

# Annual Report 2024



**BELCOLADE**

THE REAL BELGIAN CHOCOLATE



**puratos**

Food Innovation for Good



# FOREWORD



The chocolate industry today is still largely employing a defensive approach in terms of sustainability, focusing on costs and not fundamentally rethinking purchasing practices.

If we want to change the status quo in the challenging cocoa supply chain, it is time to act collectively and embrace the concept of Strategic Corporate Social Responsibility with higher commitments and impact.

With Cacao-Trace, this is what we do, for ourselves, our customers, and the consumers.

We are fully committed to direct engagement, accountability, impact, and continuous improvement.

The situation is far from perfect but I am proud of the achievements that Cacao-Trace has realized, over the last decade by connecting the entire supply chain and transitioning from responsibility to engagement, with tangible impacts on cocoa farmers and the environment.

As Cacao-Trace customers, you can all consider yourselves committed actors in this supply chain, and we are here to help you drive your CSR strategic approach.

This annual report is the cornerstone of our joint engagement and transparency commitment. I hope you will enjoy reading it and thank you all again for working with us.

**Dr. Raphael Audoin Rouzeau**  
**Cacao-Trace Global Sourcing Manager**

# CACAO-TRACE ECOSYSTEM



The Next Generation Cacao Foundation manages the distribution of the Chocolate Bonus to the cocoa farmers.

**Next  
Generation  
Cacao  
Foundation**

**Next  
Generation  
Cacao  
Foundation**  
Côte d'Ivoire



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01



# Cacao-Trace presentation and overview of 2024

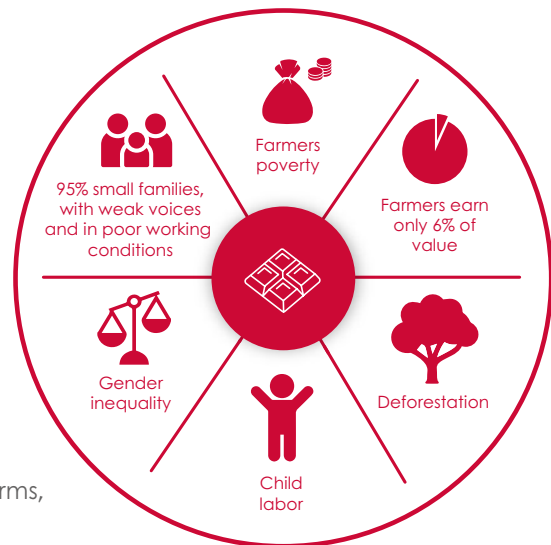
# Overview of Cacao-Trace

## WHY CACAO-TRACE

At Puratos, for over three decades, we have perfected delicious chocolates and cocoa-based products with brands like Belcolade and PatisFrance.

In the last twenty years, concerns like farmer poverty, profit imbalances, deforestation, child labor, poor working conditions, and gender inequality have tainted the chocolate industry. To ensure chocolate remains a joy, addressing these issues is crucial.

That's why we created Cacao-Trace, our Sustainable Cocoa Program. This initiative goes beyond industry norms, actively tackling challenges in the cocoa supply chain.



**Scovia BIIRA, Cacao-Trace farmer in Uganda**

*"As a Cacao-Trace farmer since 2021, I really appreciate the price stability offered by this program. Thanks to the trainings, I also increased a lot my productivity."*

## CACAO-TRACE: "GREAT TASTE, DOING GOOD"

At Cacao-Trace, our guiding principle is 'Great Taste, Doing Good.' This principle drives our innovative approach to sourcing cacao, aiming to create a truly sustainable future for the cocoa chain and everyone involved.

**Great Taste:** Through Cacao-Trace, we master the fermentation process, ensuring that our range of chocolate and cocoa-based products deliver a Great Taste.

**Doing Good:** Doing Good is our focus so Cacao-Trace farmers benefit from the value they create. Within Cacao-Trace, we make a lasting commitment to our partner communities by guaranteeing the purchase of 100% of their annual production at a set minimum price, unaffected by market fluctuations.

Moreover, our Cacao-Trace farmers benefit from the Quality Premium and the Chocolate Bonus rewarding the quality cocoa resulting from the Cacao-Trace process.

In 2024, our initiative impacted 24,073 farmers across eight countries.

## GREAT TASTE...

### Creating value through fermentation.

Cacao-Trace is a pioneering initiative that generates a virtuous circle of value creation and value sharing, benefiting all stakeholders involved in the cacao supply chain. This holistic approach ensures that value is created at every step of the process and shared equitably, leading to sustainable growth and positive social impact.

The starting point of Cacao-Trace's value creation lies in its wet bean strategy. By focusing on the quality of wet beans, we ensure that the fermentation process starts with the finest raw material available. This focus on excellence from the very start allows us to unlock the full potential of the beans. Farmers are trained to select only the high-quality wet beans.

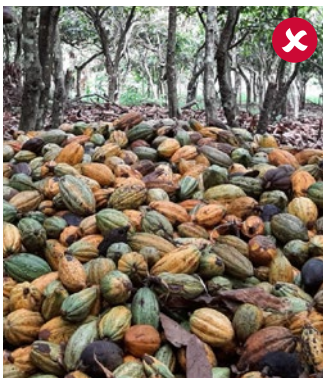
Located in the heart of producing communities, our Cacao-Trace post-harvest practices follow four main steps. On top of bringing ultimate transparency and traceability in the supply chain, managing these six critical steps ourselves allows us to obtain a premium cocoa that will provide superior chocolate products. The vast majority of the beans sold on the market today do not go through these steps. Let's discover together, through the steps and practices highlighted below.





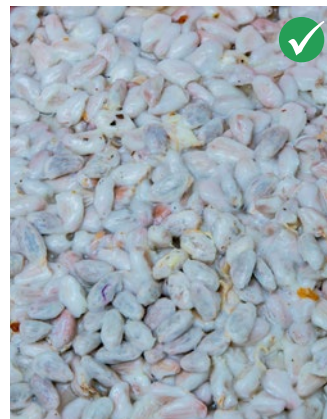
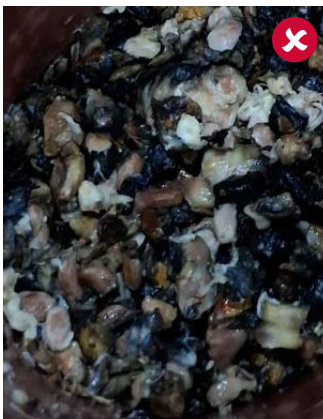
## 1. High-quality wet beans

Cocoa pods do not mature at the same speed. The color of the pod indicates the level of sugar in the pulp. Cacao-Trace farmers are trained to monitor the maturation of the pods in order to harvest the tastiest beans.



## Pod breaking and beans selection

The second step consists of breaking the pods and destemming the beans without damaging them. At this stage, fresh beans must have a white color. All the beans with defects – such as rotten, black, or germinated – are removed. Having a clean harvest guarantees the quality of the next step: fermentation. Sorted beans allow the microorganisms to operate the fermentation homogeneously.



## 2. Fermentation mastering in post-harvest centers

Cocoa fermentation is crucial for flavor development, and our Cacao-Trace program enhances this natural process. By combining science and tradition, we optimize fermentation protocols to unlock the best flavors. Our R&D teams continuously improve this process, adapting it to different geographies and cocoa types. In our post-harvest centers, professionals manage the fermentation in wooden boxes for about six days, fostering microbial activity that creates aroma precursors. This controlled environment ensures consistent quality and great taste. Most cocoa on the market is poorly fermented, but our method guarantees superior flavor development.



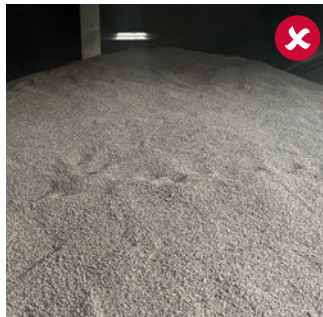
### 3. Gentle and hygienic solar drying

After fermentation, the cocoa beans are slow dried, mainly sun-dried when the weather allows it. This gentle and slow method stands in contrast to rapid artificial drying techniques. With this traditional approach, we preserve the beans' unique aromatic potential, ensuring that their exceptional qualities are retained.



### Clean storage

Once the post-harvest process has been carefully completed, it is vital not to spoil the quality with poor storage practices. We carefully store our cocoa beans in new jute bags and ensure their fast processing to maintain the aromas in our finished products to the maximum.



### Final look

After going through all these steps, the difference between conventional and Cacao-Trace beans is clearly visible.

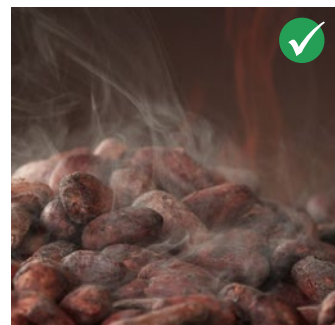


### 4. Low-roasting

The roasting process is carefully controlled and fine-tuned to enhance the flavor development of the cocoa beans. Every recipe is carefully optimized, thanks to advanced technologies that ensure precision and consistency with no compromise on food safety.

Low-roasting cocoa at lower temperatures for a longer duration preserves more delicate flavors in the beans while allowing subtle nuances to develop. As a result, chocolate made from low-roasted cocoa tends to exhibit a milder, fruitier, and less bitter taste profile. This enhances the overall complexity and depth of the chocolate's flavor.

We remain committed to innovation, constantly exploring alternative technologies and testing new machinery. Our goal is to achieve the best possible results in terms of environmental impact, food safety, and product quality.



## ...DOING GOOD

### Sharing value with the Quality Premium and Chocolate Bonus.

Within the Cacao-Trace program, our commitment to Doing Good extends to all stakeholders. We empower farmers to benefit directly from the value they create, while fostering a better planet. This initiative also provides our customers and consumers with the opportunity to support sustainability through superior-tasting, ethically produced chocolate and cocoa-based products.

#### Better revenue

The Cacao-Trace Program shares the value created with farmers through two key mechanisms: the Quality Premium and the Chocolate Bonus. Both initiatives are designed to increase farmers' revenue and improve their living conditions over the long term.

#### Quality premium

With the Quality Premium we reward all Cacao-Trace farmers for the high-quality beans they deliver to our post-harvest centers. The Quality Premium is paid directly to each farmer when they deliver the beans. The amount of the Quality Premium varies between countries.



#### Chocolate Bonus

For every kilogram of Cacao-Trace chocolate sold, we collect 10 Eurocents. This money is 100% distributed to cocoa farmers, either directly in cash (6%) or community projects (94%) depending on the countries. These projects focus on providing fundamental needs such as access to water, education and health, as well as supporting farmers and their families in launching small businesses to increase their income.



To ensure complete transparency in the distribution of the Chocolate Bonus, the funds are managed and redistributed by an independent entity, the Next Generation Cacao Foundation (see page 65 for more details).

In 2024, the total Chocolate Bonus collected amounted to 3.2 million euros. Every cent of this sum goes directly to the Cacao-Trace farmers and their communities. All operational costs associated with the bonus collection and distribution are covered by Belcolade.

#### Better education

Better education for farmers' families involves building schools or teacher's housing and providing school kits funded by the Chocolate Bonus.

#### Better health

Better health involves constructing water towers to provide farmers with access to drinkable water, building maternity wards, and sanitary blocks in the schools.

#### Better planet

We support agroforestry and reforestation and work to reduce CO<sub>2</sub> emissions during cocoa farming.

As a recent signatory of the Science Based Targets initiative (SBTi), our focus has shifted from the number of trees planted to our Scope 3 carbon footprint.

#### What's in it for you?

As a customer, you benefit from a sustainable business model that meets consumers' expectations. We offer exceptional taste and a tangible impact through direct connections with farmers, ensuring that you receive the highest quality products. Our compelling storytelling, third-party auditing, and transparency through traceability provide you with confidence and peace of mind.

For end consumers, we deliver enjoyment with the assurance that their choices support sustainable practices.

We also offer communication material toolkits (in-store, on-pack and digital), that you can use to highlight your commitment to Cacao-Trace. Please contact your local representative for any questions.



## The Cacao-Trace Standard and Audit

The Cacao-Trace Standard is based on a three-year verification cycle including an initial verification audit, surveillance audits in the following two years, and a re-verification audit in the fourth year prior to expiration of the verification statement. The auditing process is the base of the certification of the Cacao-Trace ingredients. It is an important commitment to have an external audit which gives non-biased feedback and ensures high quality is delivered at all levels. In this way we consistently challenge ourselves and our partners. The certification is performed with reference to the latest available Cacao-Trace standard. Cacao-Trace programs are globally audited by Control Union. The goal of this partnership for Puratos and Belcolade is to ensure high and consistent level of auditing in all our programs.

The Cacao-Trace Standard follows a strict and dynamic continuous improvement process. The evolutions are guided by several elements:

- Lessons learned from directly implementing programs on the ground
- Suggestions from our external auditors
- Third-party sustainability due diligence
- Evolution of sustainable markets and civil society priorities
- International initiatives around cocoa and sustainability that Puratos has joined such as the Cocoa Forest Initiative (CFI), the World Cocoa Foundation (WCF) and Beyond Chocolate.

### A new version of the Standard

In the fourth quarter of 2024, Mexico, Vietnam, Uganda and Costa Rica implemented the new version of Cacao-Trace Sustainability Standard, Version 7. This new version will be rolled out to the remaining countries in 2025.

The main changes consist of alignment with the EU Deforestation Regulation (EUDR), improved checklist criteria on a yes or no basis, new scoring, and improved guidance to auditors.



The Standard, checklists and grievance procedure are available on the Puratos website.



## CACAO-TRACE STANDARD IS APPLIED AT THREE LEVELS

Depending on the context, the organization of the supply chain can vary. Puratos has identified three main levels:

Level	Definition
<b>Entity</b>	A business unit that oversees the organization and management of implementing the Cacao-Trace Standard. The business unit can be Puratos or any of its subsidiaries or chosen external partners. If responsibility for one supply chain is shared between more than one unit, the Internal Management Committee (IMC) should include representatives from all respective units.
<b>Post-Harvest Unit</b>	A unit where the cocoa post-harvest process (from the pods/wet beans to the dry beans) takes place. This unit can either be a large- to medium-scale processing unit or a small-scale collector and fermenter.
<b>Production Unit</b>	A unit that is growing Theobroma trees and producing cocoa pods. In some countries, production units can also take over the post-harvest process. In this case, they deliver dry beans to Puratos or an affiliated partner in the Cacao-Trace supply chain.

## THE CACAO-TRACE STANDARD HAS SEVEN PRINCIPLES

More than 60 requirements are grouped into seven principles, which are applied at the three levels defined above.

- 1 Legal Responsibility and Management
- 2 Quality and Traceability
- 3 Economic Responsibility
- 4 Social Responsibility
- 5 Health and Safety
- 6 Best Agricultural Practices
- 7 Environmental responsibility

## OBJECTIVES 2025 AND 2030

Our ambition for Cacao-Trace is to grow this unique program and continue to impact more farming communities. By 2025 we estimate that Cacao-Trace will reach up to 25,000 farmers and this number could double by 2030.

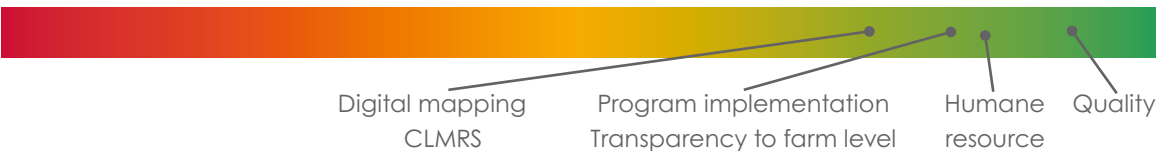
We are convinced that Cacao-Trace together with the Next Generation Cacao Foundation contributes to generate a virtuous cycle that will gradually change Cacao-Trace farmers' lives. We are perfectly aware that some environmental and social challenges remain in front of us and might require specific evolution of our approach. We are continuously working toward the improvement of Cacao-Trace programs. This growth is triggered by Puratos commitment to integrate gradually the majority of its cocoa supply chain under Cacao-trace. In 2024 Cacao-Trace represented 31% of the chocolate volumes sold by Puratos, from a total of 63% of the sustainable group volumes.

## 2024 SUMMARY ON CACAO-TRACE PROGRAMS

In 2024 we focused on improving and enhancing our existing programs to achieve the desired quality and performance. After expanding the Cacao-Trace team in 2023, we were able to streamline our operations and increase community engagement.

