



CHILD LABOR POLICY

BACKGROUND and AIMS:

The International Labour Organization states that child labor violates basic human rights.¹

It has been proven that household poverty is closely associated with child labor (source: ILO (International Labour Organization)). By keeping children out of school, any chance of social mobility is made all the less likely. As most of the cocoa in West Africa is produced by smallholders, households must deal with the realities of rural poverty, as well as difficulties accessing quality education due to a lack of local infrastructure.

The International Labour Organization uses two standards, both of which have been adopted worldwide and provide the legal basis for the fight against child labor:

- Convention 138 on the minimum working age adopted in 1973: the minimum age for admission to employment or work is set at 15 (or 13 for light work). The minimum age for hazardous work is 18.
- Convention 182 on the worst forms of child labor, adopted in 1999: states that have ratified the convention must eradicate the worst forms of labor for children under the age of 18, including all forms of slavery or similar practices such as the sale and trafficking of children, debt bondage and serfdom, and forced or compulsory labor.

It is up to the international community to ensure that these standards are applied, by exercising due diligence in global supply chains. Cocoa bean producers are particularly badly impacted by the dangers of child labor. These are linked to difficulties attaining a decent standard of living for families in rural areas, and the lack of local education infrastructure.

If children have to go to school and parents can't afford it, children are forced to support their families and work becomes an unavoidable reality. In West Africa (and the world's two leading cocoa-producing countries, Ghana and Ivory Coast, in particular), the NGO International Cocoa Initiative estimates that 1.56 million children are forced to work alongside their families. Forced labor is less widespread but remains a real risk in these countries.²

At Valrhona, we are aware of the need to do better and make every effort to combat child labor.

¹ Child labor: The ILO convention on child labor has been universally ratified (ilo.org).

² <https://www.cocoainitiative.org/>

A COLLECTIVE COMMITMENT:

MEMBERSHIP OF THE ICI (INTERNATIONAL COCOA INITIATIVE)

In 2017, Valrhona became a member of the NGO International Cocoa Initiative which works in Ghana and Ivory Coast.

This NGO strives to secure a better future for children in cocoa-producing communities. It has tested and rolled out solutions for Child Labor Monitoring and Remediation Systems (CLMRS).

The priority is to apply these solutions to our West African supplies, which are the most at-risk.

VALRHONA'S COMMITMENTS and ACTIONS:

1. HUMAN RIGHTS RISK MAPPING

We are updating a human rights and child labor risk map to ensure our partner suppliers are managed more effectively.

2. DEVELOPMENT OF CHILD LABOR MONITORING AND REMEDIATION SYSTEMS (CLMRS) IN THE MOST AT-RISK COUNTRIES

The Child Labor Monitoring and Remediation System (CLMRS) method developed by the NGO ICI uses liaison officers in villages to identify child laborers. The aim is to raise families' awareness and offer children activities outside of work so that, little by little, they can get back to school and the NGO can monitor progress.

Our partners implement this methodology and report directly to the ICI. By working continually with producers and families, Valrhona aims to make sure that there is zero child labor on the cocoa farms.

KEY PERFORMANCE INDICATORS FOR 2030:

1. 100% of countries will be covered by a human rights mapping tool that identifies countries at risk of child labor.
2. 100% of at-risk countries will be covered by a Child Labor Monitoring and Remediation System (CLMRS) that has been approved by a third party.

OUR PROGRESS TO DATE:

IMPROVING ACCESS TO EDUCATION

Valrhona has been committed to programs that facilitate and improve access to education since 2014.

Alongside our partners and local authorities, we have embarked on a vast program prioritizing the schools that need to be built or renovated based on their existing infrastructure, condition and capacity.

Since 2014, 14 schools have been built and renovated in Ivory Coast, Ghana, the Dominican Republic and Venezuela supporting a total of 65 cohorts and 2,555 students.

In parallel to these efforts, Valrhona has funded services such as school canteens, computer centers, libraries, washrooms and so on, all of which in turn have improved access, attendance and the quality of the education for producer communities' children. For example, in Kouameblekro, Ivory Coast, afternoon attendance rates rose from 50% to 90% when a canteen was set up.

IMPLEMENTING A CHILD LABOR MONITORING AND REMEDIATION SYSTEM

In 2023, we signed an agreement with our partners in Ivory Coast and Ghana to set up a Child Labor Monitoring and Remediation System in each country based on the ICI's method.