raise awareness of environmental topics among our employees, contractors, business partners and local communities, we participated in projects and held events throughout the year. For more information, see [‘Promoting environmental stewardship in communities’](#), and [‘Strengthening the resilience of agricultural systems’](#).

In 2024, as part of our wider EHS training offer for asset employees, we also continued to deliver waste management training across our assets. We regularly discuss waste-related topics at sites where we engage in ongoing dialogue between EHS teams and employees.

Within our industrial assets, in 2024, we celebrated World Environment Day and World Water Day with activities to raise awareness among our teams, volunteering events (such as tree planting and river cleaning campaigns), comprehensive training and employee competitions.

Within our Brazil Sugar business, we celebrated 15 years of promoting environmental citizenship through the Campo Limpo Environmental Education Programme, aligned with Brazil’s National Solid Waste Policy (for sustainable waste management). With more than 1,800 participating students, the programme encourages responsible and creative practices, such as education on waste management and sustainable activities.

Through our Environment League, we reached 1,269 of our employees’ children, teaching them about good environmental practices. In particular, we held campaigns, including interactive activities (quizzes about waste management and other environmental topics), and challenges to reduce environmental footprints and make use of waste materials. For example, we created 176 toys from recyclable materials, planted 363 trees, and collected thousands of plastic caps and hundreds of used batteries, raising funds for local charities.

Similarly, our Brazilian soy crushing plant and port terminal donated bulk containers to local communities to promote effective liquid waste management practices.

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We take a strategic approach to managing waste responsibly, prioritising reuse, recycling and composting, as we strive to minimise waste generation across our assets.”

Flavio Furtado, Head of EHS and Process Safety Management, COFCO International



Allon Zeitoun
Managing Director and
Global Leader, Quantis

Q&A

Exploring the importance of business action on climate change

Climate change is the most pressing priority facing our business, as confirmed by our double materiality assessment, presenting distinct challenges for our sector. Here, we ask Allon Zeitoun, Managing Director and Global Leader at Quantis, why private sector action on reducing greenhouse gas emissions is more important than ever. We also discuss evolving trends in corporate sustainability, as businesses seek to strengthen their efforts to address social and environmental issues.

Why is it important for the private sector to be working on emission reductions?

Climate change isn't an abstract future threat – it's already hitting agricultural supply chains hard. From yield losses to halted processing due to energy shortages or floods, the disruptions are real, and they're growing. For companies like COFCO International, whose job is to deliver food and feed around the world, the stakes couldn't be higher. This is about business continuity – and credibility.

What I'm seeing is a shift. Emissions reductions are no longer just a box-ticking exercise; they're a core part of building resilience. As such, companies are beginning to realise that mitigating emissions also mitigates risk. And the ones doing this strategically – linking emissions cuts with climate adaptation – are not just managing risk, they're creating business value for shareholders and for a world that desperately needs smarter solutions.

Can you share some of your insights regarding sustainability trends?

Business is increasingly setting the pace for sustainability progress. Particularly in sectors dependent on land-based commodities, waiting for policy to dictate action is no longer viable. Moving early on sustainability – by beginning the shift towards sustainable practices and by securing certified volumes before demand intensifies – is just smart economics. Delay comes with a price tag.

I see three main trends driving sustainability right now:

Firstly, regenerative agriculture. Companies are moving early – and for good reason. Practices such as crop rotation and agroforestry are becoming essential not just for improving soil health, but for protecting yields and boosting farmer resilience. It's a smart move to secure supply and reduce risk.

Secondly, agtech. We're seeing real momentum here. Digital tools are helping farmers manage complexity, increase efficiency and scale sustainable practices. It's a practical way to turn high-level goals into tangible results on the ground.

Thirdly, sustainability-linked lending. Access to favourable credit rates are increasingly linked to environmental performance and transparent reporting. There's growing pressure – both regulatory and from investors – to rethink environmental impact and its reporting.

Together, these trends signal a shift that climate and nature performance are quickly becoming the markers of future business success. Companies that understand this will be ahead of the curve.



What other trends are you seeing?

Transparency is becoming non-negotiable. Credit institutions, banks, investors – they all want a clear, comparable view of sustainability performance. And that pressure is trickling down fast.

That's why the work Quantis did with COFCO International on CSRD aligned sustainability reporting was so critical. It wasn't just a report – it was a foundational shift. Through the CSRD lens, COFCO International now has a clear picture of how environmental and social issues impact the business, and how the business impacts the world around it.

As CSRD aligned reporting has become the gold standard for voluntary reporting; more and more companies are choosing to align with CSRD voluntarily. Not just to stay ahead of future regulations, but to strengthen stakeholder trust, improve internal governance and make more strategic decisions. This is what embedding sustainability looks like in practice – not performative, but structural.

Was it to be expected that climate has such a material impact?

Yes – and it's consistent with what we're seeing across the agriculture sector. Climate change is emerging as the number one material issue. Beyond a reflection of the risks, it's a signal of where companies need to focus their energy.

COFCO International recognition of this is both timely and strategic. The company is showing it understands the weight of the challenge and is committed to tackling it with science-based, forward-thinking approaches. Climate isn't just a line item – it's the context in which many key business decisions are now being made.

What are positive, practical actions companies in the agriculture sector should be taking and are taking?

Agriculture sits at a crossroads. While it faces environmental challenges, it also holds potential to be part of the solution. Fields, farms, and food systems have the unique ability not only to produce nourishment, but also to restore ecosystems, enrich soils, and support resilient communities. If we are to feed a growing population in ways that are nutritious, equitable, and sustainable, we must invest in strengthening agriculture's resilience. That means supporting farmers with the implementation of regenerative practices, embracing innovation, and fostering partnerships that work in harmony with nature—not against it. The path forward is not just necessary, it's full of opportunity.

Transformation needs to span the whole value chain. Regenerative practices are gaining traction – not just because they're "green," but because they reduce input costs and boost soil resilience.

None of the regenerative agricultural practices (such as cover crops, reduced tillage and intercropping) are silver bullets by themselves, but they're not fringe ideas either. They're practical, science-backed interventions that improve food security, lower risk and open up new opportunities. And in a politically uncertain context, they're the kinds of solutions that smart companies will keep investing in – because the business case is already there.



Emissions reductions are no longer just a box-ticking exercise; they're a core part of building resilience.”



Empowering people

Our approach to managing social topics

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IFC Performance Standards



Our employees, suppliers and communities all play their part in ensuring we continue to flourish as a business. We strive to empower everyone – both within our company and across our value chain – to deliver their best and help fulfil our ambitions. In particular, we aim to respect human rights and provide a safe, diverse and inclusive workplace where our employees can thrive, attracting and retaining talent with high-quality, equal opportunities. We conduct due diligence as a fundamental part of managing these topics, empowering our employees and suppliers to act on sustainability. We also partner closely with the communities in which we work and live to make a positive impact – growing together side-by-side.

Social – Material topics

To understand how we manage the social topics material to our business, see 'Managing sustainability'. These topics are grouped as follows:

- Respecting human and labour rights**, including working conditions, occupational health and safety, and work-related rights of own employees and workers in value chains S1 S2
- Developing human capital**, including equal treatment and opportunities of our workforce and management of relationships with suppliers S1 S2 G2
- Supporting sustainable livelihoods**, including affected communities' economic, social and cultural rights and the rights of indigenous communities S3

Through the company's efforts to manage these topics, COFCO International seeks to contribute towards the following SDGs and related priority targets:

SDG	Priority targets
	3.4 Promote mental health and wellbeing.
	3.6 Halve the number of global deaths and injuries from road traffic accidents
	3.9 Reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.
	8.5 Achieve full and productive employment and decent work for all.
	8.7 Take measures to eradicate forced labour, end modern slavery and human trafficking, and eliminate child labour.
	8.8 Protect labour rights and promote safe and secure working environments for all workers.

Building our capacity to uphold human rights



COFCO International is committed to upholding human and labour rights across our operations and supply chains. All our efforts and policies are based on internationally recognised standards and best practice, such as the International Labour Organization (ILO) Core Conventions and the United Nations Guiding Principles on Business and Human Rights (UNGPs). Importantly, we continue to strengthen the way we identify and address potential risks, as we improve our human rights due diligence system.

Understanding our impacts, risks and opportunities

The labour risks we encounter as a global agri-business include working conditions (fair wages, job security, freedom of association and collective bargaining) and other labour rights issues, including child labour, forced labour and adequate accommodation.

Our first priority remains keeping our employees safe and healthy. Helping our employees to fulfil their potential leads to greater performance and enables us to attract and retain talent, becoming an employer of choice. We particularly strive to promote employee health and safety within our industrial operations, which carry a higher risk of physical injury.

Across our supply chain, we often have less visibility over workers and working conditions, particularly where many actors handle products as they move from the farm to our business. However, we aim to work closely with supply chain actors to promote fair labour practices and respect for human rights. This is also an important part of our work to uphold our commitments to treating everyone fairly and ensure that we are responding appropriately to investor and customer interest in human rights in global supply chains.

By investing in suppliers' capacity to treat workers fairly, we are contributing to improving quality of life, decreasing the risk of human rights abuses, raising productivity and building supply chain resilience.

Our human rights-related objectives

In 2024, we set multiple short-term objectives to help guide our efforts in enhancing our human rights due diligence processes. Concretely, we seek to conduct:

- An HRDD gap analysis
- A human rights risk assessment for purchased agricultural commodities
- A human rights risk assessment for operations covering 100% of employees by 2026

Policies to address human rights and labour

We have multiple human rights policies in place to guide our commitment to respect human and labour rights across our activities. Firstly, our [Human Rights and Labour Policy](#) helps to ensure that we fully comply with applicable laws and regulations, while performing due diligence assessments and developing corrective actions, as appropriate.

Meanwhile, our [Code of Conduct](#) outlines the standards of behaviour required of employees, in particular that we treat people fairly, with dignity and respect. In line with the ILO's Core Labour Standards and the UN Global Compact principles, we do not accept or tolerate any form of child, forced or involuntary labour, and we expect our suppliers and business partners to adhere to these principles.

Additionally, we do not tolerate violence or harassment of any kind. Should any stakeholder raise a concern, we ensure that there is not retaliation against the relevant party, respecting their right to report actual or potential misconduct.

Within our supply chain, we use our [Supplier Code of Conduct](#) as the key mechanism to communicate our expectations for suppliers, including for human rights. In particular, we require that they uphold high standards among their own suppliers. Every supplier contract includes a clause stating that compliance with the Code is mandatory in order to do business with our company.

Our [Responsible Agriculture Standard](#) further strengthens our efforts, presenting a rigorous set of requirements for farmers and producers to respect workers' and communities' rights, in order for their crops to be certified as sustainable.

Our human rights due diligence processes

Our human rights due diligence system guides all our efforts to monitor and address human rights risks in our supply chain. It is based on the OECD Due Diligence Guidance for Responsible Business Conduct. We therefore follow the below six steps.



Our human rights due diligence risk assessment has allowed us to identify and deepen our understanding of the commodities and regions with the greatest risks, strengthening our approach to upholding human rights."

Marcus Seelbach, Chief Human Resources Officer, COFCO International

Due diligence	Our approach
1. Embed responsible business conduct into policies and management systems	Responsible business conduct is integrated into our policies and management systems in a way that respects international standards and evolving laws and regulations. In 2024, we evolved our human rights governance model and developed a new training module that will be launched in 2025 to relevant employees, including leaders. Our teams have on-demand access to human rights training through the UN Global Compact e-learning Academy.
2. Identify and assess adverse impacts in our operations, supply chains and business relationships	We strive to improve our understanding of the adverse human rights impacts of both our operations and value chains through regular human rights risk assessments, and address the any impacts and risks appropriately, monitoring and reporting on progress in implementation. In 2024, we developed a customised commodities Human Rights Due Diligence (HRDD) risk assessment screening tool, which we applied across our sourcing footprint. This allowed us to identify and deepen our understanding of the commodities and regions with the highest human rights-related risks. Following this, we conducted a thorough risk assessment for priority commodities and regions, focussing on identifying the most critical human rights risks and evaluating ways to strengthen our risk mitigation strategies. As part of this exercise, we developed country risk briefings highlighting opportunities for improving due diligence. The findings also informed our double materiality process for social topics.
3. Cease, prevent or mitigate adverse impacts	
4. Track implementation and results	
5. Communicate how impacts are addressed	We also conducted a human rights risk assessment of our own operations (see ' Improving our human rights due diligence performance ').
6. Provide for or cooperate in remediation when appropriate	Through our centralised grievance mechanism (Integrity Hotline), we take decisive action to address any adverse impacts identified by our stakeholders. This mechanism also enables incident investigation for human rights-related cases. See ' Our corporate culture, values and business ethics ' for more information on our progress in 2024.



Our efforts to respect human rights at field level

Within our Brazilian soybeans and maize sourcing, we perform systematic environmental and social due diligence, enabling us to identify potential cases of non-compliance with labour laws and regulations, and act accordingly. Similarly for palm oil, we have included human rights criteria as part of the assessment that informs our supplier performance scorecards. We will conduct a further evaluation of supplier performance in 2025.

In 2024, in our Brazilian sugar operations, we conducted a total of 135 visits to our third-party suppliers, including 96 visits to suppliers in industrial production, 18 visits to sugarcane harvest suppliers, and 21 visits to planting and preparation suppliers.

In partnership with multi-stakeholder initiative Nossa Voz in Brazil, which seeks to amplify the voice of agricultural workers, we delivered human rights training to 47 coffee farm workers. Participants will also be able to use the organisation's confidential communication channels to raise concerns, in addition to our own Integrity Hotline. We also partner with Verité in Brazil to deliver human rights training to coffee supply chain workers.

Preventing child labour

Child labour in agriculture remains a significant issue globally, with around 60% of all child labour (for children aged 5 to 17), or some 100 million children* occurring within the sector. Poverty is the primary cause, together with limited access to quality education, inadequate agricultural technology and a lack of adult labour. In some rural communities, children may engage in light, non-hazardous tasks on family farms. While their involvement can be culturally acceptable and contribute to household income, it is important to differentiate between this and any activities that could harm the child's wellbeing or detract from their ability to participate in school.

While our own workforce is formalised and regulated, risks related to child labour could arise in our higher risk supply chains, particularly in relation to coffee and cotton grown by smallholders. Since we source the vast majority of cotton from countries with mechanised production (such as Brazil) and significant volumes of certified coffee, supported by strong due diligence mechanisms, our risk exposure is minimised. However, we still conduct regular monitoring to ensure we are managing this risk.

Importantly, we have a zero tolerance policy for child labour in our own operations and value chains, and invite our stakeholders to use our [Integrity Hotline](#) to report potential cases of non-compliance.

In 2024, in line with the outcomes of the commodities risk assessment, we found coffee to be the commodity with the most significant supply chain child labour risk among the products we trade.



We are committed to respecting the human and labour rights of people in our value chains. This means working closely with our suppliers to raise standards by supporting certification schemes and investing in education in rural communities.”

Luiz Noto, CEO Grains & Oilseeds Brazil, COFCO International

* International Labour Organization, 2024

In Vietnam, child labour remains a significant issue, particularly in rural and underprivileged areas, where children often work to support their families and continue local tradition. Elsewhere, in Colombia, with most coffee production taking place among smallholder family farms (where minimum working age limits are not enforced), children may be involved in hazardous work, affecting their wellbeing and ability to attend school.

Meanwhile, in Brazil, child labour remains a prominent issue on large and smallholder farms, typically among migrant workers and smaller Brazilian landowners, in order to support their families). Children may undertake tasks including pruning trees, weeding, fertilising, harvesting, sorting berries, transporting beans and other supplies.

We mitigate this risk by putting rigorous practices in place, including widespread projects involving our agronomists working closely with farmers in key production regions. We are also increasing our share of volumes sourced from certified producers and produced under sustainability certification schemes, which include requirements for respecting human rights (see [‘Meeting market demand through sustainability certifications’](#)).

In parallel, we are addressing one of the drivers of child labour, access to education in rural communities, through our community investment programmes and economic inclusion efforts (cross-reference to [‘Engaging with our communities’](#) and [‘Improving farmer livelihoods and promoting sustainable communities’](#)).

Freedom of association and collective bargaining agreements

In line with our Code of Conduct and Human Rights and Labour Policy, we respect the right of our employees to freely and voluntarily join trade unions. We also encourage employees to communicate their concerns to managers. The company aims to create an environment where direct dialogue is the preferred avenue for resolving issues. We respect employees’ rights to freely associate, organise and bargain collectively, in line with applicable laws and regulations. In 2024, 70% of employees were covered by collective bargaining agreements. This represents an increase of 3 percentage points compared to 67% in 2023, potentially due to an increase in the share of employees based in regions where such agreements are more prevalent.



Improving our human rights due diligence performance

As we strive to raise our performance on respecting human rights in our business and supply chains, we are taking action to improve the way we manage human rights due diligence (HRDD) and how we identify and address risks. We launched a project in partnership with Article One Advisors in 2023 to better understand the opportunities to strengthen our approach, particularly in light of evolving regulations. Throughout 2023 and 2024, we gained a full understanding of upcoming requirements and assessed the risks we face, particularly in certain regions of Brazil, Argentina and India. In particular, we have focused on strengthening our due diligence processes for higher-risk commodities such as soy, cotton, and coffee, aiming to improve standards across our supply chain.

In 2024, we also ran an operations risk assessment for priority regions (Argentina, Brazil & India), conducting interviews with employees and using their perspectives to gain a better picture of human rights-related risks in our own operations. Going forward, we will also build the capacity of our leaders to understand and act on relevant regulations and deliver training more broadly within our company, while further integrating human rights considerations into our policies. These efforts provide a strong foundation from which to make continuous progress, complementing our existing grievance mechanism and efforts, as we continue to assess and mitigate any human rights risks and impacts reporting our findings transparently to our stakeholders.



Human rights belong to us all, and businesses of all sizes play a crucial role in respecting these rights. Through our partnership, we have seen COFCO International take important and meaningful steps toward strengthening the company’s approach to human rights due diligence. While more opportunities remain, we are pleased to see the company’s progress, and look forward to seeing COFCO International make further advances on respecting human rights.”

