

BLOMMER CHOCOLATE COMPANY

SUSTAINABLE ORIGINS™



SUSTAINABLE · ORIGINS



Blommer

CAMPBELLFORD, ON
CANADA

CHICAGO, IL

EAST GREENVILLE, PA

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BLOMMER CHOCOLATE COMPANY

SUSTAINABILITY PROGRAMS



Blommer Chocolate Company, a third-generation, family-run company, is fully committed to the world's cocoa farmers and their communities. As the largest cocoa processor and ingredient chocolate supplier in North America, our goal is to support farmers to keep pace with market demand for chocolate and ensure their economic viability for generations to come. This is vital since the expected increase in world demand for cocoa over the next 10 years is expected to outpace global supply. Founded in 1939 by Henry Blommer, the company has long been a steward in pioneering sustainable cocoa farming and advancing farmers' livelihood around the globe. Today, we continue this vision, fully recognizing the importance of a long term multi-generational view. These initiatives are the foundation of our Sustainable Origins™ program, which builds upon the three key pillars of sustainability:

PEOPLE

Blommer's Sustainable Origins™ program is focused on cocoa growing communities with the aim to enhance overall living conditions. As active stewards, we **engage** farmers and provide tools and training using the proven Farmer Field School model. Through improved farm productivity and cocoa bean quality, farmers are enabled to generate increased income which supports the creation of thriving cocoa communities that also adhere to International Labor Standards.

PLANET

Throughout all of our sustainability work, safeguarding the environment and preserving the planet for future generations is imperative. This is a global commitment that customers and producers **entrust** us to uphold. To this end, Blommer implements responsible, sound environmental stewardship for producers by providing training on agricultural practices which conserve soil, water and protect fragile tropical ecosystems.

PROSPERITY

Improving overall living conditions for farmers which allow cocoa growing communities to flourish while guaranteeing future cocoa supply. Sustainable Origins™ builds upon expanding farming skills to **empower** farmers; improve market transparency and strengthen farmer associations to ensure fully traceable, high quality products to meet our customers' expectations. As an industry leader, we believe sustainability efforts in cocoa communities provides value at every touch point in the supply chain through improved and more consistent quality and a sustainable future for cocoa farming families.

AS AN INDUSTRY LEADER, WE BELIEVE SUSTAINABILITY EFFORTS IN COCOA COMMUNITIES PROVIDES VALUE AT EVERY TOUCH POINT IN THE SUPPLY CHAIN THROUGH IMPROVED AND MORE CONSISTENT QUALITY AND A SUSTAINABLE FUTURE FOR COCOA FARMING FAMILIES.



SUSTAINABLE ORIGINS



SUSTAINABLE ORIGINS

Blommer's Sustainable Origins™ programs reach from West Africa to the Americas and Indonesia. To date, 80,000 farmers participated in our sustainability programs. Per our 2012 commitment, we continue to provide solutions to our customers to enable them to achieve their sustainability goals as well as our own goals by 2020.



Scan this code to watch our sustainability video

SACHA GOLD - This multi-year program was initiated in 2012 in Ecuador in collaboration with the regional Ecuadorian government and Cimarron Estates. Next to training at least 1,200 farmers in comprehensive good agricultural on- and off farm practices, the program provides more than 1 million high-yield seedlings. Blommer thereby provides the commercial link to the farm base.



AMAZON PROJECT - The Amazon Project in Ecuador was jointly implemented together with NGO Conservacion & Desarrollo for a period of two years. The program constructed 225 solar dryers and improved general post-harvest handling including the fermentation process. This has resulted in farmers seeing a 30 percent increase in prices for higher-quality cocoa.



