



TOUTON

SUSTAINABILITY REPORT 2021-2022

Touton Group



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TOUTON

EDITORIAL



We are proud to present our Sustainability report for the year 2021 - 2022.

At Touton, we welcome the need for transparency, by providing a complete and holistic review of our sustainability approach.

This document provides the information our stakeholders need, while also showcasing how we are targeting our efforts and investments to sustainably transform tropical agricultural supply chains.

Expectations regarding Corporate Social Responsibility are evolving. In order to meet and surpass these, we constantly adapt and improve our operations and internal processes. This includes, for example, better evaluating the impact of our sustainability programmes, greater information-sharing regarding our activities, and an ever-stronger consideration of environmental and social risks across all our operations.

We have made significant infrastructure investment; improving our monitoring and evaluation, introducing innovative new software and processes, and developing our communication and quality control.

We continue to act with flexibility and innovation to face the major challenges posed by the significant increase in freight prices, the scarcity of shipping container capacity, and the instability caused by the conflict between Russia and Ukraine.

The 26th United Nations Climate Change Conference of the Parties (COP26) in Glasgow highlighted the need for governments to work more closely with the private sector and civil society, if we are to collectively meet our climate change commitments.

At Touton, we are accelerating our investments in digital traceability, agroforestry and regenerative agriculture in our cocoa, coffee, and ingredients value chains. We are consolidating our industrial ambition with new investment projects that create value within producing countries. We also constantly develop new sustainable sourcing approaches. We look for innovative ways to improve the resilience of our suppliers to socio-economic and climate challenges, and ensure they are compliant with regulations, while preparing for a more prosperous future.

In a rapidly changing environment, we need to work together more than ever to find solutions that make commodity value chains more sustainable.

We need solutions that strike the right balance between offering value for all parties in the supply chain - from farm to fork - while maintaining our competitiveness.

We will continue to participate actively in the sustainability efforts of the cocoa, coffee, and ingredients sector platforms. Together, we will engage in discussions taking place in the European Union and in France, where we have joined the French Initiative for Sustainable Cocoa.

The year 2022 - 2023 promises, once again, to be full of challenges and opportunities for Touton. With determination and an entrepreneurial spirit, we will continue to adapt and innovate to nurture sustainable development, working in collaboration with our suppliers, customers, shareholders, and stakeholders.

Patrick de Boussac,
CEO of Touton Group



TOUTON

TOUTON GROUP





Trade, Trust, Touton

A leading global trader of tropical agricultural commodities, we create lasting relationships to build sustainable agro-industrial value chains.

Forging a strong link between producers and worldwide manufacturers, we ensure effective risk management and responsible sourcing of cocoa and cocoa products, coffee and speciality coffee, vanilla beans and other ingredients. A global player with strong local roots, we offer tailor-made market intelligence, trading, logistics and sustainability services.

The collective passion that has driven us since 1848 motivates our employees worldwide to consistently deliver service excellence through sustainable shared value.

Our values define our daily commitment to our suppliers, customers, employees, and consumers.

VALUES

AUDACITY
EXCELLENCE
INTEGRITY

WE ARE

PASSIONATE
UNIVERSAL
AUTHENTIC
TOGETHER

VISION

○ TOMORROW WILL BE HUMAN

We believe it is time to go back to the very essence of commerce; “COMMERCE”: cum (together) and merx (merchandise). We are convinced that the future of our activity lies in ensuring the human touch remains central to our business. Beyond digital transformation, the core of commerce will always be on the ground, making contact, and building interpersonal relationships. For us, technology will always be a resource at the service of the people who use it.

MISSION

○ TO FORGE A LINK

By developing the global trade of commodities, we strive to strengthen the bonds between producers and customers. We do it with passion, integrity, a sound knowledge of our products, and with the trust of our partners.

AMBITION

○ PERPETUATE THE TOUTON STYLE

Our objective is to perpetuate Touton’s unique know-how and practice. We will continue to assert our difference in order to be the preferred choice. We aim to become synonymous with excellence: the right quality, at the best price, at the right time. We will make our employees, our suppliers, and our customers proud.

PROMISE

○ SUSTAINABLE TRUST

More than mutual trust, we promise our customers a relationship built on sustainable trust. Our deepest commitment is to the long term. We build strong bonds with producers to embark on long-lasting adventures with clients. We work hard to accomplish small daily miracles, and even harder to repeat them over time.



TOUTON GROUP

Key numbers



170+ YEARS of expertise



TOP 5
Cocoa
traders



TOP 15
Coffee
traders



TOP 5
Vanilla
traders

TURNOVER
BREAKDOWN
By product – financial year 21/22

Cocoa
Beans & products
78%



Coffee
17%
Vanilla
1%
Ingredients
4%

SOLID NETWORK OF
250 SUPPLIERS
(tier one)



4 EXPORT
facilities



1 FACTORY
for cocoa processing



700 EMPLOYEES
15 nationalities

14 SUBSIDIARY OFFICES
4 continents

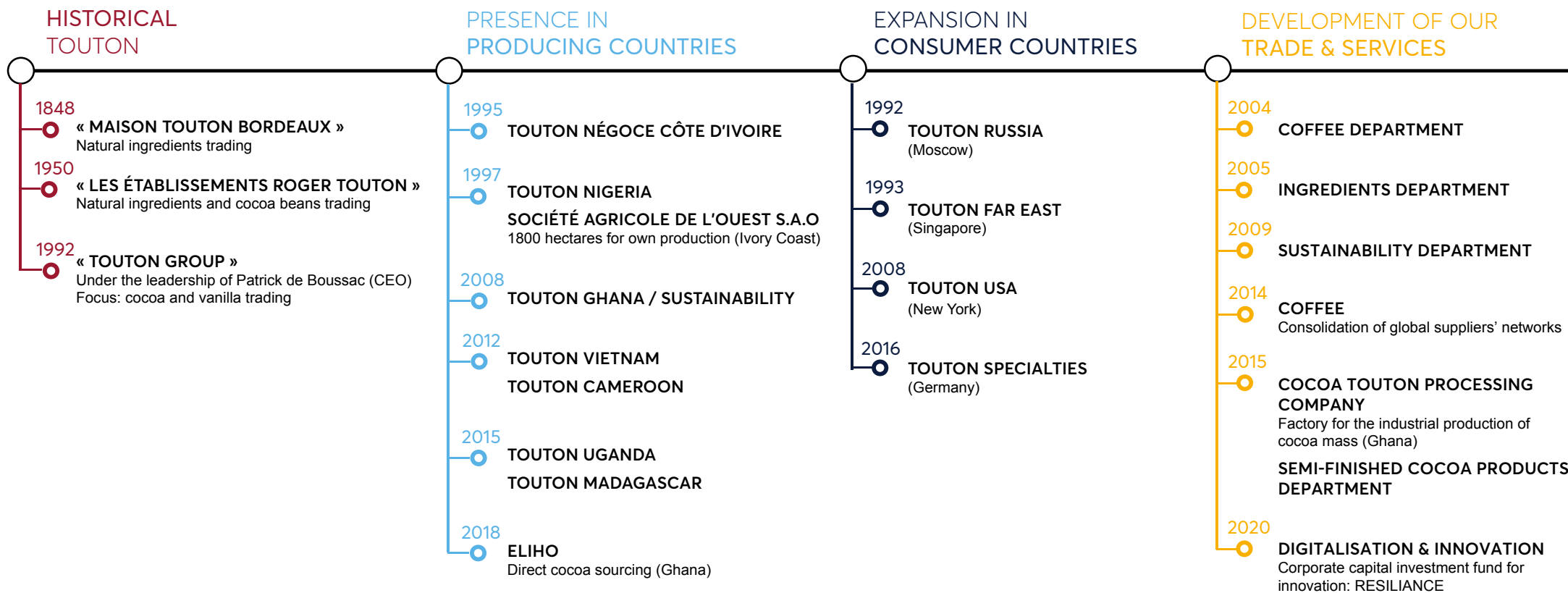


15 CERTIFICATIONS
Sustainability & Quality



90% of our DIRECT SUPPLY CHAIN for COCOA is SUSTAINABLE

A long-lasting story ...since 1848



An international group with strong local presence



Our global spread reflects our knowledge and expertise. Our headquarters are in Bordeaux, France, whilst most of our operations are carried out on an international level.

Combining passion and responsibility, we harness our expert knowledge of the economic, political, cultural, and operational realities of the tropical countries where the products that we sell are grown.

Our local presence is strengthened by our numerous subsidiaries and representative offices in origin countries, as well as through our networks of partners.



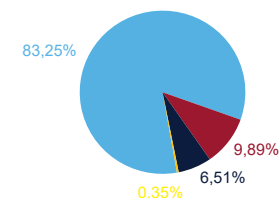
The proximity with local actors allows us to build reliable and sustainable commodities and industrial supply chains for a wide range of products, including:

- Cocoa beans
- Semi-finished cocoa products: paste, butter, cake, and powder
- Coffee beans: Arabica and Robusta
- Speciality coffees
- Vanilla beans
- Ingredients: cloves and clove essential oil, ginger, cinnamon, cassia, hibiscus, annatto seeds, gum, beeswax, grains of paradise...

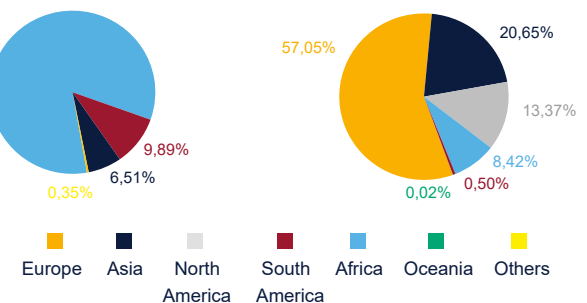
Trading around the world

The majority of our cocoa, vanilla and other ingredients come from Africa. Some of our coffee, in particular Robusta (68%), originates in South America and Asia. Conversely, most of our sales are to European customers.

Purchase by continent
All products



Sales by continent
All products



Success on the ground equals success globally



Most of our operations are handled by our subsidiary teams based in Asia, Africa, America, and Europe.

Our subsidiary offices were previously dedicated to the trading, processing, storage, and export of agricultural commodities. More recently, we have focused on building sustainability programmes which deliver a service tailored to the needs of the local communities with whom we work.

In 2015, we founded the Cocoa Touton Processing Company in Ghana, where we transform cocoa beans into paste. Since then, a significant part of our local investments have been targeted towards the development of semi-finished cocoa products.

Most of our subsidiaries are managed by local staff, who look after the daily management and operations within host countries.