This year brought significant market challenges, including increased competition and volatile prices. Despite these difficulties, our teams dedicated considerable resources to mapping farmers and conducting surveys to comply with the European Union Deforestation Regulation (EUDR).

In Q4, we introduced the new version of the Cacao-Trace Sustainability Standard, which was implemented in four countries. In 2025, all Cacao-Trace countries will undergo audits based on version 7 of the standard.



*Internal scoring review based on Internal and External audit*







## Our impact at a glance in 2024

At the end of 2024 Cacao-Trace counted 8 active programs

We are currently deploying the Cacao-Trace initiative in Vietnam (2014), Côte d'Ivoire (2015), Philippines (2017), Mexico (2018), Uganda (2018) Papua New Guinea (2018), Cameroon (2020) and Congo (DRC) (2022).

## GREAT TASTE ...

Post-Harvest Centers

29<sup>1</sup>

(28\* in 2023)

Grinding lines

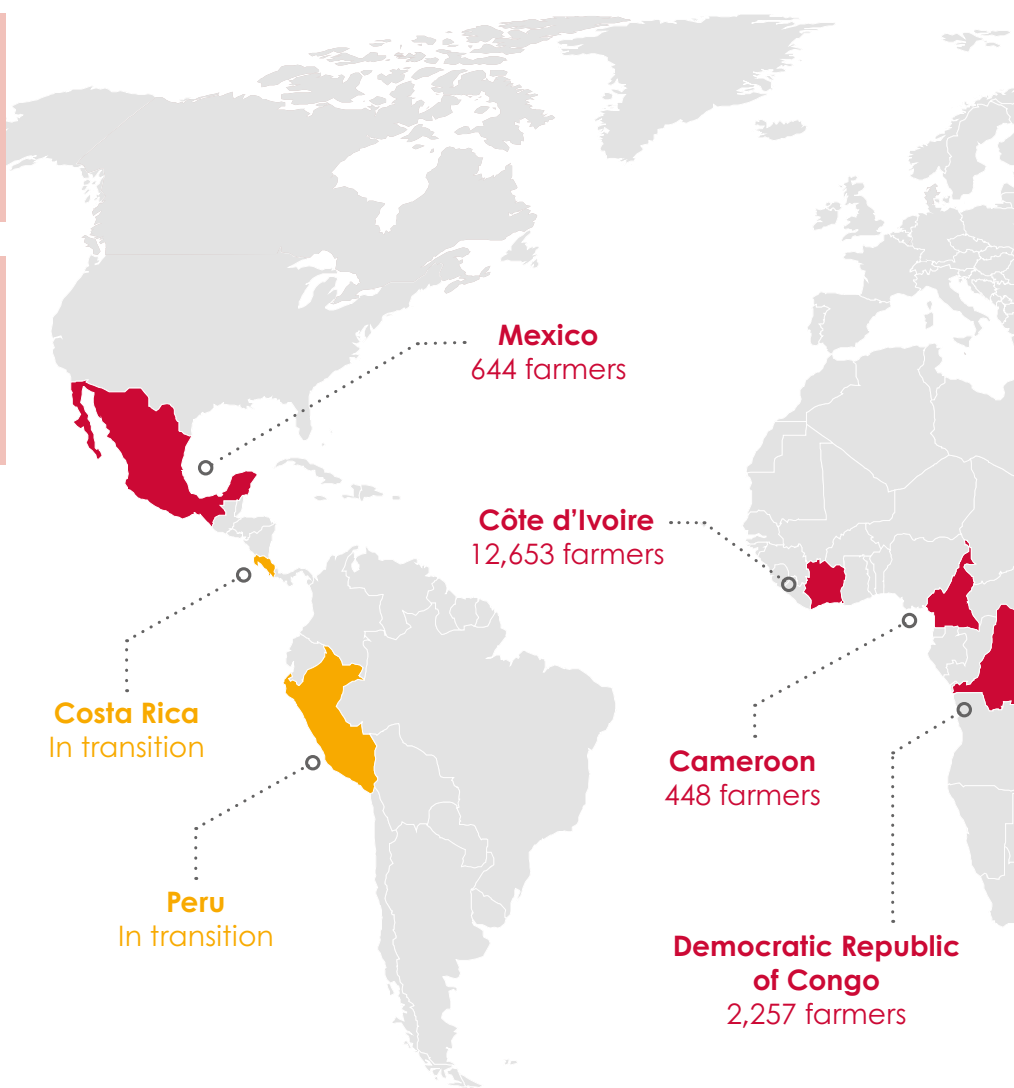
2

(1 in 2023)

Reaching  
**24,073**  
farmer  
families

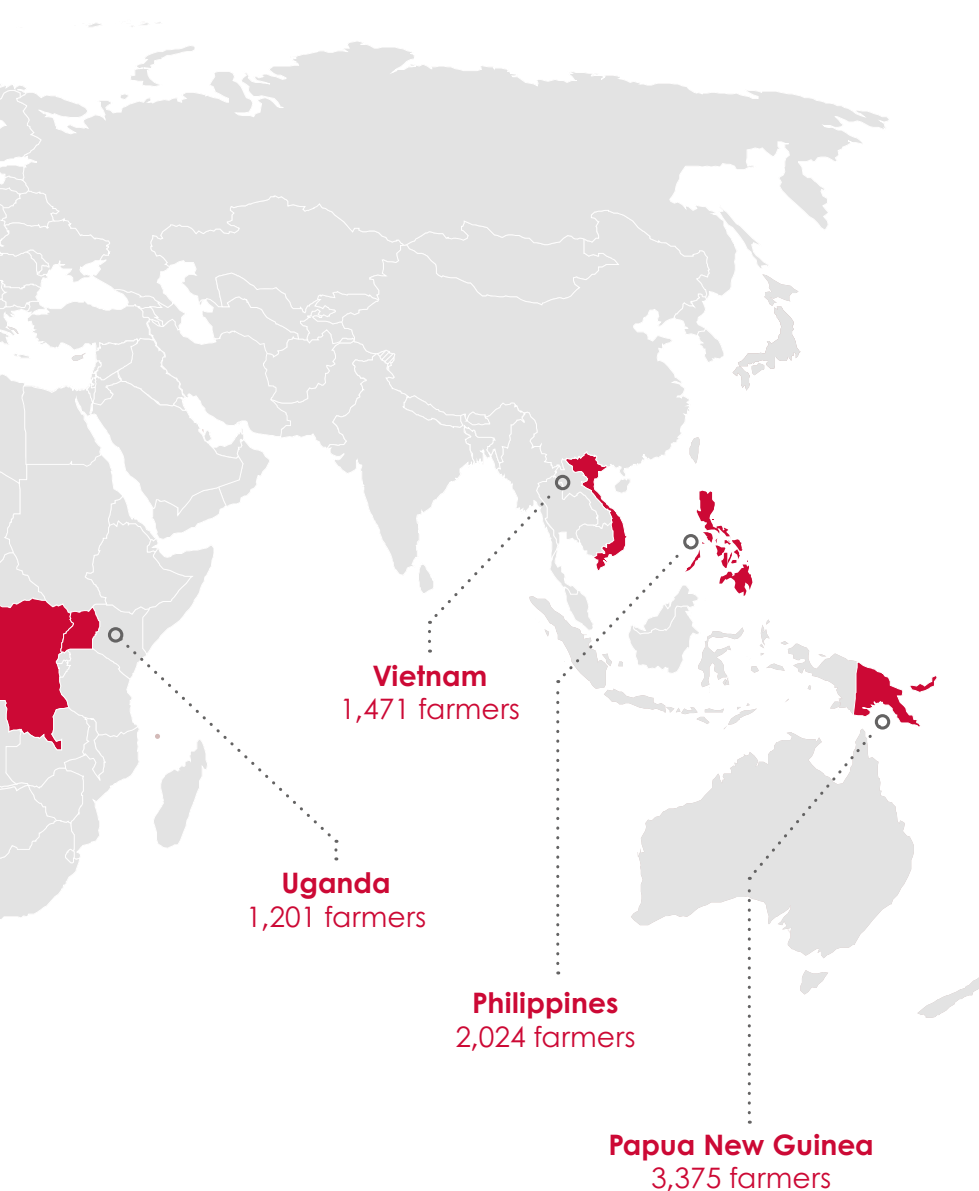
### LEGEND

- Cacao-Trace country
- Cacao-Trace country in transition





## ... DOING GOOD



### Chocolate Bonus

**€3.2M**

(€2.4M in 2023)



### Quality Premium

**€3.8M**

(€1.5M in 2023)



### Better Health

Water facilities built

**72**

(46<sup>2</sup> in 2023)



### Better Education

School projects

**7<sup>3</sup>**

(12<sup>4</sup> in 2023)



### Better Planet

Trees planted

**358,620**

(199,302 in 2023)



1 156 village fermentaries in Papua New Guinea

2 26 water towers, 40 water tanks and 6 mechanical pumps

3 We also provided 11,130 school kits in Côte d'Ivoire

4 This number includes the construction of 3 complete primary schools, 2 extensions and renovations, construction of 3 teacher's houses and 1 sanitary block.

## Key highlights 2024

### CAMEROON: A NEW DESTINATION FOR CUSTOMER TRIPS

In 2024 we invited more than 150 customers to visit our programs, through more than 20 customer trips.

Every year, Cacao-Trace invites some of its customers (chocolatiers, industrial partners, retailers, artisan customers) to visit our programs. These customer trips offer our clients and prospects the opportunity to immerse themselves in the complexities of the chocolate supply chain. Over several days, participants delve into the cocoa farming environment, gaining a deeper understanding of the challenges faced by cocoa farmers and the critical importance of sustainability. They learn about the drivers of sustainability and the distinctions between various programs, including Cacao-Trace.

These trips are instrumental in developing sustainable approaches and products, shaping the future of the chocolate industry.

The typical trip lasts around five days and includes:

- **A plantation day:** Meet cocoa farmers in their plantations, learn about the farmers and their trees, and participate in hands-on cocoa activities (harvesting, cocoa pod breaking, beans sorting).
- **Fermentation day:** Visit the Cacao-Trace fermentation center (introduction to cocoa fermentation and value creation), and participate in a "Farmer Field School" (experience the transmission of knowledge).
- **Community day:** Engage with the community of cocoa farmers. Learn about their lives, the challenges they face, see their infrastructures such as schools, health centers and water wells. Discover what makes this Cacao-Trace sourcing country unique.

Four countries are open for these visits: Cameroon, Côte d'Ivoire, Mexico and Vietnam.



#### **Sylvestre Awono, Group Cocoa Manager gives us three reasons why our customers should visit Cameroon:**

*"Cameroon has a lot to offer to the world when it comes to cocoa.*

*First, Cameroon belongs to the Congo cocoa basin and gathers all its specificities and challenges.*

*Second, it's an awesome origin with mainly Trinitario variety spread in three different geographic areas to deliver undisputed diversity that led to Cameroon being recognized as a Fine Flavor Cocoa by the International Cocoa Organization in 2023.*

*Third, as a free market, Cameroon provides an ideal setting for implementing supply chain innovation and sustainability programs. For Cacao-Trace, this allows us to demonstrate evidence of our impact on both the environment and society. It is no surprise then to see Cacao-Trace and Belcolade living income booster active in Cameroon."*

## Tracey Hughes, Managing Director of Henley Bridge Ingredients reflects on her experience visiting Ivory Coast

During October, a team from Henley Bridge Ingredients and Puratos visited Côte d'Ivoire to discover more about the Cacao-Trace program and to see its positive impact on farming communities.

### Why Cacao-Trace?

The Cacao-Trace program is very important to Henley Bridge. As a key distributor of chocolate and the Belcolade brand in the UK, it is imperative that we continue to source and supply ethical and sustainable chocolate both now and in the future. The aim of our visit to Ivory Coast was to fully understand the program and the positive changes that it is making to local farmers and communities.



### Our experience on the farms

At the start of the trip we were welcomed into Dotou village on the cocoa farm of Mr Gnahoue Rodrigue. We were lucky enough to experience the day to day life of his farm workers. Myself and the team conducted essential tree care, harvested pods, broke them and removed the cocoa beans ready for the next stage of fermentation. It was reassuring to see the consistent quality checks along the journey.



Next we visited the Puratos post-harvest center in Adjamené to witness the fermentation process. It was amazing to see the wooden box fermenters and how community members, who are trained to become professional Cacao-Trace fermentation masters, process the beans. Every step of the journey allowed us to see how Puratos values the cocoa farming community, providing them with all of the skills required to have a career with financial security and a long-term positive impact.

### Impact on the farmers

The highlight of the trip for us was to see first-hand the positive changes that the program has already delivered and will continue to deliver. The condition of the farms, with the cocoa trees being looked after and cared for correctly with plenty of healthy cocoa pods, visualized the future of chocolate. Throughout the plantations that we visited, the positive changes of the Cacao-Trace program were evident from the standards of the farming landscape to the education that the program is providing to the farming community. Thanks to Cacao-Trace, more villages have access to schools, nearby water towers, and maternity centers. However, there are still villages which do not have access to these facilities, which we consider life essentials. This demonstrates that we still have significant efforts to undertake to enhance the quality of life for individuals, to continuously create a better planet, and to foster greater prosperity for countless people and families. The trip was one of unbelievable emotions for all present on the journey thanks to what we experienced first-hand in the villages and local communities.

## **BELCOLADE'S GLOBAL EVENT: CREATING A SUSTAINABLE FUTURE WITH INDUSTRY LEADERS**

In September, the Belcolade Global Event took place in Belgium, the home of our Belcolade Real Belgian Chocolate. This event was a remarkable gathering of influential figures from the chocolate industry, renowned external keynote speakers, customers and prospects, all coming together to discuss the future of chocolate. The event highlighted our commitment to sustainability, innovation, and collaboration, showcasing the opportunities ahead.

### **Seizing the upcoming opportunities**

The event featured insightful keynote speeches from industry experts such as Tedd George, Chief Narrative Officer of Kleos Advisory; Alexis Krycève, Haatch Founder Partner; Karen Janssens, Sustainable Sourcing Expert at Colruyt Group; and Antonie Fountain, Managing Director of the VOICE Network and co-author of the Cocoa Barometer. Their contributions provided valuable insights into the latest trends, challenges, and opportunities within the cocoa and chocolate sectors. Together with the attendees, we explored the latest chocolate innovations and uncovered Taste Tomorrow trends, as well as our solutions to seize upcoming opportunities. The presentations culminated in a marketplace experience, allowing attendees to engage with the innovative and sustainable product solutions we develop.

### **Building bridges between Consumer Trends, Sustainability, Taste Excellence, and Innovation**

The event provided an opportunity to showcase our latest innovations aimed at achieving a living income for cocoa farmers. Our focus on chocolate innovation, taste excellence, sustainability, and health & well-being was central to the event. These innovations highlight our shared passion for chocolate and help our customers stay ahead of consumer trends and market evolutions.





## A NEW GRINDING LINE IN MEXICO

2024 marked a significant milestone for Cacao-Trace with the construction and launch of our second in-house cocoa bean roasting line. Following our success in Vietnam, we have now established a new, larger line in the birthplace of cocoa: Mexico. This new facility is located in Merida, southern Mexico. Despite the challenges, we are on the verge of being able to supply our Chocolanté sites in the United States (Kenosha), Mexico and Canada.

Looking ahead, the future is bright as we plan to produce LATAM-origin Cacao-Trace cocoa mass for Belcolade. We are dedicated to exclusively processing Cacao-Trace beans into high-quality Cacao-Trace cocoa mass. The full vertical integration achieved with these new grinding lines adds significant value, allowing us to deepen our process knowledge and leverage advanced technology and production process control to meet the quality standards we promise with Cacao-Trace.



## LAUNCH OF THE PERU FERMENTATION CENTER

In late 2024 we opened a new post-harvest fermentation center in Ucayali, Peru.

To further demonstrate our long-term commitment to the farmers, in 2023 we purchased a suitable plot of land. Over the course of nine months we built a fermentation center that will facilitate an innovative and quality-driven post-harvest process, unique to the area.



Looking ahead, we plan to ferment approximately 1,000 tons of cocoa beans annually. This effort will be supported by the introduction of a new fresh bean buying approach for local farmers. This will help ensure easier and quicker access to market for farmers.

We are excited to start working with at least 300 farmers at the beginning of next year. These farmers have already made a significant transformation: many of them were once coca (*Erythroxylum coca*) cultivators, but they switched to growing cacao around a decade ago. This transition has paved the way for a more sustainable and profitable future for them and their families.