FACTS (PROCESSORS ALLIANCE FOR COCOA TRACEABILITY AND SUSTAINABILITY) - FACTS is a \$3 million cocoa



sustainability partnership supporting farmers in Côte d'Ivoire, West Africa. Formed in May 2010, FACTS was developed in conjunction with Cemoi Chocolatier of France and Petra Foods of Southeast Asia with the mission to improve the supply of high-quality, fermented cocoa beans while also supporting the livelihood of local farming communities. The program facilitates fermentation centers and dryers that allow for enhanced post-harvest management resulting in superior and more consistent bean quality. In coordination with the Ivorian extension agency CNRA, the program provides scientifically selected bud woods to FACTS for distribution to cooperative members with the purpose of rehabilitating old farm land.

BLOMMER - OLAM SUSTAINABILITY PARTNERSHIP -

GrowCocoa

Established as a sustainability partnership in 2004, Blommer and the global supply chain manager Olam formalized their commercial link with GrowCocoa in 2012. The joint venture was established to solidify the long-term commitment and investment in the cocoa supply chain, improve the livelihoods of cocoa communities, and develop strategic partnerships with governments, national institutions, NGOs and funding agencies. Under the GrowCocoa partnership, Blommer and Olam support sustainability programs inclusive of initiatives in Indonesia and Côte d'Ivoire.

In Indonesia, the program provides farmer training, pricing incentives and global market access to farmers. Since its inception in 2004 the program has grown more than ten-fold.



Participating farmers report production increases of at least 30 percent and are rewarded with price premiums for consistent quality and their traceable products.

Based on our experience in Indonesia, Blommer and Olam launched GrowCocoa Côte d'Ivoire in 2007. The program partners with more than 30,000 cocoa farmers throughout the country, providing training in good agricultural practices, business management and social issues. Working together with these farmers, the partners assist in revitalizing struggling cocoa farms leading to improved yields and thus household income. Today 90 Cooperatives collaborate with Blommer in the GrowCocoa Côte d'Ivoire program and supply more than 40,000 Metric Tons of sustainable and traceable cocoa. The program also contributes to the construction of community infrastructure or its improvement including the building of schools, medical facilities, maternity wards and the likes.



BLOMMER - ECOM SUSTAINABILITY PARTNERSHIP -

In 2013, Blommer in partnership with Ecom Agroindustrial Corporation, launched a new farmer program in Côte d'Ivoire. Alongside an extensive all year round on-farm training package, the program supports Cooperatives and their cocoa farming communities to develop their own nurseries and clonal gardens to ensure the long term availability of improved planting material. In addition to the training provided on good agricultural practices on demonstration plots, farmers are trained on the importance of keeping written records of their production costs and income, as well the basic gross margin calculation of sustainable cocoa farming on small land plots. With a better understanding of income and cost across all crops on their farms, farmers can make more informed decisions about their farm management and, most importantly, can better plan their production activities so that they will be able to finance themselves the agricultural inputs required for sustainable cocoa production. The partnership will improve the farmers' access to such inputs by making them available on Cooperative level.



DOMINICAN REPUBLIC - RAINFOREST ALLIANCE -

The project addresses the needs of smallholder cacao farmers in the Dominican Republic whose development is constrained by climate change. The objective is to enable small-scale cocoa farmers to become more resilient to climate change. The pilot project will implement the use of the Sustainable Agriculture Network (SAN) Climate Module with RA certified cocoa farmers. It is expected that through this training farming communities will better adapt to the challenges of a changing climate implementing policies, procedures and best management practices. Certified farms will become more efficient through reducing emissions, increasing their carbon stocks through tree planting and other strategies such as more efficient use of nitrogen fertilizers, wastewater treatment, and management of agricultural residues.



RAINFOREST ALLIANCE CERTIFIED COCOA PRODUCTS -



As the U.S. leader in cocoa products that are certified by the Rainforest Alliance, Blommer works with farmers to help them meet comprehensive sustainability standards that protect the environment

and wildlife, as well as ensure the well-being of workers and local communities. In 2012, the Rainforest Alliance presented Blommer with its prestigious "Sustainable Standard-Setter" award. This award recognizes Blommer's long-standing heritage of farmer-focused programs and its investment in the future of cocoa that sustains the industry, the environment and farmers' livelihood around the globe.