Trading, commercial and support functions are handled in offices located in consumer countries such as Bordeaux, Singapore, Hamburg, New York, and Moscow. These teams work collaboratively with local staff, while also developing excellent relationships with processors and roasters all over the world.

TOUTON GROUP Global operations 2021/2022





This year has once again seen Covid-19 transform our environment, our organisation and our activities.

OPERATIONS ET PROCESSES

As in 2020-2021, we adapted to the challenges of Covid-19 and strengthened our investments to ensure the quality and safety of our products and people.

We introduced flexible working, and continued to build our digital tools, including a supply chain data collection tool as well as a new traceability software (Trace D).

We have improved our transparency and our corporate communications by appointing a dedicated member of staff to lead this area of work. Internally, our communication looks at forging and developing relationships, and information-sharing between subsidiary offices and between employees.

The infrastructure of our cocoa mass processing plant in Ghana has been modernised, thanks to an investment of 1 million euros.

We conducted our first group-wide Carbon Footprint Assessment, looking at both our direct and indirect emissions. This is the first, but significant, step on our journey to reducing our greenhouse gas emissions.

BUSINESS

We overcame significant logistical challenges caused by the global crisis in freight transport and found solutions to the large increase in freight prices and the unavailability of shipping containers.

More recently, the Ukraine-Russia conflict has caused further logistical difficulties. The conflict is also likely to bring more challenges in the future, both in terms of economic stability and production in sourcing countries. These challenges will include higher energy and food prices, and will constrain access to agricultural inputs.

We have continued to increase sustainable sourcing across our business by trading an ever-growing volume of sustainable coffee, cocoa, and other ingredients.

REGULATION AND SECTOR INITIATIVES

The European Commission plans to introduce a new Regulation to prevent the import of commodities that are linked to deforestation. In 2021 - 2022, we heightened our efforts to eradicate deforestation from our supply chains, by:

- Accelerating our investments in mapping and digital traceability of our operations;
- Developing projects including agroforestry and regenerative agriculture;
- Joining the French Initiative for Sustainable Cocoa (IFCD)



EXPAND OUR PORTFOLIO OF COCOA PRODUCTS

We took our first steps into semi-finished cocoa products in 2015, when we founded the Cocoa Touton Processing Company in Ghana which produces cocoa paste from cocoa beans. We then built on this work by increasing our portfolio of providers, and introducing new agreements with processors in Ivory Coast to secure our supply of semi-finished cocoa products.

We are currently planning new investments in one or more production units to meet the growing demand for cocoa products. Driven by the desire to ensure value is generated within producing countries, our ambition is to establish our own industrial presence in Ivory Coast.

STRENGTHEN OUR POSITION IN EAST AFRICA

Over the past year, the coffee market has proven particularly complex, but our commitments and investments in recent years have ensured our ongoing success. Thanks to our work in Uganda, through our subsidiary Touton Uganda Limited, and the strong partnerships we built with networks of suppliers in Kenya, Ethiopia, and Tanzania, we were able to meet the needs of our customers despite the Covid-19 crisis.

We continue to strengthen our position in the sector by making even greater efforts to gain further control over supply chains, and to provide an extra level of service to our clients.

DEVELOP INNOVATIVE SERVICES FOR MUTUAL BENEFIT

Faced with the challenges of sustainable supply chain transformation, we are adapting our skills and operations by placing technological and data management solutions at the heart of our development.

We have significantly invested in building new information systems and recruited technical and operational teams specialising in data management. These systems help us manage risks, particularly social and environmental ones, and support us in assessing the impact of our activities and sustainability programmes.

These new assets and tools allow for greater control of our supply chains, by offering us a more comprehensive understanding and evaluation of our operations. This new data will offer crucial insight to our customers and suppliers, enabling them to address their own environmental or social challenges.

We continue to support the development of entrepreneurs and start-ups through our corporate capital investment fund for innovation, ResiliAnce. We believe that the sustainable transformation of agricultural commodity supply chains can only be achieved with new business models. We are therefore currently supporting innovative solutions including micro-insurance for crops, high resolution and low-cost machine learning-based weather forecasting, and the transformation of agricultural residues into biochar.

STRENGTHEN SUSTAINABILITY AND COMPLIANCE

Our activity in this area has considerably evolved since the mid-2000s, as we respond to increasing concerns for environmental, economic, and social issues. Today, we can better understand and respond to these challenges.

We are prepared to meet new regulatory requirements emerging from Europe and the United States, thanks to the mobilisation of our teams on the ground, our engagement with sector initiatives, and our technological investments. These efforts will continue to be reflected across our operations, trades, and products. The adoption and integration of best practices will enable our teams, partners, and customers to build supply chains that are sustainable, respectful of the environment, and protective of human rights.

BUSINESS MODEL

RESOURCES

FINANCIAL RESOURCES

Consolidated turnover by product in Euros
 Cocoa : 1 157 millions
 Coffee : 256 millions
 Ingredients : 59 millions
 Vanilla : 18 millions
 Other : 1,5 millions

FINANCIAL PARTNERS

More than **30 banks and financial organisations**

NATURAL AND INDUSTRIAL RESOURCES

Annual volume by products in tonnes
 Cocoa beans : approx. 340 000
 Coffee : approx. 100 000
 Ingredients : approx. 12 000
 Vanilla : approx. 160

1 processing factory

4 export facilities

80 + warehouses (under our direct management)

1800 hectares of cocoa and palm tree plantations in Ivory Coast

HUMAN RESOURCES

700+ employees across 14 countries

15+ nationalities

60% of shareholders involved in managing daily operations

INTERPERSONAL AND INTELLECTUAL RESOURCES

250+ tier one suppliers.

Tens of thousands of farmers who produce tropical agricultural commodities

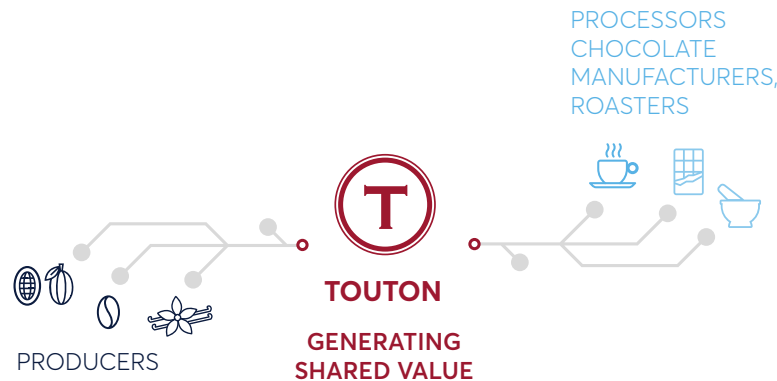
50+civil society partners who collaborate with us on sustainability programmes, including donors, foundations, NGOs or startups

Member of **13 organisations** or sector platforms, (in cocoa, coffee and ingredients) and in areas such as living income and deforestation

5 academic partners that support informed decision making and activities

The Touton Group is a leading global player in the trade of tropical agricultural commodities (cocoa, coffee, vanilla and ingredients). Our business model is characterised by a robust integration of the supply chain and our historical presence in the locations where the products we trade are grown. We maintain strong relationships with local players and today, more than 80% of our teams are based in the producing countries. Our solid network of preferred suppliers enables us to meet the expectations of our customers and stakeholders to the highest standard.

MORE THAN AN INTERMEDIARY, WE ARE A CATALYST



OUR STRONGEST COMMITMENT IS TO THE LONG TERM

Our value creation comes from the men and women of Touton who excel in their trading, processing, export or service activities. The competence of our varied teams, combined with our historical expertise, enables us to offer a service of excellence. The stability of our shareholding brings agile and committed governance that effectively guides our strategy and ability to control risks on behalf of clients and stakeholders. Beyond mutual trust, we promise our customers and partners a relationship built on sustainable trust.

VALUE

FOR THE TOUTON GROUP

7% of global cocoa beans production was traded by Touton (crop season 21 - 22)

6,5% of global vanilla production was traded by Touton (crop season 21 - 22)

FOR EMPLOYEES

2 350 hours of training dedicated to headquarters staff

Employee loyalty : average length of service of **8.48 years**

FOR THE ENVIRONMENT

15 sustainability and quality certifications at group level across our operations

32% of the total volume of products we sold were sustainable

Sustainable Cocoa volume : 37%
 Sustainable Coffee volume : 15%
 Sustainable Vanilla volume : 8%

FOR SUPPLIERS

Over 12 million euros paid in sustainability premiums to farmers in Ivory Coast and Ghana (crop season 21 - 22)

86 producer groups benefitted from our training programmes (sustainability or certification) to transition towards sustainable agriculture (each group comprises up to 5,000 producers)

FOR CLIENTS AND CONSUMERS

100% of our contracts are honoured with « zero defect »

100% of our CTPC processed cocoa mass is certified ISO 22000

Considered a « **trusted supplier** » by top multinationals in the agri-food sector



Our organisation is built around product-specific departments that trade cocoa beans, semi-finished cocoa products, coffee, and other ingredients.

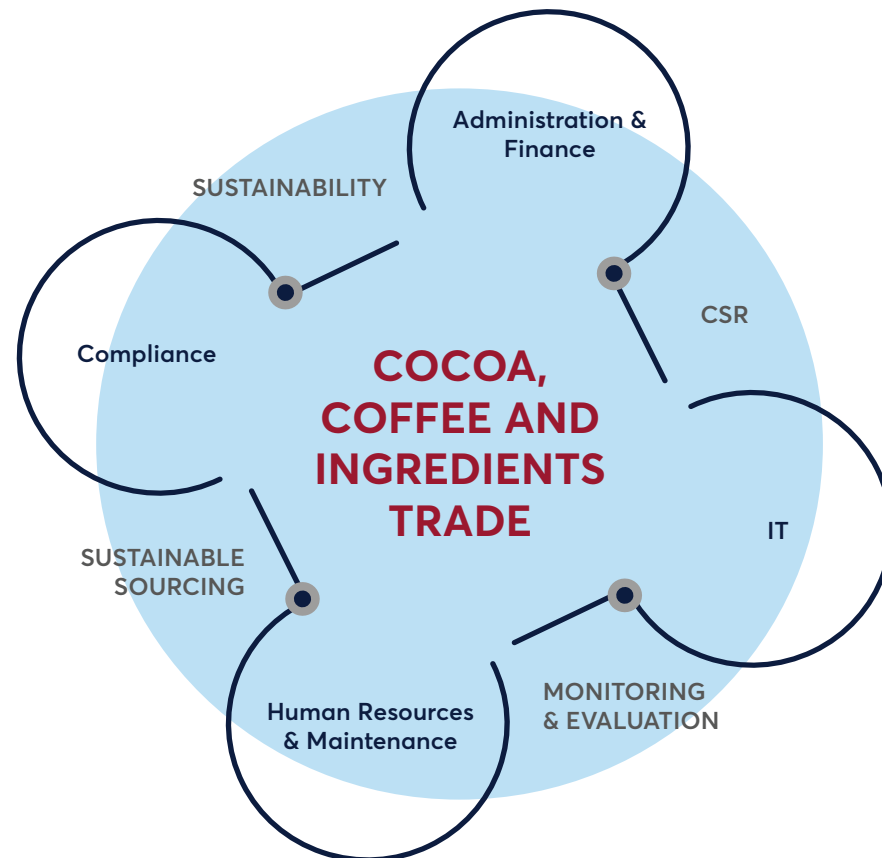
Each department benefits from the knowledge of experts in areas including trading, logistics, and futures markets. This structure allows us to respond to the unique challenges of every tropical agricultural commodity we deal with.