With this project, we are not only aiming for higher-quality cacao but also for a brighter future for the farmers and the community as a whole.

## CÔTE D'IVOIRE – VISIT OF THE TOP MANAGEMENT

Côte d'Ivoire was on the map of Puratos leaders in 2024. Pierre Tossut, CEO, and Paul Baisier, Chief R&D Officer, both visited the country respectively in December and September. During their visits they were able to experience for themselves the work of cocoa harvest, breaking the pods, and sorting the best beans. They also got to visit one post-harvesting center and two projects funded by the Chocolate Bonus: the school of N'zidikro and the water pump of Kouamekro.



**Pierre Tossut**

*"I'm very happy to have witnessed the real impact of Cacao-Trace program on the lives of farmers in terms of education and access to water but their needs remain considerable."*





## CARAT CACAO-TRACE INNOVATIONS

Within the product range of Carat, more and more countries are taking initiatives to use Cacao-Trace cocoa powders to convert, innovate or for tailor-made products:

**EU:** The launch of a Cacao-Trace tailor-made coating at a well-known Spanish retailer. After a Cacao-Trace trip to Ivory Coast, the customer was fully convinced about the added-value and life-changing impact of our program.

**APMEA:** The first Carat Cacao-Trace solution was launched in Iran. Continued growth in the region was seen thanks to new opportunities, for instance in Thailand and Japan.

**AMERICAS:** Nuxel Hazelnut is taking off in Mexico and was launched in the USA market with great enthusiasm.

Speaking of Nuxel Hazelnut, its newer Plant-based version continues to gain momentum globally. France and Moldova are introducing it across Artisans, Bakery Chains, (Semi)Industry, and Retail channels.



02



# Country reports









## Cameroon

### LOCAL ORGANIZATION

Puratos is developing fast in Cameroon with the objective to establish a direct subsidiary. We currently work with 448 farmers through three Cacao-Trace certified cooperatives:

- SOCOOLAMOCAM COOP-CA - Lembe-Yezoum
- NG-NGORO COOP-CA - Ngoro
- COCANEGEZO - Zoetele

Each cooperative houses a fermentation center with a total production capacity of around 500 MT. Two new cooperatives are in transition to integrate the Cacao-Trace program in 2025, COOPACE and UMOPROCAOE.

### CACAO-TRACE AUDIT

In 2024, version 6 of the Cacao-Trace Standard was used to evaluate the compliance of the cooperative regarding our program. The audit had good findings. The main points of improvement focused on digital monitoring and evaluation. Mapping was carried out with our historic long-term partner FODA, achieving 100% by the end of 2024.



#### Arsène Kouadio - Sustainable Development Manager for West Africa


*"2024 started with the challenge to fully digitalize our supply chain in Cameroon and meet new EUDR requirements; 100% of the historic and active farmers were mapped. This is a great achievement but not the end of the journey. We are expanding our activities in Cameroon and need to ensure full compliance of all new farmers integrating the Cacao-Trace supply chain."*

### CHOCOLATE BONUS

The Chocolate Bonus 2023, which was to be spent in 2024, amounted to 10,805 euros. All the cooperatives decided to save their share of the bonus for the following year in order to implement more impactful projects.



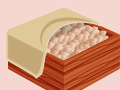
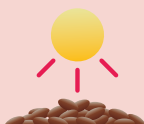



## CACAO-TRACE PROGRAM

INITIAL YEAR <b>2020</b>	MASTER CT FERMENTATION CENTERS <b>4</b>	TOTAL INVESTMENT IN CENTERS	EXTERNAL FUNDING
	EXPERTS & TRAINERS <b>2</b>	% TRAINED FARMERS <b>75%</b>	
	DIRECT FULL-TIME JOBS <b>2</b>	WOMEN FULL-TIME JOBS <b>0</b>	
.....			
CACAO-TRACE AUDIT RESULT	2023 <b>89%</b>	2024 <b>93%</b>	

## FARMER COMMUNITY

TOTAL FARMERS <b>448</b>
AVERAGE FARM SIZE HA <b>3.76</b>
TRACEABILITY TO FARM <b>100%</b>
# WOMEN FARMERS <b>28</b>

## COCOA BEANS

CT VOLUME 2024 (VOLUME/MT) <b>1,328MT</b>	FERMENTATION METHOD	DRYING METHOD	VARIETY: <b>TRINITARIO</b>	SENSORY FLAVOUR PROFILE CATEGORIES
% FERMENTED IN CT CENTERS <b>100%</b>				
% FERMENTATION BY TRAINED CT FARMERS <b>16.8%</b>				

## ECONOMIC IMPACT

### MARKET \*

CURRENT FARM GATE PRICE/MT	<b>€6,380</b>
MINIMUM PRICE (APPLIED OR NOT)	<b>YES</b>

### CACAO-TRACE

	AVERAGE FARMER QUALITY PREMIUM PAID/MT	<b>€159</b>	CHOCOLATE BONUS/KG	<b>€0.10</b>
	TOTAL CHOCOLATE BONUS:	2023 <b>€10,805</b>	2024 <b>€183,392</b>	
DISTRIBUTION: COMMUNITY PROJECT				

## ENVIRONMENTAL IMPACT

Cacao-Trace is rapidly accelerating in Cameroon. As always, its implementation includes the rollout of stringent environmental guidelines.

Generally, cocoa expansion is a significant cause of deforestation and biodiversity loss in African countries, as traditional cultivation models encourage the removal of most forest trees when establishing plantations. However, the model is different in Cameroon, where most cocoa farms follow an agroforestry approach. This environmentally friendly method of growing cocoa needs to be encouraged while productivity must be improved to avoid further deforestation in a country where forest cover remains very high. We are exploring possibilities to produce and promote further elite clonal material.

\* High price volatility in the last year.



## Congo (DRC)

### LOCAL ORGANIZATION

In 2022, a new partnership was formed together with Envirium Life Sciences to source cocoa from Eastern Congo in Nord Kivu, on the outskirts of Virunga Park.

Through this partnership, four post-harvesting centers were financed close to the Virunga Park while Envirium and Puratos ensure a long-term output and attractive pricing to farmers.

The Virunga Park is nestled at the juncture of Uganda and the DRC. Established in 1925, it was the first park in Africa and is biologically the most diverse area on the continent, providing refuge to endangered mountain gorillas.

The project supports independent smallholder farmers on the outskirts of the Virunga National Park. Envirium Life Sciences works closely together with the Virunga Alliance to foster peace and prosperity through the responsible economic development of natural resources.

We work locally with around 2,200 farmers organized in three cooperatives:

- Les jardins – Mwenda
- COAGES - Oïcha

We operate four post-harvest centers located in the villages of Mutwanga, Mwenda, Oïcha and Watalinga for a total capacity of 400 MT. The sourcing of cocoa beans is also done in some communities that are further away from post-harvest centers.

All cocoa beans purchased in Congo DRC with our partners are transferred to Vietnam and Malaysia for making cocoa derived products.

The environment of operations in Nord Kivu is very complicated due to a local crisis and our presence remains important to address some local needs and give hope to affected communities. A pilot to propagate improving cocoa planting material was started in Kibanda in Nord Kivu for helping cocoa farmers increase their yields and revenue. To date, 15,000 seedlings are ready to be distributed to 63 farmers

### CACAO-TRACE AUDIT


In 2024, the new version 7 of our Cacao-Trace audit was used to verify the compliance of the program in Congo. The program was certified with zero red flags and basic compliance.

### CHOCOLATE BONUS

The Chocolate Bonus 2023 for Congo, which was to be spent in 2024, amounted to 10,415 euros. All the cooperatives decided to save their share of the bonus for the following year to implement more impactful projects.



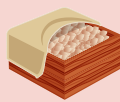
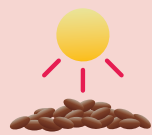


## CACAO-TRACE PROGRAM

INITIAL YEAR <b>2022</b>	MASTER CT FERMENTATION CENTERS <b>4</b>	TOTAL INVESTMENT IN CENTERS	EXTERNAL FUNDING
	EXPERTS & TRAINERS <b>2</b>	% TRAINED FARMERS <b>100%</b>	
	DIRECT FULL-TIME JOBS <b>26</b>	WOMEN FULL-TIME JOBS <b>3</b>	
CACAO-TRACE CERTIFICATION %	2023 <b>97%</b>	2024 <b>Basic compliance</b>	

## FARMER COMMUNITY

TOTAL FARMERS <b>2,257</b>
AVERAGE FARM SIZE HA <b>0.69</b>
TRACEABILITY TO FARM <b>100%</b>
# WOMEN FARMERS <b>25</b>

## COCOA BEANS



CT VOLUME 2024 (VOLUME/MT) <b>495MT</b>	FERMENTATION METHOD 	DRYING METHOD 	VARIETY: <b>FORASTERO</b> 	SENSORY FLAVOUR PROFILE CATEGORIES 
% FERMENTED IN CT CENTERS <b>30%</b>				
% FERMENTATION BY TRAINED CT FARMERS <b>70%</b>				

## ECONOMIC IMPACT

### MARKET \*

CURRENT FARM GATE PRICE/MT	<b>€6,727</b>
MINIMUM PRICE (APPLIED OR NOT)	<b>NO</b>

### CACAO-TRACE

	AVERAGE FARMER QUALITY PREMIUM PAID/MT	<b>€96</b>	CHOCOLATE BONUS/KG	<b>€0.10</b>
	TOTAL CHOCOLATE BONUS:	2023 <b>€10,415</b>	2024 <b>€68,358</b>	
DISTRIBUTION: COMMUNITY PROJECT				

## ENVIRONMENTAL IMPACT

Cacao-Trace imposes strict environmental guidelines such as forest protection and good agriculture practices.

Although all the cocoa from Kivu is grown organically, it is undeniable that increasing cocoa yields has an additional impact on reducing CO<sub>2</sub> emissions and optimizing land use.

Since October 2024, Puratos has been collaborating with the Virunga Park and Envirium Life Sciences to kick off an ambitious program of local variety selection and propagation. We aim to gradually boost cocoa farms' yields and revenue in the Rwenzori region. Thereby preventing the destruction of the park by local communities.

In April 2025, 63 cocoa farmers will receive approximately 15,000 elite plants produced using a grafting system.

\* High price volatility in the last year.



## Côte d'Ivoire

### LOCAL ORGANIZATION

The Cacao-Trace sustainable cocoa sourcing program has been implemented in Côte d'Ivoire since 2015. More than 12,000 cocoa farmers benefit from this program through a network of 17 cooperatives. The volume of beans is 100% traceable using digital data collection tools.

Puratos has invested in nine post-harvest centers, where we ferment fresh beans from the surrounding communities and train producers in the fermentation process, a guarantee of superior quality chocolate.

- SCOOWEND - Société Cooperative Wend Bark
- SCAGB - Société Coopérative Agricole de Gbagbam
- SOCASS - Société Coopérative Agricole Sabary de Sago
- SCAK - Société Cooperative Agricole de Fatouakro
- SOCAGRI2 - Société Coopérative Agricole De Grihiri 2
- CAGNAN - Société Agricole de Gnanpoadji
- SCANG - Societe Agricole de Grabo
- SCAPD
- SOCOAMO - Société Coopérative Agricole de Monogaga Carrefour
- SOCAT Société - Agricole Cooperative de Tabou
- SCANFI - Société Cooperative Agricole Niamkey Et Famille De L'Indenie
- SCOOPAGED - Societé Cooperative Garo est Divo
- CAEHS - Coopérative Agricole Ety-Ewoun-Anien du Haut Sassandra
- SCOOPNAG - Société Coopérative des Nouveaux Agriculteurs de Gueyo
- SCAMED - Société cooperative Agricole pour la maitrise de l'entraide durable
- CAFUGO - Societé Cooperative des Freres Unis Gobroko
- ECSP - Entreprise Cooperative de Saint Paul



#### **Dr. Arthur TAPI - Regional Cocoa Sourcing Manager for Africa**

*"The partnership with cooperatives is a key pillar for the success of our Cacao-Trace program and is contributing to leverage impacts of our projects."*

To align with our strategy to grow sustainably, three new cooperatives have been selected to join our Cacao-Trace program for the upcoming season:


- CAMAYE based in Abengourou, East of the country (Region du Juablin)
- SOCAMEA based in Man, West of the Country (Region des Montagnes)
- ECAKOOG based in Lakota, Southwest of the country (Region du Loh-Djiboua)

These new cooperatives are in a transition phase and will go through their first Cacao-Trace audit in 2025.

### CACAO-TRACE AUDIT

The Cacao-Trace audits in Côte d'Ivoire are the most complex, as they are carried out at the level of 17 cooperatives. Version 6 of the Cacao-Trace Standard was used for the audit in 2024. All the cooperatives were certified. The main point of improvement was the declaration of some workers who were not yet part of the national social protection agency.

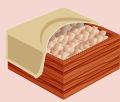





## CACAO-TRACE PROGRAM

INITIAL YEAR <b>2015</b>	MASTER CT FERMENTATION CENTERS <b>9</b>	TOTAL INVESTMENT IN CENTERS <b>€800,000</b>
	EXPERTS & TRAINERS <b>123</b>	% TRAINED FARMERS <b>85%</b>
	DIRECT FULL-TIME JOBS <b>82</b>	WOMEN FULL-TIME JOBS <b>2</b>
CACAO-TRACE CERTIFICATION %		
	2023 <b>83.51%</b>	2024 <b>83.25%</b>

## FARMER COMMUNITY

TOTAL FARMERS <b>12,653</b>
AVERAGE FARM SIZE HA <b>2.5</b>
TRACEABILITY TO FARM <b>100%</b>
# WOMEN FARMERS <b>1,224</b>

## COCOA BEANS

CT VOLUME 2024 (VOLUME/MT)*** <b>18,574MT</b>	FERMENTATION METHOD	DRYING METHOD	VARIETY: <b>FORASTERO</b>	SENSORY FLAVOUR PROFILE CATEGORIES
% FERMENTED IN CT CENTERS <b>3,65%</b>				
% FERMENTATION BY TRAINED CT FARMERS <b>96,4%</b>				

## ECONOMIC IMPACT

### MARKET \*

CURRENT FARM GATE PRICE/MT	<b>€2,390*</b>
MINIMUM PRICE (APPLIED OR NOT)	<b>YES</b>

### CACAO-TRACE

	AVERAGE FARMER QUALITY PREMIUM PAID/MT	<b>€135.5</b>	CHOCOLATE BONUS/KG	<b>€0.10</b>
	TOTAL CHOCOLATE BONUS:	2023 <b>€1,970,124</b>	2024 <b>€2,546,916</b>	

DISTRIBUTION: COMMUNITY PROJECT

## ENVIRONMENTAL IMPACT

Our program is certified Cacao-Trace and therefore complies with strict environmental guidelines such as forest protection and good agriculture practices.

Additionally in Côte d'Ivoire, Cacao-Trace incentivizes farmers to plant shade trees, which improves biodiversity, soil health, and carbon sequestration. Agroforestry plays a crucial role in helping cocoa-growing communities build resilience against climate change. We have integrated a mix of shade and cocoa trees on our Cacao Trace farms, planting 123,370 trees in 2023, across 5 cooperatives and 181,104 trees in 2024, across 8 cooperatives.

Our partners and local team carefully monitor seedling survival rates and provide technical assistance during planting. The 2023 planting has been successful, with an average survival rate above 83% across the country. Farmers receive financial incentives for keeping trees alive. The 2024 planting will be evaluated 12-15 months after planting.

\* Farm gate price following the campaign year Oct 23- April 24



## CHOCOLATE BONUS

In 2024, the Next Generation Cacao Foundation surveyed the Cacao-Trace communities to ask them about their priority needs. Based on these requests and the amount of Chocolate Bonus available for each cooperative, the foundation approved the purchase of 11,130 school kits, 26 solar-powered water pumps, 7 education projects, and three women empowerment projects.

## EDUCATION

### School Kits

In September 2024, 11,130 children of Cacao-Trace producers benefitted from the distribution of a complete primary school kit including books, pens, uniform, and a schoolbag. These kits are very much appreciated by the producers as they are the most concrete manifestation of the Chocolate Bonus they receive every year.

### Schools

Ensuring their children have access to quality primary education is a common priority for the Cacao-Trace communities. This usually involves constructing, renovating, or expanding schools. Additionally, it sometimes requires providing housing for teachers in villages where schools exist, but teachers are hesitant to stay due to inadequate living conditions. In 2024, the Chocolate Bonus supported six primary school projects and one teacher housing initiative.