UTZ CERTIFIED - UTZ Certified wants sustainable farming to

become the most natural thing in the world. The strict requirements for UTZ certified farms and businesses are closely monitored by independent third parties who assure good agricultural practices and management, safe

and healthy working conditions, no child labor and protection of the environment. UTZ tracks and traces cocoa from the farmer to the shelf in the store.



FAIR TRADE USA - Fair Trade USA is the leading third-party



certifier of Fair Trade products in the United States. Fair Trade USA audits and certifies transactions between U.S. companies and their international suppliers to guarantee that the farmers and workers producing Fair Trade Certified goods are paid fair prices and wages, work in safe conditions, protect the environment and receive community development funds to empower and uplift their communities. Fair Trade USA provides farmers with tools, training and resources to thrive as international businesspeople.

FAIR TRADE INTERNATIONAL - Fair Trade is an alternative



approach to conventional trade based on a partnership between producers and traders, businesses and consumers. The international fair trade system — made up of Fair Trade International and its member organizations — represents the world's largest fair trade system.

Fair Trade is an alternative approach to conventional trade and is based on a partnership between producers and consumers.

Fair Trade offers producers a better deal and improved terms of trade. This allows them the opportunity to improve their lives and plan for their future. Fair Trade offers consumers a powerful way to reduce poverty through their every day shopping.



WORLD COCOA FOUNDATION (WCF) - Blommer is a



World Cocoa Foundation

founding member of the WCF which promotes a sustainable cocoa economy through

economic and social development, as well as environmental stewardship in cocoa-growing communities. Founded in 2000, the WCF is an international membership organization representing more than 100 members across the cocoa value chain. The foundation works through public-private partnerships that bring together donors, industry members, producing country governments, research institutes and NGOs to achieve its goals.

COCOALINK - The World Cocoa Foundation's CocoaLink Public-Private Partnership uses two-way mobile phone communications to reach thousands of cocoa farmers in West Africa.



Information is shared with cocoa farmers about farming and social issues, such as child labor, to support them in applying good agricultural practices that improve their incomes and livelihoods. CocoaLink reaches more than 40,000 farmers in Ghana and will operate in Côte d'Ivoire in 2014.