Support is provided by our Administration and Finance, Human Resources and Maintenance, IT, and Compliance departments.

The Sustainability department manages the group's Corporate Social Responsibility Strategy (see section about CSR governance).

Our Board of Directors is made up of experts in our trade, who set the strategic direction of the company. Twice a year, they meet to tackle both financial and non-financial issues collectively.

Our area managers implement the strategy defined by the Board of Directors, and make major decisions, including those regarding contractual engagements with new suppliers or customers.





TOUTON

SOCIAL AND ENVIRONMENTAL RESPONSIBILITY: STRATEGIC CHALLENGES





Our approach to corporate social responsibility (CSR)

At Touton, we deploy a sustainability strategy that aims to generate value for each and every actor in the supply chain. By reducing environmental and social risks, we are sustainably transforming agricultural supply models, in line with the United Nations' Sustainable Development Goals.

We connect local producers and global agribusinesses. We collaborate with farmers, clients, and partners on the ground to build responsible cocoa, coffee, and ingredients supply chains.

We surpass certification standards by combining our extensive local knowledge, crop diversification, and innovative solutions to ensure product traceability and the shared value creation of effective and resourceful sustainability programmes.

In the field, our experts reconcile the Group's global CSR commitments with local development opportunities. They work hand in hand with producers to improve living conditions, protect ecosystems and fundamental human rights. They also harness the talents and experience of a solid network of NGOs, start-ups, academics, and local authorities to combine skills and increase our positive impact.

Furthermore, we engage with major sustainability sector partnerships. We are board members of the World Cocoa Foundation and the International Cocoa Initiative. We participate in the actions of numerous other initiatives, such as the Global Coffee Platform and the Sustainable Vanilla Initiative.

CSR governance

Touton's social and environmental responsibility is endorsed by our Board of Directors and delivered by our Sustainability Department. We founded our Sustainability Department in the mid-2000s and expanded it in 2008. It now comprises a team of 7 people at headquarters in Bordeaux, along with more than 150 dedicated staff based at our procurement subsidiary offices. Some local structures, such as Touton Ghana, are exclusively dedicated to managing sustainability programmes in producing countries.

Our head office steers our strategy and CSR direction of travel by setting social, societal, and environmental objectives. Our sustainability teams in producer countries work closely with our head office to meet the challenges of sustainable and responsible sourcing in a cohesive manner.

Our teams benefit from their deep understanding of local culture, and from working daily with producers. This grassroots knowledge helps us define and deploy relevant action plans according to the specific requirements of each country and product. Our teams ensure operational follow-up, and evaluate the effectiveness of these actions.

Greatest successes are the ones that last

CSR risks and opportunities

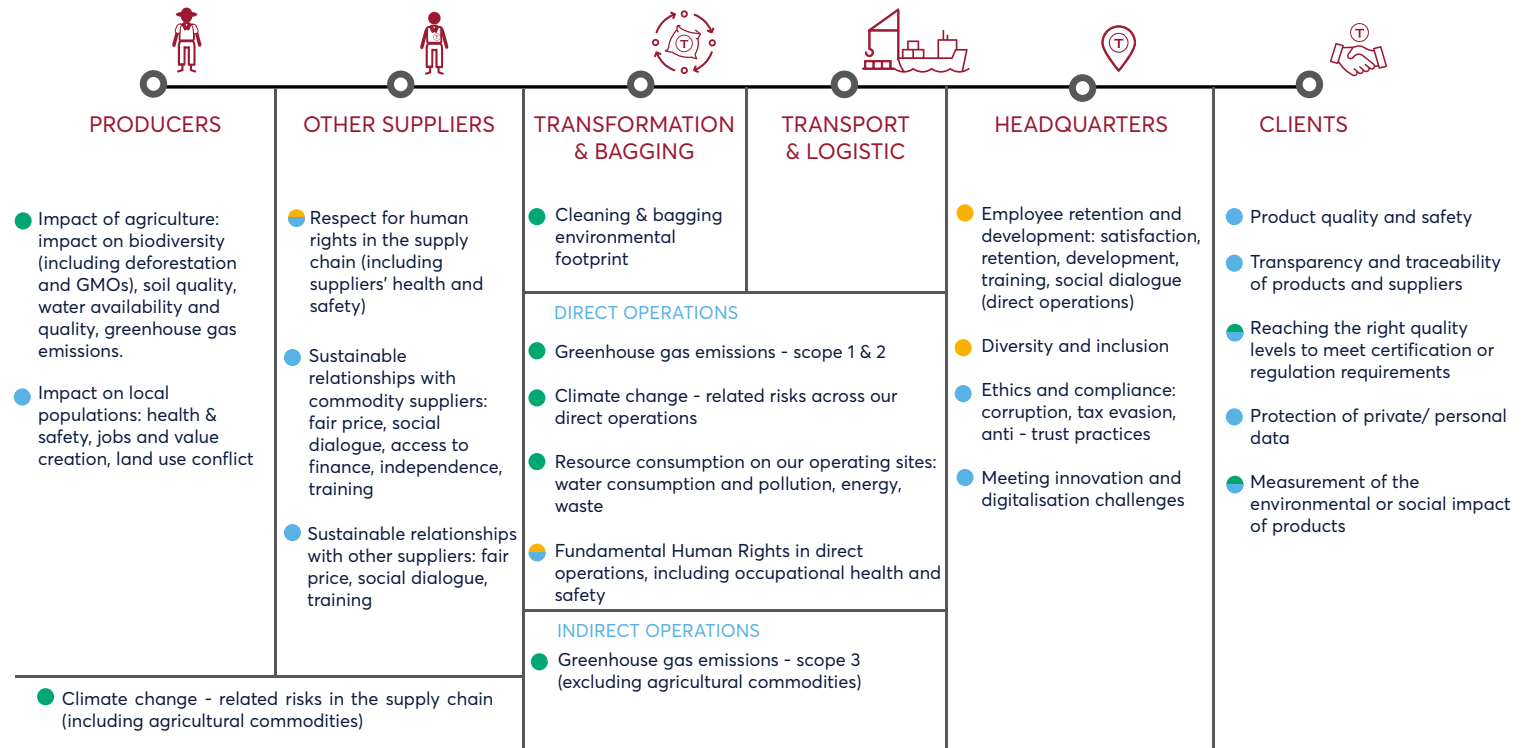
Touton's sustainability strategy, and our risk management system, are based on the identification and consideration of the major risks and opportunities to which we are exposed. In 2021 - 2022, we carried out a detailed risk assessment, which was endorsed by our senior and operational managers.

We pinpointed our CSR risks and opportunities in order to identify the key environmental, social and societal issues we face. We found 21 risk and opportunity areas likely to impact, either internally or externally, one or more of our stakeholders (including customers, suppliers, financial partners, employees, and institutions).

These risk and opportunity areas relate to our entire value chain. They have been identified based on our own wider Group risk map as well as other sector players' risk maps, and sector benchmarks.

21 risks & opportunities for Touton

- Environmental issues
- Social issues
- Societal issues

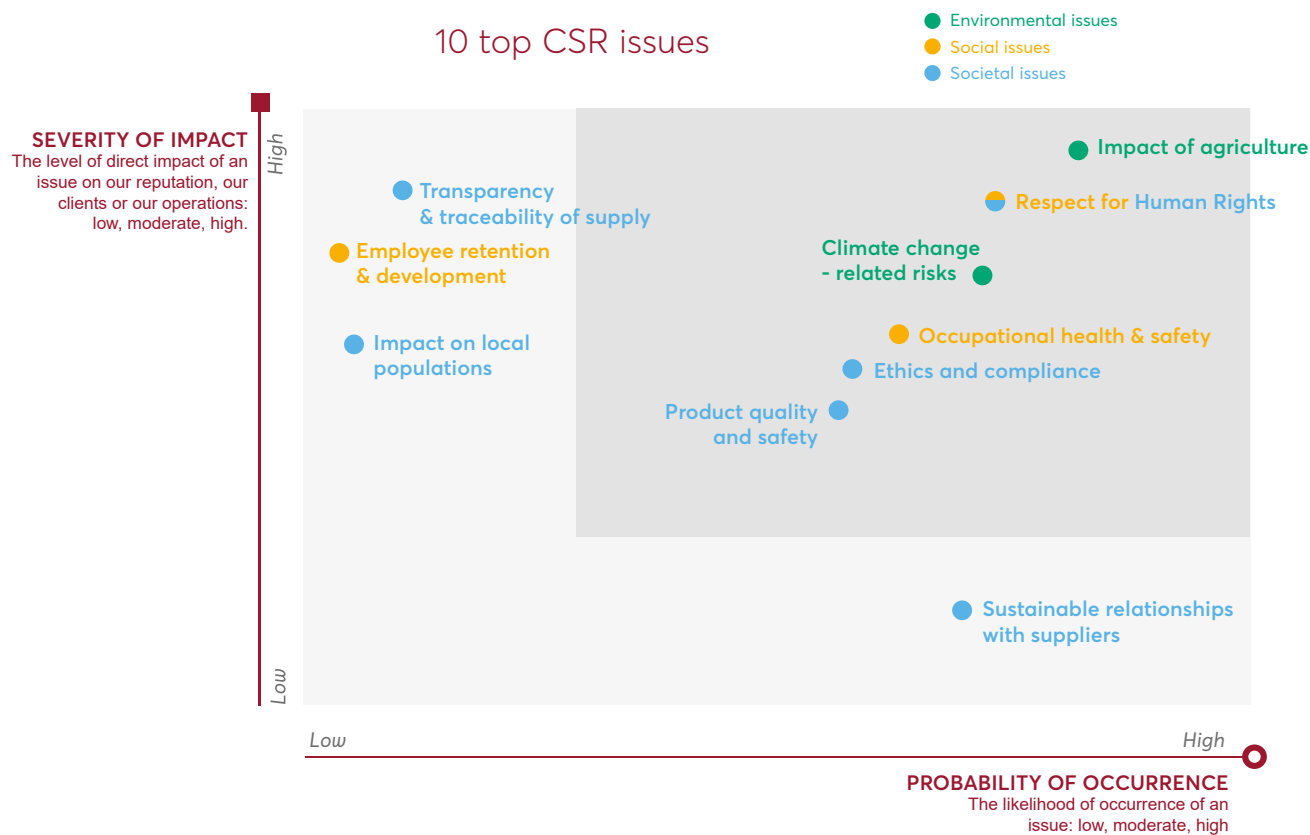


Priority Topics

Once we had identified our risks and opportunities, we evaluated, assessed, and classified them in a matrix according to two criteria: severity of impact and probability of occurrence.