## 26 WATER TOWERS POWERED BY SOLAR ENERGY

In the villages where we operate, the absence of water towers often means that people rely on traditional wells or manual pumps for their water supply. Both methods can pose sanitary issues due to the water not being clean. Additionally, during the dry season, these sources may run dry if the drilling is not deep enough. To ensure year-round access to clean drinking water, we began building water towers in our communities in 2019. Thanks to the annual increase in the Chocolate Bonus, we have expanded from building just one water tower in 2019 to 26 in 2024. The size of the water tanks was adapted to the size of the population ranging from 6 m<sup>3</sup> to 20 m<sup>3</sup>.

2019	2020	2021	2022	2023	2024
1	3	3	12	25	26

Number of water pumps built between 2019 and 2024 with the Chocolate Bonus.





## EMPOWERING WOMEN

Combating poverty of cocoa producers is not just about helping them improve their yields. It also involves diversifying their household incomes. The vast majority of the farmers in Côte d'Ivoire are men. Usually their spouses rely on their revenue. This is why, within the Cagnan cooperative, we launched a comprehensive women's support pilot project in 2024 covering three components:

- Women's literacy
- Village savings and credit association
- Income-generating activities (IGA).

The project started in September 2024 in three communities (Djapadji, Marie-Chantier and Parc) with our local partner Horizon Compétences. The Parc program is implemented as a part of the My Cacao-Trace<sup>1</sup> program of our Belgian client Dolfijn.



### BONI ADIOULASSO, student of the Literacy program

*"I am the oldest student of the group, with 61 years old. I am extremely motivated by this opportunity, which is why I am always sitting in the first row! I used to feel ashamed for not being able to read or speak french properly. I feel much more confident now and am very proud of myself."*



<sup>1</sup> - My Cacao-Trace is a program that creates an exclusive relationship between a community and one of our clients. For more information, you can contact your local contact at Puratos.



## Mexico

### LOCAL ORGANIZATION

The Puratos Cacao-Trace program started in Mexico in 2018 with the establishment of a post-harvest center in Comacalco city in the state of Tabasco. In this ancestral cocoa production area lies one of the greatest diversities of cocoa varieties in the world. Puratos and Belcolade are committed to preserving the tradition and encouraging local communities to continue growing these challenging crops in Tabasco and in Pichucalco in the state of Chiapas.

Puratos operates across the whole cocoa-chocolate chain in Mexico from the farmer to the chocolate. After being fermented and dried in our post-harvest centers, the beans are processed in our grinding line next to our distribution center in Mérida, Yucatan. The high-quality cocoa mass is then sent to our chocolate plants in Tizayuca, Hidalgo, Mexico; Kenosha in the USA; or Belcolade in Belgium.

In Mexico we work with 664 farmers organized around four post-harvest centers. The quality of the variety of beans present in Mexico combined with a long-term relationship and direct contact with farmers allows us to obtain a constant, superior quality of dried beans. Added to this is a 100% internal and quality process that enables us to achieve exceptional chocolate

### CACAO-TRACE AUDIT

The Cacao-Trace audit 2024 showed that we must improve our data collection on farms to achieve 100% of mapped farmers. A field team is working on this farmer by farmer, and we must increase resources to achieve the goal. In addition, we realized that some farmers were not aware of our grievance procedure to raise their concerns. We have therefore increased the number of contact points and telephone groups to make it easier for them to inform us.

### CHOCOLATE BONUS

The Chocolate Bonus 2024 represents € 46,500 that will be distributed in cash in 2025.

### THE TIKUL PLANTATION

Motivated by the idea of preserving the Mexican cocoa biodiversity, Puratos has invested in Criollo plantations in Yucatan since 2008. In our plantation based in Tikul, we actively study and maintain several sensitive varieties of cocoa threatened with extinction.



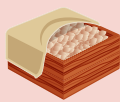



## CACAO-TRACE PROGRAM

INITIAL YEAR <b>2018</b>	MASTER CT FERMENTATION CENTERS <b>3</b>	TOTAL INVESTMENT IN CENTERS <b>€800,000</b>
	EXPERTS & TRAINERS <b>3</b>	% TRAINED FARMERS <b>32%</b>
	DIRECT FULL-TIME JOBS <b>45</b>	WOMEN FULL-TIME JOBS <b>21</b>
CACAO-TRACE CERTIFICATION %	2023 <b>93.64%</b>	2024 <b>Basic Compliance</b> (Version 7)

## FARMER COMMUNITY

TOTAL FARMERS <b>664</b>
AVERAGE FARM SIZE HA <b>1.76</b>
TRACEABILITY TO FARM <b>100%</b>
# WOMEN FARMERS <b>161</b>

## COCOA BEANS

CT VOLUME 2024 (VOLUME/MT) <b>310MT</b>	FERMENTATION METHOD 	DRYING METHOD 	VARIETY: <b>TRINITARIO</b> <b>80%</b> <b>CRIOLLO</b> <b>20%</b> 	SENSORY FLAVOUR PROFILE CATEGORIES 
% FERMENTED IN CT CENTERS <b>59%</b>				
% FERMENTATION BY TRAINED CT FARMERS <b>41%</b>				

## ECONOMIC IMPACT

### MARKET \*

CURRENT FARM GATE PRICE/MT	<b>€4,972</b>
MINIMUM PRICE (APPLIED OR NOT)	<b>YES</b>

### CACAO-TRACE

	AVERAGE FARMER QUALITY PREMIUM PAID/MT	<b>€139</b>	CHOCOLATE BONUS/KG	<b>€0.10</b>
	TOTAL CHOCOLATE BONUS:	2023 <b>€41,521</b>	2024 <b>€46,500</b>	
DISTRIBUTION: IN CASH				

## ENVIRONMENTAL IMPACT

Cacao-Trace ensures the implementation of strict environmental guidelines. In Mexico, in order to help farmers increase their production and income, we encourage them to plant more trees using agroforestry models.

The planted trees can provide permanent shade for the cocoa trees, serve as windbreaks, or act as boundaries between plots. We meet several times a year with voluntary producers to share good agricultural practices, while respecting the environment and biodiversity. Once successfully implemented, these farmers encourage the rest of the community to adopt these practices.

We also have a program to preserve old Criollo variety in the fields but also, since 2013, in one experimental plantation Tikul. We therefore preserve cocoa heritage and biodiversity.

\* High price volatility in the last year.



## Papua New Guinea

### LOCAL ORGANIZATION

In late 2017, Puratos and Belcolade formed a strategic partnership with Outspan, a member of the OLAM group, to enhance the livelihoods of cocoa farmers and their communities, focusing on quality improvement.

The Cacao-Trace program was initiated in the East Sepik region in 2018. Since then, our production of beans is certified organic and Fairtrade.

Since the launch of the program, Cacao-Trace has established strong collaborations with producers and fermenters, offering comprehensive support, from sun-drying equipment to training. Significant resources have been invested to improve farmer data capture and improve quality levels.


### CACAO-TRACE AUDIT

The 2024 audit was carried out with no major nonconformities. The following points have been noted for areas of improvement: a procedure to control the cleaning and sorting packaging processes; context assessment should be carried out at all levels of the supply chain; preventive measures to be adopted for health and safety; keep the community informed about the quality premium and its benefits; improved access to clean water in farming communities; further communicate and explain the Chocolate Bonus to farmers; and improved record keeping of farm activities





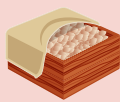



## CACAO-TRACE PROGRAM

INITIAL YEAR <b>2018</b>	MASTER CT FERMENTATION CENTERS <b>0</b>	TOTAL INVESTMENT IN CENTERS <b>€151,000</b>
	EXPERTS & TRAINERS <b>24</b>	% TRAINED FARMERS <b>78%</b>
	DIRECT FULL-TIME JOBS <b>40</b>	WOMEN FULL-TIME JOBS <b>9</b>
CACAO-TRACE CERTIFICATION %		
	2023 <b>97.4%</b>	2024 <b>97%</b>

## FARMER COMMUNITY

TOTAL FARMERS <b>3,375</b>
AVERAGE FARM SIZE HA <b>0.69</b>
TRACEABILITY TO FARM <b>100%</b>
# WOMEN FARMERS <b>650</b>

## COCOA BEANS

CT VOLUME 2024 (VOLUME/MT) <b>895MT</b>	FERMENTATION METHOD 	DRYING METHOD 	VARIETY: <b>TRINITARIO</b> 	SENSORY FLAVOUR PROFILE CATEGORIES 
% FERMENTED IN CT CENTERS <b>—</b>				
% FERMENTATION BY TRAINED CT FARMERS <b>100%</b>				

## ECONOMIC IMPACT

### MARKET \*

CURRENT FARM GATE PRICE/MT	<b>€4,291</b>
MINIMUM PRICE (APPLIED OR NOT)	<b>NO</b>

### CACAO-TRACE

	AVERAGE FARMER QUALITY PREMIUM PAID/MT	<b>€93</b>	CHOCOLATE BONUS/KG	<b>€0.10</b>
	TOTAL CHOCOLATE BONUS:	2023 <b>€182,881</b>	2024 <b>€123,596</b>	
DISTRIBUTION: COMMUNITY PROJECT				

## ENVIRONMENTAL IMPACT

Papua New Guinea (PNG) is a country with massive forest cover, and the strict implementation of Cacao-Trace helps mitigate deforestation risks in this fully organic supply chain.

Additionally, thanks to the Australia-Papua New Guinea Economic Partnership (APEP), fermentary owners are building more stable solar dryers, reducing their reliance on canvas/tarpaulin for drying cocoa beans. This minimizes the use of synthetic materials and, more importantly, reduces dependence on wood fires for drying. These changes bring dual benefits: improved cocoa quality (no 'smoky beans') and a significant reduction in environmental impact at the country level.

\* High price volatility in the last year.



### CHOCOLATE BONUS

In 2024, the local communities in Papua New Guinea requested to use the Chocolate Bonus exclusively on water infrastructures.

#### Provision of 40 water tanks

Access to clean water remains a significant challenge for many rural farming communities in Papua New Guinea. Families often endure long walks to distant creeks that do not meet basic hygiene standards, leading to widespread waterborne health issues like diarrhea and cholera, which disproportionately affect children and vulnerable populations.

Given the widespread nature of the villages, it is challenging to impact all Cacao-Trace farmers directly. Therefore, we are currently installing 5m<sup>3</sup> water tanks at the fermentation centers, which serve as central locations where all our farmers converge during the harvesting season. In 2024, we successfully installed 40 tanks across our operating districts.

2022	2023	2024
38	20	40

Number of water tanks built in PNG with the Chocolate Bonus.





## PROVISION OF 35 SOLAR DRYERS TO FERMENTATION CENTER OWNERS

To enhance the quality of cocoa beans, 35 solar dryers were constructed through the Australia-PNG Economic Partnership (APEP), benefiting 1,000 smallholder cocoa farmers. These solar dryers improve bean consistency and flavor by providing an efficient, environmentally-friendly drying method that prevents smoky quality. This initiative ensures cleaner, higher-quality beans, supports sustainable cacao production, and boosts the livelihoods of Cacao-Trace farmers by enabling them to produce premium cacao while promoting environmentally-conscious farming practices.



**Fiona Robert, a Cacao-Trace farmer in Angoram District**

*"I am deeply grateful to be part of the Puratos Cacao-Trace program. The premium payment we have received is a significant support, and no other buyer has provided such benefits to us farmers. I sincerely thank Puratos for their dedication to fair and meaningful compensation. I am truly happy with the positive impact this program has made."*





## Philippines

### LOCAL ORGANIZATION

In 2017, Puratos and Belcolade entered a strategic partnership with Kennemer Foods, an agri-food company based in the Philippines, focused on the sustainable development of cocoa production on Mindanao Island. Kennemer Foods initiated the revival of the supply chain by offering innovative financing models and setting clear outcomes for coconut producers in Davao. Now, cocoa is intercropped with other crops and is rapidly spreading across the island.

Currently, Puratos is operating three fermentation centers in the country, located in Calinan, San Isidro, and Mati. Cacao-Trace is committed to improving the livelihoods of local communities and plans to continue scaling up operations to increase impact.

### CACAO-TRACE AUDIT

The 2024 audit findings were positive overall. Only one point of improvement has been observed, which is in the wage of the third-party contractors. Our partner will ensure that contracts with third-party contractors are thoroughly reviewed to ensure compliance with the country's minimum wage laws. The approved wage laws were also implemented as soon as possible as part of the corrective action process.




#### **Jessa Albacea – Cacao-Trace Manager for Philippines and Papua New Guinea**

*"Our goal for 2024 is to prioritize key training areas and develop targeted strategies to enhance farm productivity in the Cacao-Trace farms. We are assessing the effectiveness of these trainings to identify areas of improvement and refine our approach. Our partner, Kennemer, remains fully dedicated to providing coaching and mentoring to Cacao-Trace farmers. Moving forward, we aim to address these gaps and make continuous improvements in the coming years."*



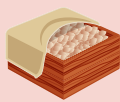



## CACAO-TRACE PROGRAM

INITIAL YEAR <b>2017</b>	MASTER CT FERMENTATION CENTERS <b>3</b>	TOTAL INVESTMENT IN CENTERS <b>€385,000</b>
	EXPERTS & TRAINERS <b>10</b>	% TRAINED FARMERS <b>100%</b>
	DIRECT FULL-TIME JOBS <b>15</b>	WOMEN FULL-TIME JOBS <b>7</b>
CACAO-TRACE CERTIFICATION % <b>2023 88.03% 2024 93%</b>		

## FARMER COMMUNITY

TOTAL FARMERS <b>2,024</b>
AVERAGE FARM SIZE HA <b>1.75</b>
TRACEABILITY TO FARM <b>100%</b>
# WOMEN FARMERS <b>670</b>

## COCOA BEANS

CT VOLUME 2024 (VOLUME/MT) <b>330MT</b>	FERMENTATION METHOD 	DRYING METHOD 	VARIETY: <b>TRINITARIO</b> 	SENSORY FLAVOUR PROFILE CATEGORIES 
% FERMENTED IN CT CENTERS <b>86%</b>				
% FERMENTATION BY TRAINED CT FARMERS <b>14%</b>				

## ECONOMIC IMPACT

### MARKET \*

CURRENT FARM GATE PRICE/MT	<b>€5,612</b>
MINIMUM PRICE (APPLIED OR NOT)	<b>YES</b>

### CACAO-TRACE

	AVERAGE FARMER QUALITY PREMIUM PAID/MT <b>€880</b>	CHOCOLATE BONUS/KG <b>€0.10</b>
	TOTAL CHOCOLATE BONUS: <b>2023 €54,068 2024 €52,697</b>	
DISTRIBUTION: IN CASH		

## ENVIRONMENTAL IMPACT

Philippines benefit from good genetic material and intercropping farming models that we consider generally positive from a footprint perspective.

Within the program, we educate farmers on understanding soil health to ensure proper fertilizer application. Via the adoption observation (AO) tool, we assess soil pH and provide targeted recommendations. This approach prevents over-fertilization while preserving soil quality.

Using the AO, we monitor proper pruning and distribute quality planting material (45,000 seedlings for 2025) to boost yields per hectare and minimize farming footprint.

\* High price volatility in the last year.

## CACAOPRENEUR PILOTS

To enhance farm productivity, improve access to quality seedlings, and promote multiclonal diversification, we have launched CacaoPreneur, a pilot project aimed at transforming farmers into entrepreneurs. Through this initiative, we will establish nurseries in key villages or barangays, each cultivating 10,000-15,000 seedlings. These nurseries will be supported by local warehouses (or bodegas) stocked with essential agricultural inputs like fertilizers and organic matter, which will also serve as the main purchasing hubs for Kennemer-Puratos.

As part of the CacaoPreneur model, participating farmers will receive hands-on training and technical support from Kennemer, while microfinancing options will be available to help sustain their businesses.

To date, four CacaoPreneur sites have been launched in different regions – two in Calinan, one in San Isidro, and one in Mati. As this is a pilot program, KFI field staff will initially operate these nurseries to ensure smooth implementation.



## CHOCOLATE BONUS

### Cacao Fiestas

In November 2024, a total of €54,068 in Chocolate Bonus was awarded to 1,251 Cacao-Trace farmers. The Chocolate Bonus was distributed as cash (86%) and digital transfers (14%). We celebrated it with Cacao Fiestas at three post-harvest centers, honoring the dedication and hard work of our farmers. The events recognized top-performing farmers from Calinan, San Isidro, and Mati with medals, certificates and prizes for their high yields and adherence to Good Agricultural Practices (GAP).