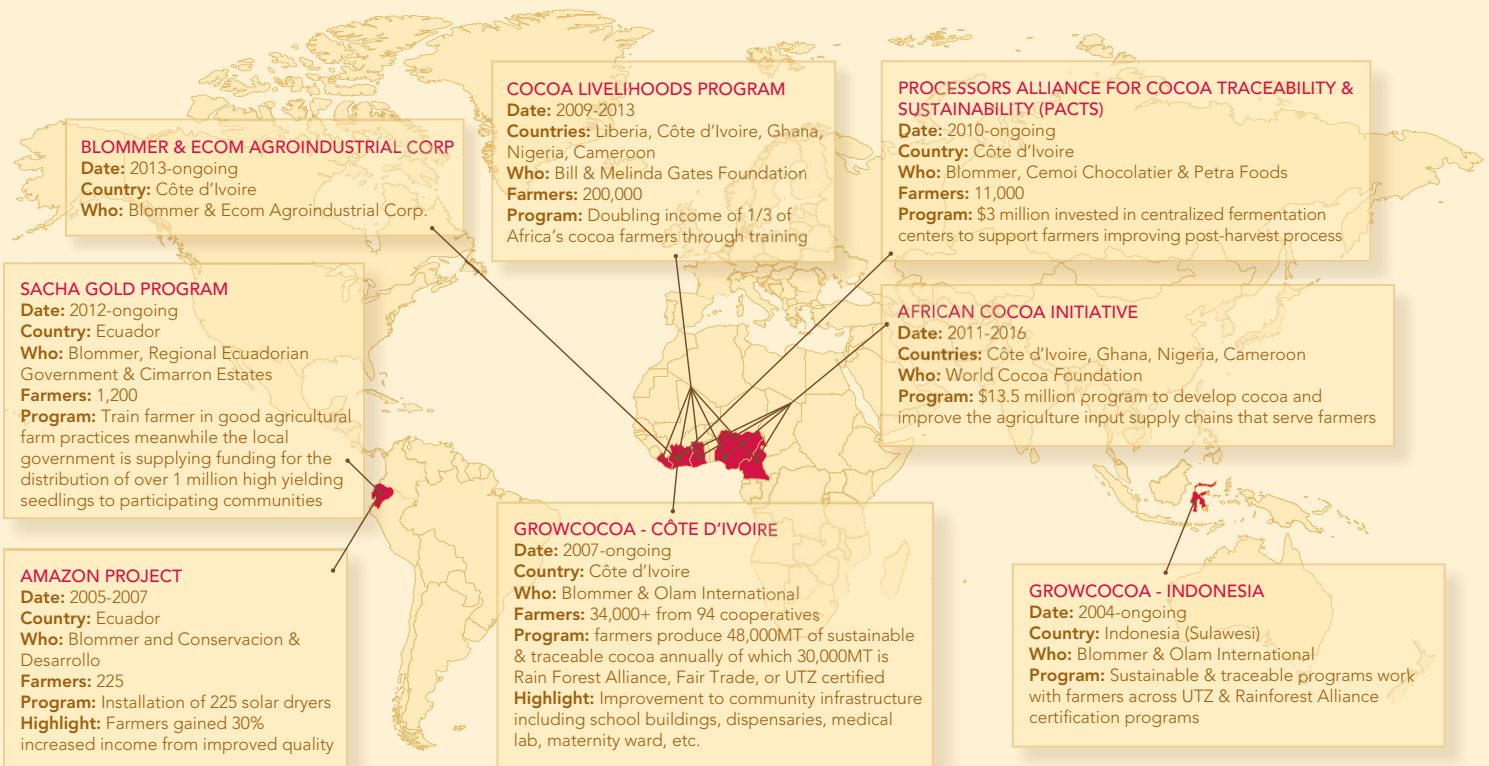


COCOA LIVELIHOODS PROGRAM - In 2009, Blommer joined forces with the Bill and Melinda Gates Foundation, as well as other industry members, to launch the Cocoa Livelihoods Program. The comprehensive \$40 million initiative aims to reach 200,000 farmers in five Central and West African countries. Its goal is to double the income of cocoa smallholder family farmers through farmer training on good farm practices as well as sustainable production techniques.

AFRICAN COCOA INITIATIVE - The African Cocoa Initiative is a public-private partnership dedicated to supporting sustainable productivity growth and improved food security on diversified cocoa farms in Cameroon, Côte d'Ivoire, Ghana and Nigeria. The five-year (2011-2016) \$13.5 million program is managed by the WCF of which Blommer Chocolate is a founding member.



BLOMMER'S SUSTAINABLE ORIGINS™ GLOBAL PRESENCE



INSPIRATIONS IN SUSTAINABILITY



Madame Sopi - Sustainable Origins partner

Having the responsibility of managing a large cocoa farm that she had inherited from her father, Madame Sopi decided to attend the farmer field school sponsored by Blommer's Sustainable Origins™ program to learn about improved cocoa farming techniques. With the application of these techniques, coupled with a system of intercropping cocoa with banana, pineapple and papaya, Madame Sopi has secured additional income for her family, become one of her cooperative's leading cocoa producers and has become a true inspiration to her community.



Mr. Hardi - An inspiration in sustainability and Sustainable Origins partner

In 2002, Mr. Hardi participated in the farmer field schools provided by the World Cocoa Foundation Success Program in Sulawesi. Part of that training included side grafting, a technique crucial to the rehabilitation process of existing cocoa farms. In 2005, Mr. Hardi joined Blommer and Olam International in the SAFOB sustainability program as a farmer trainer. Over the past 8 years, Mr. Hardi has been instrumental in leading the rehabilitation of 15,000 farms, covering over 22,000 hectares and 22 million trees. As a result, the farmers have realized production increases as high as 200%, reduced disease and pest activity and an overall increase to household income.

CERTIFIED PARTNERSHIPS



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