



VALRHONA COCOA POLICY: FOREST PRESERVATION AND AGROFORESTRY

October 2018

LIVE LONG: OUR SUSTAINABILITY STRATEGY

To imagine the best chocolate, you have to start by giving the best. This is what we strive to do every day through the four pillars of our sustainability program Live Long:

- **LIVE LONG COCOA:** We make long-term commitments to our cocoa producer partners and together work to have a positive social and environmental impact.
- **LIVE LONG ENVIRONMENT:** We are working to halve our environmental footprint by 2025. Since 2013, we have implemented robust action plans for reducing the amount of energy, water and resources we use, as well as our carbon emissions. Today, renewable energy powers a significant amount of our chocolaterie.
- **LIVE LONG GASTRONOMY:** We promote gastronomy professions to generations of young people and supporting their training.
- **LIVE LONG TOGETHER:** We do this by involving our stakeholders - staff, customers, suppliers, NGOs, local communities – to together have a positive impact all along our value chain.

Learn all about our Live Long program and our progress on: <https://inter.valrhona.com/en/live-long-our-sustainable-approach>

The preservation of forests and land in cocoa-producing countries is a human right, as important as ensuring proper working conditions for producers, protecting child, upholding women's rights and maintaining good living and housing conditions. We have a duty to protect the environment in cocoa producing countries and to bring together our cocoa-producing partners to invent a blueprint for responsible agriculture.

OUR PARTNERSHIP BASED APPROACH

Valrhona source its cocoa from 16 countries across the world. From Brazil and Madagascar to Peru, Belize, Côte d'Ivoire or Ghana, our approach is above all a story of people and long-term commitment. We have developed partnerships with cocoa producers in 11 countries, each lasting on average seven years. Today, more than 80% of our cocoa is sourced through these long-term partnerships.

Through these partnerships we commit to buying a minimum volume of cocoa beans from our partners each year, at a minimum price. All of our cocoa partners receive premiums that reward their expertise, the quality of their cocoa and support community development. This shared long-term commitment

provides our farmers with a guaranteed income and allows them to better plan their investments, as well as allowing us to ensure the traceability of our cocoa.

Through our team of dedicated cocoa sourcing experts, we forge close relationships with our producer partners, enabling us to exchange regularly with them and respond as best as possible to their needs. This include visiting each partner at least once a year, in turn allowing us to put in place programs – and the required financial backing – to support the following aims:

1. **IMPROVING COMMUNITY WELFARE:** including access to education and healthcare and improvements to housing.
2. **PROMOTING QUALITY:** including providing agronomic assistance, creating collection centers, renovating post-harvest preparation facilities, installing solar drying beds and working to preserve different cocoa varieties.
3. **IMPLEMENTING ENVIRONMENTALLY FRIENDLY CULTIVATION MODELS:** including training in good agricultural and environmental practices, renovating plantations and planting agroforestry plots:
 - **Promoting agroforestry in the Dominican Republic with the applied research project Cacao Forest:** Valrhona is one of the founding members of the [Cacao Forest](#), a project which aims to reinvent the way cocoa is grown through promoting agroforestry in the Dominican Republic. This project, which we plan to replicate in other cocoa origins, has already resulted in the planting of 36 agroforestry test plots (9 hectares) and enabled producers to find a market for the other fruits, plants and timber that grow alongside their cocoa.
 - **The renovation of 38 hectares of diversified agroforestry plots in Haiti to create demonstration farms, in collaboration with the FECCANO cooperative and NGO AVSF:** Passing on techniques, discussions with producers, raising producers' awareness about environmentally friendly and productive techniques that can be replicated on a national scale.
 - **Rehabilitating an abandoned 160-hectare plantation in Belize to support the country's quality cocoa sector:** Over 180,000 cocoa trees have already been planted, and renovation works on the plantation itself are due for completion in 2020.
 - **Promoting agroforestry in Brazil:** Old-growth forests make up 40% of available land on our Brazilian partner's estate, 20% more than stipulated by the country's Forest Law for Legal Reserve areas. We actively support our partner's efforts to train staff best agricultural and environmental practices, for example via the construction of a new training center.
 - **Safeguarding rare and aromatic cocoa varieties in Peru and Venezuela:** By supporting producers as they work to preserve and develop plant material – for example, through the creation of varietal conservatories.

OUR COMMITMENTS AND ACTION PLANS

1. WITH THE COCOA INDUSTRY

We understand that our influence is limited. For that reason, we are teaming up with the cocoa industry at large so that we can redouble our impact and, together, create a truly sustainable way of growing cocoa.

In May 2018, Valrhona became a signatory of the [Cocoa & Forests Initiative](#). The initiative is an active commitment of cocoa-producing countries and leading chocolate and cocoa companies to end deforestation and restore forest areas through no further conversion of any forest land for cocoa production. The Initiative is chaired by the governments of Côte d'Ivoire and Ghana, two of the world's principal cocoa producing countries, and facilitated by IDH (the Sustainable Trade Initiative) and the World Cocoa Foundation (WCF).

Valrhona has signed up to the Cocoa & Forest Initiative's eight key commitments and is preparing to publish its Cocoa & Forests action plan **by the end of 2018**.

2. IN ALL OUR COCOA SUPPLIER COUNTRIES

Getting our partners involved

Sharing our Cocoa & Forest and agroforestry policy, and uniting our partners around our ambitions **by the end of 2019**.

Traceability

Working with our partners to make our cocoa 100% traceable:

- To the producer **by the end of 2018**
- To the farm **by the end of 2021**

Preserving forests and promoting agroforestry in the countries where we source cocoa

(1) Working with our partners to ensure that:

- a. Our cocoa does not come from high carbon stock or high conservation value areas (as soon as this information becomes publicly available) **by the end of 2019**,
- b. Current legislation around forestry protection is respected and that we only source cocoa from legally approved zones away from protected forest areas **by the end of 2019**,
- c. No more forests are converted to cocoa production by our partners **by the end of 2019**,

(2) Identifying which zones are at greatest risk and helping our partners to take on sustainable practices **by the end of 2019**,

(3) Supporting 100% of our producers to start adopting agroforestry techniques **by the end of 2025**.

Reporting

We will publish a progress report on the implementation of this policy as part of our wider CSR reporting **from the end of 2019**.

This forestry and agroforestry policy is effective as of today. We will regularly seek out input from external stakeholders to improve its roll-out.