We then looked at the 10 most significant risks and opportunities with the highest level of severity and probability of occurrence. Given the nature of our activities, the issue of animal welfare has not been defined as a relevant or priority issue for our Group and is therefore not included.

10 top CSR issues

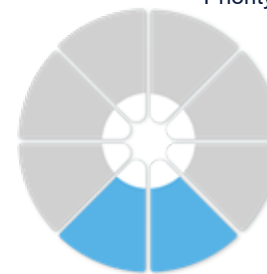


Priority 1



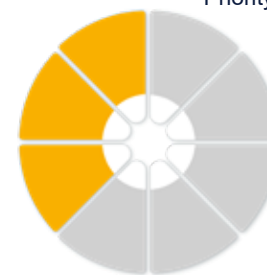
- Impact of agriculture
- Climate change-related risks in the supply chain
- Product quality and safety
- Transparency and traceability of products and suppliers

Priority 2



- Respect for Human Rights in the supply chain
- Sustainable relationship with suppliers
- Impact on local populations

Priority 3



- Employee Retention & Development
- Occupational health and safety and other fundamental rights in operations
- Ethics and compliance

OUR CSR PRIORITIES

To respond effectively to the major risks and opportunities we face, we must build sustainable and compliant supply chains, and contribute to the United Nations Sustainable Development Goals (SDGs).

Our CSR approach has three priorities:

1. Offering sustainable products
2. Working side by side with producers
3. Ensuring the integrity of our operations

Each priority is fundamentally linked to our activities, both upstream and downstream: from collaboration with growers, to product quality and partner and employee safety.

By delivering on these priorities, we aim to meet not only regulatory requirements, but also the growing expectations of our stakeholders, whilst contributing to 12 of the Sustainable Development Goals.

We are also committed, through our active participation in the United Nations Global Compact, to support these principles in the areas of human rights, labour, environment, and anti-corruption.



Relationship with stakeholders

We have developed lasting relationships of trust with all stakeholders. We respond to their expectations through regular communication, and by using the tools in the table below.

| EXPECTATIONS | TOOLS FOR DIALOGUE AND ACTION |
|--|---|
| CUSTOMERS | |
| <ul style="list-style-type: none"> - Quality of service - Speed of delivery - Reliable and sustainable relationships - Innovation - Product quality - Sustainable and qualitative products | <ul style="list-style-type: none"> - Code of Ethics - Sustainable Sourcing Report - Standard / Structured Responsible Sourcing - UTZ / Rainforest Alliance Cocoa and Coffee Certification - Organic Agriculture Certification - Fairtrade and UEBT Cocoa Certification - 4C and Fair for Life Coffee Certification - Ecocert Spices Certification - R&D and Innovation - Customer / NGO partnership |
| SUPPLIERS | |
| <ul style="list-style-type: none"> - Respecting payment deadlines - Fair prices - Sustainable relationship - Shared growth: support and development | <ul style="list-style-type: none"> - Code of Ethics - Supplier Code of Conduct - Mapping of our suppliers - Long term contracts - Labour and Human Rights Statement - UTZ training report (responsible sourcing) - Sustainability strategy and programmes |
| EMPLOYEES | |
| <ul style="list-style-type: none"> - Capacity building - Wellbeing at work - Health and safety at work | <ul style="list-style-type: none"> - Code of Ethics - Labour and Human Rights Statement - Health and safety procedures and actions - Policies in subsidiary offices (gender equality, labour relations, etc.) - Online training (e-learning) |
| PUBLIC AUTHORITIES | |
| <ul style="list-style-type: none"> - Compliance with laws and regulations - Payment of taxes - Commitment to national and international sustainability strategies | <ul style="list-style-type: none"> - Compliance plan - Group risk mapping - Extra-financial performance report - United Nations Global Compact report - Involvement in the European Cocoa Talks, IFCD, World Cocoa Foundation, etc. |

| EXPECTATIONS | TOOLS FOR DIALOGUE AND ACTION |
|--|---|
| PRODUCERS AND COMMUNITIES | |
| <ul style="list-style-type: none"> - Local employment - Fair price - No child or forced labour - Capacity building - Support for social and economic development - Agroforestry and regenerative agriculture | <ul style="list-style-type: none"> - Labour and Human Rights Statement - Socio-economic surveys - UTZ training report - Mapping of plantations - Participation in local initiatives (NGOs, foundations, etc.) - Social and environmental training - Financing: microcredit, VSLAs, etc |
| ACADEMIC PARTNERS | |
| <ul style="list-style-type: none"> - Contribution to research and progress towards sustainable agricultural supply chains | <ul style="list-style-type: none"> - DeSIRA project with CIRAD - Cinnamon and clove trees project with CHTT of Madagascar - Research work with the Faculty of Economics of Bordeaux on child labour, traceability, etc |
| FINANCIAL PARTNERS | |
| <ul style="list-style-type: none"> - Reduced financial risk - CSR / ESG investments - Commercial integrity | <ul style="list-style-type: none"> - Microcredit - Long-term partnerships |
| CIVIL SOCIETY | |
| <ul style="list-style-type: none"> - Quality of products, beans and semi-finished products (health and safety, sustainability criteria) - Protection of human rights and the environment - Participation in the sustainable development of tropical regions | <ul style="list-style-type: none"> - United Nations Global Compact report - Extra-financial performance report - Responsible sourcing report - Ecovadis and SMETA assessment |
| NGOs AND OTHER INTERNATIONAL ORGANISATIONS | |
| <ul style="list-style-type: none"> - Protection of human rights and the environment - Participation in the sustainable development of tropical regions | <ul style="list-style-type: none"> - Partnerships - Sustainable agriculture development programmes - Community development programmes |

Relationship with stakeholders

We have many partnerships, certifications and ratings that illustrate our serious and long-term commitment to sustainability.

ENGAGEMENT WITH INTERNATIONAL AND SECTOR INITIATIVES

COCOA

- Cocoa & Forests Initiative
- World Cocoa Foundation
- FCC
- FEDERATION OF COCOA COMMERCE
- eca
- International COCOA Initiative

COFFEE

- GLOBAL COFFEE PLATFORM
- EUROPEAN COFFEE FEDERATION
- SUSTAINABLE COFFEE CHALLENGE

INGREDIENTS

- svi
- esa EUROPEAN SPICE ASSOCIATION
- sustainable spices initiative

IMPLEMENTATION AND RESEARCH PARTNERSHIPS

COCOA

- Solidaridad
- proforest
- giz
- Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
- JACOBS FOUNDATION
- care
- LIVELIHOODS FUNDS
- cirad
- ioth
- SATELLIGENCE
- Partnership for Forests

COFFEE

- OKO
- FARM AFRICA
- ioth
- psfu
- SUSTAINABLE FOOD LAB
- IITA
- ICRS

INGREDIENTS

- CELEBRATING TECHNOLOGICAL INNOVATION FOR SPICES AND TONIC BEANS
- THE SPICE COUNCIL

CERTIFICATIONS

COCOA

- FAIRTRADE INTERNATIONAL
- EUROPEAN UNION OF FAIR TRADE ORGANIZATIONS

COFFEE

- FAIRTRADE INTERNATIONAL
- 4C
- GLOBAL COFFEE PLATFORM
- AB
- fair for life

INGREDIENTS

- FAIRTRADE INTERNATIONAL

CSR STANDARDS

- FSC 22000
- ECO CERT
- ISO
- ecovadis 2021 Sustainability Rating
- UN GLOBAL COMPACT
- 4/4 SMETA

We rank in the 78th percentile, meaning our score is higher or equal to 78% of all the companies assessed by ECOVADIS

Sustainability programmes



Our guiding principles to sustainable sourcing

For many years, we have engaged in the sustainable transformation of the cocoa, coffee and ingredients' sectors.

This vital work is implemented by our local sustainability teams, who collaborate with farmers and local communities, and ensure their relevance, impact, and effective deployment. We also work closely with specialists in the field, such as local NGOs and academic partners.

Our sustainability programmes are built on the foundation of the 3 sustainable sourcing pillars:

- Climate resilience and environmental protection
- Protecting Human Rights
- Social and economic development

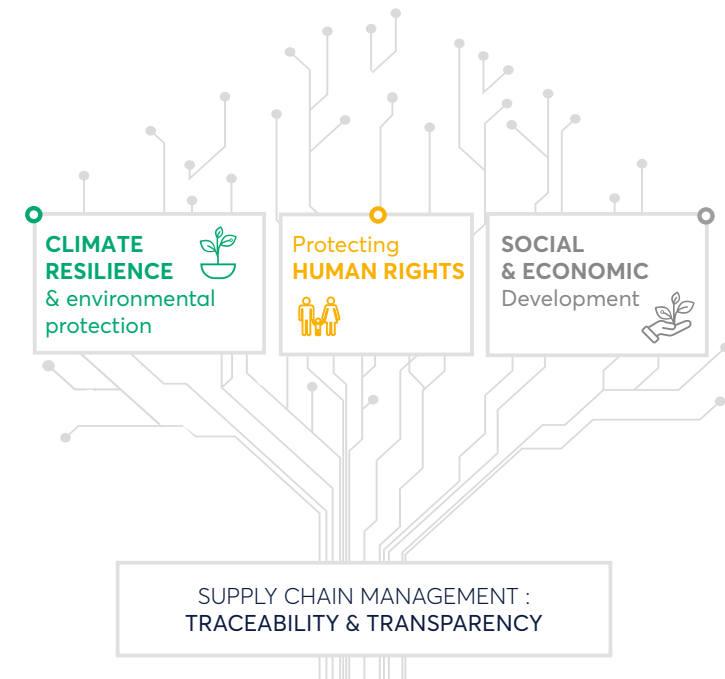
The programmes are designed to meet both our own CSR commitments and the expectations of our clients, including international agri-food companies. Programmes can include guidance and insight from third-party verification bodies and sustainability standards.