Faris Natour,
Principle, Article One Advisors

Promoting equal opportunities and inclusion in a diverse workplace

Striving to ensure inclusion, including by providing all our employees with equal opportunities, is one of our core values and a fundamental part of our Sunshine Culture. Fostering an inclusive, diverse workplace also drives innovation and performance, creating value for our business and stakeholders.

Understanding our diversity and inclusion policies

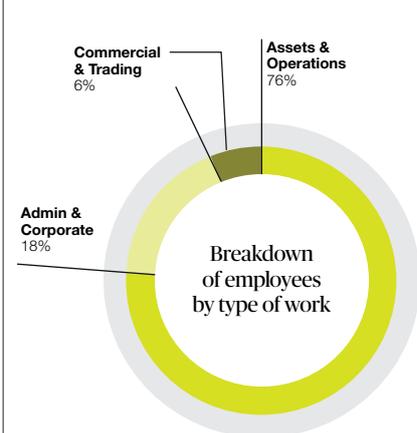
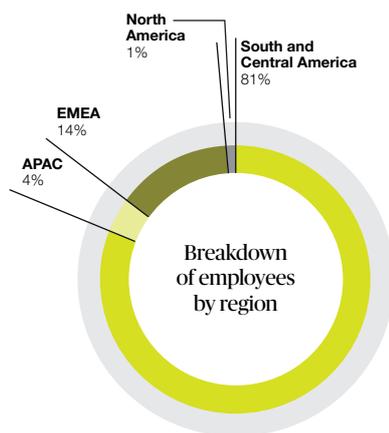
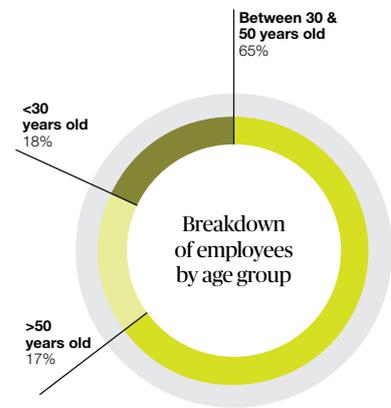
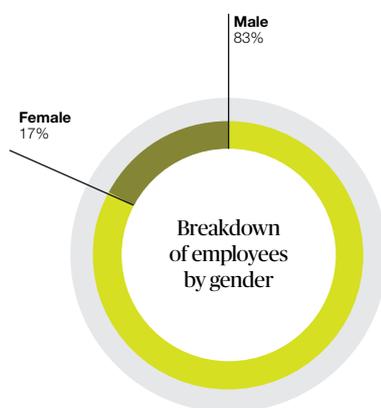
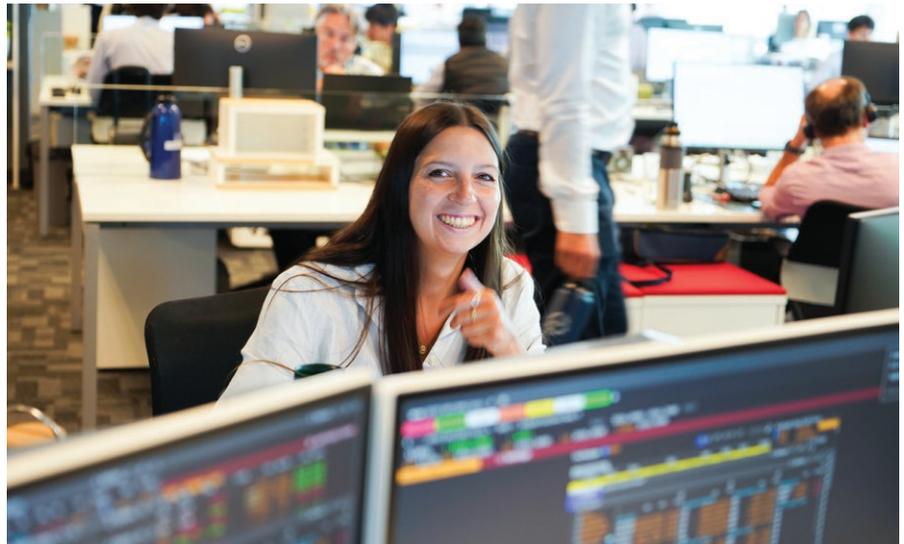
Our Equal Opportunities Policy supports our commitment to create a culture of equality and diversity in employment. Based on the ILO's Decent Work Conventions, it informs all our efforts to enable employees to flourish, regardless of their age, gender, race, nationality, religion or beliefs, political opinion, sexual orientation, disability or marital status. Overall, we strive to treat employees fairly, with dignity and respect, preventing discrimination or harassment of any kind. This applies to all our talent attraction and retention processes, and the way we engage with employees through their career journey. Similarly, we have also included diversity commitments within our Human Rights and Labour Policy, Code of Conduct and Supplier Code of Conduct.

A diverse global workforce

Our global workforce currently comprises 12,399 employees of 63 nationalities across 36 countries. This represents a 5% increase in the number of employees compared to 2023. Some 81% of our employees are based in South America and 67% in Brazil. The majority of our employees are male (83% compared to 17% female), reflecting the nature of the roles performed in our assets and operations, which have traditionally been performed by men.

We have nearly reached a gender balance within our administrative and corporate functions, where the proportion of women employees rose from 45% to 47% in 2024. The percentage of female employees in our commercial and trading teams increased from 22% to 24%. The company employs a balanced range of ages, with approximately the same number of employees aged 29 or lower vs aged 51 or higher.

In addition to our employees, a further 972 workers in 24 countries supported our global efforts in 2024, including contractors, vendors and seasonal workers.



Including people with disabilities

As part of our work to develop a culture of equality and diversity and encourage employees with disabilities to fulfil their potential, we continued to make progress on engaging positively with applicants and employees, while taking action to prevent any discrimination.

In Brazil, we took action to strengthen the 'Efficient Just Like You' programme, which aims to promote the inclusion of people with disabilities by ensuring that our employees recognise and value equality in the workplace. In 2024, we encouraged people with disabilities to apply for any vacancies, including by placing posters in relevant institutions near our operations. Through a local employment fair, we also actively sought to gather the CVs of people with disabilities and encouraged them to apply to open vacancies.

Elsewhere, in Argentina, we continued to strengthen our disability inclusion initiatives. We hold regular meetings to evaluate their performance, provide appropriate support and identify opportunities to encourage professional growth.

Supporting equal pay for work of equal value

COFCO International Brazil publishes half-year reports on gender pay gap transparency on our [local website](#), in line with Brazilian law. In particular, we share information on the pay practices of local subsidiaries, including breakdowns by gender, race and job type.

Preventing violence and harassment in the workplace

We offer our employees regular anti-discrimination and anti-harassment training. For example, within our Brazil grains and oilseeds operations, some 400 employees participated in workshops on moral and sexual harassment. In Central Europe, we provided training to new employees on discrimination and harassment, while in North America, employees benefitted from annual refresher training.

Certain countries and offices also have local policies in place to address this topic. For example, our Porto office in Portugal (where we employ 250 people) has a Code of Practice for Preventing and Combatting Workplace Harassment.

Promoting diversity

In South Africa, we have two employment equality committees in place for our office and crushing plant. These committees meet quarterly to address all diversity, equality and inclusion issues and ensure compliance with the country's rigorous equal employment laws. Representing all departments, the committees help to ensure employees respect legal requirements and company values, including by planning and delivering relevant training.

Within the communities close to our operations in South Africa, we seek to promote the inclusion of disadvantaged groups, including through our partnership with the Buhle Farmers Academy to support producers in a rural farming community in improving their practices. Meanwhile, in Brazil, we support the inclusion of young people in situations of vulnerability or social exclusion through our Citizen of the Future programme. For more information, see '[Improving farmer livelihoods and promoting sustainable communities](#)'.

Finally, in 2024, our teams celebrated international diversity, equality and inclusion by holding multiple events. For example, our Porto office recognised International Women's Day and Pride Day with guest speakers delivering presentations on equality, and in Brazil, we hosted an online event about diversity and the inclusion of LGBTQIA+ people.



Protecting our employees' health and safety

The health and safety of our workforce remains our first priority, with some 76% of our employees working in our assets and operations. Employees undertake a wide variety of roles, ranging from the operation and maintenance of industrial processes, vehicles and agricultural machinery to coordinating on-site logistics in silos, warehouses and port terminals.

We face the greatest health and safety risks in our industrial operations, such as grain processing, transportation hubs and our farming operations. These environments carry a higher probability of worker injuries that have the potential to affect their wellbeing and ability to work effectively.

Within our operations – Our [Code of Conduct](#) guides our overall approach to health and safety, setting the tone for how we expect employees to behave. Through our [Occupational Health and Safety \(OHS\) Policy](#), we commit to providing a safe and healthy work environment, in line with relevant laws and regulations. We provide comprehensive and continuous training for our leaders and employees, and conduct regular safety audits. All our operations and facilities must have adequate health, safety and environment procedures and practices in place. Similarly, through our Human Rights and Labour Policy, we provide and maintain a safe and healthy work environment for every employee, on-site contractor and service provider.

The main areas covered by our internal procedures include health and safety guidelines, EHS responsibilities, hazardous work permits, machinery, cleaning and sanitation, asset housekeeping, and safety information for contractors.

In particular, process safety is an important area of focus, providing a systematic approach to managing hazards and risks associated with hazardous materials and energy, in order to prevent and mitigate incidents such as fires, explosions and toxic releases. Process safety is about enforcing rigorous processes that identify hazards, evaluate risks and implement safeguards to protect people, the environment, key facilities and our business.



Across our value chain – We require our suppliers to protect their workers' health and safety (including farmers, seasonal and migrant workers), with clear requirements in our Supplier Code of Conduct, commodity-specific sustainable sourcing policies (for soy, corn and palm oil) and [Responsible Agriculture Standard](#). We expect suppliers to provide a healthy, safe work environment, safe and clean drinking water, proper accommodation (when applicable), electricity, emergency healthcare, essential personal protective equipment, adequate sanitation facilities, and fire safety and machine safeguarding guidelines. They must also work towards continuous health and safety performance improvement, including by establishing and maintaining a management system, consistent with the ISO 45001 standard. These practices must also be applied in their activities by third parties (including upstream own suppliers, agents and/or subcontractors).

How we manage occupational health and safety

Responsibility for occupational health and safety sits under our Global Asset Management team and is managed by our Head of EHS and Process Safety Management. We regularly update our leaders on OHS and process safety progress through monthly reports and discuss health and safety at global and regional events.

Our assets use OHS management systems that are aligned to the ISO 45001 standard, International Finance Corporation Performance Standards and World Bank Group environmental, health and safety Guidelines, enabling us to maintain consistent practices globally and respect applicable health and safety laws and regulations.

We conduct both internal and external audits to continuously enhance our health and safety performance, and receive regular inspections from local authorities to ensure compliance with all health and safety legal requirements. For example, in 2024, our Kandla refinery in India completed a SMETA audit designed to help protect workers from unsafe conditions, overwork, discrimination, low pay and forced labour. Further health and safety inspections and assessments were conducted at various facilities including in Romania, South Africa, Spain and across South America.

Through our centralised system for health and safety data management, our teams monitor and manage information related to accidents, injuries, illnesses and near misses. We also use this system to manage risks, contractor-specific health and safety matters and work permits. Some of this information is externally verified on an annual basis (see ['ESG reporting risk management and internal controls'](#)).

We encourage employees to be proactive in reporting and managing health and safety risks and concerns, with various tools in place, including our Integrity Hotline (see 'Effective grievance management'), our Eyes on Risk programme, and other communication channels.

At many of our assets, we have other measures to incentivise robust health and safety practices and recognise employees for their positive contribution towards our OHS management systems. For example, we recognised 100 workers from our sugar mills for their good performance, and provided quarterly awards in Standerton, South Africa.

Across Brazil, beyond the Eyes on Risk programme, we also have a 'For whom you do safety' initiative, encouraging some 5,000 employees to manage and prevent workplace health and safety risks by reminding them of their friends and families.

At each site, dedicated safety committees meet regularly to address local safety concerns, coordinating with managers, employees and/or unions. Teams at some assets (including throughout Brazil) have daily or weekly safety dialogues focussing on diverse health and safety topics and use these to discuss any site incidents and address the root causes.

We also conduct regular corporate health and safety assessments globally, having addressed over 2,350 improvement opportunities throughout the year. In 2024, we focused on developing a strategy to eliminate serious injuries and fatalities (SIF), developing a global SIF Prevention Programme, launching a new Event Classification Procedure and streamlining our event reporting processes.

Our key assets have site-specific OHS-related targets, in addition to our corporate targets (see below). To promote continuous performance improvement, we hold internal competitions between assets and recognise the best performing teams. In 2024, the majority of assets met their target to use OHS tools effectively. We also focused on improving process safety management and preventing serious incidents, improving the way we monitor actual and potential incidents.

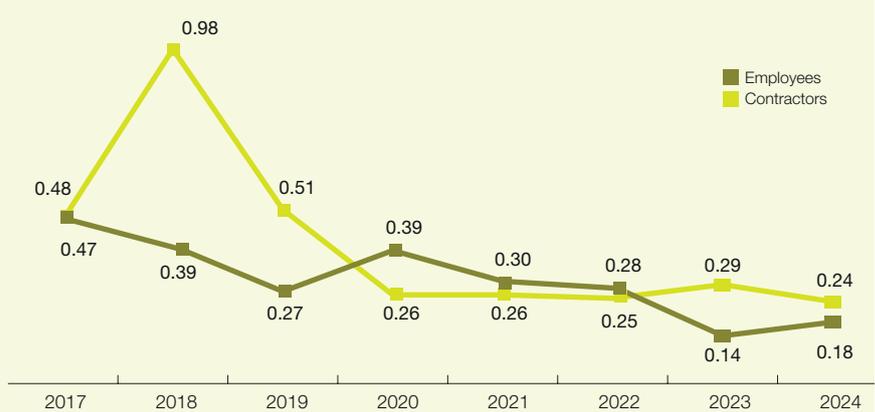
Our 2024 performance

Overall, our performance on health and safety for contractors improved in 2024, and declined slightly for employees. The improvement was due to continued investment in training and a proactive approach to managing health and safety risks among contractors. The expansion of our Santos terminal in Brazil may also have affected our figures, with a larger number of higher safety-related risk activities undertaken by both our employees and contractors.

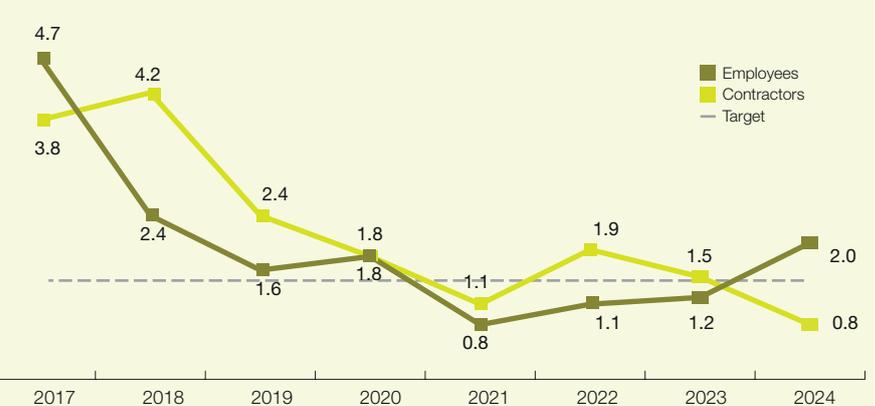
We met our Safety Index target of a score lower or equal to 1.5 for contractors (0.8, the lowest value to date) while this score was 2.0 for employees. This was due to an increased occurrence of events requiring basic medical aid and an increase in the average number of working days lost per incident.

In 2024, we recorded 30 accidents resulting in loss of work hours, representing an increase of 30% relative to 2023 (23). As a result, our lost-time injury frequency rate for employees rose by 29%, reaching 0.18 in 2024. The same rate for contractors decreased by 17%, reaching 0.24 in 2024, representing a lower number of lost working days, compared to 2023. We are deeply saddened to report that we had an employee fatality and injuries in 2024. The incidents have been investigated thoroughly and we have implemented targeted corrective measures to prevent any future reoccurrences.

Lost-time injury frequency rate
(per 200,000 work hours)



Safety Index
(per 200,000 work hours)



Observations

200,000 represents the number of hours of 100 employees working 40 hours per week, 50 weeks per year and provides the standard base for calculating incidence rates. (100 × 40 × 50 = 200,000). Safety Index: (Medical aid frequency rate ÷ 7.5) + (Total lost-time frequency rate) + (Severity rate ÷ 5). Lost-time injury frequency rates do not include commuting incidents.

17%

decrease in lost-time injury frequency rate for contractors



Providing health and safety training

We remain committed to ensuring our employees and contractors are equipped with the knowledge they need to promote safe and healthy in the workplace, prevent accidents and manage OHS risks in their daily work.

We met our target for health and safety training for contractors in 2024 (1.9% of working hours, exceeding our 1.5% target). However, the equivalent result for employees was 1.3% of working hours, falling short of our 2% target.

Our 2024 health and safety highlights

- We observed an 8.7% decrease in the number of smoulders and fires, building on progress in recent years. The cases recorded in 2024 were also of lower severity.
- Some 77% of our assets inside our reporting scope experienced zero lost-time accidents in 2024.
- Several sites achieved consecutive accident-free days. For example, our Necochea terminal reached 3,356 days and our Brazil coffee operations recorded 1,057 days.
- Employee participation in our Eyes on Risk programme increased, with over 119,000 potential risks reported globally. Employees at our Timbués plant submitted 4,922 observations, with 99% of employees submitting at least one observation, while more than 41,000 employees participated across our sugar operations in Brazil.

Strengthening occupational health and safety management

Throughout our operations, we continued to invest in regular safety campaigns, foundational training, emergency drills and other initiatives, as part of our workplace safety management efforts.

Improving safety equipment – Across our Brazil grains and oilseeds assets, we invested in protective equipment fitted in and near machines and industrial equipment. We also made improvements to ladders and the internal platforms of dryers, and installed lifelines and mechanical guards on the sides of conveyor belts.

