

pladis Sustainable Cocoa Standard

We aim to source the cocoa we use in our products in a socially and environmentally responsible manner.

Our vision for a sustainable and thriving cocoa industry is one where farmers prosper, communities are empowered, human rights are respected, and the environment is conserved and enhanced through regenerative practices.

As we are not an agricultural company, we work in partnership with other stakeholders to bring our vision to life. We know more can be achieved together and through collaborating with peers, suppliers, NGOs and others, we aim to build strong relationships and drive and encourage improvements along our supply chain.

Our standard covers our entire cocoa supply chain globally and sets out the requirements expected from our direct and indirect suppliers. It includes upstream supply chain compliance with laws and regulations, as well as requirements to create positive impact and minimize the negative impact on natural resources, farmers and communities.

We expect all of our cocoa suppliers to conduct business responsibly and transparently and to adhere to the principles in this standard.

Our standard can be divided into three areas:

1. Securing human rights and responsible social practices
2. Ensuring environmental protection and regeneration
3. Promoting transparency and collaboration along the supply chain

HUMAN RIGHTS AND RESPONSIBLE SOCIAL PRACTICES

All suppliers and subcontractors to pladis must confirm that all their activities comply with the provisions of pladis' Human Rights Policy.

Where products or services of suppliers are carried out by a supplier or outsourced company, the supplier to pladis will ensure that these provisions are also applied and that it will undertake due diligence with those sub suppliers before agreeing to commence commercial relationships as well as on an ongoing basis.

Fair Wages and Living Income: Ensure that cocoa farmers receive fair wages and that their income is sufficient to cover basic needs, providing a decent standard of living. Living income is a basic human right.

In addition, suppliers must confirm that all their activities and those of their suppliers comply with the following provisions:

- Take action to prevent exploitation of people or communities, recognizing the rights of indigenous and local communities to give or withhold their free, prior and informed consent to the utilization of lands to which they hold legal, communal or customary right;
- Take action to prevent child exploitation, including having an action plan in place to ensure 100% of sourcing farms in West Africa are covered by child labour monitoring and remediation systems.
- Establish and maintain measures to ensure the physical and psychological well-being of young female workers, providing a safe and supportive environment free from any form of harassment, abuse, or exploitation.
- Prioritize the health and safety of young female workers through age-appropriate workplace conditions, ensuring compliance with all relevant regulations.
- Work with stakeholders to assess how farmer's income and worker's wages in the supply chain compare with a **living income** and strive to bridge the gap, if any;
- Improve farmer resilience and sustainable livelihoods.

ENVIRONMENTAL PROTECTION AND REGENERATION

Our vision is to have a deforestation-free cocoa supply chain in which the environment is conserved and enhanced through regenerative practices.

All suppliers and subcontractors to pladis must confirm that all their activities comply with the provisions within pladis' No Deforestation, no Peat, no Exploitation (NDPE) Policy.

Where products or services of suppliers are carried out by a supplier or outsourced company, the supplier to pladis will ensure that these provisions are also applied and that it will undertake due diligence with those sub suppliers before agreeing to commence commercial relationships as well as on an ongoing basis.

In addition, suppliers must confirm that all their activities and those of their suppliers comply with the following provisions:

- Adopt the principles of agroforestry and regenerative agriculture that builds soil health (including carbon storage capacity), increase on-farm biodiversity, contribute to climate resilience and regeneration of ecosystems and to food security and income diversification for farmers;
- Support community forest protection and restoration;
- Support sustainable production particularly through non-chemical means such as grafting, pruning, hand pollination, limiting waste and loss of the crop.

TRANSPARENCY AND WIDER ENGAGEMENT

Transparency and collaboration is essential to understanding, addressing and creating positive impact for people and the environment. Together with our suppliers, we commit to:

- Proactively assess and mitigate the risk of noncompliance with our commitment;
- Implement a comprehensive action plan with regular progress reporting every 12 months;
- Promote greater transparency of suppliers' cooperative and farm names and locations;
- Increase cocoa supply chain traceability to improve traceability to farm level;
- Actively engage with our direct suppliers to ensure their progress on action plans;
- Participate in on the ground transformation activities.

HIGH LEVEL IMPLEMENTATION OF THE STANDARD

- pladis will require suppliers to communicate this Cocoa standard down their supply chains.
- pladis will include this document in the standard terms and conditions of doing business.
- pladis will partner with industry experts and NGOs to identify suppliers at risk, develop implementation plans and, when needed, organize capacity building sessions on the elements within this standard.
- pladis will work with suppliers to address non-conformances in pladis' supply chain.
- pladis will define key performance indicators to measure performance against this cocoa standard and provide periodic progress updates.
- pladis will take appropriate initiatives and potentially legal actions, if that supplier fails to comply with this standard or recommended remedial measures.
- pladis will review this standard on a periodic basis to ensure it is fit for

purpose and reflects a philosophy of continuous improvement. Changes will be communicated to suppliers accordingly.

GENDER EQUALITY

1. Inclusive Value Chain Participation:

- pladis promotes equal participation of women in all stages of the cocoa value chain, from farming to processing and marketing.
- pladis encourages women's representation in decision-making bodies within cooperatives, associations, and industry organizations.

2. Capacity Building and Training:

- Implement gender-sensitive training programs to enhance the agricultural and business skills of women in cocoa-producing communities.
- Provide education on financial literacy, sustainable farming practices, and leadership to empower women in cocoa farming.

3. Health and Well-being:

- pladis encourages implement health and safety programs specifically tailored to women working in cocoa farms and processing units.
- pladis addresses women-specific health issues, including maternal health and access to reproductive healthcare services.

4. Fair and Equal Compensation:

- pladis promotes transparency in wage structures and ensuring that women receive equitable compensation for their contributions.

6. Social and Community Development:

- pladis supports community initiatives that focus on enhancing women's social standing and community leadership roles.

7. Data Collection and Monitoring:

- pladis incorporates gender-disaggregated data collection and analysis into industry-wide monitoring and evaluation systems.
- Regularly assess the impact of gender-focused initiatives to track progress and identify areas for improvement.

8. Partnerships and Collaboration:

- pladis collaborates with governmental agencies, NGOs, and civil society organizations to strengthen gender-inclusive policies and programs.