Each one of them is tailored to the specific characteristics of the product, the people that produce it, and its country of origin.

Our existing sustainability programmes offer a solution to many of our CSR challenges. However, our ongoing ambition is to constantly adapt, extend and improve their performance, to go faster and further in the sustainable conversion of agricultural value chains.

In 2022 - 2023, we aim to take our efforts to the next level, by creating a "Touton Sustainable Sourcing Standard". The Standard will be developed to reflect our sustainability programmes and will apply to all our supply chains.

Through our Standard, we will share best practice far and wide. The Standard will offer several levels of intervention, to allow our peers to engage with sustainability using a stepwise approach.





TOUTON

CREATING SUSTAINABLE AGRICULTURAL ECOSYSTEMS



Priority 1: Offering sustainable products



Goal 1: To work towards climate-friendly and resilient agriculture

CONTEXT AND DEFINITION

Agriculture is both a major climate change contributor, and one of the sectors most impacted by the phenomenon.

Responsible for 23% of global greenhouse gas (GHG) emissions between 2007 and 2016, and for 13% of CO₂¹ emissions, agriculture's environmental impact is regularly noted on a global scale, particularly after the increase in intensive agricultural practices. Conversely, its transformation, through agroforestry and better regulation of land use change, offer significant potential for reducing GHG emissions.

In addition, the environmental and social challenges for countries producing exotic agricultural commodities are numerous: population growth, increasing poverty, land use change and deforestation, as well as resilience in the face of climate change. Rising global awareness of these issues is leading the movement for transforming the agricultural sector. Sustainable and ethical progress requires a structured approach, and the collaboration of all stakeholders.

As traders, we are at the cornerstone of supply chain transformation. We actively participate in the development of efficient agro-ecological systems that are resilient to climate change and generate decent incomes for local communities.

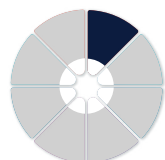
OUR POLICY

Touton has a duty to promote sustainable agriculture that creates shared value within our supply chains.

The conclusions of our recent carbon footprint assessment across all our value chains (scopes 1 to 3), found that more than 90% of our carbon dioxide emissions are linked to the agricultural production of commodities. Managing emissions generated by agricultural production, and in particular the impact of land use change, is fundamental to improving our balance sheet. The protection of local ecosystems and biodiversity is connected to good agricultural practices, which is a priority for us.

In 2008, we set up a Sustainability Department, whose main task is to ensure that the growers we source our products from embrace responsible agricultural practices. The department collaborates closely with other peers sourcing cocoa, coffee, and ingredients. We encourage the good practices that we champion and ensure that our sustainability criteria are respected by our suppliers and partners.

Our Code of Conduct asks our suppliers to preserve natural resources. Producers and partners must respect all applicable environmental laws, regulations, and industry standards, such as emissions control, recycling and management of chemicals and waste.



¹ UNFCCC report, 2020

TOUTON GROUP'S 360° CARBON FOOTPRINT ASSESSMENT

Obtaining a clear picture of the nature and sources of greenhouse gas emissions generated by the trade in tropical agricultural products is the first mandatory step towards developing a plan to fight climate change.

This year, we commissioned French consultancy UTOPIES to carry out a first carbon footprint assessment, and help us build our future climate-positive action plan. The decision to assess CO2 emissions over the entire life cycle of all our products - scope 1, 2 and 3 - indicates our clear desire to better manage, control and reduce our emissions, from the seedlings to the doorsteps of roasters and processors.

The findings speak for themselves. 99.9% of our emissions across the Group are indirect, and 93% of these come from agriculture. This result is not surprising, given the large volumes of cocoa and coffee we buy from millions of smallholders.

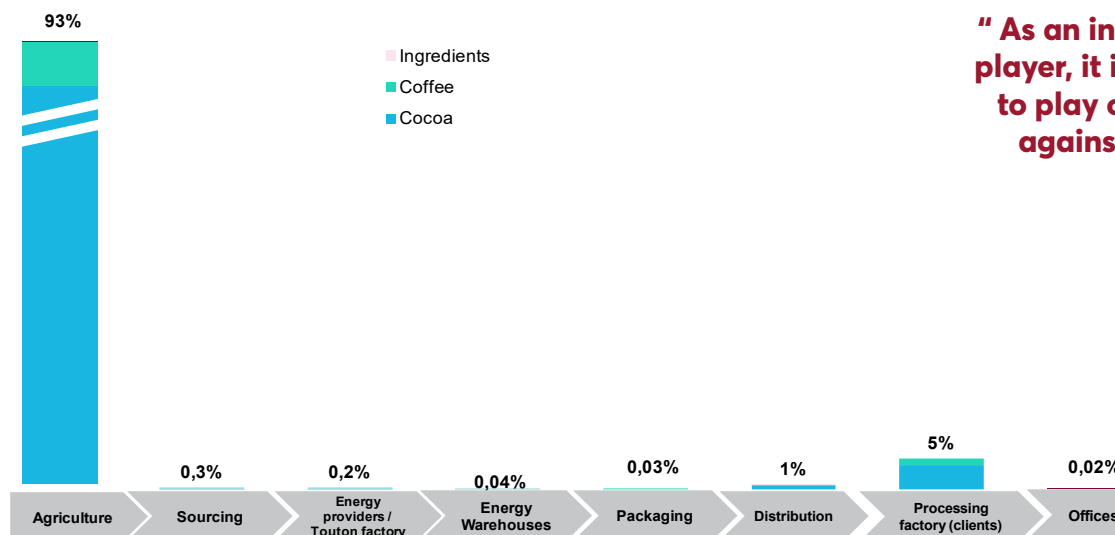
GHG emissions are mainly generated by the upstream agricultural process of land use change; the conversion of a piece of land from one use to another (such as from tropical forests to plantations). Emissions mainly come from Ghana and Ivory Coast, a finding which is consistent with the high volumes of cocoa we buy from these countries.

- 93% of Touton's CO2 impacts are concentrated in the agriculture phase (cultivation of products and suppliers' energy consumption).
- Cocoa and coffee processing at customers' factories represents 5% of Touton's emissions. The uncertainty rate for this stage is high.
- Product distribution represents only 1% of Touton's emissions. A more detailed analysis will identify the modes of transport contributing the most to the Group's emissions.
- The other items (commodities supply, factories and workshops, packaging, energy for warehouses and offices) correspond to less than 1% of emissions.

Conversely, we note the very low level of GHG emissions generated by the transport of cocoa and coffee (less than 5%). The transport of these products is mainly by sea, which emits on average 250 times less CO2 per tonne of product transported than by air. The same is not true for the trade for ingredients, such as vanilla, where the predominance of air transport and packaging in Bordeaux (France) results in higher direct emissions.

As an integrated economic player, it is our responsibility to play our part in the fight against climate change. Not only do we want to contribute to the collective global effort, but we also want to support the millions of farmers and partners who are already facing the consequences of climate change on their farms and livelihoods.

“ As an integrated economic player, it is our responsibility to play our part in the fight against climate change. ”



COLLABORATION TO SUSTAINABLY PRODUCE TROPICAL AGRICULTURAL COMMODITIES

Convinced of the importance of collective action at all levels, we are actively involved across several sector associations in the cocoa, coffee, and ingredients sectors.

As a member of these associations, we collaborate with key actors in the value chains, to act decisively and in a cohesive manner to advance our CSR commitments.

In cocoa, we are among the leading members of the sector's organisations. These include the European Cocoa Association (ECA), the Federation of Cocoa Commerce (FCC), the International Cocoa Initiative (ICI), the World Cocoa Foundation (WCF) and the French Initiative for Sustainable Cocoa (IFCD).

Demonstrative of our close involvement is the key role that many of our senior representatives play within these organisations: Patrick de Boussac, Touton Group's CEO, is Board member of the WCF and ECA. Isabelle Adam, our Head of Institutional Affairs, is the Co-President of the ICI. Joseph Larrose, Sustainability Director, is a member of the IFCD Steering Committee.

In the coffee sector, we are members of the Global Coffee Platform (GCP), an industry association coordinating efforts towards the sustainable production of coffee at all levels of the value chain.

We are also members of the European Coffee Federation (ECF), where Isabelle Adam sits on the Sustainability Committee. We take part in the Sustainable Coffee Challenge, which aims to increase the proportion of total sustainable volumes purchased.

More recently, we became a founding member of the Roadmap on Living Income platform, coordinated by IDH, the Sustainable Trade Initiative, which brings together the world's leading consumer goods companies with the objective to improve producers' livelihood.

Emmanuel Nee, Director of our Ingredients department, is part of the steering committee of the Sustainable Vanilla Initiative. Created in 2015, this programme focuses on the importance of sustainability and traceability in vanilla production in Madagascar and Uganda. In 2021, the association focused on training to prevent child labour and to promote traceability.

We are also a member of the Sustainable Spices Association, with the aim of increasing sustainable sourcing of at least three types of products. We have achieved this for cinnamon sourced in Madagascar and are making progress for ginger from Nigeria.

We are also a founding member of the Cocoa and Forest Initiative (CFI). This is a global partnership between the governments of Ivory Coast and Ghana, and 35 companies in the cocoa and chocolate sector committed to addressing our sector's most pressing challenges, including deforestation and socio-economic hardship.

Every year, Touton and the members of the CFI initiative report on progress, both individually and collectively, on three priorities. Our investments and efforts in deforestation risk mapping and assessment during the 2021 - 2022 campaign resulted in increased forest protection. Ecosystem stimulation came from our engagement of cocoa communities in agroforestry, tree planting and training programmes.

More details are available in our progress reports for Ghana and Ivory Coast. These provide perspectives from all those involved in our CFI programmes: from cocoa farmers to technical partners, forestry authorities, teachers or 'child ambassadors' who raise awareness among their peers on the risks of deforestation and child labour.



Visit www.touton.com to access CFI 2021 / 2022 progress reports for Ivory Coast and Ghana



FIGHTING DEFORESTATION AND CLIMATE CHANGE

Forests enrich soil with organic matter, making it more resistant to erosion and weather conditions. Soil degradation caused by unsuitable agricultural practices, along with declining yields and rapid population growth, are driving land conversion and deforestation. This has harmful consequences on biodiversity, causing loss of habitats. In addition, it leads to carbon depletion, which has a negative impact on our climate. The water cycle, and consequently the quality of our water and food, is also damaged. One of our priorities is therefore to protect and restore forest cover.