The events also featured executives, stakeholders, and community members, highlighting the Cacao-Trace program's impact on sustainable farming and local communities.



## CUSTOMER VISIT TO CACAO-TRACE FARMING COMMUNITY

To deepen customer engagement and raise awareness of the Cacao-Trace program, a special customer visit was organized in the second quarter of the year. This immersive experience allowed customers to connect meaningfully with the origins of their chocolate.

During the visit, customers toured Cacao-Trace farms and observed various farming activities, gaining a comprehensive understanding of the hard work and dedication required to cultivate premium cacao beans. They visited the post-harvest center in Calinan to witness the cocoa bean fermentation process, learning about the importance of quality control at each stage of production.

This hands-on experience enriched customers' understanding of sustainable cacao farming and strengthened the bond between them and the farmers. The event highlighted the program's commitment to transparency, collaboration, and ethical sourcing, empowering customers to feel more connected to the cacao they consume and the farmers who grow it.



## ADAPTING TO “ADOPTION OBSERVATION” TOOL

We conduct ongoing training programs to enhance farm productivity and teach agricultural best practices. With over 100 training sessions completed for Cacao-Trace farmers, we introduced an adoption observation tool in 2024 to measure their effectiveness.

This tool tracks how well farmers implement the techniques learned during training, identifying where they need additional support. By monitoring adoption rates and challenges, we can provide targeted assistance to each farmer.

Through personalized guidance based on these observations, we help farmers improve yields and cacao quality, strengthening the success of the Cacao-Trace program.

Based on our status review and data collected in August 2024, we identified these key focus areas for 2025 interventions:

- Planting material quality
- Tree density and infilling
- Fertilization practices
- Pest and disease management
- Pruning techniques.



For 2025, the team will focus on the identified areas that need greater attention. Nurseries will be established at the three post-harvest centers to improve planting material quality and optimize tree density. These nurseries will provide farmers with high-quality cacao beans. Additionally, targeted coaching and mentoring will be provided to underperforming cacao farmers, focusing on improving fertilization practices and pruning techniques. This combined approach will help farmers boost yields and improve the overall quality of their cacao production.

The KFI team conducting hands-on training in the field. In the photo, a soil pH test is being performed using a pH meter. Farmers were also educated on how to use the device and the importance of monitoring soil pH, as it plays a crucial role in nutrient uptake.



#### **Villafe Dumandan, a Calinan farmer award-winner**

*"I have been a Cacao-Trace farmer since the program started, and I can honestly say it has made a huge difference in my life. The program has helped improve the quality of my cacao and provided me with an additional source of income that has greatly benefited my family.*

*One of the most valuable aspects has been the Chocolate Bonus, which I used to reinvest in my farm. With this extra income I was able to purchase additional farm material such as fertilizers and better tools, which have significantly boosted my farm's productivity. I have seen my yields improve, and I am now able to produce more high-quality cacao than ever before. Thanks to the extra income from cacao farming, I was able to build a better house for my family, making our living conditions much more comfortable. Three years later, I opened a little shop in our community, which brings additional income and more financial stability to my family. Overall, the Cacao-Trace program has truly transformed my life, not just through improved farming practices, but by giving me the tools and support I needed to create a better future for my family."*









## Uganda

### LOCAL ORGANIZATION

The Cacao-Trace program was launched in Uganda in 2018 and has been developing and improving ever since in partnership with Olam. In 2023 we took a step further by replacing our previous post-harvest center with a brand new one with a doubled capacity from 500 MT to 1000 MT. Building on the seven years of experience of our local teams, who mastered the fermentation of the beans in this particular environment, we have brought several improvements to our process in order to further increase the quality of our beans and enhance their aroma. Our Belcolade Uganda 80% offers a robust cocoa flavor delicately enriched by delightful fresh citrus and dried fruit notes. It is also an organic chocolate with the highest cocoa percentage in our range.

### Post-Harvest Center in Bundibugyo

In Uganda we work directly with 1200 farmers across ten communities located close to each other, which allows us to process all our beans in only one post-harvest center.



### CACAO-TRACE AUDIT

The 2024 Cacao-Trace audit was conducted based on our new Cacao-Trace Standard V7. With the support of our partner, our program is certified at basic compliance by Control Union. Some key topics need to be covered at high level. These improvements concern data collection on plots mapping and training for staff and farmers in health/safety and premium price calculation, respectively. The focus will be entirely on addressing these weak points in time for the next audit.

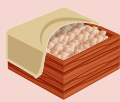



## CACAO-TRACE PROGRAM

INITIAL YEAR <b>2018</b>	MASTER CT FERMENTATION CENTERS <b>1</b>	TOTAL INVESTMENT IN CENTERS <b>€167,420</b>
	EXPERTS & TRAINERS <b>10</b>	% TRAINED FARMERS <b>100%</b>
	DIRECT FULL-TIME JOBS <b>10</b>	WOMEN FULL-TIME JOBS <b>1</b>
CACAO-TRACE CERTIFICATION %	2023 <b>98%</b> (Version 6 of CT Standard)	2024 <b>Basic Compliance</b> (Version 7)

## FARMER COMMUNITY

TOTAL FARMERS <b>1,201</b>
AVERAGE FARM SIZE HA <b>1.12</b>
TRACEABILITY TO FARM <b>100%</b>
# WOMEN FARMERS <b>298</b>

## COCOA BEANS



CT VOLUME 2024 (VOLUME/MT) <b>838MT</b>	FERMENTATION METHOD 	DRYING METHOD 	VARIETY: <b>TRINITARIO FORASTERO</b> 	SENSORY FLAVOUR PROFILE CATEGORIES 
% FERMENTED IN CT CENTERS <b>100%</b>				
% FERMENTATION BY TRAINED CT FARMERS <b>—</b>				

## ECONOMIC IMPACT

### MARKET \*

CURRENT FARM GATE PRICE/MT	<b>€7,902*</b>
MINIMUM PRICE (APPLIED OR NOT)	<b>NO</b>

### CACAO-TRACE

	AVERAGE FARMER QUALITY PREMIUM PAID/MT <b>€77</b>	CHOCOLATE BONUS/KG <b>€0.10</b>
	TOTAL CHOCOLATE BONUS: 2023 <b>€65,166</b>	2024 <b>€115,725</b>
DISTRIBUTION: COMMUNITY PROJECT		

## ENVIRONMENTAL IMPACT

As with all Cacao-Trace programs, environmental guidelines are strictly implemented. The 1,100 MT of cocoa beans collected from around 1,200 farmers are fully organic. We aim to continuously improve our environmental footprint. Like in many cocoa-growing countries. This includes rejuvenating farms with selected genetic material, in order to improve yield per hectare.

\* High price volatility in the last year.





## CHOCOLATE BONUS

In 2024, the Chocolate Bonus allowed for the construction of 6 boreholes and the provision of 250 desks to 7 schools.

### 6 Boreholes

In the region of Bundibugyo where the Cacao-Trace farmers are located, most villages access water through a public network of taps. However during the hot season, the taps may run dry, forcing people to drink out of nearby rivers which may be contaminated.

This is why we are building manual pumps as a complement to this network. All the pumps are installed within the premises of schools but are freely accessible to all the community. Being in the school allows to serve in priority, children, but also reduces the risk of vandalism.



#### **Businge STANLEY, Deputy Teacher of Bundikakemba Primary school**

*"We used to have a tap in the premises of the school but it has been condemned for many years by the company managing it because people could not afford the maintenance cost. With this manual pump we are now setting up a Water Management Committee to which people will contribute based on their capacities, but at least, the water is available."*



Bunkandikere Primary school



## Distribution of desks

Many public schools lack furniture. Students are sitting directly on the floor and do not have a proper table to study. With the remaining funds available from the Chocolate Bonus after the construction of the 6 manual pumps, 250 desks were distributed to seven schools.



### Mugisa ROBERT – Head Teacher of Bugambwa primary school

*"It has been 5 years since we needed those desks. Our school has many needs but the desks were certainly the most urgent. We are all so happy to have received them, teachers, students, parents altogether. Up until now, students were sitting directly on the floor. The classrooms were empty with no tables or chairs. They will make a huge difference in the classroom and the students capacity to properly focus in class."*





## Vietnam

### LOCAL ORGANIZATION

Since 2014, Puratos Grand-Place Vietnam (PGPV) has led the Cacao-Trace program. As the longest-running Cacao-Trace program, Vietnam has focused on increasing partnerships and innovating with new farming processes, such as closed-loop models and regenerative agroforestry cocoa production. In partnership with GIZ and the PUR Project, we offer training on agroforestry and regenerative practices.

Vietnam has also been an innovation leader with new fermentation and chocolate production practices that yield high-quality, uniquely flavored final products. We are the proud inventors of 60Days, an innovative chocolate that is produced 60 days after harvesting the beans.

We have two main post-harvest centers in Dak Lak and Ben Tre. After fermenting and drying the beans, we transport them to our grinding line in Ben Tre, where they become liquor before being made into chocolate at our Binh Duong factory, near Ho Chi Minh.



Technical staff providing hands-on instruction on rejuvenation grafting, Mekong Delta, Vietnam, December 2024.

### CACAO-TRACE AUDIT

The 2024 Cacao-Trace audit, conducted from September 23<sup>rd</sup> to October 10<sup>th</sup>, assessed 1,471 farmers across 14 production units, 10 post-harvest centers and the overall entity. While achieving basic compliance with the new version of the Cacao-Trace Standard version 7 (more info p. 11) the audit highlighted challenges in the perception of price transparency from the farmers.

Furthermore, the audit highlighted the positive aspects of the Cacao-Trace program. It effectively enhances farmer training and implements robust quality assurance measures across the cocoa production process. The program also excels in data collection for EUDR compliance and engages with local communities through rewards and partnerships with sustainable organizations. These initiatives improve farmer livelihoods and contribute to a more sustainable and ethical cocoa supply chain.

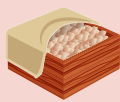
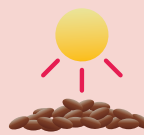


## CACAO-TRACE PROGRAM

INITIAL YEAR <b>2013</b>	MASTER CT FERMENTATION CENTERS <b>2</b>	TOTAL INVESTMENT IN CENTERS <b>€787,000</b>
	EXPERTS & TRAINERS <b>19</b>	% TRAINED FARMERS <b>49%</b>
	DIRECT FULL-TIME JOBS <b>21</b>	WOMEN FULL-TIME JOBS <b>10</b>
CACAO-TRACE CERTIFICATION %	2023 <b>96.8%</b> (Version 6 of CT Standard)	2024 <b>Basic Compliance</b> (Version 7)

## FARMER COMMUNITY

TOTAL FARMERS <b>1,471</b>
AVERAGE FARM SIZE HA <b>0.81</b>
TRACEABILITY TO FARM <b>100%</b>
# WOMEN FARMERS <b>401</b>

## COCOA BEANS

CT VOLUME 2024 (VOLUME/MT) <b>662MT</b>	FERMENTATION METHOD 	DRYING METHOD 	VARIETY: <b>TRINITARIO FORASTERO</b> 	SENSORY FLAVOUR PROFILE CATEGORIES 
% FERMENTED IN CT CENTERS <b>50%</b>				
% FERMENTATION BY TRAINED CT FARMERS <b>50%</b>				

## ECONOMIC IMPACT

### MARKET \*

CURRENT FARM GATE PRICE/MT	<b>€5,710</b>
MINIMUM PRICE (APPLIED OR NOT)	<b>YES</b>

### CACAO-TRACE

	AVERAGE FARMER QUALITY PREMIUM PAID/MT	<b>€765</b>	CHOCOLATE BONUS/KG	<b>€0.10</b>
	TOTAL CHOCOLATE BONUS:	2023 <b>€108,968</b>	2024 <b>€98,639</b>	
DISTRIBUTION: IN CASH				

## ENVIRONMENTAL IMPACT

Cacao-Trace environmental guidelines have been in place for over 10 years.

Additionally, the program incentivizes farmers to adopt agroforestry practices. We have integrated a mix of shade and cocoa trees on our Cacao-Trace farms, planting 21,289 trees in 2023 and 29,763 trees in 2024. Our partners and local team carefully monitor seedling survival rates and provide technical assistance during planting.

The 2023 planting has been successful, with an average survival rate above 70% across Vietnam. Farmers receive financial incentives for keeping trees alive. The 2024 planting will be evaluated 12-15 months after planting, in October 2025.

\* High price volatility in the last year.





## CHOCOLATE BONUS

The 2023 Chocolate Bonus for Vietnam was distributed from June 10-30, 2024, across the Highlands, Southeast, and Mekong Delta regions. We distributed 108,000 Euros. Deloitte supervised the distribution to our farmers, with about 1,400 farmers attending the ceremonies.

During these events, the Vietnam team celebrated while conducting technical training on pest control, pruning, and banned pesticides. The Puratos Bakery School team participated by donating 100 bags of cookies and pork floss cake to Binh Thuan farmers. The event was particularly meaningful as some Bakery School<sup>1</sup> students have family members who farm cocoa.

While the team attempted to distribute the Chocolate Bonus via bank transfers, many farmers either lack bank accounts or prefer cash. Some farmers could not recall their bank details, leading to transfer errors and returned funds. Most Vietnamese farmers prefer cash payments and want to avoid trips to the bank. Next year we will continue promoting bank transfers with support from our accounting department.



<sup>1</sup> - In 2023, the Bakery School foundation from Puratos, opened a new school in Vietnam. The Bakery School offers a 2-year professional training in Bakery, Patisserie and Chocolate to underprivileged students. Among the 26 students selected for the first group of students, five are children of Cacao-Trace farmers.





**Nguyễn Hữu Hải, a farmer from Ea Huar commune, Buôn Đôn district, Đắk Lắk province**

*"I've been growing and harvesting cacao for 14 years and have been cooperating with Puratos for about 10 years. The main challenge is technical knowledge. However, the company sends technicians every year to provide training, and I've learned a lot from Mr. Minh, the technical specialist. As a result, I've been able to improve my techniques and increase my yield every year."*



**Nguyễn Văn Minh- Technical specialist of cocoa team**

*"The past year presented significant challenges, including unprecedentedly high cocoa prices and the implementation of EUDR mapping. Rapid digitalization within a short timeframe led to initial difficulties with the newly implemented platform, which experienced some bugs requiring time to resolve. Additionally, the mapping of over a thousand farmers consumed a considerable amount of our resources. Despite these challenges, we have established a valuable foundation of information. Building upon this, I anticipate improved communication and better alignment with traceability initiatives in 2025, enabling us to further enhance our program."*



**Nguyễn Văn Út Tám, a farmer from Tân Phú commune, Châu Thành district, Ben Tre province**

*"I have around 150 mature cocoa trees on my farm, which also grows durian. My previous collector was not transparent about prices, often changing them without informing me. This made it difficult to plan and understand my income. I recently switched to a new collector, who sells to Puratos. I appreciate that he communicates the price and incentives for quality beans upfront. While his prices are occasionally slightly lower or higher than others, I value his transparency. I usually sell tens to hundreds of kilograms of fresh cocoa pods year-round. With the current high cocoa prices in Ben Tre, I'm very happy and have planted 100 new cocoa seedlings on my farm. To further improve, I've actively joined a community group of over 20 farmers. We share information regularly, such as training on salinity in cocoa cultivation by Puratos and the latest updates on the cocoa market. This knowledge sharing and training help us all improve our farming practices and make better decisions."*