Similarly, we installed new safety signs and upgraded existing signs in several sites, including our India refinery and across our South Cone silos. Within this region, we also installed new critical safety instruments in redlers, dust collection systems and personal protective equipment dispensers. We also improved pedestrian pathways and upgraded radio communication systems.

Training and awareness – Our Kandla refinery celebrated National Safety Week, using the opportunity to promote health and safety, with activities including a drawing competition, creating a safety video, a recognising contractor performance, and providing driver safety and risk assessment demonstrations. The team also provided first aid and plant and fire safety training for employees.

Meanwhile, in the UK, 75% of employees took part in defibrillator training. In Romania, our teams marked National Safety Day with training

sessions and competitions. Our Brazil coffee team conducted awareness campaigns with experts, covering health and safety topics, while also providing training and emergency simulations to help improve the team’s ability to prepare for risk situations.

Within our Brazil sugar operations, regular driver safety training and other driver-oriented efforts led to a 15% reduction in vehicle safety incidents linked to human error (and a 38% reduction in relation to agricultural machinery and tractors). In 2024, we expanded our ‘Driver ride-along’ initiative for these operations, with more than 800 drivers accompanied by local leaders and EHS teams, enabling an exchange of views on how to improve OHS and wellbeing performance.

To engage our employees, we continued to implement campaigns on topics such as workplace safety, waste management, using natural resources effectively and environmental protection. We also hold weekly meetings to discuss safety topics, share good practice, identify potential risks and promote a culture of risk prevention.

Our Brazil grains and oilseeds team opened a new training centre in one of our assets and provided dedicated safety training for machinery operators, in addition to regular safety meetings. A Drivers’ Day was held at our Carlinda storage facility with OHS activities, including the distribution of road safety guidelines. We also delivered a ‘Green April’ Campaign, delivering risk perception and safe behaviour training.

Elsewhere, in Puerto General San Martin, our teams provided a comprehensive OHS training programme focussing on a wide range of topics, together with training on fire safety and forklift safety and operation, and licences for operators. In Timbúes, we joined a mutual aid plan to support employees in the event of emergency, while in Paraguay, our Eyes on Risk training led to a more than 100% increase in the number of behavioural observations completed, compared to 2023. Across the South Cone, we held a safety week at all our assets, enabling employees' families to visit the sites, and providing training on first aid.

In Argentina, teams from our Timbúes plant participated in an industrial emergency response competition in San Lorenzo, earning first place by exemplifying teamwork, dedication, technical expertise and an ability to perform under pressure. Designed to simulate real emergencies, the event included firefighting, rescue operations, hazardous material handling, and confined space evacuations, providing an opportunity for contestants to demonstrate their commitment to safety in action.

Our 'Safer COFCO' programme in our Brazil Sugar operations focusses on safety at work and in the environment. Through this initiative, some 6,100 employees learnt more about how to protect themselves and promote a safer workplace. For example, the team regularly discussed fire prevention and how to react in the event of a fire.

Similarly, we held a week entitled 'Prevention of accidents at work' at some of our Brazilian assets. We celebrated this in our Brazil coffee business by holding lectures, workshops and interactive activities for more than 5,000 participants and partners, in order to promote health, safety and environmental awareness.

“

Employee health and wellbeing is our first priority. We continuously invest in strengthening our occupational health and safety management, and building the capacity of our fire prevention teams to stay safe while protecting our sugarcane crops.”

Gustavo Negreiros, EHS Manager, COFCO International Brazil

Improving fire safety

In 2024, Brazil faced more than 278,299 fire outbreaks, the highest number since 2010, representing an increase of 46.5% compared to 2023, according to the National Institute for Space Research. The state of São Paulo was among the most affected regions. These fires affect ecosystems and agricultural productivity, while posing a risk for human health.

Amid these challenging circumstances, we took measures to prevent fire risk and raise awareness of health and safety, in order to protect our employees and plantations. We therefore continued to strengthen our fire awareness and prevention programme, enabling our teams to respond effectively in emergency situations, while building a culture of prevention among our employees and partners.

In our Brazil Sugar operations, we take part in a Mutual Aid Plan that collectively protects over 30,000 people in the local communities. This is provided by the union of mills and sugarcane suppliers with the support of the local fire department and environmental military police. The organisers aim to prepare mills and communities for emergency situations, while promoting regular monitoring and action to prevent outbreaks in sugar plantations and beyond, in order to reduce the health, environmental and economic impact of fires. We also conducted regular drills in the sugarcane plantations to prepare for the occurrence of fire outbreaks and held community awareness-raising campaigns among our local communities (see ['Promoting environmental stewardship in communities'](#)).

In Romania, we installed new smoke detectors at all our assets, and in India, we upgraded our refinery's fire detection system and fire hydrant network, while our teams conducted a fire preparedness study. In some of our South Cone silos, we installed new generators and pumps within our fire safety networks.



Encouraging employee health and wellbeing

We strive to protect our employees' health and wellbeing, including by offering comprehensive health benefits, flexible work options and creating an inclusive, supportive culture. Throughout the year, we held health campaigns and programmes to promote physical, mental and emotional health. Our employees participate in regular health check-ups, and receive frequent training on topics such as first aid, CPR and healthy lifestyle practices.

Across our Brazilian assets, our employees take part in regular workplace fitness classes with physiotherapists, including stretching exercises and light exercise.

Within our Brazil coffee teams, there was a focus on monitoring and managing occupational medical examinations in order to detect potential health challenges related to our work environment, while lowering the number of days our employees were absent from work.

In our Brazil grains and oilseeds operations, we created an ergonomics committee, which oversees ergonomic analyses and adjustments in line with legal requirements, in order to help improve employees' quality of life. We also dedicated different months to health themes, and held multiple awareness-raising events, covering topics such as nutrition, cancer and harassment.

Throughout our South Cone assets, we held an influenza and dengue vaccination campaign, and covered topics including infectious diseases, breast and prostate cancer prevention, heat stress and healthy eating.

At our Granada storage facility, and throughout our Romanian assets, we purchased automatic defibrillators and delivered training to encourage effective use. Meanwhile, in Standerton, South Africa, we held awareness, counselling and testing campaigns with external government stakeholders on HIV and AIDs, cancer and maintained employee wellness assistance programmes.

Attracting talent and providing high-quality development opportunities

We aim to provide equal opportunities and high-quality training for personal and professional development in order to attract and retain employees who share our values and contribute to achieving our goals. Importantly, we enable our workforce to gain the skills they need to excel in their roles and fulfil their potential. To achieve this, we invest in an integrated people development approach, encompassing talent attraction and retention and learning and development.

Understanding our training offer for employees

Our Training and Development Policy presents a clear set of guidelines for employees and managers on available learning opportunities. In particular, we aim to deliver training that enables technical and professional development for employees to perform their jobs competently and safely, while delivering the performance we need to succeed. We also strive to ensure that employees develop a good understanding of COFCO International's business and operations, and provide opportunities to share best practice and innovative ideas. In addition, we seek to expand access to agricultural skills in the regions where we are located (see '[Engaging with suppliers and promoting farmer capacity building](#)' and '[Improving farmer livelihoods and promoting sustainable communities](#)').

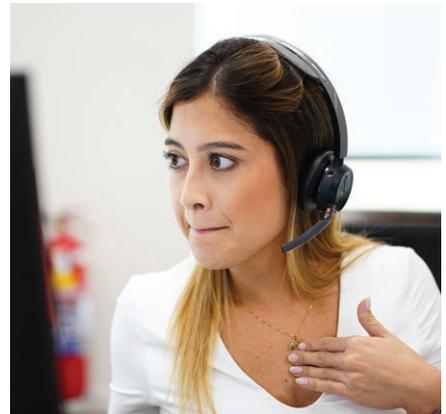
We manage our learning offering centrally, where possible, working with our leaders and subject matter experts to bring policies to life and build awareness through e-learning and classroom training. It includes multiple learning solutions, accessible through our Learning Management System. Office-based employees benefit from e-learning, virtual classrooms and instructor-led classroom training, while asset employees undertake mandatory technical and health and safety related classroom training (see '[Protecting our employees' health and safety](#)', for further information).

We ensure flexibility so that employees can undertake training in their own language and at a convenient time. Through our learning management system, we review completion records and identify opportunities to improve reach.

Training progress

In 2024, we provided 35,442 hours of training (of which 29% was delivered to female employees), a 4% year-on-year increase. Some 56% of training hours were completed online and mandatory training accounted for 9,070 hours (see '[Responsible governance and compliance](#)').

In addition, our office-based employees have access to a wide range of training content through LinkedIn Learning. In 2024, a total of 144,712 training videos were viewed by COFCO International employees, a 21% increase compared to 2023.



Developing talented individuals

We seek to provide employees with the tools and materials they need to fulfil their potential and develop their skills. We provide core policy training to new employees, together with a digital, integrated onboarding system that enables them to integrate into the company and culture more rapidly, while allowing their managers to provide effective support. As part of our efforts to foster a culture of learning, we regularly engage our employees through internal communication channels, such as our monthly learning newsletter and social learning networks.

Our managers evaluate employee performance annually, covering progress towards their individual and team objectives through one-on-one discussions, in order to foster continuous professional improvement. In 2024, the majority of our office-based employees participated in regular performance and career development reviews. We also adopted a similar process for asset-based employees, with a particular focus on Brazil, where the majority of our workforce is located. Every year, we recognise top performing managers, teams and individuals who live our values through our Sunshine Awards. We awarded 54 awards to employees and 27 to teams, with the winners selected by our Executive Committee from among 533 nominations from 26 countries.

Launching tools to promote learning and development

To better enable our employees to learn and grow professionally, we have launched new digital tools – our Career Conversations Guide and MyHR Individual Development Plan. Through the Guide, we provide information and tools that enable employees to prepare for development conversations with their line manager, identify opportunities for growth and consider future roles. By taking ownership of their development, we aim to equip employees with the skills they need to perform while also helping us to achieve greater performance.

Meanwhile, the Individual Development Plan is a professional and personal development tool enabling employees to identify and focus on the skills and behaviours needed for success in their current role and prepare for their career journey. On completion of their development conversation, we encourage employees to capture their agreed development goals using the platform. This allows both line manager and employee to agree any training needed to meet their goals.

We launched the COFCO International Learning Community in 2024, a group of employees dedicated to promoting continuous learning and personal growth across all levels of the company. We have observed a steadily growing number of participants from 15 different countries.

Empowering early career professionals

Through our NextGen community, we seek to empower early career participants to connect across regions and functions, fostering collaboration, knowledge sharing and understanding of industry trends and challenges. The programme provides opportunities to learn about the industry and business operations through monthly training and skills development sessions. In 2024, we transitioned to an inclusive model, open to all early career employees, attracting more than 50 participants. We held two learning days and six webinars in 2024, with some 88% of attendees expressing an interest in future events. Meanwhile, 90% reported that they would be likely to recommend the NextGen community to others.

Looking ahead, we will continue to design and deliver an effective learning curriculum for the NextGen community, raise awareness of the initiative across the company and engage regularly with key stakeholders.



“
We strive to empower our leaders to succeed, guiding the future success of our business. We provide high quality learning and development opportunities to all our employees, while nurturing the talent of promising graduates.”

Sarah Mumford, Global Head of Learning, COFCO International

Introducing our Leadership Programme

To support our leaders in delivering our goals, we have launched a global leadership programme. This began with two cohorts of participants representing multiple functions taking part in coaching, workshops and virtual learning sessions over six months. In 2024, 24 senior leaders completed the programme, gaining an opportunity to explore their leadership style and how best to fulfil their responsibilities. The programme forms part of our Leadership and Development offer, and seeks to strengthen our leadership by equipping participants with the tools to succeed in a complex environment, establish networks, and evolve the organisation's global identity, recognising the value of our dynamic international culture. With a shared sense of purpose, participants develop a robust set of skills to grow as leaders, while further developing the concept of leadership at COFCO International.

Building a pipeline of talented commercial graduates

We continued our programme designed to empower promising graduates to develop their potential in our company. In 2024, our third cohort comprised 14 graduates in six countries (Brazil, India, Singapore, South Africa, Switzerland and the UK). We provided learning events, professional development conversations, and opportunities to explore how they have benefitted from rotating across different roles within the business. Each participant undertakes more than 65 hours of training, including through graduate Learning Week, which consists of technical workshops and personal development sessions. They also participated in a business challenge to analyse agronomic scenarios, macro-economic trends, supply-demand dynamics and future opportunities for major crops. Their findings stand to further their professional development and benefit our company. Finally, all our graduates complete the programme together, providing an opportunity for networking with senior leaders, colleagues and experts.

Retaining talent

Beyond training opportunities, we aim to provide our employees with the conditions they need to thrive. In particular, we invest in their wellbeing (see [‘Protecting our employees’ health and safety’](#) for further information) and prioritise their health and safety.

In Brazil, we retained the Great Place to Work certificate for the third consecutive year and received a Great People Mental Health certificate. These accolades further establish our company as a positive place to work, as perceived by our employees (who completed the respective surveys, with the latter gaining responses from 5,600 of our Brazil employees) and strengthening our ambition to become an employer of choice.

Engaging with suppliers and promoting farmer capacity building

Collaborating with suppliers, particularly farmers, is fundamental to meeting global agricultural demand sustainably, helping to address shared challenges and promote food security. We prioritise long-term relationships, building farmer capacity to adopt more responsible and sustainable practices.

Our supplier policies

Our Supplier Code of Conduct outlines the standards of social and environmental responsibility we require from our suppliers. We expect every supplier to uphold these principles and ensure that their own suppliers and all parties further the way up the chain adhere to the same requirements. Our Code is supported by sustainable sourcing policies for specific commodities in our diverse sourcing regions, covering challenges including climate change, deforestation- and conversion-free production and human rights due diligence. In early 2025, we launched a new Sustainable Corn Sourcing Policy, complementing our existing Soy and Palm Oil Sourcing Policies.

Elsewhere, our Global Procurement Policy applies to non-trade procurement and ensures that suppliers are selected in a fair and equitable manner. It also reinforces our commitment to sustainable development by requiring suppliers to adhere to the standards set out in our Supplier Code of Conduct.

Supplier risk management and performance monitoring

We take a risk-based approach to prioritising our supplier engagement efforts, assessing and monitoring supplier performance and supply chain risks, including through environmental and social risk assessments. This enables us to develop appropriate measures targeted at the suppliers, commodities and regions presenting the greatest level of social or environmental risk.

Where the source of commodities is located near our operations, such as soybean farming in Brazil, we conduct assessments directly in our supply chains, using a combination of traceability information relating to our direct and indirect suppliers, satellite monitoring for land use change and publicly available information on regional compliance with relevant environmental, social and governance regulations. See [‘Placing responsible land use at the centre of sustainable sourcing’](#).

For commodities where we are more distant from the production stage, we monitor risks relating to the region of production, working with our suppliers to raise performance. For example, we regularly perform supplier performance evaluations within our palm oil supply chain, particularly when we observe a significant shift in our supply base, which may require a new environmental and social risk assessment. Suppliers holding sustainable certifications are subject to audits covering topics including human rights, labour and environmental management.

Grievance management

Importantly, we also engage suppliers to address any supply chain grievances, working closely with the supplier to develop corrective actions. In the event a supplier is no longer able to comply with our requirements, we may terminate their sourcing contract. For more information about our grievance management, see [‘Our corporate culture, values and business ethics’](#).

Prioritising indirect supplier engagement in Brazil

In the case of indirect suppliers, such as cooperatives and resellers, we face additional challenges in gaining access to the information we require to enable performance improvement. In 2024, our sustainability and commercial teams met with 19 strategic parties in the regions of Bahia, Goiás, Mato Grosso, Pará, Paraná and Tocantins in order to improve traceability in these sensitive biomes. Through these meetings, we highlight our expectations and public commitments, explain the importance of supply chain traceability data and how we perform due diligence, while also demonstrating how to use our ‘My COFCO Portal’ to submit farm sustainability information.





Building sugar supplier capacity in Brazil

In addition to operating our own sugarcane plantations, we also work with external sugarcane producers. In 2024, we launched a 'Sustainable COFCO Producer' programme to help improve their sustainability performance. Firstly, we conducted visits to 13 key suppliers, seeking to understand how they cultivate sugarcane crops and to what extent they integrate other crops or animal rearing activities. This has informed a programme for the evaluation, training and recognition of suppliers, focussing on labour conditions, resource management, biodiversity and environmental protection. We also gained insights into the size of their workforce, relevant certifications, traceability data and their use of pesticides and fertilisers, together with any information relating to deforestation. Beyond this, we assessed any impacts on forests and biodiversity (including whether they have registered their farm with the Brazilian government for conservation purposes), respect for human rights and any climate resilience measures. We also analysed their use of innovative technologies, practices and machinery, and investment in the research and development of more sustainable agricultural solutions. Overall, the project allowed us to identify risks related to sugarcane supplier operations and develop a supplier engagement programme focused on assessing issues such as human rights, biodiversity, climate change, and governance. In addition, the programme will offer supplier training and capacity building activities.

Partnering with farmers and producers to improve practices

We remain committed to strengthening our long-term partnerships with farmers and producers, supporting them with technical expertise, finance, services and networks. This collaboration delivers mutual benefits. Farmers improve their livelihoods by improving yields and expanding their access to global markets, while we expand our supply base for sustainable commodities. We engage and provide training to suppliers on multiple sustainability topics, including climate change, human and labour rights, occupational health and safety, water performance and biodiversity protection.

Developing partnerships with suppliers across our value chains

In South Africa, we have developed longstanding relationships with 50 farms covering 70,000-80,000 hectares, helping to promote advanced agricultural technology. For example, a digital platform helps to inform planting, budgets and agricultural inputs, improving efficiency. By empowering suppliers to further mechanise their operations and adopt innovative technologies, we have helped to raise yields sustainably.