In Ghana and Ivory Coast, where we source most of our cocoa, we take a holistic approach to the deforestation issue by following REDD+¹ commitments. These have been set by the United Nations Framework Convention on Climate Change (UNFCCC) to sustainably manage, preserve, and restore forests. We apply this approach by increasingly investing in assistance and innovation, by:

1. Mapping supply chains:

We conduct annual mappings of our direct coffee and cocoa supply chains. We map farms to ensure that commodities don't come from classified forests or protected areas.

Our objective is to entirely map our direct supply chain for cocoa and coffee (including subsidiaries and cooperatives of contracted growers).

¹ REDD+: Reducing Emissions from Deforestation and forest Degradation in Developing countries. This framework is associated with sustainable forest management, conservation, and the enhancement of forest carbon stocks - Source FAO



2. Assessing deforestation risks:

In 2020, we initiated a «Deforestation Risk Assessment» (DRA) in our cocoa supply chain, which we will extend very soon to cover ingredients and coffee. The main objectives of this assessment are to identify:

- How many and which cocoa farms are high or low risk?
- Which farmers are producing in these high-risk areas?
- Where is deforestation associated with cocoa production, and what is the trend? Is it increasing, stable or decreasing?

To protect forest ecosystems, we establish a classification of plantation areas. We then source our products from plantations most protected from deforestation.

During this fiscal year, 105 602 plantations were subject to a DRA, and we have supported 15 525 individuals to introduce agroforestry practices.

To name a few of the common benefits, practices have led to improved yields from cocoa trees, and additional income for producers, through the sales of additional crops or timber from shade trees.

More sustainable farming is an essential prerequisite for reducing agricultural pressure on forests. We place particular emphasis on the diversification of crops and the development of alternative income sources, for example through the creation of professional agricultural services.

3PRCL : INNOVATIVE AND COLLABORATIVE LANDSCAPE APPROACH FOR THE PROTECTION OF FORESTS IN GHANA

We set up and lead the Partnership for Productivity Protection and Resilience in Cocoa Landscapes (3PRCL), a consortium of partners which aims to protect the largest primary forest in western Ghana and contribute to the Ghanaian REDD+ programme.

The 3PRCL also promotes sustainable agriculture, and the well-being of cocoa farming communities, of which 60 000 are based in this region of Ghana.

The 3PRCL initiative has been replicated in other territories and cited as an example of good practice, most recently by the British Minister for the Environment, as a project that «reconciles agriculture with nature».



Summary :

- Bia West and Juabeso Districts, Ghana.
- Preservation of 160,000 hectares of protected forest.
- Brings socio-economic benefits to approximately 150,000 people in cocoa farming.

<https://3prccocoalandscape.com/>

Our action plans

CONSERVING WATER RESOURCES

Climate change is impacting the quality and quantity of water. Crops and product supply areas are weakened by climatic events such as drought.

Cocoa represents 65% of our business volume, and is an agricultural commodity produced in areas with generally high rainfall. Irrigation is therefore not a priority issue for cocoa farmers, but it requires monitoring. We encourage responsible water management throughout our supply chains. For example, we improve the efficiency of coffee washing stations and ingredient processing methods, to reduce the amount of water used during these processes.

PROMOTING AGROFORESTRY

We work hand in hand with our suppliers and producers to encourage agroforestry, a recognised farming practice that involves planting trees in and around farming plots.

We make producers aware of the benefits of agroforestry for building resilient agricultural ecosystems. It increases shade areas, promotes water retention in soil, withdraws carbon and enriches biodiversity.

These agroforestry systems allow farmers to diversify and increase their sources of income (by selling timber, for example). At the same time, they improve the resilience of their ecosystem, making it more conducive to the cultivation of agricultural products, and increasing yields.

Agroforestry is one of the flagship activities of the Cocoa and Forests Initiative, in which we are closely involved:



“ I will be the torchbearer for agroforestry in my community ”

We continue our collaboration with CIRAD¹, within the framework of the Developing Smart Innovation through Research in Agriculture (DeSIRA) project, which began three years ago. Based in Ivory Coast, the project aims to sensitise and encourage adoption of tried and tested agroforestry models for cocoa.

We also encourage and support agroforestry practices in the growing of Arabica coffee. These are being replicated in our supply chains in Kasese, Uganda, Ivory Coast and Tanzania.

¹ CIRAD: French organisation for agricultural research and international cooperation for the sustainable development of tropical and Mediterranean regions.



Yakasse Comoe,
Region of La Mé – Ivory Coast



In Madagascar, we are conducting a cinnamon and clove plantation project, together with the Centre Technical Horticultural of Tamatave (CTHT), to promote reforestation and diversify the income of over 1 000 farmers.

| FOCUS |

PLANTING CINNAMON AND CLOVE TREES AGAINST DEFORESTATION AND POVERTY IN MADAGASCAR

Madagascar has lost 44% of its natural forest cover since the 1950s (CIRAD). The loss of tropical rainforest not only endangers the island's rich biodiversity, but also food production, which provides a vital income to its inhabitants. We established a programme for the regeneration of cinnamon and clove trees, in partnership with the CTHT in 2016. We have been developing it together ever since.

The project aims to contribute to the country's reforestation efforts, while ensuring that indigenous products, and the expertise associated with them, are preserved.

Cinnamon is an important source of additional income for the local population. It is easier to cultivate than most other crops, and can be grown all year round, so it is an important variable in the adjustment of income. However, cinnamon production is slow. It involves cutting trees at the base, meaning the tree must then grow fully once again before a new crop can be harvested. Planting new trees allows for a better crop rotation, guaranteeing an annual and sustainable yield for producers.

As the country's main buyer of cinnamon, our subsidiary Touton Madagascar closely collaborates with CTHT and with the supply chain and communities of Analanjirifo.

The project established tree nurseries and distributed more than 18 300 cinnamon seedlings and 1 300 clove seedlings between April 2021 and March 2022.

The combination of two species of tree has allowed plantations to reach 6 000 cinnamon trees and 400 clove trees per hectare. This increased density accentuates tree cover and promises better yields for producers.

In addition to the trees planted, more than 1 000 people in 2 communities in the East Fenoarivo area are benefitting from this programme and from the technical assistance provided. A particular highlight is the preparation of cinnamon pipes, a format that is in higher demand, and more profitable in international markets.

In addition, we continue to encourage sustainable sourcing, bringing about the Rainforest Alliance certification of Madagascar's first cinnamon in the Mahanoro area. This certification guarantees sustainable and forest-friendly agricultural practices.

We are now looking to plant over 25 000 new trees by the end of 2022, to enable Malagasy communities to sustainably produce and harvest cinnamon and clove tree products.



ENCOURAGING RESPONSIBLE PRACTICES THROUGH CERTIFICATION

Many of our cocoa, coffee and ingredients sustainability programmes include voluntary certification standards such as Rainforest Alliance, Fair Trade or Organic.

These tools provide an additional guarantee that our suppliers have responsible practices. They have been used by the tropical commodities sector since the mid-2000s to help meet sustainability requirements. They have now become a pillar of our sustainability action framework.

Far from being a given, obtaining these standards - whose parameters evolve over time – can be challenging for producers due to their differing natures.

Together with other stakeholders, we enable many growing communities to reach this first step towards sustainability, by investing funds and time. We offer trusted support, tailored to each community's needs.

The Rainforest Alliance certification means that producers and suppliers are fighting against child labour and protecting forests.

Farmers commit to conserving shade trees, planting native species, preserving biological corridors for wildlife, and using ecological alternatives to pesticides. They receive training in responsible purchasing and are audited annually by the Rainforest Alliance.



A fair share of our cocoa, coffee and ingredients supply chains are Rainforest Alliance Certified

(% share of total volumes 2021-22)



68 % cocoa **29 %** coffee **28 %** vanilla



In Tanzania and Ivory Coast, we follow the 4C Code of Conduct (Common Code for the Coffee Community, a part of the Global Coffee Platform), which ensures that coffee cultivation does not contribute to the reduction of primary forests.

This standard also commits our producers to protect biodiversity and to work towards the preservation of soil and water quality. Other themes addressed by the 4C programme include the improved management of waste and energy consumption at plantations.

30% of our sustainable coffee is 4C certified.



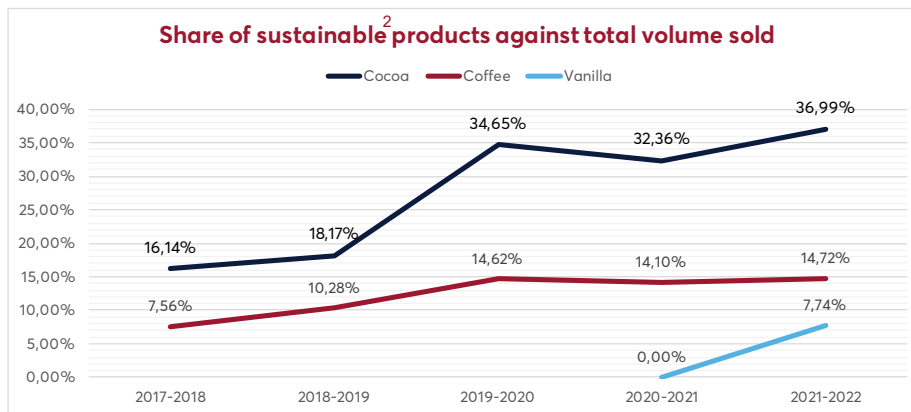
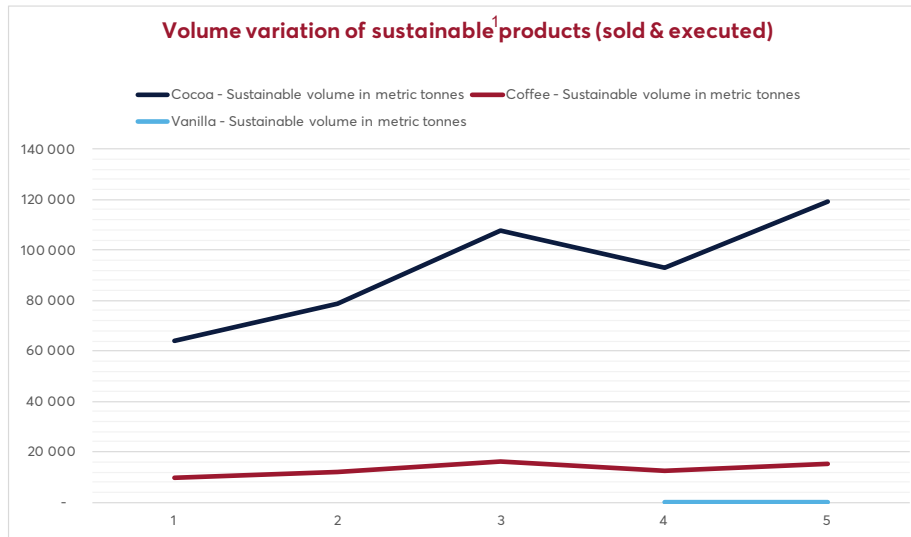
The Fair Trade label guarantees a minimum price for producers who respect good practices, and provides a premium to finance agroforestry projects. It facilitates the creation of agricultural cooperatives offering a decent income.

