

ECOM Agroindustrial Corp. Ltd.

Delivering impact for climate and livelihoods



Introducing ECOM



Overview

ECOM is a world-leading soft commodity services group specialising in coffee, cocoa, and cotton.

We buy from producers at origin, provide primary processing, logistics and risk management services, and sell to branded product manufacturers

Our global presence, unparalleled experience, and strong, trusted relationships allow us to create a valuable and profitable environment for our suppliers, customers, shareholders and employees. Years of history

174

Countries in operation

40+

Employees worldwide

5000+

Farmers in supply chain

650K+

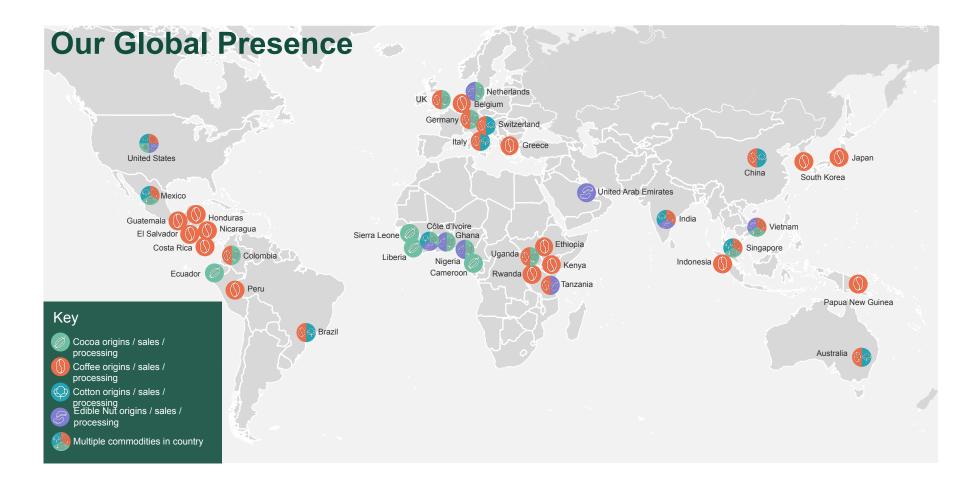












ECOM's Commitments and Actions

Our Sustainability Commitments



Improve farmer and worker livelihoods

Protect and regenerate nature

Manage change through transparency and traceability

- Empowering farmers, workers and their communities to optimise their profitability and ultimately remove property
- Eliminating breaches of human rights through proper risk identification and remediation
- Optimising our natural resource management practices
- Improving farmer resilience to the effects of climate change
- Becoming a Net Zero emissions company in our scope 1,2 and 3 by 2050

 Ensuring responsibility in our supply chains

Implementing our sustainability commitments



This chart shows key data relating to ECOM's operations, which span the globe and include farming, processing and sales to some of the world's leading manufacturers.













Our Net Zero Commitment







Climate Pledge: Achieving Net Zero greenhouse gas emissions across our value chain by 2050

ECOM Agroindustrial Corp. Ltd

As SBTi signatories, we submit targets and publish our corporate footprint on an annual basis. Our methodology for corporate reporting aligns with the GHG protocol guidelines.





Decarbonization roadmaps: Scope 1, 2 and 3





Scope 1&2

Various decarbonization pathways explored across our main processing sites. We focused on 26 sites accounting for more than 85% of our Scope 1 and 2 emissions.

Some actions

- Full electrification, transition to renewable fuels
- On site solar installations and off-site PPAs, green electricity supply

Scope 3

Reduction actions for cocoa, coffee and cotton were identified and modelled per country.

Some actions

- Improving existing and developing new data collection tools for measuring carbon impacts more accurately
- Implementing land management interventions to reduce emissions at farm level and account for and implement removals (such as planting shade trees, biochar application, regenerative agricultural practices, zero deforestation etc)

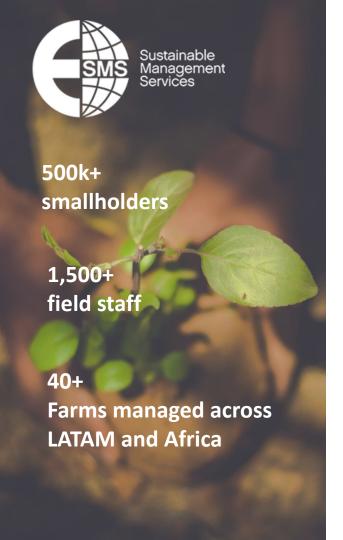




At ECOM, we have strong internal capabilities for achieving impact



We can **partner** with clients to implement both insetting projects (within company's supply chains) and offsetting projects to maximize our impact on climate thanks to our skilled local SMS teams and global sustainability and climate teams