Meanwhile, in Argentina, we have conducted a project to measure suppliers' carbon footprints reaching 20 soybean farmers associated with flour, oil or biofuel production across 60,000 hectares. The emissions measurements will be verified by an independent party. By understanding the GHG impact of these farmers, all of whose farms are certified under EPA or 2BSvs programmes, we will be able to direct targeted efforts towards raising their performance, and they may be able to access carbon credits in the future.

In Brazil, we have completed the first year of the Soft Commodities Forum's Farmer First Clusters initiative in the Cerrado. See '[Strengthening the resilience of agricultural systems](#)'. As part of our supplier capacity building project, we also conducted audits focussing on human rights compliance, while providing training on this important topic and promoting health and safety. Some suppliers also participated in a soil conservation workshop (see '[Promoting biodiversity and healthy ecosystems](#)').

Within our coffee supply chain, we delivered sustainable sourcing training to 139 farmers in Brazil, as part of the 'On Good Grounds' project with a coffee manufacturer customer. We expanded our team of agronomists providing technical and sustainability support. Meanwhile, in Indonesia, our research agronomists supported coffee growers in improving their yields sustainably and delivered training on gender equality, health and safety in the working environment, and safe handling of agrichemicals to 34 farmers across the provinces of Lampung, South Sumatra and Bengkulu.



Supporting farmers across our supply chains to improve their performance and use nature positive and less emissions-intensive practices strengthens the long-term resilience of our company and the broader agricultural sector."

Helen Song, Chief Financial Officer, COFCO International

In Vietnam and Colombia, we continued to provide support to producers, helping them to obtain sustainability certifications.

Some 268 coffee growers are currently approved our Coffee Responsible Origin Programme (CROP), including an EUDR compliance analysis, covering a total production area of 11,900 hectares (8,991 hectares of Arabica and 2,910 hectares of Conilon), with a total production potential of 534,000 bags (65% Arabica and 35% Conilon). In 2024, the programme yielded some 22,000 bags.

In 2024, our Brazil team held technical field demonstration days in Minas Gerais and Espírito Santo, supporting Arabica and Conilon suppliers in adopting sustainable practices. We improved our performance monitoring and completed socio-environmental assessments of these farms, while developing action plans to help ensure compliance.

This reflects our broader efforts to work directly with farmers to promote good agricultural practices through third-party sustainability certification programmes and our Responsible Agriculture Standard. See '[Meeting market demand through sustainability certifications](#)' for more information.

Training our employees to better engage with suppliers

In 2024, we delivered sustainable agriculture training to 173 commercial employees involved in soybean and corn supplier engagement efforts in Brazil. This covered the analysis of social and environmental risks, the importance of traceability and deforestation and conversion-free production, legal compliance and respect for human rights. We also highlighted our Sustainable Soy Sourcing Policy and requirements such as the Soy Moratorium in the Amazon and the Green Protocol in Pará.

In Argentina, we conducted 278 hours of employee training on sustainability certification schemes and regulations, including on programmes such as RTRS, 2BSvs, EPA, ISCC, our Responsible Agriculture Standard and the EUDR. Similarly, we also conducted training sessions on sustainable sourcing for our cotton team.

Respecting local community rights

Our operations may affect local communities from a social, environmental or economic perspective, particularly in countries where our industrial footprint is more significant, such as Brazil and Argentina. We strive to make a positive impact and respect the rights of local communities by maintaining social dialogue with community representatives, upholding strong environmental management systems (see [‘Managing resources responsibly’](#)), and addressing their most pressing needs (see [‘Engaging with our communities’](#)).

Clear, secure land rights help to empower rural communities and smallholders, helping to prevent deforestation and ensure they preserve their access to natural resources and continue to rely on their own food cultivation. Similarly, strong governance of land tenure and customary rights promotes community stability and socio-economic stability.

Across our value chain, we therefore seek to protect indigenous people and particularly vulnerable communities who may be at a higher risk of deforestation and conversion, for example the quilombolas in Brazil and riparian communities. In line with our Supplier Code of Conduct, we require our suppliers to respect the land rights of local and indigenous communities, including legal and customary land rights. They must also respect Free, Prior and Informed Consent for the use of their customary lands prior to any agricultural development.

In constructing new sites, we are committed to consulting with local communities and maintaining an open dialogue with those impacted by our business, in order to prevent disruption to local infrastructure or create pollution. We aim for these projects to benefit local communities by creating employment, upskilling workers and boosting the local economy.

Our policies promoting indigenous land rights and community rights

Stakeholder Engagement Policy – We recognise the importance of stakeholder engagement in making more informed business decisions, leading to mutually beneficial outcomes. We identify and engage with interested and affected stakeholders, including communities, paying particular attention to vulnerable groups, listening to and addressing their concerns surrounding the social and environmental impacts of our operations, and communicating regularly. We maintain ongoing dialogue and provide a confidential mechanism for reporting any concerns. See [‘How we engage our stakeholders’](#).

Responsible Land Acquisition and Leasing Policy – We seek to uphold the responsible governance of land tenure and prevent displacement of communities, where possible. We remain committed to international human rights standards on rights to land and natural resources, as well as the IFC Performance Standards, taking steps to address any concerns or impacts, as appropriate.

Supplier Code of Conduct and commodity-specific sourcing policies – We require our suppliers to respect the local communities where they operate (particularly in the case of hazardous and high impact activities) and contribute positively to quality of life, where possible. Our suppliers must respect local leaders and engage in dialogue regarding the impact of their activity on local communities.

Our suppliers must also adhere to the responsible governance of land tenure and respect the land rights of local and indigenous communities. Additionally, they must respect Free, Prior and Informed Consent (FPIC) from indigenous people and local communities, respecting their rights, land, resources, territories, livelihoods and food security. We also expect suppliers to prevent related abusive or criminal practices.

See [‘Engaging with our communities’](#) for more information on how we address our local communities’ most urgent needs through our community investment programmes.

Our community rights-related targets and progress

We strive to conduct environmental and social impact assessments prior to new site construction and acquisition. Our Investment Review and Approval Policy helps to ensure that new projects are subject to early environmental and social risk screening. We take further steps to address any risks identified, including more in-depth risk assessment and appraisal, stakeholder engagement, Free, Prior and Informed Consent (FPIC) and social and environmental management plans, as appropriate. During the ongoing construction of our new STS11 port terminal in Santos, we complied with all risk management requirements, including occupational health and safety and environmental protection regulations.

In the same way, we maintain ongoing social dialogue at all operations with a high impact on communities, particularly in Brazil and Argentina. We achieve this through frequent and ad hoc dialogue with representatives of local authorities, worker representatives or syndicates, education and health institutions, and economic institutions such as chambers of commerce. In Brazil, we organise formal social dialogue events in communities where our sugar mills are located.

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Through the expansion of this port terminal, we have contributed significantly to the regional economy, while demonstrating best practice in sustainable transport and reaffirming our commitment to transparency, safety and respect for the urban environment. Importantly, we have sought to respect the local community and planned complex operations in order to minimise disruption through every step of the construction.”

Sérgio Luiz Ferreira Junior,

Director Operations Grains and Oilseeds Brazil,
COFCO International



Building one of South America's largest bulk terminals at Santos with community at the core

The port of Santos in Brazil is a historic international trading hub and the very reason for the city's existence and growth. Its operations have long shaped the local economy and identity. At this key location, we are constructing a new terminal that we aim to use to ship up to 14.5 million tonnes of commodities annually from 2026. Once operational, it will be one of the largest solid bulk export terminals in South America. Throughout the construction phase, we have prioritised communicating effectively with communities in Santos, understanding and responding to their needs, including by adopting more sustainable, quieter transport solutions and creating a new leisure area. We have also employed largely local suppliers, creating 480 jobs and supporting the city's economic growth.

The scale of the construction required highly complex logistics, involving thousands of vehicle movements and the coordination of heavy equipment over an extended period. This included the continuous flow of concrete mixer trucks, the transport and assembly of large metal structures, and the handling of oversized components within a dense urban environment. These activities demanded constant and sensitive coordination with the local community and public bodies. To minimise disruption, we scheduled all high-impact operations to take place outside peak hours. For example, we completed the removal of a large metal structure spanning a main route into the city was completed during the night in an eight-hour operation, conducted in close communication with the

Santos Department of Transport and the Port Guard. This helped to maintain the flow of traffic for local residents, tourists – given Santos hosts the main cruise terminal for São Paulo – and freight moving through the port. Similarly, we conducted the relocation of historic warehouses and other buildings near the entrance of the terminal, respecting the port's urban memory and maintaining an open dialogue with cultural entities and residents.

To further optimise our transport solutions, we implemented a logistics planning and assembly system to select the best routes, schedules and resources in near real time, avoiding overloading the road system and achieving greater predictability in the movement of materials. In particular, we adopted an innovative logistics strategy to transport 1,300 16-metre piles weighing 11,000 tonnes by rail, preventing the circulation of more than 1,000 trucks on the city's streets. By investing in rail transportation and building the terminal such that it prioritises rail transport, we will help to avoid more trucks travelling through the city, further reducing emissions and noise pollution, and helping to improve road safety.

Beyond this, the local community can also benefit from a newly opened amusement park. Through an agreement with the Santos city council, we have invested R\$15 million in building this leisure area in Valongo Park and rehabilitating an old historic warehouse, which can now accommodate public events.

Improving farmer livelihoods and promoting sustainable communities

We aim to promote economic inclusion and support sustainable livelihoods where we operate, particularly among farmers and rural communities, in line with the UN Sustainable Development Goals, creating significant, measurable and lasting impacts, particularly among vulnerable groups. This also strengthens our contribution to global food security, while empowering our suppliers to access international markets. We remain committed to supporting communities directly or indirectly affected by our business (for example, those living near our suppliers' plantations), and in this way respecting their economic, social and cultural rights, such as adequate housing, food, water and sanitation. We strive to ensure that any rights to land tenure are upheld and communities are kept safe.

Our Community Investment Policy governs our investment in communities affected by our operations. Where this is linked to the impacts of our own operations, we adjust our community investment programmes to ensure that we are addressing our communities' most pressing needs and priorities. Regarding the communities affected by our upstream activities (such as agricultural production), we strive to promote the economic inclusion of smallholder farmers as much as possible. We do this through supporting dedicated programmes and sourcing volumes from smallholders.

For both groups, we also invest in building the capacity of rural farmers and young adults in order to empower them to learn new skills that could enable them to access employment in agriculture. Beyond this, we participate in community projects to promote self-sufficient food production.

By being part of our supply chains, farmers are able to leverage tools, knowledge and training to adopt sustainable practices and improve productivity and profit.



Empowering smallholder farmers

In Brazil, we continue to support the country's Social Fuel Stamp Programme, which seeks to empower some 41,000 smallholder soy farmers to access markets. The initiative, organised by the Brazilian Ministry of Agriculture, Livestock and Supply, provides agri-businesses with an incentive for purchasing biodiesel and feedstock from organisations that promote fair prices and provide training for smallholders to produce oilseeds in a safe and sustainable way. In 2024, we sourced 184,000 tonnes of soybean through this programme, compared to 213,000 tonnes in 2023. In this way, the soybean farmers were able to raise their yields and improve their livelihoods.

Through this programme, we also sourced 255 tonnes of raw cotton and continued to source coconut (16,000 tonnes) from over 356 and 1,900 smallholder producers in the Northwest region, respectively, positively impacting local economies.

Through our coffee business, we continue to support smallholder producers in gaining access to the sustainable coffee market. We do this by supporting and training producers in relevant certification schemes, and working with them to address growing demand for more sustainable products (see ['Meeting market demand through sustainability certifications'](#)).

Building the capacity of our communities to promote economic inclusion

Across Brazil, South Africa and Argentina, we dedicate some of our community investment to capacity building, particularly among young people who are entering or about to enter the job market.

In South Africa, we continued to support the Buhle Farmers' Academy, providing training and support to 50 smallholders for the local production of livestock, vegetables, poultry and eggs. We also offered training on sustainable farming and farmer business development, with participants able to apply their acquired knowledge within their home communities.

Meanwhile, in Brazil, we continued to invest in our Citizen of the Future programme, supporting more than 100 teenagers (aged between 12 and 18 years) in situations of vulnerability or social exclusion. In particular, we offered them opportunities to strengthen their personal and social skills, in order to achieve greater economic independence and inclusion in society. Meanwhile, through our Pollinate Project, we continue to support local beekeepers in protecting their bees and livelihoods.

In Argentina, in 2024, we offered various in-person and online training events to students and other local community members, covering a wide range of topics from entrepreneurship and leadership to health and safety, better equipping them to contribute to their local economy. We also expanded our office vegetable garden initiative in Buenos Aires, encouraging our employees to engage with the concept of food autonomy, and building similar gardens near local schools, food banks and social support institutions, providing fresh produce and fostering sustainable agricultural practices.

Engaging with our communities

We are committed to engaging positively with our communities, as part of our corporate citizenship efforts. This is vital to achieving our sustainability strategy and ensuring our long-term success, including by strengthening our social license to operate.

In 2024, more than 46,000 people benefitted from our community investment programmes. This represents a steady increase compared to 42,000 in 2023. We also made efforts to increase the number of people reached by individual initiatives by centralising and strengthening our initiatives, as well as to ensure the programmes address the local priorities and most urgent needs.

Community Investment Policy

We take a strategic approach to investing in our communities, seeking to promote wellbeing, expand access to education and help people build the skills they need to gain access to employment and improve their livelihoods. We also seek to work with communities to help safeguard their environment.

Community wellbeing

Within our communities, we take action to improve access to basic needs, particularly among underprivileged community members. Importantly, we strive to promote and respect human rights, prioritising those who may be most at risk. We seek to raise health, wellbeing and quality of life, and improve community safety and infrastructure, where possible.

Education and capacity building

This includes efforts to contribute to improve employment skills among local residents, strengthen access to education, technical training and employment, and promote sustainable livelihoods.

Environmental stewardship

We aim to improve one or more environmental aspects of local communities, ecosystems or environments, including actions that reduce greenhouse gas emissions.

Understanding our community investment programmes

The leadership of COFCO International subsidiaries define and address local community priorities, identifying their needs through diverse forms of stakeholder engagement. Our global network of Sustainability Ambassadors oversees these efforts and the implementation of projects. In some locations, dedicated committees and groups of volunteers support these efforts or conduct their own activities.

Each location has an annual community investment plan, and we strive to ensure that projects respect internal policies and our global sustainability strategy.

In Brazil, a group of 65 volunteers participates in our Sustainability Ambassador Action for Impact Programme through 18 local committees. In 2024, this programme reached almost 4,000 people in our local communities.





Improving our communities' wellbeing and addressing their basic needs

We regularly hold campaigns to address the basic needs of local communities through donations of food, clothing, toys and other items, as well as through the support of social support institutions. In 2024, we reached some 10,000 people worldwide, donating items of this kind to people in need in countries including Argentina, Brazil, Mexico, Ukraine and Uruguay, China, Hungary, South Africa and Vietnam.

To promote our communities' health, we support various hospitals, health centres, local institutions and foundations across Argentina, Brazil, Bulgaria, Hungary, Romania, South Africa and Ukraine. For example, in 2024, we held blood donation campaigns in Argentina and Brazil, supported an Argentine organisation that trains medical staff in how to manage traumatic situations, and helped a day care centre in Bulgaria in providing care to young children with neurological diseases.

We also supported a Romanian organisation specialising in the medical care of premature babies, together with a Brazilian awareness raising campaign on child cancer diagnosis, and the South African Childhood Cancer Foundation. In Brazil, we also continued to donate electricity to Cancer Hospitals in Jales and Fernandópolis, near our sugar mills, donating 3,500 MWh in 2024 (representing 15% of their energy bills), and 2,000 litres of milk to one hospital.

In South Africa, the town of Standerton has experienced longstanding challenges with water supply to certain areas in the community. In 2024, we focused on providing a borehole in Sakhile, Standerton (an area identified as not having had access to water supply for up to five years). We installed the pump and water tanks and solar panels for the solar pump and secured the borehole in a metal container to avoid damage and theft. We aim for this to benefit a significant number of people.



Protecting vulnerable populations

We also strived to improve the lives of underprivileged children and other vulnerable groups. In Portugal, a group of employees volunteered to renovate and paint the facilities of a social institution that supports and integrates children and young people in vulnerable situations. We also contributed to Children's Day celebrations across Argentina and Ukraine. Elsewhere, we supported a Brazilian foundation and Romanian social institution striving to support those including patients suffering with Alzheimer's disease, elderly people and recovering drug addicts, together with disadvantaged children.



Investing in education

In 2024, we continued to invest in local schools and contributed to improving access to education in the communities where we are located. In Brazil, Romania, Serbia, South Africa, Ukraine and across the South Cone, we donated school supplies, books, backpacks, uniforms and furniture, prioritising schools in rural communities and economically deprived students. We also delivered scholarships to students in Argentina and Paraguay, and some our employees in Argentina volunteered to deliver lessons about engineering and health and safety to local students. We expanded our Guardians of Tomorrow programme in Argentina, now covering 15 schools, and also continued to reach children in Brazil, delivering learning sessions on environmental topics, empowering future generations to become environmental stewards.

In South Africa, we donated 250 bags of tar to a local foundation to assist with repairing major potholes around the most attended secondary school in Standerton, enabling children to reach school more easily.





Supporting child nutrition in India

In Punjab and Haryana, India, children often lack access to sufficient nutritious food. In 2024, we partnered with non-profit organisations including HarvestPlus, HarvestPlus Solutions and Bhartiya Lok Kalyan Sansthan to launch a groundbreaking programme designed to reach 15,000 children in 60 schools by improving their access to locally grown nutritious foods. Further to addressing hunger, this also helps to improve micronutrient deficiencies through the addition of Iron Pearl Millet and Zinc Wheat, which contain essential nutrients to boost children's health and development. Entitled 'Building Nutri Patshalas', the project aims to improve wellbeing among local communities, and importantly, we seek to empower community members to help lead and advance this project to reach more children, helping to promote economic inclusion, while creating a healthier future.