03



# Addressing the cocoa supply chain key challenges

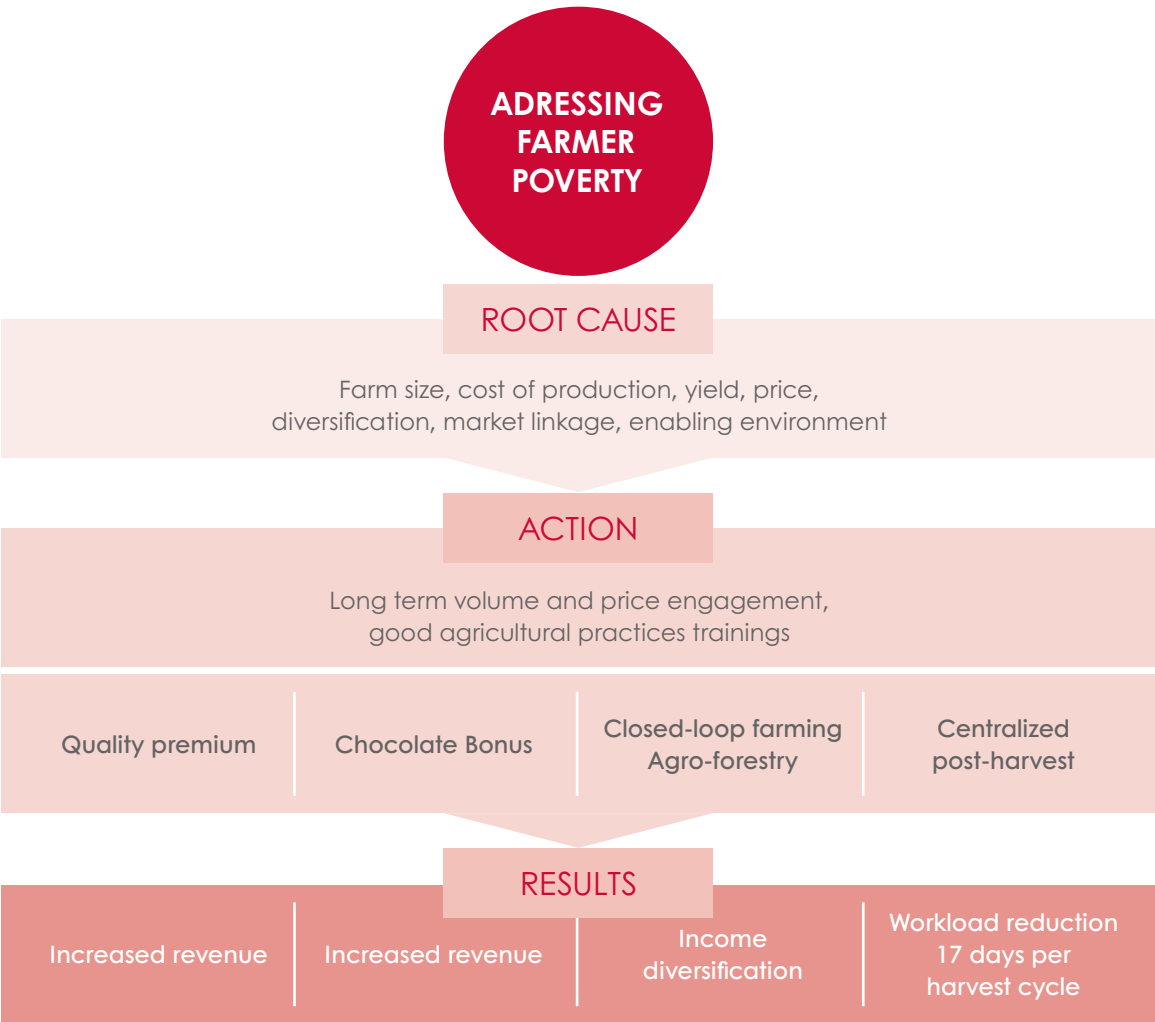


# Strategy to address farmers poverty

The first and most important challenge in cocoa is farmers' poverty. We can clearly identify poverty as the root cause of all the key issues related to the cocoa supply chain.

This structural poverty is embedded in a context of small farms, low yields, low prices, lack of diversification and lack of market linkage. With Cacao-Trace, we aim to tackle farmer poverty through a combination of meaningful actions.

As a common base we first commit to long-term commercial engagement toward communities. From there, several elements of the programs immediately support the farmers. Trainings on good agricultural practices linked with both Quality Premium and Chocolate Bonus schemes substantially increase farmer revenue. Additionally, the program aims to support farmers to diversify their income and through the centralized fermentation option, reduce the workload.



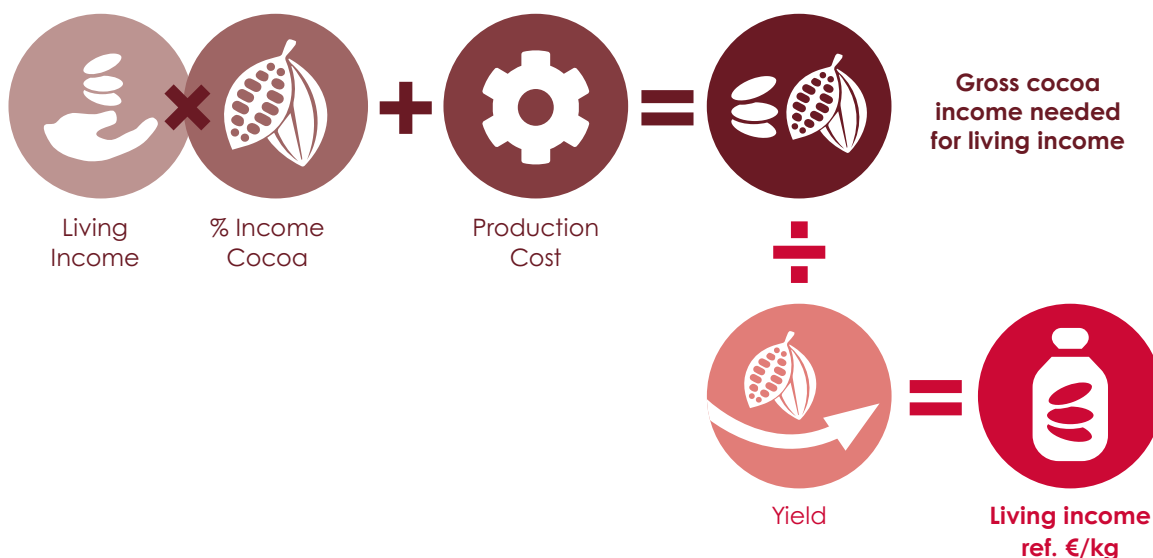


## CACAO-TRACE IMPACT ON FARMERS' INCOME

We aim to push the above model and work toward our living income target. To achieve this, it means first measuring and establishing a Living Income Reference Price (LIRP) in each country where we operate. We believe that a living income is a basic human right. As a Belgian company and signatory of Beyond Chocolate, all Belgian chocolates by 2030 should be made out of beans providing a living income. The LIRP assesses the approximate farmgate price<sup>1</sup> per metric ton of cocoa required for an average farmer family to earn a living income.

Given the diverse production conditions, there is no universal figure; instead, the LIRP is tailored to reflect the unique circumstances of each country and community. For example, the average farm size in Côte d'Ivoire is over three hectares, whereas in Vietnam it is only one hectare. To take into consideration these differences, we use a widely recognized LIRP formula:

Living income x % income from cocoa + cost of production = gross cocoa income necessary to achieve the living income. This value is then divided by the yield to determine the LIRP per metric ton of cocoa applicable at farmgate.



To determine the living income for a family per country, independent of whether they are cocoa producers, we refer to GlobalLivingWage.org which uses the Anker Methodology to evaluate the living income necessary to have basic needs met. This includes nutritious food, education, housing, clothing, medical, transport, and emergency savings. Surveys are conducted at a local level with focus groups. The Living Income Benchmark and Study are publicly released for reference.

For the other parameters, we use our own data to determine the average percentage of income coming from cocoa, production costs, and average yields in the Cacao-Trace countries.

In 2024, in most Cacao-Trace countries we are reaching a Living Income Reference Price. This is in part due to the globally high prices, but also thanks to the Quality Premium and Chocolate Bonus which are additional benefits on top of the farmgate price.

1 - The farmgate price is the amount paid directly to the farmer.

## AFRICA STRATEGY TO INCREASE PRODUCERS' INCOMES

Three pilot projects were launched in the Africa region in 2024 to increase producers' incomes and reduce the carbon impact of Cacao-Trace.

### Distribution of improved plant material – Congo (DRC)

In October 2024 we launched a program to produce improved plant material in the North Kivu region. The goal is to distribute 10,000 grafted plants to 100 producers in 2025. This plant propagation pilot will provide an opportunity to train technicians in grafting practices and transfer this technology to producers. The aim is to improve productivity by about 20% in the Virunga Park region. This should enable producers to increase their yields and thus their incomes. Indirectly, this project will also contribute to biodiversity protection.





### **Boost Cocoa Farming System - Côte d'Ivoire**

In Côte d'Ivoire, two new projects are being implemented to boost cocoa sourcing volumes and increase farmers' revenue while reducing our carbon footprint. The end goal is to help us increase our volume by 30% every year.

#### **Plots pruning**

Several studies have demonstrated the beneficial effect of plot pruning on yield increases. This is why we launched a pilot program with five communities. We have trained 155 young workers that we call "Puraforce". Their mission is to prune the plantations of all Cacao-Trace producers in these five communities, covering about 1,000 hectares. It addresses important challenges such as child labor in cocoa farming and youth employability in rural areas and farmers' income. Through these groups, we aim to address both the lack of skilled labor and the lack of resources for producers to access this type of service.

#### **Distribution of organic fertilizers**

A pilot project for the distribution of organic fertilizer in these five communities is also underway. In partnership with Elephant Vert Côte d'Ivoire, 1,000 tons of fertilizers will be distributed to all fresh cocoa bean producers. This will improve plantation yields (at least 20% each year from 2025 to 2030) through soil fertility and reduce the carbon impact on our supply chain.



*Inauguration ceremony of the Puraforce program in the presence of the 16 young people of the first cohort, Mr. Anthony Gargam, General Manager of Puratos Central and North Africa, and Mr. Arthur Tapi, Director of Puratos Cacao West Africa.*



## Strategy to address child labor

Cacao-Trace supports access to education and is strongly opposed to any form of forced child labor.

We do however make a distinction and are not against the fact that children (under 18 years old) may help their parents in their farms as long as they still have access to school and education. We consider it can be part of a child's education, and we encourage young generations to become future professional cocoa farmers. To guide understanding and communication around this topic, the Cacao-Trace Standard has established three definitions:

- **Acceptable work for a child:** Limited to a few hours a week, supervised by responsible adults, to pass on cultural and farming traditions to the youth generations (socializing work), and consisting of light and safe tasks that do not compromise school attendance.
- **Unacceptable child labor:** Defined as underage (below 15) unsupervised work, and/or underage (below 15) with excessive hours, and/or underage (below 15) which compromises school attendance.
- **Worst form of child labor:** Hazardous activities (age inappropriate), exploitation or trafficking.

We consider the worst forms of child labor as a priority and we have developed a specific approach to combatting it. With Cacao-Trace our integrated approach of child access to education and child protection consists of five inter-connected pillars.



1. **Increase Household Income** by paying farmers a Quality Premium and Chocolate Bonus on top of the standard farmgate price. We also promote income diversification.
2. **Child Rights & Protection** by implementing awareness, surveillance campaigns and a grievance mechanism along with a Child Labor Monitoring & Remediation System.
3. **Child Access to Education** thanks to building school infrastructures in the communities nearby and supporting quality education and the cost of education (teacher kits and scholarships).
4. **Child Health & Safety** through increasing investment in clean water access and building health centers.
5. **Stay Engaged** with long-term commitment through post-harvest centers, volume engagement, community development projects and renovation projects to keep the investments at a high standard.

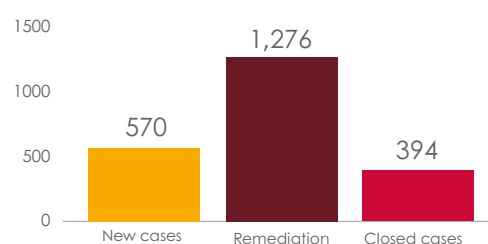
It is important to mention that the Next Generation Cacao Foundation is strongly associated to the concrete and long-term actions taken on the ground to tackle access to education, child health and safety, which represent the pillars 3, 4 and 5 of the strategy.

## 2024 HIGHLIGHTS ON DIGITAL DATA COLLECTION AND CHILD LABOR MONITORING AND REMEDIATION SYSTEM

Unacceptable forms of child labor are strictly prohibited under the Cacao-Trace sustainability standard.

We are committed to increasing transparency through digitalization. This intensive work allows us to delve deeper into the realities of the communities we serve, enabling us to better detect and address the risks of child labor. We continuously learn from our survey findings and explore ways to enhance our approach. In some countries, such as Côte d'Ivoire, Papua New Guinea, and Uganda, we have been collecting digital data since 2019. In other countries, the Cacao-Trace digital journey is relatively new.

Currently, the Child Labor Monitoring and Remediation System (CLMRS) is being implemented in Côte d'Ivoire, Papua New Guinea, Uganda, Vietnam, Mexico, Congo, and Cameroon. Our approach involves using available data to profile communities, including noting if they are distant from educational facilities. These household groups are typically surveyed on a three-year basis to collect data on the number of children per household, their school attendance, and the types of labor they engage in at home and/or on the farm. This process includes both announced and unannounced visits to homes and farms.



Some remediation action and household sensitization are already underway in areas where we observe a risk of children performing hazardous tasks on farms under family supervision. Remediation may include actions beyond sensitization, such as providing school kits or establishing birth certificates if needed. We work closely with the Next Generation Cacao Foundation to allocate our funds effectively and address specific needs.

At this stage of the surveys, we have not identified in the Cacao-Trace supply chain any case of human trafficking, forced labor, sexual exploitation, nor other types of abuse. If a child were flagged to be in immediate danger (e.g., unconditional worst forms of child labor or other types of abuse), we would ensure that immediate support is provided (either directly or by referral to a responsible authority).

In 2023, we set an ambitious target to profile 100% of households in Côte d'Ivoire, Vietnam, Papua New Guinea, and Mexico by the end of 2024. We are pleased to announce that this goal has been achieved for all farmer households in Vietnam and Papua New Guinea, as well as those involved in the 2022/2023 campaign in Côte d'Ivoire.

For expanded farmer lists in Côte d'Ivoire, Cameroon and Mexico, data collection is currently underway. Our objective remains to achieve 100% profiling for all households entering the Cacao-Trace program over the next 12 months.

We conduct extensive surveys in high-risk countries such as Côte d'Ivoire, Cameroon, and Papua New Guinea. In lower-risk countries like Vietnam, child labor surveys are conducted at the household level unless specific concerns are identified, then further investigation is conducted.

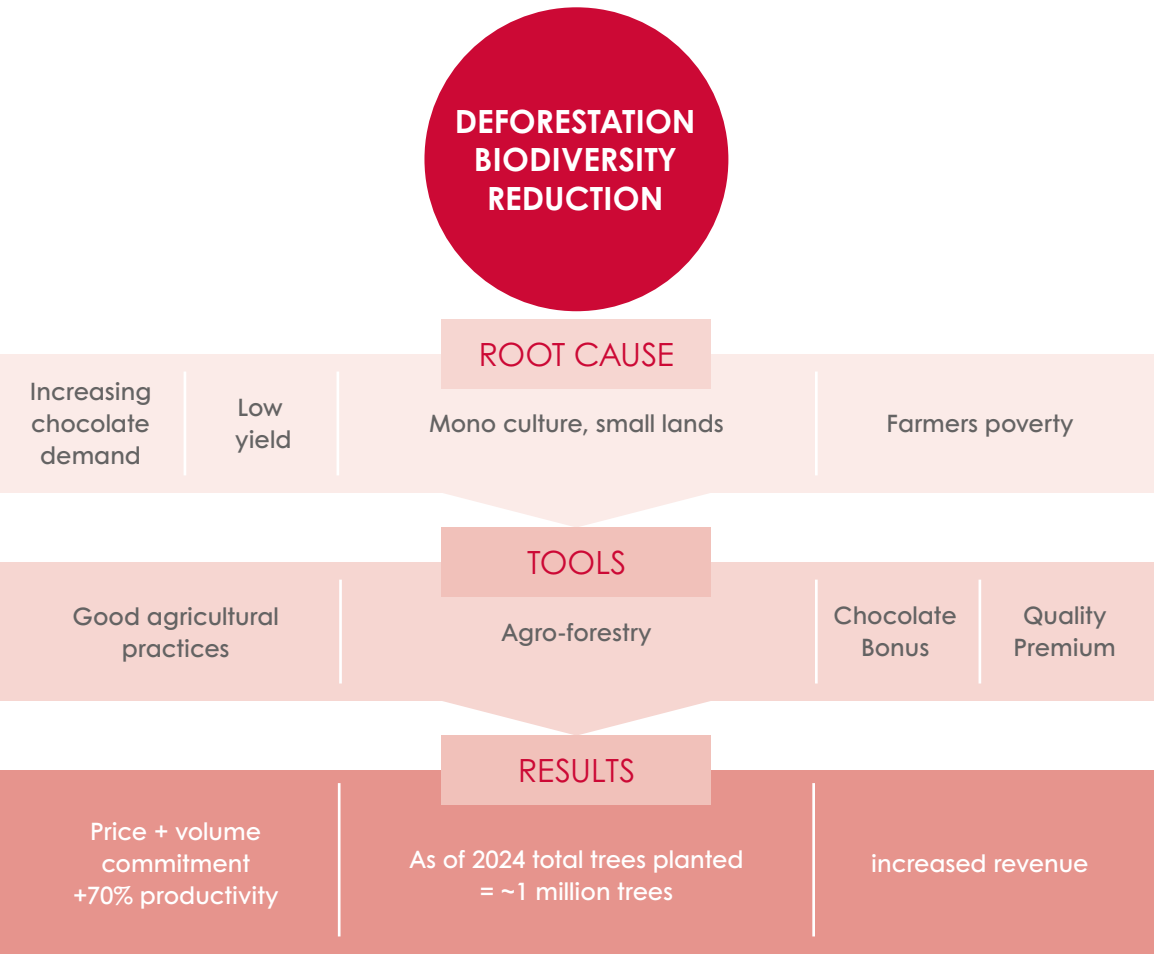
We remain committed to ensuring comprehensive data collection and profiling to support our ongoing efforts in these regions.