Some of our products in cocoa, coffee, vanilla, and other ingredients are also certified by the French and European Organic Agriculture label, which guarantees the absence of chemical inputs and GMOs.

1/3 of our sustainable vanilla volumes are certified Organic.



Our action plans



1 Sustainable products: certified or part of a sustainability programme
 2 Sustainable products: certified or part of a sustainability programme



KEY PERFORMANCE INDICATORS

Proportion of sustainable products volume in relation to volumes sold :

- Cocoa beans: + 4.3 points increase
- Coffee beans: +0.7 points increase
- Vanilla beans: 2022 / 2023 is the first year for tracking this indicator.

The proportion of sustainable vanilla currently represents 7.74% of the total volume sold.

Volume increase of sustainable products (out of the total volume sold) compared to previous fiscal year:

+28% for cocoa beans

+24% for coffee beans

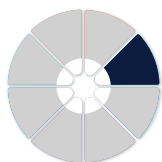
Priority 1: Offering sustainable products

Goal 2: To guarantee the quality of our products for clients and consumers

CONTEXT AND DEFINITION

Food products are subject to strict health and safety standards to ensure their quality.

Guaranteeing the safety of marketed products is vital. We must avoid any risk of contamination of our agricultural raw materials, at every phase of the supply chain, from farm to fork. From production to transport, storage and processing to distribution, products must meet strict regulatory requirements and certification specifications.



OUR POLICY

The quest for excellence guides Touton's quality policy. We meet commercial expectations with the highest quality products, while ensuring they comply with all the regulatory obligations of certifications, supplier countries and consumer countries.

We ensure these rules are known and respected by our commodity suppliers, and across our storage, processing, and packaging activities. We have formalised a food safety management policy for our cocoa mass processing plant (CTPC) based on our FSSC 22000 certification. Physicochemical analysis procedures have been developed at subsidiary level, including at TNCI in Ivory Coast, which also complies with the ISO 9001 standard.

The reduction in usage of fertilisers on agricultural products is one of our priorities. Training modules are delivered to most of our partner producers as part of certification and sustainability programmes.

All our commodities from Africa are free from genetically modified organisms. This is in line with the European precautionary principle concerning the harmfulness of genetically modified organisms GMOs on the health of ecosystems and humans.

Sanitary excellence is handled at subsidiary level by our dedicated team of quality managers. A coordinator, who will be responsible for structuring our quality approach at corporate level, is currently being recruited.

ANALYSING THE HEALTH AND SAFETY OF OUR SUPPLIES

To guarantee safe products, we have put checks in place for the compliance of cocoa, coffee, and other ingredients. These checks happen upon receipt of products in our sourcing facilities, and before shipment to customers.

For all products, each batch is sampled and tested in accordance with sanitary requirements from both origin and destination countries, as well as to consumer expectations. The analysis is carried out at two levels: industrial quality (nature of the product, size, moisture content) and absence of contamination, notably by chemicals. The absence of the latter is verified for all products that are certified Organic Agriculture label.

For example, at Touton Négoces Ivory Coast (TNCI) we check for the absence of pesticides (particularly glyphosate and chlorpyrifos), Polycyclic Aromatic Hydrocarbons (PAH), ochratoxin, organochlorines and heavy metals. Our Ecocert certified spices must adhere to a demanding verification process, guaranteed by specifications applied at the supplier and cooperative levels.

Our vanilla also follows a strict analysis schedule. First looked at in the country of origin, and then again in Bordeaux, each lot goes through a thorough check. We conduct physico-chemical analysis (humidity, vanillin content water activity) and screen for microbiological (yeast, molds, enterobacteria 37°, total flora, escherichia-coli, salmonella) and pesticides levels. A recall procedure for non-compliant products has been put in place.

CONTROLLING OUR TRANSFORMATION PROCESSES

We pay special attention to our cocoa semi-processed products made by the Touton Cocoa Processing Company in Ghana. In line with our food safety management system, the plant is organised to prevent cross-contamination.

The site follows the Hazard Analysis and Critical Control Points (HACCP) methodology. This provides a quality control method against biological (bacteria and viruses), chemical, heavy metal (heavy metal contamination, pesticides) and physical risks.

A withdrawal procedure is in place. All processes undergo an internal audit to certify their compliance with the ISO 22000 norm.

OUR AMBITION TO FURTHER GUARANTEE HEALTH AND SAFETY OF PRODUCTS

Our goal is to obtain the IFS Broker certification by 2023 for all our products, except for vanilla which will soon be certified FSSC 22000. The IFS Broker 2023 proves the implementation of a quality management system, reliability of subcontractors, transparency of processes and traceability of all products.



| FOCUS |

STRENGTHENING THE QUALITY PROCESS AT TOUTON COCOA PRODUCING COMPANY (CTPC)

Since 2015, the CTPC plant has been continuously improving its food safety management system. Particular attention is given to monitoring processes and their interactions, in accordance with FSSC 22000 standard requirements. The following actions have been carried out to increase satisfaction and gain the trust of our cocoa mass customers:

1. Surveillance audit by an independent external organisation, and upgrade from version 5.0 to version 5.1 of FSSC 22000. This upgrade includes the validation by an external third party of our Barth roasters that confirms our strong cocoa mass sterilisation capabilities, particularly to prevent the occurrence of salmonella.
2. Reinforcing our food safety culture with the integration of our food safety system into the factory's objectives.

3. Implementation of a risk-based change management system in the manufacturing process, that guarantees a minimal impact on food safety.

4. Integration of legal and regulatory requirements in our reference document, the Food Safety System Manual (FSSM), to ensure the inclusion of the needs and expectations of all interested parties, especially our customers and regulatory authorities.

5. Maintaining mutually beneficial relationships with our suppliers by communicating our policy, requirements, and updates on our food safety policies (listed in the FSSM).



KEY PERFORMANCE INDICATORS

63,7% of our commodities from Ivory Coast are ISO 9001 certified

93% of our semi-finished cocoa products are FSC 22000 certified



Priority 1: Offering sustainable products



Goal 3: To ensure transparency and control over our supply chains

CONTEXT AND DEFINITION

The way agri-food sector supply chains are managed can have a significant impact on human rights, the environment and the health and safety of the people working within them.

At the same time, customers and consumers are looking for more transparency about how the products they buy are grown and processed. These concerns are even more topical in a context where due diligence requirements on value chain actors are increasingly demanding. As traders, it is crucial that we maintain a clear view and understanding of our supply chain, from production and harvesting to processing and beyond.

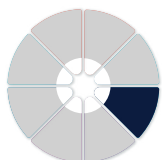
OUR POLICY

Touton promotes transparency and traceability in its supply chains. The very essence of our business is to manage the risks related to commodity sourcing, and to secure supply. This is achieved by controlling our direct supply chains (subsidiaries, agricultural cooperatives, and logistics) but also by knowing our indirect supply chains (third-party buyers).

Through our Supplier Code of Conduct, we commit to essential values and behaviours. These include respecting fundamental human and labour rights, to maintaining professional integrity, to building relationships of trust with our suppliers and fighting corruption and money laundering.

We have finalised our supplier mapping, whose surveillance will be gradually carried out over 5 years. We have set a target to develop our own sustainable sourcing standard by 2023.

We also aim to reduce our indirect supply chain, in favour of direct sourcing. This will increase our level of collaboration with producers and suppliers and make compliance monitoring more achievable in line with our quality criteria.



SECURING TRACEABILITY THROUGHOUT OUR SUPPLY CHAIN

Working with a traceable supply chain is a necessity. Without traceability, it is difficult to track and be transparent about the origin, conditions of production, processing, and transport of a commodity.

The challenge lies in our ability to monitor and address environmental and social issues by identifying the areas, suppliers or communities that are most at risk in several ways. These include lack of respect of fundamental rights, decent working conditions, inappropriate agricultural practices, and deforestation.

We have therefore invested in tools and processes that will enable us to better understand and set up the systemic traceability of our products.

We are gradually expanding our Monitoring and Evaluation team, which is building specific tools for the collection, analysis, and reporting of data to meet our needs and those of our customers and suppliers.

Thanks to these tools and the information they offer, we cover the essential risks and requirements for traceability and supply chain control :

- **The digital socio-economic questionnaire with Survey Solution:** Data from this survey provides insight about cocoa, coffee, and ingredients farmers, which is the starting point for all traceability. It is a valuable way to obtain feedback on their methods and provides a better understanding of their expectations and needs.

- **Plantation mapping and supplier risk assessment.** As explained previously, we have built two types of mapping to provide supply chain visibility, and to validate the responsible practices of our suppliers and partners. Plantation maps geo-locate our suppliers' operations and allow us to check their proximity to national parks or protected areas that are at risk of deforestation.

- **Product traceability software, Trace D.** Thanks to our close ties with start-ups, we had the opportunity to buy an innovative traceability solution. This has been integrated into our processes. It will be deployed and tested during the year 2022 - 2023 to enable digital tracking of products purchased, stored, and transported. This service facilitates the integration of traceability information into our existing databases. It will eventually allow us to cross-check this with the rest of our production data, for better information control and increased transparency.



NEW TRACEABILITY AND TRANSPARENCY TOOLS

Digital developments, combined with new expectations regarding the transparency of a product cycle, are revolutionising the agro-industrial sector.

In response, our sustainability teams are gaining new skills. In addition to agronomists and community development experts, we are now hiring coders, researchers, and data science analysts to ensure the robustness of what we call our " Know Your Farmer ", or KYF.

We are building a producer-centric data system. At each stage of data collection, management, analysis, and visualisation, we have invested in people competencies and tools that allow us to truly understand the reality of farmers' needs, to build relevant sustainability programmes and assess their impact.

These precision tools - such as digital traceability and satellite mapping - are also essential for risk management and alarm systems. By offering new data precision services, these technologies improve transparency, both for us and for other players in agri-food systems. They can help reduce the negative impact of activities, for example by providing valuable information to mitigate our carbon footprint, or that of global chocolate or coffee processing companies.