Promoting environmental stewardship in communities

Across the world, we held multiple environmental volunteering events, including tree planting in communities around our operations in Argentina and Romania, and beach and river clean-up campaigns in Argentina, Brazil, Romania and Portugal. In Constanta, Romania, as part of the Green is Life project, we contributed to marine life protection measures, while on World Environment Day, employees planted trees and collected litter. Meanwhile, in Catanduva, Brazil, we contributed to the 'Campo Limpo' environmental education programme, which involved over 1,800 students from municipal schools in Catanduva in an essay competition. Celebrating its 15th anniversary in 2024, the programme promotes environmental citizenship in line with Brazil's National Solid Waste Policy by encouraging awareness of rights and responsibilities in waste management.



In light of frequent and widespread wildfires in the communities surrounding our sugar operations in Brazil, we ran various environmental education projects for local students as well as our employees' children (through these projects alone, we reached over 3,200 children). We also invested significantly in wider community awareness campaigns, reaching wider groups of the local population through radio adverts, outdoors in strategic spots and fire prevention videos.



Providing disaster relief and supporting communities affected by military conflict

In face of serious floods that took place in Rio Grande do Sul state, in Brazil, our local volunteering groups established the SOS RS campaign, gathering and donating more than 4,000 basic items and over 12,000 litres of water to vulnerable communities. Elsewhere, in Vietnam, we supported the population affected by the Yagi typhoon, donating products to meet their basic needs, including blankets, food and toiletries.

As the military conflict continued in Ukraine, we supported affected communities by providing cargo transport services, and donating fuel and winter tyres for humanitarian aid trips, medicine equipment, and construction materials (such as glass) for restoring public buildings destroyed in the conflict. We also provided support to local social institutions, including nurseries, schools, orphanages and nursing homes.



Charton Jahn Locks
Chief Operations Officer
Produzindo Certo

Q&A

Partnering to empower farmers to adopt sustainable practices

To help strengthen relationships and raise standards in our supply chain, we partner with experts such as Brazil's Produzindo Certo to empower farmers to adopt better practices and monitor their performance. Here, we talk to the company's Charton Jahn Locks, Chief Operations Officer, about its role promoting sustainable agriculture and the challenges and opportunities encountered by farmers on this journey.

What is Produzindo Certo's role in supporting sustainable agriculture across South America?

Produzindo Certo acts as a bridge between the farm and the market, connecting rural producers with companies committed to sustainability. Our role is to support farmers in implementing good environmental, social, and governance practices through technical assessments, personalised action plans and continuous monitoring. We do this with a practical, data-driven approach that respects each farmer's local challenges and creates value for the entire supply chain. We believe that sustainable agriculture is only possible when farmers are at the centre of the process – and we strive to ensure this in all our actions.

Could you share any examples of farmers making progress on sustainability?

We are proud to work alongside producers who demonstrate that it is possible to reconcile productivity and sustainability in the field. An inspiring example is the group of nearly 240 soybean farmers from Central Brazil who are part of the Farmer First Clusters initiative. Through work with Produzindo Certo and other on the ground implementation partners, these producers have been consistently adopting practices such as no-till farming, integrated pest management, soil and water conservation, and rehabilitation of degraded areas, while also investing in social infrastructure to promote health and safety.

Many of them are already seeing concrete results, such as access to sustainable markets through obtaining Round Table on Responsible Soy certification and, more recently, entry into regenerative production markets through the Reg. IA initiative. These advances reinforce the potential for scale and impact of the collaborative approach we are promoting.

What are the main areas on which farmers request support from Produzindo Certo?

The most common requests involve guidance on accessing markets that value sustainable practices, measuring and managing socio-environmental indicators, and increasingly, support for transitioning to low-carbon agriculture. Many producers also seek our guidance on how to comply with new regulatory and market requirements, such as the European Union's Deforestation Regulation. Our technical team works closely with farmers to turn these challenges into opportunities.



What is the greatest challenge for farmers in implementing certain practices?

One of the main challenges is balancing the adoption of new practices with the day-to-day demands of production. Most farmers already recognise the importance of sustainability. However, they have limited access to financing, qualified technical support or even time to implement structural changes. Moreover, the lack of clarity on long-term economic benefits can still create uncertainty – which is why our work includes translating sustainability into practical, tangible value for the farmer.

What is most needed to accelerate the adoption of sustainable or regenerative agricultural practices across South America? What opportunities do you see?

To accelerate this transition, it is essential to invest in specialised technical assistance, expand access to sustainable financing, and strengthen traceability and recognition mechanisms for good practices. Concrete opportunities arise when the market connects directly with producers through contracts and incentives that reward responsible production. The Soft Commodity Forum's Farmer First Clusters initiative, for instance, shows how the collaboration of buyers, producers and implementing partners can create enabling environments for innovation in the field.

How has technical assistance in the field evolved in recent years? What changes have most impacted farmers?

Technical assistance has been transformed in recent years. From a more prescriptive and one-off model, we have seen the evolution of a more strategic, data-driven approach. Today, farmers want to understand the environmental, social and financial impacts of their decisions. The use of digital platforms, satellite imagery and data intelligence has brought greater precision and transparency, improving farm management. This has elevated the role of technical assistance as a driver of transformation in production, governance and market connection.

What are the main barriers for small and medium-sized farmers in implementing more sustainable practices on their farms?

The primary barrier remains access to quality technical services, credit under suitable conditions, and information on market requirements. Many small and medium-sized farmers are willing to move forward, but face structural and operational challenges. One of Produzindo Certo's core areas of focus is ensuring that these producers are not excluded from the ongoing transformation by offering tailored support, accessible tools, and opportunities for integration into sustainable supply chains.

How have technology and data helped farmers make decisions on sustainability?

Technology and data are now fundamental for rural producers. With the digitalisation of agriculture, we can complete more accurate assessments, track indicators in real time, and make evidence-based decisions. Produzindo Certo, for example, offers a platform that consolidates environmental, social and production data from farms, generating reports that help producers understand risks and opportunities. This provides them with the confidence to move forward with their sustainable action plans, setting clear goals and monitoring progress.

Do you believe that regulation and market demands are driving positive change? Or are there still challenges to be overcome?

There are still many challenges to overcome, particularly regarding clarity on the rules, standardisation of processes, cost increases and the operational capacity of companies in Brazil. Regulations and market demands for sustainable commodities must be accompanied by tools for support, recognition of the transition in progress and capacity building. They should also open dialogue with producers to ensure their demands are feasible and clear.

What advice would you give to companies and organisations that want to work more closely with farmers to promote sustainability?

Listen to the farmer. Understand their reality, challenges and priorities. Real sustainability in the field is built through dialogue, partnership and valuing local knowledge. Companies that build trust-based relationships with producers, offer technical support, attractive credit, market access, and recognition for good practices, will play a fundamental role in transforming the sector. And more than ever, we need to act as a network – no single actor will solve the challenges of sustainable agriculture alone. But together, we can create solutions that work in practice.

Championing values



Our approach to managing governance topics

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IFC Performance Standards



We are taking action to support global food security and help ensure the supply of affordable, nutritious food to the world's growing population. And we strive to do this while creating a positive impact on the people connected to our business. Our leaders are at the forefront of upholding strong values and business ethics across our company. All our employees are expected to uphold high standards of integrity and professionalism, guided by a clear and consistently applied Code of Conduct. We also promote good governance and compliance, as we strive to deliver our sustainability strategy and communicate transparently with our stakeholders. To promote product quality and safety, we invest in the latest technology and best practice.

Governance – Material topics

To understand how we manage the governance topics material to our business, see 'Managing sustainability'. These topics are grouped as follows:

- Business ethics**, including corporate culture and protection of whistle-blowers G1
- Governance**, including corruption and bribery 2 G1
- Policies and standards**, including health and safety of consumers and end-users S4

In this chapter we will also explore COFCO International's efforts related to food security, sectoral partnerships, compliance, sustainability policies, product certification schemes, and green investment.

Through the company's governance, policies and efforts, COFCO International seeks to contribute towards the following SDGs and related priority targets:

SDG	Priority targets
	<p>2.3 Double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers.</p> <p>2.4 Ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production and help maintain ecosystems.</p>
	<p>16.5 Substantially reduce bribery and corruption in all its forms.</p>
	<p>17.2 Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilise and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries.</p>

Our contribution to global food security

As a major agricultural commodities company, we have an opportunity and a responsibility to promote food security, enabling people worldwide to have consistent access to sufficient, affordable, safe and nutritious food. We do this by building resilience in the supply chain, collaborating across the sector and building farmer capacity to adopt more sustainable practices.

We promote food security at every step of the value chain. In particular, we leverage our role in the global agricultural value chain to help meet the growing demand for commodities responsibly and strengthen the agricultural sector. We partner with suppliers and customers on projects to address sustainability challenges, including building resilience to climate change, and taking action to reduce the GHG footprint of our commodities. We set requirements through our Supplier Code of Conduct, our Responsible Agriculture Standard (for Grains & Oilseeds), Coffee Responsible Origin Programme and Sustainable COFCO Producer Programme for sugarcane suppliers, helping to raise standards and ensure a continuous flow of commodities. We also participate in third-party sustainability certification schemes (see '[Meeting market demand through sustainability certifications](#)').



Within our own farming operations (primarily sugarcane in Brazil and grains and oilseeds in South Africa), we continuously innovate and harness best practice, including by investing in technology to improve yields and efficiency. Our sugarcane teams are using [satellite imagery and drones](#) to monitor crop performance and apply inputs more efficiently, for example. By implementing advanced farming models and the best available technology to support continuous yield improvement, we are contributing to food security and helping to ensure a robust supply of commodities for the markets we serve.

Similarly, we use the best available technologies to minimise food waste across our industrial, storage and logistics operations. This effort is informed by our Environmental Policy, our commitment to use natural resources efficiently and minimise waste (including product and food waste) and action to prioritise reuse and recycling (see '[Managing resources responsibly](#)').

In our local communities, we invest in programmes to promote sustainable livelihoods, support economic development in rural areas, and make food donations to underprivileged communities. In 2024, we partnered with multiple NGOs in India to expand access to locally grown food among 15,000 undernourished children, for example. See '[Respecting local community rights](#)', '[Improving farmer livelihoods and promoting sustainable communities](#)' and '[Engaging with our communities](#)'.

At a sector level, we address systemic challenges through partnerships, seeking to reinforce and improve the global food system to improve food security. Collaboration across the industry is fundamental to addressing shared challenges such as climate change, human rights, biodiversity conservation, land use change, water resources, food security and farmer livelihoods.

Among the partnerships we support, we are a member of the [United Nations Global Compact](#), adhering to its Ten Principles and integrating them into our sustainability strategy and policies.

As signatories to the [Agricultural Sector Roadmap to 1.5°C](#), we are working with peers to prevent deforestation and conversion while supporting producer livelihoods and incentivising sustainable land use. This work also helps to promote food security and economic development, while improving farmer livelihoods.

We remain a member of the [World Business Council for Sustainable Development \(WBCSD\)](#) and support its mission to help businesses lead the transition to a more sustainable world, whereby all people can live sustainably by 2030.

As a member of the [Soft Commodities Forum](#), we continue to collaborate with five other leading agri-businesses and other partners to preserve the Cerrado.

In 2024, our collective support of the SCF's Farmer First Clusters initiative to promote forest positive production reached 178 farms covering 700,000 hectares, preventing the emission of greenhouse gases. The group also partnered with the Consumer Goods Forum Forest Positive Coalition to further its efforts, which included the development of the Sustainable Landscapes Partnership, launched at New York Climate Week in 2024. See the case study in '[Strengthening the resilience of agricultural systems](#)'. In early 2025, we joined its multistakeholder [Landscape Accelerator Brazil](#), which is promoting regenerative agriculture in the Cerrado and Pará state.

We continue to support the [World Economic Forum](#) (WEF) and [Tropical Forest Alliance](#) (TFA) in its mission to catalyse collective action to drive the transition to DCF agricultural commodities. In 2024, we joined the TFA's Advisory Committee. Additionally, we are a member of the [Green Value Chain Taskforce](#), launched by the WEF and TFA to focus on encouraging global supply chain actors entering the Chinese market to reduce deforestation linked to soft commodities. As part of this Taskforce, we made the first trade agreement and shipment of DCF soybeans from Brazil to China in 2023, with the first [shipment](#) delivered in May 2024). Building on this, in early 2025 we signed a new [Strategic Cooperation Framework Agreement](#) for the supply of 1.5 million tonnes of certified sustainable soybeans from Brazil to China.

Elsewhere, we are members of the [Round Table on Responsible Soy](#), supporting its mission to promote the update of responsibly produced soy across the value chain. In Argentina, we are members of the [Platform for the Sectorial Vision of the Argentine Gran Chaco](#) (ViSeC), a national platform bringing together all members of the soybean value chain to decrease environmental impacts in Argentina, focusing on three areas: deforestation and land use change, strengthening governance and collective action. The initiative is designed to promote an environmentally responsible and economically viable value chain.

In 2024, as part of our Pollinate Programme, we supported Instituto A.B.E.L.H.A. (the [Brazilian Bee Studies Association](#)) in its mission to produce and communicate scientific research about Brazilian biodiversity conservation and the coexistence of agriculture with bees and other pollinators.



We continue to collaborate with key stakeholders to enable systemic change in our sector, including through the [Agricultural Sector Roadmap to 1.5°C](#) and the [Soft Commodities Forum](#). By investing in the transformation of soy production to respect global climate and nature goals, we are also promoting food security.”

Róisín Mortimer, Global Sustainability & Stakeholder Engagement Manager, COFCO International

We remain members of the [Cerrado Waters Consortium](#) (CCA), a collaborative platform to conserve water, nature and the environment in the Cerrado's coffee producing landscapes. Through its Conscious Producer Investment Programme, the CCA promotes the sustainable use and sharing of water among producers, helping to build climate resilience. We are part of the Steering Committee, helping to support the transition to climate friendly agriculture, promoting nature restoration and expanding access to technologies to improve water efficiency.

Similarly, we are a member of the [Global Coffee Platform](#), collaborating with more than 160 coffee businesses to enable transformational change for more than a million farmers in over ten countries. As part of our membership, in 2024, members of our coffee team participated in workshops on climate-smart agriculture and regenerative coffee farming.

We are also part of the [Palm Oil Collaboration Group](#), and use tools developed through this group such as the NDPE IRF, which promotes more efficient, standardised reporting of progress towards no peat, no deforestation and no exploitation commitments in the palm sector. We support the [Roundtable for Sustainable Palm Oil](#) and its mission to make the palm oil industry more sustainable.

Through our freight business, we are a member of the [Getting to Zero Coalition](#), which comprises more than 180 companies committed to collectively ensuring that commercially viable zero emission vessels go into operation by 2030. We are also a signatory to the [Sea Cargo Charter](#), disclosing our progress on ensuring our chartering activities support the International Maritime Organization's ambition to reach net zero emissions by 2050 (see '[Decarbonising our maritime freight operations](#)'). We also support the Global Maritime Forum's [Operational Efficiency Ambition Statement](#).

To support our local communities and promote sustainable livelihoods, we have developed partnerships with Buhle Farmers Academy in South Africa to build capacity in a rural farming community, NutriPlus in India to address child nutrition, Aportar Foundation in Argentina to foster workplace inclusion, and Santos city council to ensure a positive contribution of our new port terminal to the local community and economy.

We collaborate through our sector to promote more progressive public policy by better understanding and addressing the diverse and complex sustainability challenges we face as a company and industry. Working with multiple stakeholders across the private and public sectors, we seek to establish shared objectives for sustainable agriculture. COFCO International does not make any political contributions.

Finally, we are members of various industry associations. By collaborating through these organisations and our membership of multi-stakeholder initiatives, we contribute to addressing some of the challenges faced by our sector and help shape the development of public policy on sustainability. For example, we are members of the Brazilian Association of Vegetable Oil Industries, the Brazilian Association of Sugarcane and Bioenergy Industries, the Argentinean Oils Industry Chamber, the Grain and Feed Trade Association (we support its [Sustainability Pledge](#)), the Swiss Commodity Trading Association, and European Feed Manufacturers' Federation.

Our corporate culture, values and business ethics

Upholding a strong corporate culture, living our values and maintaining high standards of business ethics is fundamental to the success of our business, helping to ensure that we fulfil our goals, make ethical decisions, manage risk effectively, and foster trust and positive relationships with all our stakeholders.

Our efforts to act responsibly and ethically are underpinned by our Code of Conduct and sustainability policies (see '[Our sustainability policies](#)').

Code of Conduct

COFCO International's [Code of Conduct](#), sets the tone of the standards of behaviour we expect throughout our company, and reinforces our commitment to compliance, transparency and ethical standards, the fair treatment of everyone linked to our business and longstanding trust-based partnerships throughout our value chain. It also defines how we contribute to sustainable development and corporate citizenship, as we strive to make a positive difference in our communities. All our employees must undertake training on our Code of Conduct and other business ethics topics.

Understanding our Code of Conduct

Compliance – We comply with the law and conduct our business with transparency and high ethical standards.

Employees – We treat people fairly, and with dignity and respect.

Business partners – We act as long-term and trusted partners throughout our value chain.

Sustainable development – We strive to conduct our business in a way that contributes to sustainable development.

Community – We aim to make a positive difference in the communities where we work and live.

Our mission

We seek to create a positive and sustainable impact on our people and investors, farmers and communities and our customers and partners.

Sunshine Culture

To become a globally leading agricultural business, we inspire and empower our employees through our Sunshine Culture, which leverages the power of positivity to enable us all to collaborate towards shared results, fulfilling our mission and goals by living our core values.

Our core values



Integrity

We strive to be open, honest and act with integrity at all times. We also ensure a culture of accountability and explore any instances of where a lack of integrity may have occurred.



Inclusiveness

We recognise the value of diversity and the inclusion of people with different perspectives in maintaining high levels of innovation and creativity.



Innovation

We strive to create new opportunities, exchange knowledge and information, and act as entrepreneurs in order to innovate towards higher levels of performance.



Sustainability

Our robust corporate governance helps to keep our people and products safe, helping us to balance our investors' needs.



Effective grievance management

Our [Integrity Hotline](#) is our global corporate grievance mechanism. It plays a key role in maintaining ethical standard by enabling any person connected to our business to share a concern anonymously and confidentially. Based on the UN Guiding Principles on Business and Human Rights, the mechanism was designed and is operated by an external, independent and internationally recognised service provider. It is available in 13 languages through a variety of communications. Our centralised Concerns Management Committee (CMC) oversees the Hotline, which is chaired by our Chief Audit Officer.