What is SMS? **Sustainable Management Services**



ECOM SMS is an experienced and diversified entity that is key to leveraging ECOM's efforts to foster farmers' empowerment and responsible sourcing.

use SMS expertise in climate science and project implementation for sustainability projects, helping our customers and farming communities worldwide



Integrated Management: Nurseries for centralized

production of seedlings, logistics and transport management



Trainings Assisting & advising farmers with planting management



Inputs Soil amendments & fertilizers



Doorstep service Servicing packages (i.e soil analysis)



Monitoring & Impact Assessment

plant health, higher yields & carbon sequestration



Agronomist support

to ensure compliance to certifications



Climate Competencies (In-house)



Access to markets farmer income diversification from alternative crops & trees

ECOM'S offering - Insetting



We can leverage our internal capabilities, knowledge and expertise in the origins and globally to implement a wide variety of projects and businesses for clients and partners.

OUR INSETTING OFFER:

- → Project implementation with a variety of interventions for achieving carbon impacts
- → Measurement of carbon benefits
- → Generation of direct land use change emission factors (dLUC)
- → Generation of primary emission factors of our commodities for certified and traceable volumes
- → Compliance with GHG protocol, allowing for insetting in line with SBTi



Some examples of insetting with clients and partners...



Colombia Climate Program

Objective: Climate program at farm-level to source lower impact coffee for customers and ECOM.

- Primary data collection to quantify carbon emissions.
- → Ensure zero deforestation in the coffee supply chain (100% traceable to farm level) via satellite monitoring and ground truthing.
- → Implement climate smart interventions (e.g., agroforestry, cover crops, fertilizer optimization).

Impact: Increase yields, support farmer livelihoods, sequester carbon, increase climate resiliency, and additional income for farmers



Regenerative Agriculture in Costa Rica

R&D: New varieties: Rut resistance or tolerant varieties, improve coffee productivity, coffee quality, climate resilience, and farmer livelihoods.

<u>Crop Management</u>: Implement weed, pest, and disease-integrated management models. Reduce agrochemicals consumption.

<u>Climate Resiliency</u>: Implement the multi-strata agroforestry models based on diversity of native trees. Climate smart monitoring systems.

<u>Healthy Soil</u>: Implement soil conservation practices. Soil analysis using the soil health indicators. Implement organic fertilizers, nitrogen fixing bacteria and biological input.



Nicaragua Reforestation Program

A client has partnered with ECOM SMS Nicaragua to plant 8.6 million trees across 22,000 ha by 2026.

The project will benefit more than 10,000 coffee and milk producers across Nicaragua.

The initiative will contribute to achieving the client's net-zero greenhouse gas emission pledge by 2050.

SMS Nicaragua team will oversee the production and planting of up to 2 million native wood forest trees per year in a supply chain of 5,000 small coffee producers.



ECOM'S offering - Offsetting



WHY?

- The Voluntary Carbon Market (VCM) is expected to grow \$5 \$40 billion by 2030*
- ECOM is well positioned to commercialize high quality carbon credits: ECOM's
 clients are purchasing carbon credits as part of their climate strategies and will need
 to neutralize carbon emissions as part of their SBT commitments by 2050
- Bringing additional positive impacts to ECOM's supply chain actors, specifically farmers

HOW?

- ECOM is **leveraging its local presence**, relations with governments, context knowledge in 40+ origins to develop carbon credits projects **outside its supply chain.**
- Take advantage of existing tools and data collection processes for projects MRV requirements.
- Open option for ECOM's clients and partners to participate in projects and tap into the VCM.



How we support clients and partners





CONTRIBUTING TO CLIMATE CHANGE MITIGATION

We select high-quality projects allowing our clients to access carbon credits to contribute to climate change mitigation and emissions compensation, either through spot transactions or forward purchases.



PROJECT DEVELOPMENT

We develop, source and manage diverse projects:

Biochar, Community based project

Biochar, Community based projects, and Natural and Agricultural Climate Solutions.



PROJECT FINANCE

We provide needed financing and advisory services to high-quality projects.

Project types we source and develop



Technical removals

Biochar production and application







Community based projects

- Clean Cooking Solutions
- Save Water Access for households
- Household biogas production





Natural and Agricultural Climate Solutions

- Afforestation/Reforestation
- Agricultural Land Management
- REDD







Interested in working together to continue creating a positive future and increasing resilience for farmer livelihoods and climate change?

Contact the team for brainstorming ideas at climate@ecomtrading.com

Explore our sustainabilityachievements