## Deforestation and environmental impact

Cocoa production is unfortunately associated with the reduction of forest cover and biodiversity. Through Cacao-Trace, we have developed a comprehensive strategy to combat deforestation and restore biodiversity within our supply chain.

We have identified several root causes contributing to the environmental challenges in the cocoa supply chain. With Cacao-Trace, we are confident in addressing these structural issues through our efforts to improve yield and farmer income. Additionally, we are investing in a significant agroforestry project aimed at promoting regenerative agriculture.

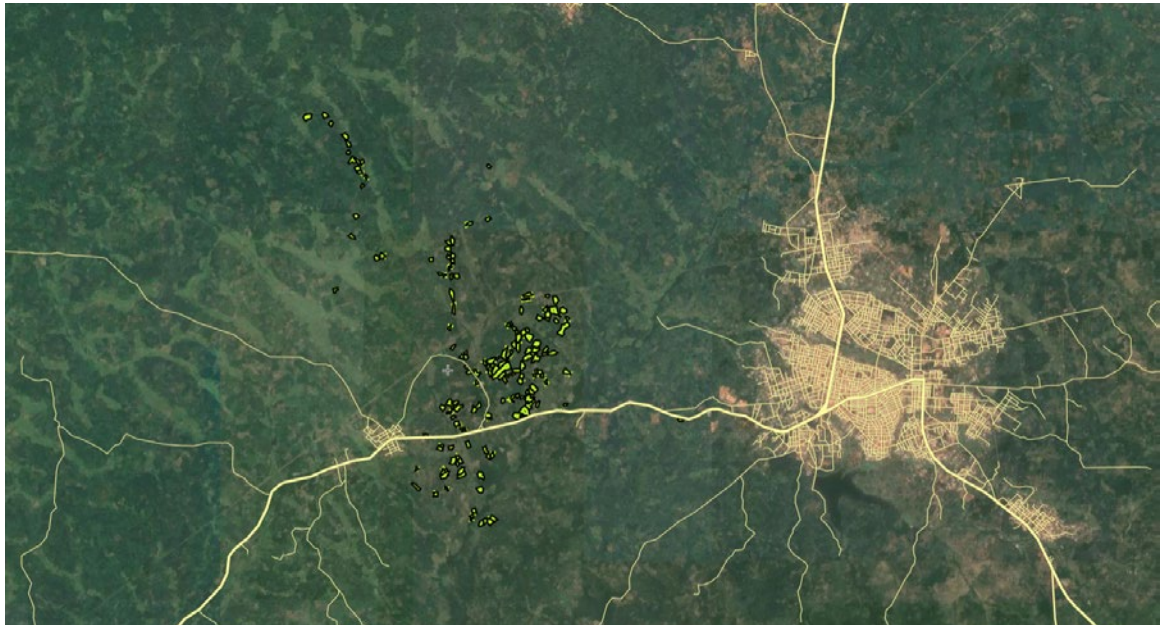
This approach both mitigates deforestation and enhances biodiversity, ensuring a more sustainable and resilient cocoa supply chain.



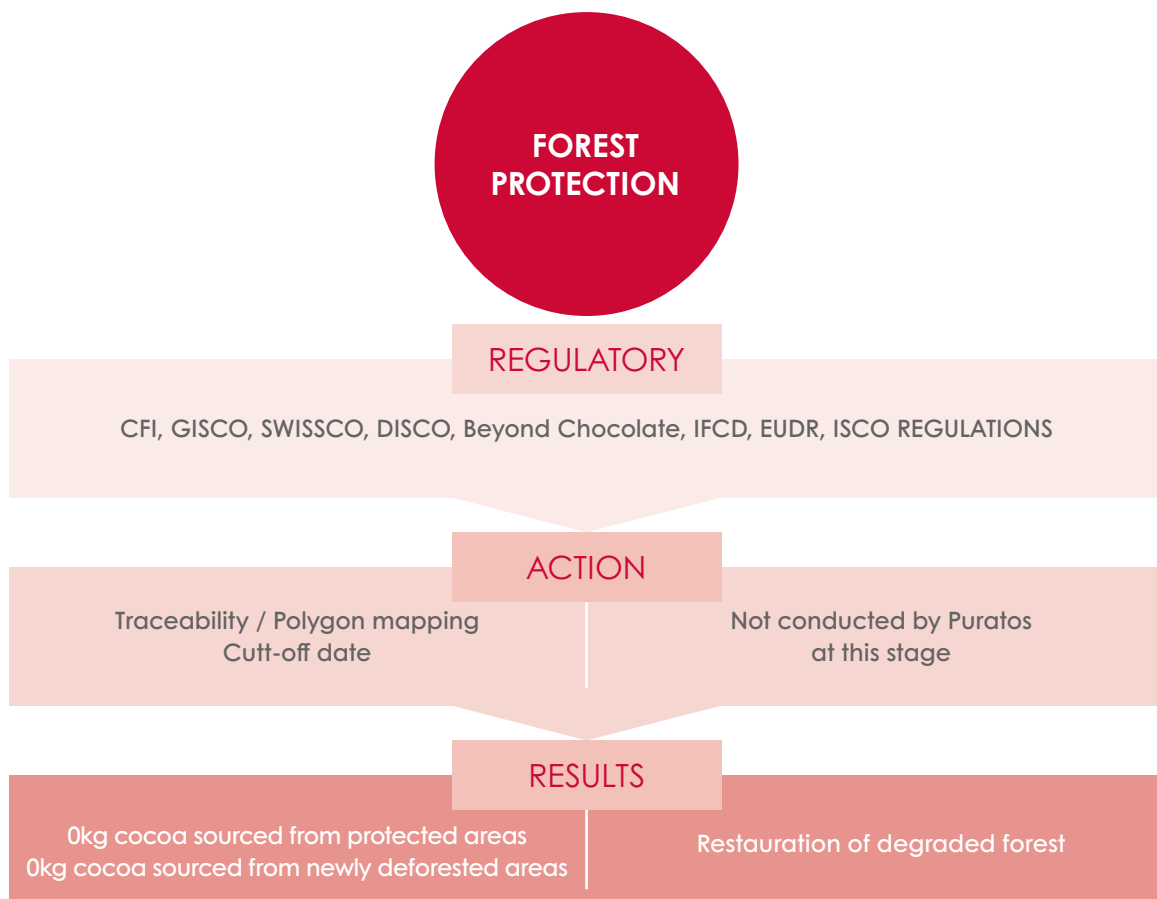


## Puratos fully supports all regulatory initiatives aimed at protecting endangered forests

Technology plays a crucial role in this strategy. We are currently focusing on enhancing our control through polygon mapping of all farms within the Cacao-Trace supply chain. Cacao-Trace was prepared to comply with the EUDR by the initial deadline of December 31, 2024. Given the adjusted timeline, we continue to strengthen our approach and integrate new farmers into our supply chain, ensuring full compliance with EUDR and Cacao-Trace.



*Polygons from current Cacao-Trace farms in Côte d'Ivoire*





## Cultivating a sustainable future: Cacao-Trace trace approach to environment

Scope 3 emissions represent a significant challenge for companies aiming to reduce their carbon footprint. As a recent signatory to the Science Based Targets initiative (SBTi), we are committed to setting ambitious, science-based climate goals. These goals are aligned with limiting global warming to 1.5°C and mitigating the impact of climate change. Our strategy focuses on two key areas: reductions and removals.

Since 2019, Cacao-Trace/Puratos has been at the forefront of an inspiring collaboration with PUR Projet, a renowned French social business specializing in agroforestry. This strategic partnership underscores Puratos' unwavering commitment to environmental stewardship and community empowerment. In alignment with our ambitious goal to achieve carbon neutrality for scope 1 and 2 by 2025, Cacao-Trace has been employing agroforestry to sequester carbon within the supply chains of farmers, planting around 1 million trees year to date. In 2024 Vietnam planted 29,763 and Côte d'Ivoire 181,104 trees. Considering our agroforestry investments in Côte d'Ivoire and Vietnam from 2019-2025 we can expect around 24,000 T CO<sub>2</sub>e accumulated sequestered carbon by 2030.



Our efforts extend beyond tree planting. Good agriculture and regenerative practices have been a core of the Cacao-Trace approach. However, to go further and enhance these benefits we have initiated pilot projects focusing on regenerative agriculture in Côte d'Ivoire and Vietnam, and clonal propagation in the Democratic Republic of Congo. These projects are designed to enhance sustainability and productivity in cocoa farming.

Agriculture is the primary source of emissions, with the top contributors being deforestation and land use change, residue waste management, and the production of inputs such as fertilizers and pesticides. Deforestation and land use change have the most significant impact on carbon emissions, measured over a historic 20-year period. We are measuring this through our digital mapping and polygon overlay with historic deforestation data. Since land use change and deforestation are something which took place in the past and cannot be altered, we focus on where we can make a difference. Managing cocoa crop residues and reducing the use of chemical inputs like fertilizers and pesticides are critical areas where we can make the most impact.

Reducing emissions at the farm level requires active engagement and improved agricultural practices, which come with implementation and monitoring costs. Emissions can vary significantly even within the same origin due to differences in deforestation, land use change, and farming practices.

Our pilot farms employ several innovative methodologies. Regenerative farming techniques such as cover cropping, agroforestry, and organic amendments help optimize carbon sequestration. Closed-loop farming utilizes biochar from cocoa pod husks and cuttings from pruning to produce green energy, store carbon, improve soil quality, and reduce waste. Fungi research investigates beneficial fungi to combat harmful fungi within black pods and enhance carbon storage. Disease control involves developing natural biopesticides from neem oil and local herbs to manage diseases sustainably.

In the Democratic Republic of Congo we are working on clonal propagation and grafting to improve yields. This initiative covers 10 hectares and involves planting 15,000 trees.

Our journey towards carbon neutrality is driven by a combination of innovative practices, strategic partnerships, and a deep commitment to sustainability. By focusing on both reductions and removals, we aim to make a significant impact on our Scope 3 emissions and contribute to a more sustainable future.



04

**Next  
Generation  
Cacao  
Foundation**

Next Generation  
Cacao  
Foundation  
Report

## Mission of the Next Generation Cacao Foundation (NGCF)

The Next Generation Cacao Foundation was created as a part of the broader initiative called Cacao-Trace, the Puratos sustainable cocoa sourcing program guaranteeing a premium price and a unique Chocolate Bonus. This Chocolate Bonus consists of 10 euro cents per kg of Cacao-Trace chocolate sold that is given back to the farmers and their communities.

The foundation's main role is to distribute the Chocolate Bonus in an open and transparent manner to the cocoa farmers and their communities.

The Next Generation Cacao Foundation is active in the Cacao-Trace countries. In 2024, these countries were Cameroon, Côte d'Ivoire, Congo (DRC), Mexico, Papua New Guinea, Philippines, Uganda, and Vietnam.

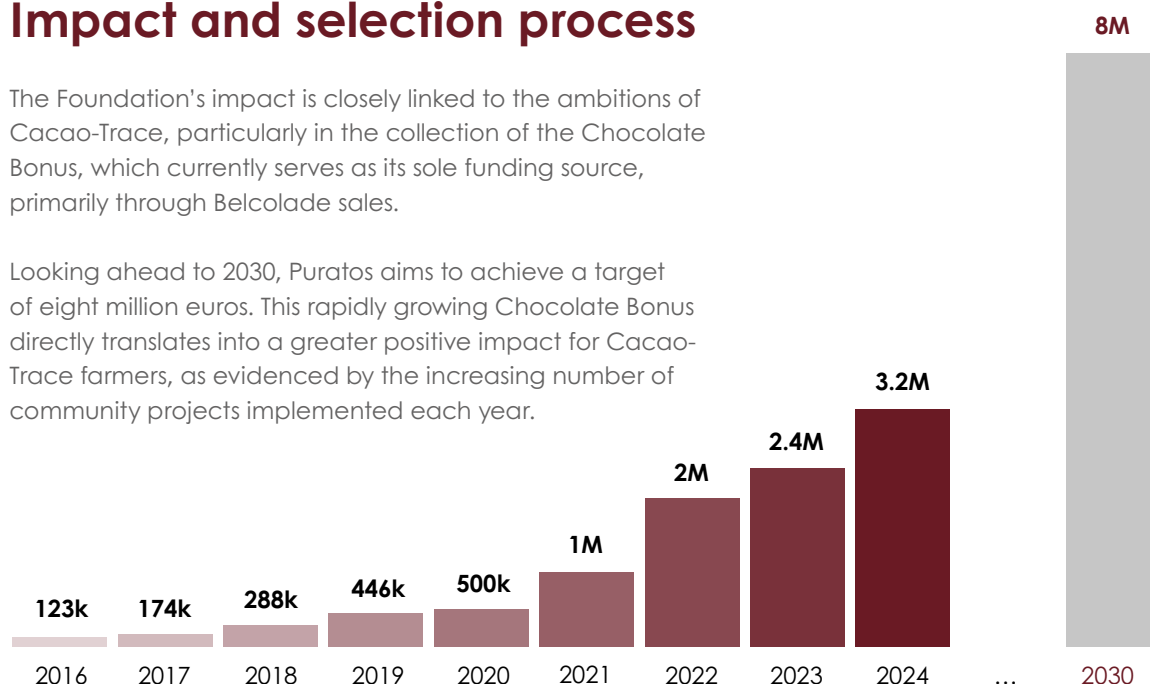
### OUR VALUES

- **Equity Principle**  
Each country will receive a Chocolate Bonus contribution corresponding to the amount of cocoa beans sourced yearly through the Cacao-Trace program.
- **Stay Engaged Principle**  
The Next Generation Cacao Foundation always seeks long-term benefits helping future generations on their way. Maintenance of realized community projects is foreseen by dedicating yearly a part of the Chocolate Bonus to it.
- **100% Principle**  
100% of the Chocolate Bonus collected goes to the cocoa farmers or their communities. Puratos and Belcolade cover all the operating and working expenses of the Next Generation Cacao Foundation.
- **Thorough Principle**  
Each distribution and project implementation are supervised by local teams.
- **Transparency Principle**  
Each distribution and project implementation are audited and verified by an external and independent party.

## Impact and selection process

The Foundation's impact is closely linked to the ambitions of Cacao-Trace, particularly in the collection of the Chocolate Bonus, which currently serves as its sole funding source, primarily through Belcolade sales.

Looking ahead to 2030, Puratos aims to achieve a target of eight million euros. This rapidly growing Chocolate Bonus directly translates into a greater positive impact for Cacao-Trace farmers, as evidenced by the increasing number of community projects implemented each year.



## CALCULATION OF THE CHOCOLATE BONUS

At the end of every year, Puratos consolidates the total amount of Chocolate Bonus collected through the 10 euro cents per kilo of Cacao-Trace chocolate sold. This global Chocolate Bonus is then allocated to the Cacao-Trace countries, proportionally to the amount of beans they delivered.

During the following months the Chocolate Bonus will be distributed to the farmers either in cash or in projects, depending on the countries.

- **In cash:** Once a year, the farmers in Mexico, Philippines and Vietnam receive their Chocolate Bonus, based on the volume of Cacao-Trace certified beans they supplied to Puratos.
- **In community projects:** Projects are implemented throughout the year in Cameroon, DRC, Côte d'Ivoire, Papua New Guinea and Uganda.

Cash contributions to individual farmers are applied in countries with full purchase transparency down to the farmer identity. However, depending on the "field reality," cash distribution may not be feasible in some countries, and community projects are necessary to meet fundamental needs.