We have an [Integrity Hotline Procedure](#) in place defining how concerns are shared and subsequently addressed. Every report is treated with the utmost care for the privacy of the individual and investigated thoroughly and independently. In particular, we acknowledge all grievances within seven days of receipt and there is a strict policy of non-retaliation towards whistleblowers. As our primary grievance and incident investigation mechanism, the Integrity Hotline handles cases involving potential breaches of business ethics, legal or regulatory requirements, or company policies and procedures, including those related to human rights and deforestation. If cases related to human rights violation are received through the Integrity Hotline and are substantiated, the victims of violations have access to remedy.

Meanwhile, all aspects of the mechanism comply with data protection and privacy law and regulations, the ISO 37002 standard for Whistleblowing Management Systems, our Internal Audit Guidelines for Managing the Integrity Hotline Cases, our Global Investigation and Disciplinary Policy, and our new [Integrity Hotline Data Privacy Policy](#).

In 2024, we also expanded the reach of our grievance mechanism, rolling out new posters globally, and sharing clearer information on how to report cases via mobile phone through our communication materials. We also delivered Integrity Hotline training to colleagues at sites across Brazil, Mexico and South Africa, and plan to expand this to other locations in 2025.

We received 203 cases, representing a 14.7% increase compared 2023 (177 cases) due to continued awareness of the Integrity Hotline, and more personnel returning to the office.

Of these cases, 50.2% were related to cases of discrimination or poor behaviour, 44.3% business conduct, and 5.4% health, safety and environment. Only 49 cases (24.1%) were found to be substantiated. Importantly, no cases of corruption were reported by our stakeholders through the Integrity Hotline in 2024.

We closed 180 (88.7%) cases before the end of the year, with an average closure rate of 33 days, which is an improvement on 2023 (48 days), while still below our 90 day-target.

Telephone represented the most used reporting channel (55.7%), followed by the dedicated Hotline webpage (42.4%), email (1.5%) and mobile (0.5%).

We also encourage stakeholders to use our Integrity Hotline as the primary communication channel for reporting cases of potential non-compliance with our Supplier Code of Conduct and commodity-specific sourcing policies. In addition, we receive case through other channels (including our sustainability@cofcointernational.com mailbox), treating them as grievances. We screen cases involving potential non-compliance with our environmental and social expectations, and in case of validated non-compliance, we follow the same supplier engagement processes as with other grievances.

For palm oil, we have a dedicated [Palm Oil Grievance Procedure](#) outlining our process to register, address and monitor the resolution of grievances within our upstream value chain. In this context, grievances are cases of potential non-compliance with our sustainable palm oil sourcing and NDPE expectations. In 2024, five palm oil grievances were opened and handled through this procedure. All five remained 'under monitoring' by the end of the year. For soybean, we reviewed and closed five cases in 2024.

Responsible governance and compliance

We have core frameworks and practices in place to uphold ethical standards and comply with legal requirements. This includes our compliance programme, which covers monitoring, assessments and audits.

Our governance structure

The group’s business, strategic decisions and performance is overseen by our [Board of Directors](#), which comprises five members, including three COFCO Corporation Directors and two Independent Directors (representing 40% of Board members). The Nomination and Corporate Governance Committee nominates and the Board appoints the independent members respectively. The ratio of female to male Board members is 1:4 (20% female).

The Board consists of multiple committees: Nomination and Remuneration Committee, Audit Committee, Investment Committee, and Risk Control and Compliance Committee.

The Board of Directors appoints our Executive Committee, which is led by our Chief Executive Officer. Together, the eight-strong committee has overall responsibility for defining our strategic direction and delivering our strategy. Importantly, they are all proven leaders whose commitment to our vision, values and culture is exemplary. With diverse backgrounds, they offer complementary skills and perspectives. The ratio of female to male Executive Committee members is 2:6 (25% female).

We have dedicated committees within our Corporate Governance framework tasked with performing specific functions delegated by the Executive Committee. These are the Strategy Committee, Executive Risk Committee, and a Finance, Legal and Risk Committee.

Our sustainability governance

Our CEO and Chairman oversee our work on sustainability, focusing on all environmental and social topics, including climate action, biodiversity conservation, human rights, community engagement, supply chain management, sustainable agriculture practices, and water management. They also approve our sustainability strategy, and the Board has approved our double materiality results. Our sustainability department is given the mandate to execute the sustainability strategy in close collaboration with corporate and business leadership functions. It regularly briefs our senior leaders, including our Board and Executive Team, regularly on our initiatives, progress and performance, including how we manage material impacts, risks and opportunities, and on the views and interests of stakeholders.

The team also provides updates on our strategy and due diligence implementation, and how well we are performing in relation to our sustainability policies and action plans, together with progress towards targets. Responsibility for managing relevant material impacts, risks and opportunities and implementing and maintaining sustainability due diligence systems is shared by our business and corporate leaders.

Our sustainability strategy is overseen at an operational level by our Director of Communications and Sustainability, who manages a dedicated team of professionals based in strategic locations, and reports progress to our leadership.

Additionally, our sustainability team is regularly involved in internal discussions such as global management meetings, and contributes to sharing progress and strategic priorities with managers.

As explained in chapter ‘[Engaging with our communities](#)’, some of COFCO International’s subsidiaries have local sustainability ambassadors who voluntarily help local managers to address sustainability and community priorities. In Brazil, we have a network of 65 ambassadors organised into 18 committees under our Action for Impact programme.

ESG risk management and due diligence

We seek to integrate ESG risk management within our risk management framework. In particular, we engage specialist ESG risk rating agency Sustainalytics to review our progress on managing risks and leverage the findings to inform our strategy and planning. In 2024, COFCO International underwent a comprehensive ESG risk assessment and was recognised as a top-rated ESG company within its sub-industry group.

COFCO International performs due diligence relating to its impacts on the environment and society. These processes are described throughout this report (beyond this section), as summarised in the following table.

Due diligence topic	Section
Embedding due diligence in governance, strategy and business model	<ul style="list-style-type: none"> — Our role in the global agricultural value chain — Responsible governance and compliance — Our sustainability strategy: Meeting Tomorrow’s Demand
Engaging with affected stakeholders in all key steps of the due diligence	<ul style="list-style-type: none"> — Managing sustainability — How we engage our stakeholders
Identifying and assessing adverse impacts	<ul style="list-style-type: none"> — Managing sustainability — Protecting the Earth and Empowering people
Taking actions to address adverse impacts	— Protecting the Earth and Empowering people
Tracking the effectiveness of our efforts and communicating performance	— Protecting the Earth and Empowering people

ESG reporting risk management and internal controls

Recognising the importance of robust internal controls for our sustainability reporting, we have comprehensive data collection processes with quality control checks in place, varying with the type of data. This includes assessing the completeness and accuracy of our quantitative data, and robust record-keeping for data sources, estimates and assumptions.

In relation to EHS and employee-related data, we have dedicated systems to capture and consolidate information from subsidiary entities, complemented by automatic data quality controls.

Ahead of the independent assurance process for EHS and GHG data (please see 'Independent assurance statement'), we undertake a comprehensive internal verification process to ensure that there are no inconsistencies in reporting processes from one year to the next. In the case of our GHG inventory data, in 2024, we developed a new GHG Accounting Manual to guide annual calculations, which was reviewed by a third-party expert on GHG accounting.

For all quantitative disclosures, whenever estimations are completed, we apply recognised best practice methodologies and, where necessary, consult third-party specialists to ensure methodological rigor.

Our maritime freight Sea Cargo Charter climate alignment scores and selected data covering supply chain traceability, DCF volumes and environmental and social risk assessments for our most significant commodities are audited by third parties.

Our internal controls also include strict timelines to gather information from internal stakeholders and ensure that ESG information is available for reporting purposes, as appropriate. They also include internal validation steps to ensure that the disclosed information is accurate and reliable.

Our sustainability team includes dedicated specialists responsible for overseeing ESG data governance, ensuring the accuracy, transparency, and accountability of our reporting.



Our climate governance

Climate-related risks and opportunities are identified and managed through a clearly defined governance structure. Our business leadership is responsible for delivering progress towards our science-based emissions reduction targets, while operational responsibilities are distributed across specific business units based on emission type. Our annual GHG inventory is managed by our dedicated sustainability team, using information provided by on-the-ground teams.

These employees also help to implement our climate strategy at a local level, from improving GHG calculations to assessing and implementing emission reduction efforts. They are supported by other teams working on different emission categories.

Preparing for evolving corporate sustainability regulations

We are taking every opportunity to monitor and prepare to meet evolving corporate sustainability regulations, particularly within the European Union (EU), as policymakers increasingly move to ensure that businesses are working to protect the environment, respect human rights and uphold transparent and accountable governance. We are committed to complying with all requirements relevant to COFCO International. This supports our work to manage ESG risks and responds to stakeholder needs, strengthening our business and building trust in the marketplace.

Emission type	Responsibility
FLAG Scope 1 emissions	— Teams in our farming operations (Brazil and South Africa).
FLAG Scope 3 emissions	— Origination and Commercial teams.
Non-FLAG emissions linked to our industrial assets	— Operations and Environment, Health and Safety teams.
Non-FLAG emissions related to transportation and distribution, including those of time- and voyage-chartered vessels	— Freight business and Logistics/Operations teams.

Championing values

Preventing deforestation

In 2024, we continued to prepare to meet the requirements of the EU Deforestation Regulation, despite its 12-month postponement. In particular, we continued our work with an external partner to develop our due diligence processes and procedures to meet the requirements. We also engaged with peers, industry associations and government authorities to understand how the sector can address shared challenges, and strengthen our understanding of how all key parties are interpreting requirements in the regulation.

In addition, we trialled shipments of EUDR-compliant soybean meal from Brazil and Argentina to France, Italy and Ireland, and sold significant volumes of EUDR-compliant coffee (this commodity is more straightforward to segregate, as coffee beans are transported in bags and typically segregated by product quality and type).

Corporate reporting and due diligence

We are also transforming our corporate sustainability reporting in line with EU Corporate Sustainability Reporting Directive. We continued this effort in 2024 with the support of independent specialists, as EU policy evolves, working to ensure that our materiality process and reporting will meet the regulation's requirements and comply with the European Sustainability Reporting Standards.

Meanwhile, we are preparing to comply with the EU's Corporate Sustainability Due Diligence Directive (CSDDD), which seeks to ensure the companies are taking effective action to address social and environmental impacts in their operations and across their value chains. We strengthened our existing due diligence processes, particularly for human rights-related impacts and risks.

Similarly, we improved our human rights due diligence system, to ensure compliance with the Swiss Ordinance on Child Labour, introduced under the Swiss Code of Obligations. We remain dedicated to upholding human and labour rights, including the rights of children to be free from child labour. In this report, we disclose the steps we are taking to prevent child labour throughout our value chains and operations (see '[Building our capacity to uphold human rights](#)').

Maintaining strong compliance and minimising risks

We are committed to maintaining high ethical standards, complying with relevant legislation and upholding responsible business practices. We therefore conduct our work in line with robust frameworks and procedures. Through our compliance programme, we monitor our progress, including by leveraging assessments and audits to ensure legal and regulatory compliance and adherence to internal policies. We perform risk screening and risk monitoring for all counterparties, as part of our compliance processes. Meanwhile, our robust governance structure encompasses various committees with clear roles and responsibilities for overseeing our performance.

Understanding our major compliance policies

Anti-Bribery and Corruption – The overarching framework governing our anti-bribery and corruption programme. It informs our efforts to conduct business fairly and with integrity. We provide practical advice for engaging with third-party intermediaries, and in relation to donations and sponsorships. The policy is complemented by two mandatory e-learning training courses.

Anti-Money Laundering – We seek to prohibit and prevent money laundering and any activities that could facilitate illegal financial dealings. We commit to help detect, deter and report any suspicious activity.

Gifts and Entertainment – Business gifts and entertainment of modest value are acceptable to strengthen working relationships among business associates, and unusual, frequent or highly valuable gifts are prohibited. Employees are encouraged to consult with our Compliance Team to ensure they are acting within permissible boundaries.

Broker and Agent Policy – As part of our anti-bribery and corruption programme, we have policies defining fee monitoring, due diligence, and how to formalise contractual relationships.

Data protection and data privacy

In 2024, we took a special focus on reinforcing our Global Data Protection Programme, which aims to create a workplace environment whereby data protection is prioritised and upheld as a fundamental aspect of our operations. Mandatory training on privacy and data protection was rolled out globally, reaching some 4,000 office employees. We explored issues surrounding privacy concerns, investigated the practical implications of emerging technologies such as artificial intelligence, gave an overview of existing IT data security measures, and providing clarity on regulatory requirements and applicable compliance standards.

Our Global Data Protection Programme includes several global policies and procedures, a governance framework and risk assessments integrating data privacy in order to identify any privacy risks. We conduct ongoing monitoring to assess compliance with data protection standards.

These policies include: Global Data Privacy, Global Data Protection Governance, Global Candidate Privacy, Global Employee Privacy, Workplace Monitoring, Integrity Hotline Privacy and Generative Artificial Intelligence Guidelines.

We also launched our [Data Privacy Centre webpage](#), designed to provide accessible information on our privacy practices to our stakeholders and to further support a culture of responsible data handling.

Employee training

We provide mandatory training to new employees on our Code of Conduct, together with training on other policies for both new joiners and other employees. Overall, we completed 23,376 mandatory training sessions in 2024, totalling 9,070 hours (a 17% increase compared to 2023). As an example, in 2024, we supported the implementation of the Anti-Bribery and Corruption Policy with regular employee training.

We launched four new global policy related training courses in 2024, covering Global Privacy and Data Protection, Fraud and Payment Security, Legal Masterclass and Mark to Market Policy.

To further strengthen employee awareness on information security, we also introduced two training courses on Fraud and Payment Security in July and December, when fraud attempts are typically higher.

Our sustainability policies

To fulfil our mission and reach our sustainability goals, we have strong policies and processes in place to guide our journey. Our sustainability policies cover a diverse environmental, social and governance topics, including climate change, human rights and business ethics, and address our material topics. Importantly, they inform every action we take towards achieving our sustainability strategy and strengthen our continuous improvement efforts, while helping us to achieve business resilience and delivering value for our stakeholders. All our employees must adhere to our policies. To support our supply chain activities and supplier partnerships, we have defined commodity-specific sourcing policies. We consult our key stakeholders when developing or updating policies. We also provide relevant groups with our policies when their successful implementation depends on stakeholder support.

Strategic pillar	Area of focus	Our policies
 <h2>Protecting the Earth</h2>	<ul style="list-style-type: none"> – Climate change – Nature and biodiversity – Resource use 	<ul style="list-style-type: none"> Environmental Policy Sea Cargo Charter Policy
 <h2>Empowering people</h2>	<ul style="list-style-type: none"> – Human and labour rights – Capacity building – Sustainable livelihoods 	<ul style="list-style-type: none"> Human Rights and Labour Policy Occupational Health and Safety Policy Equal Opportunities Policy Training and Development Policy Stakeholder Engagement Policy Responsible Land Acquisition and Leasing Policy Community Investment Policy
 <h2>Championing values</h2>	<ul style="list-style-type: none"> – Ethics – Policies and standards – Governance 	<ul style="list-style-type: none"> Code of Conduct Food and Feed Safety Policy Anti-Bribery and Corruption Policy Anti-Money Laundering Policy Gifts and Entertainment Policy Global Non-Trade Procurement Policy
<h2>Throughout our work</h2>	<ul style="list-style-type: none"> – Relevant in every area 	<ul style="list-style-type: none"> Supplier Code of Conduct Sustainable Soy Sourcing Policy Sustainable Palm Oil Sourcing Policy Sustainable Corn Sourcing Policy

Upholding strong standards to deliver high-quality, more sustainable products

To fulfil our responsibility as a major agricultural commodity business, we promote high standards of product quality and safety, as we strive to safeguard our products throughout the value chain. In particular, we maintain strong standards and systems, source more sustainable products, and engage in product certification schemes, where possible. This is fundamental to ensuring that the products we supply to global markets respect high social and environmental standards. For more information on our business, see ‘Our role in the global agricultural value chain’.

Maintaining product quality and safety

We uphold rigorous standards of food and animal feed safety, complying with all relevant laws and regulations. To achieve this, we have set rigorous requirements within our Food and Feed Safety Policy, taking a consistent, standardised approach. Our suppliers must complete qualification processes, third-party inspections and on-site audits, as part of our continuous compliance monitoring.

Our teams identify, manage and prevent potential food safety hazards and avoid contamination by complying with our Food and Feed Safety Policy. In addition, our employees and contractors complete relevant training at every facility. In 2024, we recorded zero food or feed health and safety incidents resulting in fines, penalties or warnings—reflecting the effectiveness of our quality systems and preventive controls.

We seek to promote continuous improvement, strengthening the way we track corrective actions following instances of non-compliance identified in internal and external audits. This includes communicating effectively within our teams and providing training to employees and contractors in our assets (see ‘[Protecting our employees’ health and safety](#)’).

In 2024, we improved the way in which antioxidants are added to our Kandla refinery bulk tanker, strengthened the roofing in our storage warehouse in San Martin and reinforced our enclosures to further protect our production area. Elsewhere, we enhanced environmental microbiological monitoring and improved our processes.



We continued to improve our corrective action tracking for instances of non-compliance identified in internal and external audits, communicating within our teams and providing training to employees and contractors at our assets. We also conducted product safety risk assessments for certification and food safety requirements, respecting local regulations.

We monitor our global food safety alert system to gain insights on aspects such as contaminant limits, quality regulations and exporting country. Covering more than 130,000 regulations in 140 countries, and over 175,000 substance limits in more than 60 markets, the system delivers a real-time, consolidated global view of food and feed safety requirements, specifications, compliance, alerts and recalls. We use it to obtain more information on new contaminants limits and quality regulations in exporting countries, for example.

To check for the presence of any viruses, we run tests to identify contaminants such as aflatoxins, pesticides, ochratoxins, botanicals, heavy metals and Salmonella. We use advanced technology to help prevent risk, including a dedicated safety alert system and online Near Infrared Reflectance (NIR) technology to conduct rapid, effective product quality tests. In 2024, we conducted multiple internal and external audits in our industrial facilities, particularly for our quality management systems, in line with FSSC 22000, HALAL, RSPO, GMP+, ISO 17025, RTRS, ISCC, KOSHER, ISO 9001, PPECB and AFMA standards. We take action to address any findings, in order to maintain safe, high-quality products.

Meeting market demand through sustainability certifications

We strive to meet the rising demand for more sustainable products by raising standards among our suppliers, and sourcing commodities produced in line with sustainability certification programmes thereby addressing material topics and related social and environmental risks. In particular, we have created our own Responsible Agriculture Standard and a Coffee Responsible Origin Programme for coffee, while continuing to source products made through sector-wide schemes. Importantly, sustainability certification schemes promote responsible agricultural practices while creating value for producers by providing an incentive to produce sustainable commodities and expanding access to markets. These efforts are vital to fulfilling our sustainability strategy and ensuring the future success of our business.

In 2024, we observed a significant increase in total certified sales volume (14% year-on-year), despite a reduction in overall sales from 121.7m in 2023 to 108.4m.

Leveraging our Responsible Agriculture Standard to advance sustainability and create value

Farmers and other suppliers can adopt the principles of the COFCO International Responsible Agriculture Standard voluntarily in order to deliver more sustainable products. It is currently used for soybean, corn and soybean oil, meal and hull pellets, and is largely relevant to Brazil and Argentina. In this way, we are growing the proportion of sustainably produced commodities and promoting the value of climate-friendly practices and biodiversity conservation within our supply chains, helping to promote responsible agriculture, while rewarding farmers who make positive changes. The criteria cover topics such as legal compliance, environmental protection, human and labour rights and community relations.

The Standard integrates elements of policies including our Supplier Code of Conduct and Sustainable Soy Sourcing Policy, responsible industry standards, primarily European Feed Manufacturers’ Federation (FEFAC) Soy Sourcing Guidelines, and international principles such as the International Labour Organization’s Conventions and Recommendations, UN Guiding Principles on Business and Human Rights, and International Bill of Human Rights.

Further, the COFCO International Responsible Agriculture Standard has successfully passed an independent benchmarking process in line with the FEAC Soy Sourcing Guidelines 2023. This was overseen by the International Trade Centre (ITC), the United Nations' and World Trade Organization's joint agency. The COFCO Standard is also endorsed by the Consumer Goods Forum (CGF)'s Forest Positive Coalition of Action.

The first module relates to deforestation and conversion-free products, with suppliers able to select cut-off dates, farm-level traceability and achieve a satellite image assessment and GHG measurement data. The second module is a FEAC- and QS-aligned sustainability standard with 2020 cut-off date, achieving a certification and on-site verification by recognised independent certifying body. Suppliers can achieve this through a mass balance model at site or country level.

In 2024, we supplied the Argentinean pet care business of a multi-national consumer goods organisation with Hipro Soybean-meal produced in line with our Responsible Agriculture Standard Module 2 requirements from our Saforcada plant (see below). We also fulfilled our ground-breaking agreement with Chinese dairy business Mengniu, one of the world's largest milk producers, delivering 50,000 tonnes of deforestation and conversion-free soybeans to China.

This agreement, developed in 2023 as part of the World Economic Forum's Green Value Chain Taskforce and valued at more than \$30 million, represents the first deal to China to feature a DCF clause.

Building on this, we have signed a new sustainable soybean agreement with Mengniu to supply 1.5 million tonnes of certified sustainable soybeans from Brazil to China. The beans will be third-party verified as deforestation- and conversion-free, and produced in line with the COFCO International Responsible Agriculture Standard. The beans will be supplied through mass balance chain of custody between 2025 and 2030.

Coffee Responsible Origin Programme

Through our Coffee Responsible Origin Programme, we seek to generate shared value and develop the value chain through better practices and long-term relationships. Through the programme, we aim to help achieve sustainable, climate resilient coffee production, while fulfilling market demand for responsibly produced beans and strengthening our business and the sector's future. See '[Engaging with suppliers and promoting farmer capacity building](#)'. We are striving to reduce emissions through regenerative agriculture, improve traceability, and ensure respect for human rights and gender equality, including by leveraging the latest technologies and sustainable practices.



In 2024, we expanded the CROP programme in Brazil and sold the first certified coffee volume (see '[Engaging with suppliers and promoting farmer capacity building](#)').

Supplying sustainable soymeal to a pet care customer in Argentina

Working with a longstanding global consumer goods customer, we agreed to supply its pet care business in Argentina with sustainable soymeal. The company had been seeking a more sustainable solution to meet the rising demand for more sustainably produced pet food, and through its membership of the Consumer Goods Forum Forest Positive Coalition of Action, had explored multiple sustainability certification schemes. Working with our sourcing team, the customer was able to meet this commercial demand by purchasing soy meal produced in line with the requirements of our Responsible Agriculture Standard.

The soybeans were grown in the Buenos Aires province of Argentina. Importantly, COFCO International's close proximity to local farmers enabled the team to provide practical support towards the certification of their fields. We partnered with the farmers, helping them to develop a pathway to meet our Standard Module 2 requirements (capacity building and technical assistance). This in turn allowed them to access higher values for their products, creating value for farmers and our business.

We crushed the beans in our Saforcada plant, located in Junín, Argentina, which is accessible by road and railway networks.



“*This agreement for sustainable soymeal delivers value for the customer, COFCO International and the farmer, helping the farmer secure certification that strengthens responsible sourcing and enables better market access and a premium for his crop.*”

Martin Andres Spino, Origination Manager,
COFCO International Argentina

Championing values

Engaging with third-party certification programmes

In addition to our own standard, we use third-party certification schemes to achieve more sustainable commodities, fulfilling our customers' requirements, as interest in responsibly produced food rises. This includes certifications that are specific to products, sites and chain of custody models.

Grains and oilseeds

In 2024, several of our European businesses maintained their International Sustainability and Carbon Certification (ISCC-EU) certifications, including in Hungary, Ukraine, Bulgaria, Romania, Serbia, Spain, the Netherlands and Switzerland.

Beyond this, our COFCO Brazil Overseas business became the first non-European COFCO business to obtain an ISCC-EU certification. This important milestone enables us to trade biodiesel with Europe in line with the requirements of the Renewable Energy Directive.

Soy

Our Brazilian Rondonópolis plant, port terminal and grains and oilseeds warehouses, together with our Argentinean operations in Saforcada and San Martín, retained their Round Table on Responsible Soy Chain of Custody (mass balance) certificates. In 2024, we also expanded the scope of this certification to both our Brazil and Uruguay subsidiaries.

Our Rondonópolis crushing plant in Brazil also retained its RenovaBio and ISCC certifications. The ISCC certificate enables us to generate certified soy meal. With the RenovaBio certification, we are also able to generate CBIO decarbonisation credits (see '[Scope 3 emissions – supply chains and beyond](#)').

We also exported certified soybean and derived products (meal, crude and neutral oil, and biodiesel) from Argentina to multiple destinations. The beans were sourced from farms registered by our company and by third parties under diverse third-party certifications, including RTRS, EPA and 2BSvs. Meanwhile, our Saforcada plant in Argentina retained its 2BSvs certification (which also incorporates sunflower).

Finally, we continued to source soy produced in line with the requirements of the 2BSvs scheme in both Paraguay and Uruguay.

Corn

We sold certified corn in 2024 through the 2BSvs scheme in Argentina and Brazil.

Palm oil

Our Kandla refinery in India retains the Roundtable for Sustainable Palm Oil Mass Balance certification. We continued to source and sell RSPO-certified crude palm oil and palm olein through our commercial offices in India and Singapore.

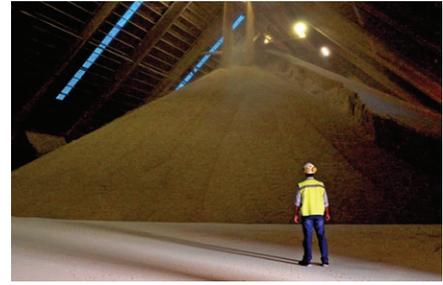
Sugarcane

In 2024, our Meridiano sugar mill obtained the Bonsucro certification, while all four sugar mills received the Green Energy Seal and the Efficient Biofuel Production certification. The Seal is a programme managed by the Brazilian sugarcane and bioenergy industry association UNICA, while the Certification is linked to the RenovaBio programme, enabling us to issue and sell CBIO decarbonisation credits (see '[Scope 3 emissions – supply chains and beyond](#)').

Coffee

In addition to the internal CROP programme, we sourced and sold coffee produced under third-party certification schemes, including and Raiz, 4C, Rainforest Alliance. Some 45% of our overall 2024 exports were certified (a 3 percentage point year-on-year increase compared to 2023), as we continue to grow the proportion of sustainable coffee we supply. This included volumes destined for Europe, complying with the rigorous requirements of the European Union's Deforestation Regulation.

In Colombia, we supported producers with achieving their Rainforest Alliance certifications and in obtaining the C.A.F.E. Practices verification, reaching a total of 254 farms in 2024. We also engaged more than 200 farms with our Coffee Responsible Origin Program in Brazil, while retaining our 4C certification for Indonesia (Intermediary Buyer certificate). Elsewhere, in Vietnam, we supported more than 1,600 farmers in achieving the 4C and Rainforest Alliance certification across some 2,150 farms.



Cotton

In Brazil, the country where we have the most significant presence in the cotton market, 59% of our 2024 crop cotton was produced under certification schemes. We also began working with Regenagri, supporting farmers towards achieving this certification.

In the US, as we strengthen our cotton business, we are increasing our sustainability efforts, including by participating the US Trust Protocol, which aims to improve social and environmental practices related to cotton production. We will seek to increase the volume of bales we source through this initiative in 2025, as we strive to encourage best practice approaches to sustainable cotton. We are also monitoring the market for responsibly produced commodities, engaging in industry forums to help raise standards and partnering with [Textile Genesis](#) to improve supply chain traceability. Elsewhere, in West Africa, we continued to source certified "Cotton made in Africa" (CmiA).

Looking ahead

We aim to continuously improve sustainability practices in our operations and value chains, while expanding our involvement with certification programmes. In this way, we will also help to fulfil the aims of our broader sustainability strategy create value for our business and stakeholders.

Leveraging sustainable finance to achieve our goals

We continuously seek innovative ways to fulfil our sustainability ambitions, including by leveraging finance to help incentivise and advance progress. At a company level, we were the first in our industry to begin leveraging sustainability-linked loans to achieve our aims, with interest discounts awarded for progress towards rigorous targets. Our third loan with a value of \$1.6bn, provided by 19 international banks and ending in 2025, has targets covering soy traceability, progress on social and environmental risk assessment and ESG risk management. In 2024, we secured a new \$600 million SLL with OCBC, linking financial terms to reductions in Scope 3 FLAG emissions for soy and corn. With the discounts received for good performance, we are able to further invest in sustainability initiatives in our supply chain. In 2025, this loan won an award at the Asset Triple A Sustainable Finance Awards.

We also provide financial services to farmers (pre-finance and barter with our fertiliser division), enabling them to further invest in gaining the knowledge and equipment they need to adopt sustainable practices.

Our processes to ensure sustainable expenditure

We aim to make our capital and operational expenditure processes as sustainable as possible: In particular, our Investment Review and Approval Policy summarises how we consider social and environmental criteria in all new significant investments (see [‘Respecting local community rights’](#) for further details). We work across our teams to help ensure that these principles are implemented in practice. Similarly, throughout our operations, we seek opportunities to introduce further efficiencies. For example, we have installed a new boiler at our Catanduva sugar mill, which is expected to improve energy efficiency (see [‘Improving our Scope 1 and Scope 2 emissions – own operations’](#)). Elsewhere, introducing LNG-fuelled trucks for our grain and oilseeds logistics stands to deliver GHG emission reductions of up to 30% compared to traditional diesel vehicles (see [‘Scope 3 emissions – supply chains and beyond’](#)).

We have invested significantly in innovation and technology to optimise efficiency on our sugar plantations, using satellite imagery and drones to monitor progress, and leveraging real-time updates so we can adjust the way we manage our crops to increase yields. In the future, we aim to invest in unmanned vehicles and implement robotisation in the sugarcane bioenergy sector. For more information, please see this [article](#).

Investing in resources responsibly

We are committed to operating responsibly, encouraging the use of proven technologies and production processes that promote improved environmental, occupational health and safety and product safety performance, in line with our Environmental Policy, Occupational Health and Safety Policy and Food and Feed Safety Policy.

Our total capital expenditure (CAPEX) dedicated to environmental projects increased by 9% in 2024, compared to 2023. This includes investments in energy efficiency and environmental compliance measures such as those covered in [‘Improving our Scope 1 and Scope 2 emissions – own operations’](#) and [‘Managing resources responsibly’](#). In some cases, this leads directly to improved environmental performance in areas including GHG Scope 1 and 2 emissions, water intensity and waste generation.

Our CAPEX spend on occupational health and safety initiatives remained stable in 2024 compared to 2023.

In total, CAPEX related to capitalised maintenance rose by 9% from 2023 to 2024. Capitalised maintenance includes investments that extend our assets life and/or value, and largely create a positive effect on asset utilisation and processing efficiency, and indirectly some environmental performance metrics such as GHG emissions.

With respect to operating expenditure, between 2023 and 2024, we observed a small increase in the expenditure related to heat/steam generation and power, and a reduction in water-related expenditure. Our operating expenditure on EHS remained stable.



Elaine Lam

Group Managing Director and Head
Global Corporate Banking, OCBC

Q&A

Pushing the boundaries of sustainable finance to achieve climate targets

Banks are increasingly recognising their role in addressing climate risks, responding to investors' expectations and evolving regulation while also understanding the commercial benefits of investing in the transition to a low carbon economy. Meanwhile, forward-thinking companies are seizing the opportunity to leverage sustainable finance products to advance their sustainability journeys.

COFCO International announced its first sustainability-linked loan in 2019, agreed with 21 international banks. Featuring targets for soy and palm oil traceability, the agreement included interest discounts for meeting annual targets. In this way, the company was able to further invest in its sustainability efforts. Since then, the company has secured additional loans, expanding the scope of its targets to include social and environmental risk assessments.

More recently in 2024, together with Singapore-headquartered OCBC, COFCO International's latest loan is the first of its kind, featuring interest rate incentives tied to Science Based Targets initiative (SBTi)-validated Forest, Land and Agriculture (FLAG) targets for 1.5°C alignment.

Here, we speak to OCBC's Elaine Lam, Head of Global Corporate Banking about current trends in sustainable finance.

Why did your bank start the 1.5°C loan? Where is the demand coming from and how is it evolving?

Launched in 2023, the OCBC 1.5°C loan is part of our commitment to supporting the world's low carbon transition. As a member of the Net-Zero Banking Alliance (NZBA), we recognise that decarbonising our portfolio requires partnering our clients at various stages in their net-zero transition.

While many corporates have already set emission reduction goals, some of these might not be robust, ambitious, or clearly aligned with science-backed net-zero pathways based on a 1.5°C scenario. Therefore, the OCBC 1.5°C loan was specially designed to recognise companies that demonstrate leadership and ambition by setting credible, science-based, 1.5°C aligned net-zero targets, while also incentivising their progress towards achieving them.

There has been strong interest in the loan, initially starting from the real estate sector where science-based net-zero pathways have been well established. Recently, however, we are seeing growing interest from clients across diverse sectors, as more sector-specific science-based pathways become available around the world.

What trends do you see in sustainable finance in Asia and globally? What factors are driving these?

Sustainable finance has been gaining significant momentum both in Asia and globally. The early growth in developed markets was driven by a number of factors, including: ESG integration into many investors' investment strategies, innovation in sustainable finance product development, regulatory support, and a growing focus on impact investing. Specifically for Asia, the recent rapid growth in sustainable finance can be attributed to a combination of government initiatives such as the development of taxonomies, the need for sustainable and resilient urban development to accommodate growing economies, engagement from investors and financial institutions, and the increasing focus on climate adaptation and resilience.

Over the years, we have observed greater maturity in the sustainable financing market when it comes to the quality of instruments, especially in setting material key performance indicators (KPIs) and ambitious sustainability performance targets (SPTs). More companies are setting KPIs that address the most material sustainability issues in their own operations and beyond, including Scope 3 greenhouse gas emissions targets covering their value chain.

We also see increasing diversity in sectors tapping on sustainable finance, including from traditionally hard-to-abate sectors such as food and agriculture, transportation, and heavy industries. This shift reflects a broader recognition among businesses, financiers and regulators of the necessity to support not just green economic activities, but also sectors in transition, to meet global climate goals. As a result, banks and investors are now more actively engaging companies in these sectors to support their net-zero ambition.

Are you seeing more companies in the agricultural commodities sector becoming interested in sustainability-linked loans? Why is this?

Yes. Companies in the agricultural commodities have been facing growing pressure to tackle environmental and social issues in their operations and supply chains. These include both consumer demand and regulatory pressure (e.g. the EU's Regulation on Deforestation-free Products) on companies to enhance traceability systems and supply chain engagement to accurately map and assess deforestation risk across their supply chain.

The development of standards to measure and manage key environmental issues relevant to the agricultural commodities sector is also facilitating the growth of sustainable financing. For example, land use change emissions, typically making up a significant proportion of a company's carbon footprint in the sector, has been challenging to quantify due to the absence of credible accounting standards. However, recently developed guidelines such as the Land Sector and Removals Guidance by the GHG Protocol and the Forest, Land and Agriculture Guidance by the SBTi have provided much-needed clarity on how emissions from land use and land use change (LULUC) can be accounted for, and how companies can set credible, 1.5°C-aligned emissions reduction targets for LULUC related activities.

What is the importance of the recent loan made with COFCO International with SBTi-linked KPIs?