## SELECTION PROCESS OF COMMUNITY PROJECTS

The core principle of the community projects selection process is that the Foundation conducts an annual survey of local communities to identify their priority needs.

Based on the most urgent needs, the number of beneficiaries, and available funding, the local Puratos or partner teams, together with the Foundation coordinator, make a pre-selection. This pre-selection is then submitted to the board on a quarterly basis. In recent years, communities have primarily requested projects in the areas of access to water, primary education, health, and income diversification.



# Chocolate Bonus distribution in 2024



## Sarah Mugnier - Next Generation Foundation Coordinator

"I joined Puratos in September 2023 for this new role. Over the past year, it has been incredibly rewarding to consolidate the foundation of what has been implemented since 2016. Together with the Puratos local teams, we focused on building tools to better identify the needs of the Cacao-Trace communities, helping the board make the most impactful decisions. Additionally, we strengthened our communication with local partners, the farmers themselves, and local authorities to enhance our collaboration."

## CASH DISTRIBUTION IN 2024

Below is a short summary of the donations made by the Foundation in 2024. You will find more information and pictures in the Cacao-Trace countries' report.

Country	Amount of Chocolate Bonus	Number of farmers
Mexico	€46,500	664
Philippines	€52,697	2,024
Vietnam	€98,639	1,471

The Bonus Collected in 2024, will be distributed in cash in 2025.

## COMMUNITY PROJECTS IMPLEMENTED IN 2024

### Cameroon and Congo

Both countries had a Chocolate Bonus of around 10k€ last year and decided to save it for more impactful projects in 2025.

### Côte d'Ivoire

#### Education and primary schools:

- 11,130 school kits
- Construction of three complete schools with sanitary blocks: Amelekia, Konankro Bloc, Tchemogodouou
- Extension and renovations of two schools: Dogbo, Gnato
- Construction of a sanitary block: Kremoue
- Construction of three teachers houses: Allakouadiokro

#### Access to water:

- 26 water towers

**Total allocated funds: 2.0M€**

#### Women empowerment:

- Launch of a program involving literacy, basic financial literacy (VSLA), and income diversification, through income generating activities in three villages: Djapadji, Marie Chantier and Parc.

### **Papua New Guinea**

- Access to water: 40 water tanks

**Total allocated funds: 181k€**

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### **Uganda**

#### **Access to water:**

- Construction of six boreholes in the villages of Bubukwanga, Bugandikere, Bugombwa, Bundikakemba, Busaru and Kuka.

#### **Education:**

- 250 desks were distributed to seven primary schools: Saint Amos (Bubukwanga), Hakitengya (Mataisia), Bugombwa (Bugombwa), Clear Vision (Kirindi), All Power (Buganikere), Mirambi (Mirambi), and Kuka (Kuka)

**Total allocated funds: 50k€**

# Governance and Funding

## GOVERNANCE

The Next Generation Cacao Foundation (private foundation) is an initiative of the Puratos Group, with worldwide headquarters in Groot-Bijgaarden, Belgium.

The Next Generation Cacao Foundation was established on 26 December 2017, being the legal successor of the previously Next Generation Cacao Foundation VZW/ASBL established on 18 May 2016.

The Foundation has three founders, all associated with the Puratos Group:

- Puratos Group NV
- Puratos NV
- Choco-Story Brussels NV

### Statutory purpose

Created in 2016, the NGCF's mission is as follows:

- Contributing to the social, economic and ecological sustainable development of disadvantaged producers and workers in developing countries, more specifically cocoa producers, their families and subsequent generations;
- Promoting the concept and practice of fair trade in developing countries;
- Assisting all other good works and welfare works, without any distinction, and in particular contributing to and promoting sustainable cacao farming and related local development aid in developing countries; • The specific activities through which the object of the Foundation is achieved include, among others: establishing and participating in similar non-profit foundations in developing countries, providing financial support for cocoa producers, improving their living conditions, and providing schooling for their children.

### Management

The Directors of the Foundation are appointed unanimously by the founders for a period of maximum three years. The Directors can be reappointed. The Board of Directors is authorized, within the boundaries of the law, the Foundation's objective, and the articles of foundation, to perform all actions that are necessary or useful to achieve the objective of the Foundation. The Board of Directors also has the decision-making power on behalf of the Foundation with regard to establishing, participating in, joining or cooperating with similar foundations, organizations, institutions or non-profit organizations in developing countries. The Board of Directors meets on average every quarter to discuss the activities and future strategy of the Next Generation Cacao Foundation.

From its establishment, the Board of the Foundation consisted of the following persons:

- Chairperson: Cédric Van Belle, President of the Board of the Puratos Group and Director at Choco-Story NV
- Secretary: Youri Dumont, Director chocolate business at Puratos
- Treasurer: Jean-Philippe Michaux, CFO at Puratos.

The members of the Board of Directors are authorized to commit the Foundation validly, by the joint signature of at least two Board members, in compliance with the Articles of Foundation.



The Directors are assisted in their task by the following team of volunteers:

- Foundation management: Sarah Mugnier, Next Generation Cacao Foundation Coordinator
- Fundraising: Raphael Audoin Rouzeau, Global cocoa sourcing manager, Sylvestre Awono, Sr Product and Training Manager Chocolate
- Cacao-Trace Group Cocoa Sustainability Manager: Selene Scotton
- Legal and fiscal support: Lode De Zutter, Group Senior Tax Manager, Roel Straetmans, Legal and Tax Director at Puratos
- Financial support: Lola Hernandez, Controller of Puratos.

The Directors and the volunteers were chosen for the diversity of their experience and knowledge. The presence of representatives of the Puratos Group ensures that the philosophy of the founders is upheld. Neither the Board members nor the volunteers receive any remuneration from the Next Generation Cocoa Foundation.

The accounting of the Next Generation Cacao Foundation is outsourced without costs applied to the accounting department of Puratos. We thank the accounting department for their support, especially Juien Conchuela.

#### **Government recognition for tax purposes**

The Next Generation Cacao Foundation (Belgium) is recognized for tax purposes in the following countries:

- Belgium: as from 2019
- The Netherlands: as from August 2021 under RSIN number 8264.78.499
- Côte d'Ivoire: as from 2024, through the local entity Next Generation Cacao Foundation Côte d'Ivoire.

It means that individuals or legal entities in these countries can make tax deductible donations to the Next Generation Cacao Foundation.

## **FUNDING**

Currently, the Foundation's budget is entirely funded by the Chocolate Bonus, which is contributed by Belcolade, Puratos and PatisFrance customers through their purchase of Cacao-Trace certified chocolate, mainly through Belcolade.

Additionally, the Foundation can receive funding from:

- Special fundraising events
- Donations from individuals or companies
- Public subsidies.

## Financial report

in EUR '000				
Committed Chocolate Bonus per year	2021	2022	2023	2024
Cameroon	9,845	3,841	10,805	<b>183,392</b>
Congo (RDC)	0	57,936	10,415	<b>68,358</b>
Costa Rica	-	-	-	<b>6,214</b>
Côte d'Ivoire	769,982	1,574,035	1,970,124	<b>2,546,916</b>
Mexico	19,385	43,327	41,521	<b>46,500</b>
Papua New Guinea	69,271	123,250	182,881	<b>123,596</b>
Philippines	39,004	42,943	54,068	<b>52,697</b>
Uganda	16,096	52,293	65,166	<b>115,725</b>
Vietnam	87,386	105,759	108,968	<b>98,639</b>
<b>Total</b>	<b>1,010,608</b>	<b>2,003,384</b>	<b>2,443,948</b>	<b>3,242,037</b>

Assets		Liabilities	
Bonus receivable from customers	2,166,924	Bonus to be distributed	3,616,078
Cash	1,450,719	Payables	1,565
	<b>3,617,643</b>		<b>3,617,643</b>

in EUR '000				
Income Statement	2021	2022	2023	2024
Bonus received or to be received	1,000,935	2,021,572	2,443,628	<b>3,242,037</b>
Bonus distributed or to be distributed	(1,000,935)	(2,021,572)	(2,443,628)	<b>3,242,037</b>
Exceptional donations	0	0	0	<b>0</b>
Exceptional distributions	0	0	0	<b>0</b>
Operating results	(20,316)	(21,489)	(24,086)	<b>(6,389.5)</b>
Donations received from the Puratos Group	20,316	21,489	24,086	<b>6,389.5</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>

# History of the Foundation donations

## Cash Distribution

Year	Amount	Countries
2016	€123,000	Vietnam
2017	€174,000	Vietnam, Philippines
2018	€161,000	Vietnam, Philippines
2019	€109,000	Vietnam, Philippines
2020	€179,848	Vietnam, Philippines, Mexico
2021	€146,000	Vietnam, Philippines, Mexico
2022	€198,000	Vietnam, Philippines, Mexico
2023	€169,000	Vietnam, Philippines, Mexico
2024	€197,836	Vietnam, Philippines, Mexico

## PROJECTS

### 2019

#### Côte d'Ivoire

- 1<sup>st</sup> primary school built in Abdoulaykro – San Pedro (+300 pupils)
- 1 clean water solar pump installed

### 2020

#### Côte d'Ivoire

- 500 scholarships distributed to Cacao-Trace farmers with supplies, uniforms and school bags for the children of cocoa farmers, plus teachers' kits
- 3 clean water solar pumps
- Special Covid donation. Action in all Cacao-Trace programs (8,000 farmers supported)
- 1 canteen in Greleon primary school
- 1 maternity in Gobroko – Sassandra (30 babies per month)
- 1 school in Zegreboue (+150 pupils)

#### Papua New Guinea

- School extension in Nindiwi (+100 pupils)
- School extension in Negrie (+50 pupils)

#### Vietnam

- Primary school extension – Daklak (+50 pupils)

### 2021

#### Côte d'Ivoire

- 3 water pumps in three different communities Nero-Brousse – Godjiboue – Generalkro
- 3 classrooms in the Zegreboue community
- 3 classrooms + 8 toilets in the Davidkro community
- 1500 scholarships distributed to Cacao-Trace farmers with supplies, uniforms and school bags for the children of cocoa farmers, plus teachers' kits.

#### Papua New Guinea

- 46 water tanks (rainwater harvesting) were installed in PNG
- 3 classroom and 6 toilets in PNG (Angoram & yangorou)



## 2022

### Côte d'Ivoire

- 12 clean water towers
- 4,500 scholar kits
- 1 maternity in Nero-Brousse
- 3 classrooms in Davidkro
- 1 grinder in Parc, 2 poultries in Daregba and Colonel

### Philippines

- Donation of computer equipment for the Davao State University regenerative science research lab – Agricultural department

### Uganda

- 250 School kits
- 

## 2023

### Cameroon

- Donation of 910 school kits

### Congo (RDC)

In the primary school of Teluji in Mutwanga:

- Construction of two new classrooms and one sanitary block
- Purchasing of new furniture for the classroom (blackboard, benches, chairs....)
- Connection of the school to the electricity network
- Road renovation

### Côte d'Ivoire

- 9,750 school kits
- Construction, renovation and extension of five schools (24 classrooms)
- Construction of three teachers' houses
- 25 water towers
- One mill for manioc and peanuts in Tigorikro

### Papua New Guinea

Construction of:

- Six classrooms and three sanitary blocks in the villages of Yangoru, Wosera Gawi and Angoram
- 20 water tanks

### Philippines

- Installation of 20 solar street lights

### Uganda

In the Njanja Primary School in Mirambi Parish, construction of

- Three new classrooms
- One mechanical pump
- One sanitary block

### Vietnam

- Construction of a new classroom in Thanh Binh primary school
- Purchase of new books scholarships for 31 students in Lam Dong primary school

05



# Cacao-Trace program and the SDG's







## CACAO-TRACE AND THE SUSTAINABLE DEVELOPMENT GOALS (SDGs)

With Cacao-Trace we fully support the 17 Sustainable Development Goals (SDGs) set by the United Nations. We have mapped them with our commitments and aim to contribute positively to them. We want to inform about the goals and create awareness amongst our employees, our suppliers, and our customers so that everyone that is part of our supply chain can contribute to the realization of the SDGs.

The below chart aims to explain how Cacao-Trace is contributing to the SDGs. To have a full picture of the Cacao-Trace SDG impact, it is important to consider the synergies with the concrete actions and realization of the Next Generation Cacao Foundation and its specific additional contribution to SDGs which is further detailed in the dedicated part (see next page).







### 1. No poverty

With Cacao-Trace we brought to life an integrated sustainable cocoa program. A package of initiatives (including education, training, fair and premium pricing) is aiming at creating a better life for farmers. A central component of the Cacao-Trace program is to work on farmer income which is in our view at the origin of most of the issues related to cocoa supply chain.



### 3. Good Health and Well-Being

With the Cacao-Trace program, we conduct a health and safety risk assessment on our supply chain and elaborate a local action plan to ensure compliance with our standards.

Health and wellbeing training modules are gradually rolled out in the Cacao-Trace cocoa supply chain.



### 8. Decent work and economic growth

With Cacao-Trace our investment in local fermentation centers and our long-term volume engagement principle, is bringing stability in rural areas. This approach enables both Puratos and Cacao-Trace farming communities to engage in a long-term development dynamic.



### 9. Industry, Innovation, and Infrastructure

Cacao-Trace innovates by putting quality at the heart of its added value approach. This is reached through out Puratos continuous investment in post harvest infrastructure.



### 12. Responsible consumption and production

Waste stream management and if possible valorization is a key priority of Cacao-Trace, we are actively working towards the development of regenerative agriculture concepts applied to cocoa production. Next to that, we are exploring ways to valorize cocoa waste into animal and even human food production.



### 13. Climate action

As a recent signatory of the Science Based Targets initiative (SBTi), our focus has shifted from the number of trees planted to our Scope 3 carbon footprint. We aim to reduce our CO<sub>2</sub> emissions from cocoa by at least 30% by 2030, with 19% of this reduction coming from on-farm practices and 11% from agroforestry in-setting efforts.



### 17. Partnerships for the goals

By becoming a member of Beyond Chocolate and the Cocoa Forest Initiative, we created the necessary partnerships to work on eradicating child labor, assuring a living income for the cocoa farmers and stopping deforestation.

## THE NEXT GENERATION CACAO FOUNDATION'S RELATION TO SDG'S

The Next Generation Cacao Foundation action plays a fundamental role reinforcing the Cacao-Trace program impact on SDGs. Since 2019, the contribution of the SDGs is an important parameter of our Chocolate Bonus project decision matrix. More specifically, the Foundation has selected the below seven SDGs as priorities for its actions.





### 1. No poverty

When distributed in cash, the Chocolate Bonus directly supports farmer's revenue and allows them to improve their living conditions.



### 2. Zero hunger

When supporting educational infrastructure, the Next Generation Cacao Foundation has already invested several times in canteens where communities can organize proper nutrition for their children. This action is to be further developed.



### 3. Good Health and Well-Being

The Next Generation Cacao Foundation directly invests in health infrastructure. In 2022, The foundation built and furnished a maternity in Nero-Brousse-Côte d'Ivoire, at the heart of our Cacao-Trace community.



### 4. Quality education

The Next Generation Cacao Foundation is strongly engaged in facilitating access to education in rural areas where Cacao-Trace communities are located. This involves regular and increasing investment in schooling infrastructures. Education kits and scholarship projects are playing an increasing role in the foundation's action.



### 5. Gender equality

The Next Generation Cacao Foundation monitors and encourages gender equality. Specifically targeting young generations, our investment in sanitation facilities in most of the schools infrastructure supported allow better access to education for young girls. Scholarship programs also aim to support young girls access to education.



### 6. Clean water and sanitation

The Next Generation Cacao Foundation is prioritizing investing in clean water and sanitation facilities for the Cacao-Trace communities.



### 17. Partnerships for the goals

The Next Generation Cacao Foundation is actively looking for partnerships and funds that can support further its action and impact.



06



Thank you  
to our customers

## THANK YOU TO OUR CACAO-TRACE CUSTOMERS!

Whether you are a small independent chocolatier or big industry player, the success of the Cacao-Trace program and its wide impact on cocoa farmers through the Quality Premium and the Chocolate Bonus would not be possible without you.

Your support for a better and more responsible chocolate helps us move towards a more sustainable chocolate industry every day.

Here are a few examples of the concrete impacts you have with different amounts of Chocolate Bonus:



**€ 8k**  
80T  
1 manual pump



**€ 15k**  
150T  
450 school kits



**€ 35k**  
350T  
1 electric water pump



**€ 100k**  
1000T  
1 primary school



Great Taste  
**Doing Good**

[www.cacaotrace.com](http://www.cacaotrace.com)

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