The transaction is the first financing globally tied to the achievement of SBTi-validated FLAG targets, including emissions from land use and land use change. It underscores COFCO International's commitment to address deforestation and conversion in its supply chain, while setting new benchmarks for market best practice on sustainable finance in the Agrifood sector. It hopefully will encourage other companies in the Agrifood sector to push the boundaries of what sustainability KPIs and SPTs can be considered material, relevant, credible and ambitious, upholding the highest standards of integrity in sustainable finance transactions. We are glad to see that the year 1 SPTs for both KPIs (i.e. Scope 3 FLAG emissions intensity for soy and corn) have already been met.

Furthermore, this partnership highlights how financial institutions can collaborate with clients in the Agrifood and other hard-to-abate sectors to set ambitious decarbonisation targets, and embed these targets in their sustainable finance solutions.

Have you seen more interest in the market resulting from this loan?

Yes, particularly among clients from traditionally hard-to-abate sectors, who are encouraged by the signal that credible sustainable financing solutions can be accessed by companies from all sectors, even when there are unique challenges and complexities to be overcome.



Over the years, we have observed greater maturity in the sustainable financing market when it comes to the quality of instruments, especially in setting material key performance indicators and ambitious sustainability performance targets.”

Our ESRS index

We are continuously strengthening our approach to corporate sustainability reporting, as we prepare to report in line with the European Sustainability Reporting Standards (ESRS). In particular, we are improving our monitoring and measurement, restructuring our sustainability reports to disclose information relating to required criteria, and ensuring that our reporting centres around the material topics identified through our double materiality assessment.

General disclosures			
ESRS standard	Disclosure requirement	ESRS alignment	Page
2 General Disclosures	BP-1 General basis for preparation of sustainability statements	●●●	03
	BP-2 Disclosures in relation to specific circumstances	●●●	03
	GOV-1 The role of the administrative, management and supervisory bodies	●●○	96-98
	GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	●●●	96-98
	GOV-3 Integration of sustainability-related performance in incentive schemes	●○○	96-98
	GOV-4 Statement on due diligence	●●●	96-98
	GOV-5 Risk management and internal controls over sustainability reporting	●●●	96-98
	SBM-1 Strategy, business model and value chain	●●●	08-09, 10-13, 14-15, 20-21
	SBM-2 Interests and views of stakeholders	●●●	22-23, 24-25
	SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	●●○	22-23, and throughout the report
	IRO-1 Description of the process to identify and assess material impacts, risks and opportunities	●●○	22-23
	IRO-2 Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	●●●	106-109
	MDR-P Policies adopted to manage material sustainability matters	●●●	99, and throughout the report
	MDR-A Actions and resources in relation to material sustainability matters	●●●	103, and throughout the report
	MDR-M Metrics in relation to material sustainability matters	●●○	Throughout the report
	MDR-T Tracking effectiveness of policies and actions through targets	●●○	30-31, and throughout the report
Environmental disclosures			
ESRS standard	Disclosure requirement	ESRS alignment	Page
E1 Climate Change	E1 GOV-3 Integration of sustainability-related performance in incentive schemes	●○○	96-98
	E1-1 Transition plan for climate change mitigation	●●●	34-39
	E1 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	●●●	34-39
	E1 IRO-1 Description of the processes to identify and assess material climate-related impacts, risks & opportunities	●●●	22-23, 34-39
	E1-2 Policies related to climate change mitigation and adaptation	●●●	34-39
	E1-3 Actions and resources in relation to climate change policies	●●○	42-45, 46-47, 103
	E1-4 Targets related to climate change mitigation and adaptation	●●●	30-31, 34-39
	E1-5 Energy consumption and mix	●●●	42-45, GRI index
	E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	●●●	42-45, 46-47, GRI index
	E1-7 GHG removals and GHG mitigation projects financed through carbon credits	○○○	–
	E1-8 Internal carbon pricing	○○○	–
	E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opp.	●●○	36-39

Progress towards ESRS alignment

 Reported

 Partially reported

 Internal work initiated

 Non-material information

Environmental disclosures			
ESRS standard	Disclosure requirement	ESRS alignment	Page
E2 Pollution	E2 IRO-1 Processes to identify and assess material pollution-related impacts, risks and opportunities		22-23, 52-55, 58-63
	E2-1 Policies related to pollution		58-63, 58-63, 99
	E2-2 Actions and resources related to pollution		58-63, 58-63
	E2-3 Targets related to pollution		–
	E2-4 Pollution of air, water and soil		–
	E2-5 Substances of concern and substances of very high concern		–
	E2-6 Anticipated financial effects from pollution-related impacts, risks and opportunities		–
E3 Water and Marine Resources	E3 IRO-1 Processes to identify and assess material water and marine resources-related impacts, risks and opportunities		22-23, 58-63
	E3-1 Policies related to water and marine resources		58-63, 99
	E3-2 Actions and resources related to water and marine resources		58-63
	E3-3 Targets related to water and marine resources		30-31, 58-63
	E3-4 Water consumption		–
	E3-5 Anticipated financial effects from water and marine resources-related impacts, risks and opportunities		–
E4 Biodiversity and Ecosystems	E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model		48-51, 52-55, 56-57
	E4 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model		48-51, 52-55, 56-57
	E4 IRO-1 Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities		22-23, 48-51, 52-55
	E4-2 Policies related to biodiversity and ecosystems		48-51, 52-55, 99
	E4-3 Actions and resources related to biodiversity and ecosystems		48-51, 52-55, 56-57
	E4-4 Targets related to biodiversity and ecosystems		30-31, 48-51
	E4-5 Impact metrics related to biodiversity and ecosystems change		48-51, 56-57, GRI index
	E4-6 Anticipated financial effects from material biodiversity and ecosystem-related risks and opportunities		–
E5 Resource Use and Circular Economy	E5 IRO-1 Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities		22-23, 58-63
	E5-1 Policies related to resource use and circular economy		58-63, 99
	E5-2 Actions and resources related to resource use and circular economy		58-63
	E5-3 Targets related to resource use and circular economy		30-31, 58-63
	E5-4 Resource inflows		–
	E5-5 Resource outflows		58-63
	E5-6 Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities		–

Social			
ESRS standard	Disclosure requirement	ESRS alignment	Page
S1 Own Workforce	S1 SBM-2 Interests and views of stakeholders	●●●	24-25, 68-71, 74-77, 78-79
	S1 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	●●○	22-23, 68-71, 72-73, 78-79
	S1-1 Policies related to own workforce	●●●	68-71, 72-73, 78-79, 99
	S1-2 Processes for engaging with own workers and workers' representatives about impacts	●●●	24-25, 74-77, 78-79
	S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns	●●○	74-77, 95
	S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	●●○	68-71, 72-73, 78-79, 99
	S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	●●○	30-31, 68-71
	S1-6 Characteristics of the undertaking's employees	●●●	72-73, GRI index
	S1-7 Characteristics of non-employee workers in the undertaking's own workforce	●●●	GRI index
	S1-8 Collective bargaining coverage and social dialogue	●●○	68-71
	S1-9 Diversity metrics	●●●	72-73, 96-98, GRI index
	S1-10 Adequate wages	●○○	–
	S1-11 Social protection	●○○	–
	S1-12 Persons with disabilities	●○○	–
	S1-13 Training and skills development metrics	●●●	78-79, 74-77, GRI index
	S1-14 Health and safety metrics	●●●	74-77, GRI index
	S1-15 Work-life balance metrics	●○○	–
S1-16 Compensation metrics (pay gap and total compensation)	●●○	72-73	
S1-17 Incidents, complaints and severe human rights impacts	●●○	95	
S2 Workers in the Value Chain	S2 SBM-2 Interests and views of stakeholders	●●●	24-25, 68-71, 80-81, 84
	S2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	●●○	22-23, 68-71, 80-81, 84
	S2-1 Policies related to value chain workers	●●●	68-71, 80-81
	S2-2 Processes for engaging with value chain workers about impacts	●●○	24-25, 80-81
	S2-3 Channels for value chain workers to raise concerns	●●●	95
	S2-4 Taking action on material impacts, and approaches to mitigating material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions and approaches	●●○	68-71, 84
S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	●●○	30-31, 68-71, 80-81	

Progress towards ESRS alignment

 Reported

 Partially reported

 Internal work initiated

 Non-material information

Social			
ESRS standard	Disclosure requirement	ESRS alignment	Page
S3 Affected Communities	S3 SBM-2 Interests and views of stakeholders		24-25, 82-83, 85-87
	S3 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model		82-83, 85-87
	S3-1 Policies related to affected communities		82-83, 85-87
	S3-2 Processes for engaging with affected communities about impacts		24-25, 82-83, 85-87
	S3-3 Processes to remediate negative impacts and channels for affected communities to raise concerns		82-83, 95
	S3-4 Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions		82-83, 84, 85-87
S3-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities		30-31, 82-83	
S4 Consumers and End-users	S4 SBM-3 Interests and views of stakeholders		–
	S4 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model		100
	S4-1 Policies related to consumers and end-users		100
	S4-2 Processes for engaging with consumers and end-users about impacts		–
	S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns		95
	S4-4 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions		100
S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities		30-31, 100	
Governance			
ESRS standard	Disclosure requirement	ESRS alignment	Page
G1 Business Conduct	G1 GOV-1 The role of the administrative, supervisory and management bodies		96-98
	G1 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities		22-23, 96-98
	G1-1 Business conduct policies and corporate culture		94-95, 96-98, 99
	G1-2 Management of relationships with suppliers		80-81
	G1-3 Prevention and detection of corruption and bribery		96-98, GRI index
	G1-4 Incidents of corruption or bribery		95, GRI index
	G1-5 Political influence and lobbying activities		92-93, GRI index
G1-6 Payment practices		–	

Our TCFD index

In 2024, we strengthen our approach to climate change reporting, in line with the voluntary disclosure requirements of the Taskforce on Climate-related Financial Disclosures. The index table below shares our progress on the recommended TCFD disclosures.

Core element	Recommended disclosure	Reference
 Governance	<ul style="list-style-type: none"> a. Describe the board's oversight of climate-related risks and opportunities. b. Describe management's role in assessing and managing climate-related risks and opportunities. 	See 'Our climate governance' in the 'Responsible governance and compliance' section.
 Strategy	<ul style="list-style-type: none"> a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term. b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning. c. Describe the resilience of the strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. 	See the 'Our progress: Protecting the Earth' section, particularly 'Our corporate climate strategy'.
 Risk management	<ul style="list-style-type: none"> a. Describe processes for identifying and assessing climate-related risks. b. Describe processes for managing climate-related risks. c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management. 	See 'Managing sustainability', 'Our corporate climate strategy', and 'Our climate governance' in the 'Responsible governance and compliance' section.
 Metrics and targets	<ul style="list-style-type: none"> a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process. b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks. c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets. 	See '2024 progress against targets', 'Our corporate climate strategy', 'Improving our Scope 1 and Scope 2 emissions – own operations', 'Scope 3 emissions – supply chains and beyond', and our GRI index.



Independent Assurance Statement

Statement number: DNV-2025-ASR- C783731

DNV Business Assurance Avaliações e Certificações Brasil Ltda. ('DNV') has been commissioned by COFCO International (hereafter referred to as 'COFCO INTL' or 'the Company') to undertake an independent assurance of a sub-set of data and information disclosed in COFCO International Sustainability Report 2024 and GRI Content Index Table for the year ended 31st December 2024 disclosed on June 13, 2025.

Assurance approach

Our assurance engagement is conducted in accordance with the VeriSustain Protocol, which is based on our professional experience and international assurance best practice, and the International Standard on Assurance Engagements ISAE 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information. These documents require, inter alia, that the assurance team possesses the specific knowledge, skills and professional competencies needed for an assurance engagement regarding sustainability information, and that the team complies with ethical requirements to ensure its independence.

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17029:2019 – Conformity assessment, whose general principles are requirements for validation and verification bodies. Accordingly, DNV maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We performed the activities applying a **limited level of assurance** for a selection of indicators, as described in the following sections.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less detailed than, those undertaken during a reasonable assurance engagement, so the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our conclusion, so that the risk of this conclusion being in error is reduced, but not reduced completely.

We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on COFCO INTL website for the current reporting period.

Reporting criteria for selected information

The scope and boundary of our work is restricted to the indicators included within the Report (the "Selected Information"). The selected indicators can be found on the GRI Content Index Table:

- GRI 302-1 Energy consumption within the organization;
- GRI 303-3 Water withdrawal;
- GRI 305-1 Direct (Scope 1) GHG Emissions; GRI 305-2 Energy Indirect (Scope 2) GHG Emissions; GRI 305-3 Other indirect (Scope 3) GHG Emissions.
- GRI 403-9 (a.i.ii.v.; b. .i.ii.v.; e. f. g.) Work Related Injuries.

Responsibilities of the Directors of COFCO International and of the assurance providers

The Management of COFCO INTL has sole responsibility for:

- Preparing and presenting the selected information;
- Designing, implementing and maintaining effective internal controls over the information and data, resulting in the preparation of the selected Information that is free from material misstatements;
- Measuring and reporting the selected information.

DNV's responsibility is to plan and perform the work to obtain assurance about whether the selected information has been prepared with reference to the reporting requirements and to report to COFCO INTL in the form of an independent assurance conclusion, based on the work performed and the evidence obtained.

Our statement represents our independent opinion and is intended to inform all stakeholders. DNV was not involved in the preparation of any statements or data included in the Report except for this Independent Assurance Statement.

Scope of assurance

The scope of our engagement includes the following disclosures ('Selected information'):

- ESG Selected Indicators disclosed in COFCO International Sustainability Report 2024 and GRI Content Index Table for the year ended 31st December 2024.

The assurance provided by DNV is limited to the selected indicators and information specified in the scope of the engagement. DNV has not conducted an assessment of the reporting organization's overall adherence to reporting principles or the preparation of the report. Therefore, no conclusions should be drawn regarding the reporting organization's compliance with reporting principles or the quality of the overall report. The assurance provided by DNV is based on the selected indicators and information made available to us at the time of the engagement. DNV assumes no responsibility for any changes or updates made to the indicators or information after the completion of the assurance engagement.



Our competence, independence and quality control

DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. We have no other contract with COFCO INTL.

Our multi-disciplinary team consisted of professionals with a combination of sustainability assurance experiences.

Inherent limitations

DNV's assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith, are true, and are free from material misstatements. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected.

The engagement excludes the sustainability management, performance, and reporting practices of the Company's suppliers, contractors, and any third parties mentioned in the Report. We did not interview external stakeholders as part of this assurance engagement.

We understand that the reported financial data, governance and related information are based on statutory disclosures and Audited Financial Statements, which are subject to a separate independent statutory audit process. We did not review financial disclosures and data as they are not within the scope of our assurance engagement.

The assessment is limited to data and information in scope within the defined reporting period. Any data outside this period is not considered within the scope of assurance.

DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

Basis of our conclusions

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of COFCO INTL. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. Our limited assurance procedures included, but were not limited to, the following activities:

- Review of the disclosures according to reporting requirements. Our focus included ESG disclosures and management processes;
- Peer and media review to identify relevant sustainability issues for COFCO INTL in the reporting period;
- Understanding of the key systems, processes and controls for collecting, managing and reporting disclosures and selected indicators in the Report;
- Walk-through of key data sets. Understanding and testing, on a sample basis, of the processes used to adhere to and evaluate adherence to the reporting requirements. Our review of the selected indicators presented in the Report resulted in some technical errors that were identified and corrected based on our sampling;
- Collect and evaluate documentary evidence and management representations supporting adherence to the GRI requirements on the selected data;
- Interviews with the senior managers responsible for management of disclosures. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data consolidation and reporting of the selected information.

Our conclusions

Limited Level of Assurance

On the basis of the work undertaken, nothing came to our attention to suggest that the Selected Information as described in 'Scope of assurance' is not fairly stated and has not been prepared, in all material respects, in accordance with the Reporting Criteria specified in this Statement.

For and on behalf of DNV Business Assurance Avaliações e Certificações Brasil Ltda.

Sao Paulo, Brazil

June 13, 2025

Marcia Borges
Marcia Borges (Jun 13, 2025 17:56 ADT)
Lead Verifier

Paulo Arias
Paulo Arias (Jun 13, 2025 18:24 ADT)
Technical Reviewer

DNV Business Assurance Avaliações e Certificações Brasil Ltda. is part of DNV – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnv.com

Join the conversation

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Disclaimers

The information provided in this Sustainability Report reflects COFCO International's approach to ESG as at the date of this Sustainability Report. Our approach to inclusion of disclosures in this Sustainability Report is informed by the GRI Standards, the ESRS and TCFD. Any references to "ESG" or similar terms in this report are intended as references to the internally defined criteria of COFCO International only and not to any jurisdiction-specific regulatory definition. This Sustainability Report is not intended to, nor can it be relied on, to create legal relations, rights or obligations and/or construed as a COFCO International commitment to undertake any legal obligations. Any legal obligation and/ or commitments referenced in it shall be interpreted and construed in the context of the relevant applicable legal instrument(s). Nothing in this Sustainability Report shall be regarded as a representation, fact or accurate description of past and/or present events, except to the extent where those are public or common knowledge, the sole direct responsibility or property of COFCO International and are not disputed by any third-party. No reports, documents or websites that are cited or referred to in this Sustainability Report shall be deemed to form part of it (except if they have been prepared by COFCO International and are COFCO International property).

No representation or warranty is made by COFCO International as to the quality, completeness, accuracy, fitness for a particular purpose or non-infringement of third-party information. Forward-looking statements issued in this Sustainability Report relate to, among other things, COFCO International goals, commitments, aspirations and/or approaches. They are based on the current beliefs and expectations of COFCO International's management and are subject to significant risks and uncertainties. Many of which are beyond COFCO International's control. Expected results or actions may differ from the anticipated goals, approaches, and targets due to many factors. COFCO International is committed to complying with applicable laws, including antitrust laws, in all the territories where it operates. Accordingly, the commitments and activities described in this report are conducted in accordance with, and subject to the limitations of, those laws. COFCO International does not undertake to update any of such information in this Sustainability Report and/or any forward-looking statements. The Sustainability Report is subject to change without notice.



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