Our KYF " Know Your Farmer "



ASSESSING AND REWARDING SUPPLIERS AND PARTNERS FOR RESPONSIBLE PRACTICES

Every two years, we carry out comprehensive internal audits across all our subsidiaries. We check our purchasing and sales processes, as well as compliance with our quality policy, the Code of Ethics and the Supplier Code of Conduct. During these audits, we make our employees aware of the importance of complying with these codes.

To encourage transparency and conformity with good agricultural practices, we offer bonuses to those cooperatives that exceed our requirements. We also support suppliers in improving their practices to meet regulations.

The compliance of social, environmental, and economic practices throughout our coffee, cocoa and other ingredients supply chains is regularly audited by numerous certification standard bodies, such as the Rainforest Alliance.

In addition to the standards, we carry out third-party audits that assess the conformity of our sustainability programmes in the context of our business contracts (PwC, Earthworm, and others) or with our financial partners (KPMG).

TRANSPARENCY IN OUR PRACTICES

In order to be transparent about our practices and those of our suppliers, we provide our customers with a series of sustainable sourcing reports, mappings, certification documents and policies.

We respond diligently to non-operational audits and assessments (such as Ecovadis, SMETA and SEDEX). These approaches, which go beyond regulatory obligations, provide even more visibility on our practices to all our stakeholders.

As part of the United Nations Global Compact¹, we publish an annual report in which we communicate our progress across various areas, including supply chain management, human rights protection, better labour practices, climate change and transparency in our operations and at supplier level.

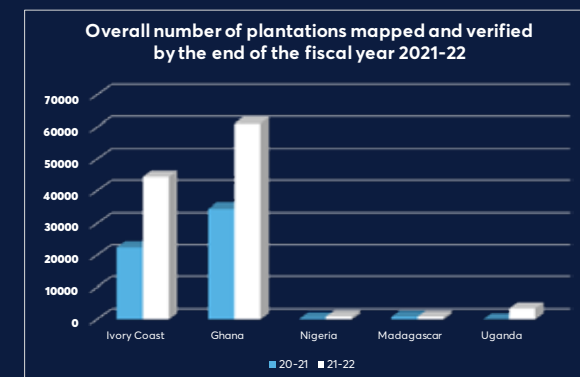
We share our progress through the Cocoa and Forests Initiative (CFI) in Ghana and Ivory Coast by focusing on 3 commitments:

- Forest protection and restoration: assessing the risks of deforestation and supporting agroforestry systems.
- Making sustainable agriculture a more attractive and viable profession.
- Community participation and social inclusion (especially for women and children).

¹ United Nations Global Compact: [Annual Report 2021 191221_TOUTON_COP_2021](#)

KEY PERFORMANCE INDICATORS

110 870 plantations mapped and verified (cumulatively) by the end of March 2022, an 89% increase over the previous fiscal year



95% of these mapped plantations have gone through a “ Deforestation Risk Assessment ” (DRA)



Priority 2: Working side by side with producers



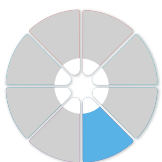
Goal 4: To champion human rights in our supply chains

CONTEXT AND DEFINITION

Living and working conditions in cocoa, coffee and ingredient-producing areas can be difficult. Most farming tasks are still time and labour-intensive, yields are often low, and the small size of farms is not conducive to economies of scale. The practice of monoculture is still widespread, which limits farmers' resilience to economic and environmental risks, and their ability to grow additional food crops for balanced nutrition for their families. As a result, farmers struggle to achieve a decent income from the sale of their crops at market prices.

Farms are often poorly served by roads and lack access to basic services, such as health, education, clean drinking water and electricity. This adds to the precariousness of livelihoods, particularly in cocoa production. Schooling for children can be challenging due to the remoteness of rural areas, and scarcity of school infrastructure and teachers. Faced with the exodus of young people, farmers' families are short of labour and may resort to child labour, particularly in the poorest and most remote areas.

Along with other companies who source products in such conditions, it is imperative that we contribute to ensuring human rights are respected and upheld.



OUR POLICY

As a company involved in the sourcing and trading of tropical agricultural commodities, we ensure that the fundamental rights of our workers and partner growers are upheld. These include the right for children to be protected, the right to not be discriminated against based on gender or race, and the right to food security, fair wages, and decent working conditions for both our staff and the communities we collaborate with.

In compliance with French and international regulations, Touton is committed to promoting, respecting, and enforcing human rights. We recognise international texts: the Universal Declaration of Human Rights and the conventions of the International Labour Organisation (ILO) related to fundamental rights. As members of the United Nations Global Compact¹, we publish a yearly Communication on Progress.

Our commitment is demonstrated through the themes guiding our sustainability programmes, one of which is dedicated to the 'Protection of fundamental rights'. It is also a major focus of our Supplier Code of Conduct, to which every supplier must adhere. This code covers various expectations, including compliance with the ILO Declaration on Fundamental Principles and Rights at Work, as well as Standard Operating Procedures that provide a framework for employees in our subsidiary offices.

¹ United Nations Global Compact: [Annual Report 2021 191221_TOUTON_COP_2021](#)



FIGHT CHILD LABOUR AND ENSURE ACCESS TO EDUCATION

We proactively engage in the fight against child labour through our participation in several relevant initiatives and programmes.

We are members of the International Cocoa Initiative (ICI), which has developed the Child Labour Monitoring and Remediation System (CLMRS), a systemic approach to monitoring and remediating child labour. We work with ICI and other partners to implement this approach across most of our sustainability programmes, in our direct cocoa supply chain in Ivory Coast and Ghana, and in our coffee supply chain in Uganda.

We also work with the World Cocoa Foundation (WCF) and other industry platforms to support social development in cocoa farming communities and children's access to quality education.

We support initiatives that aim to improve child labour detection and measurement:

- We recently funded academic research by Marine Jouvin, a PhD student at the University of Bordeaux, on her 'indirect method' to reduce social bias in the measurement of the number of children in forced labour.¹

- In Ghana, we opted for a hybrid approach to monitoring the incidence of child labour. We combine ICI's supply chain approach, via its CLMRS system, with a community-based approach implemented by Child Rights International (CRI), using the Ghana Child Labour Monitoring System (GLCMS). The latter aims to reduce the number of children at risk of being in labour, as well as reduce the hazards to which a child is exposed in cocoa farms and beyond.

- We are a partner and signatory of the Child Learning and Education Facility (CLEF), set up by the Jacobs Foundation, the Ivorian government, and other companies. In 2021 we resumed discussions with other partners and signatories to launch this ambitious programme. By 2030, CLEF aims to reach 5 million children by promoting quality primary education in about 10 000 primary schools, by building 2 500 classrooms and other educational infrastructure. It will also provide parenting skills training for up to 10 million parents in Ivory Coast.

- We are a member of the Early Learning and Nutrition Facility (ELAN), which is designed to reach 1.3 million children under five and their parents, providing tutoring on nutrition and development in early childhood.

- In the vanilla sector, we are assessing the risks of child labour through the Sustainable Vanilla Initiative Platform.

¹ New research method to improve child labour measurement: <https://touton.com/news/new-research-method-to-improve-child-labor-measurement>

OUR ACTION TO FIGHT FORCED LABOUR

Forced labour is less prevalent than child labour in the cocoa supply chain, although its impacts can be more severe. The Walk Free Foundation estimates that forced labour affects less than 1% of children and less than 0.4% of adults in cocoa growing areas of Ivory Coast and Ghana.

We have a duty to ensure respect for fundamental rights in our supply chains. We use our existing child labour monitoring processes to identify, address and prevent the risk of forced labour both for adults and children in cocoa communities. We monitor the main factors contributing to forced labour, including illiteracy, poverty and lack of income diversity, absence of formal contracts, and poor knowledge of labour law. We prioritise high-risk communities, using socio-economic profiling surveys. We then use the results to identify specific households at risk of forced labour and work with these families to reduce the risk of exploitation.

Awareness of labour law, and what is considered forced labour, is the first step to addressing this issue in a sector where formal contracts between farmers and workers rarely exist. Therefore, specific modules on forced labour are integrated into the training that farmers and farming communities receive as part of our 'Best practice' programmes.

EARLY CHILDHOOD PROTECTION IN COCOA FARMING COMMUNITIES

We have been working with the Jacobs and Bernard Van Leer Foundations since 2018 as part of the TRECC (Transforming Education of Cocoa Communities) initiative. In collaboration with the Ivorian Ministry of Education, we are engaging with a project that aims to:

- Improve parenting skills and behaviours towards young children.
- Provide access to quality pre-primary education with significant community engagement.
- Actively involve Ministry partners in the project, to strengthen local capacity to sustain this approach in the long term.

This project is carried out in partnership with the International Rescue Committee (IRC), which implements its 'Families Make the Difference' (FMD) approach. This approach aims to improve parenting practices, prevent child labour, and promote children's development. It has been successfully piloted in several countries in Asia and Africa. These interventions are conducted in the same communities in which we work with the International Cocoa Initiative on the implementation of CLMRS.

The TRECC project also built and opened three Community Action Centres for Children in 2021. Many farming households have been trained in good parenting skills in the Goh and Nawa regions. The initial outcomes are promising:

- Parents who participate in the training sessions carry out less harsh punishments and use positive parenting practices with their children
- Ivorian ministerial authorities are directly involved in the project, and are committed to supporting parents in the targeted communities
- Access to training and early childhood education promotes a healthy and prosperous family environment for future generations

Eventually, the programme **will reach more than 4 000 parents and 11 520 children.**



A DECENT LIVING INCOME FOR OUR SUPPLIERS

We have created a socio-economic survey, which we roll out every three years in farming communities. The results allow us to pinpoint how we can build a fair and balanced working system. Where applicable, we also encourage income diversification, to increase farmers' socio-economic resilience.

Training is offered in income diversification activities to improve nutrition, food security and provide additional sources of income. We also pilot cash transfer initiatives to encourage farmers to adopt good social practices.

We adhere to the principles of fair trade. To guarantee an approved and fair pay framework, a number of the commodities that we purchase are certified with the Rainforest Alliance certification, or other standards such as Fairtrade International. The Fairtrade International classification promotes a stable minimum purchase price, and an increased minimum price for organic production.

Fair trade also supports farming communities to form local associations and cooperatives to boost economies of scale, making a decent income more achievable.

We also certify our ingredients with the UEBT standard, which guarantees a fair share of the profits back to farmers. It also promotes adherence to local legislation, socio-economic sustainability, labour rights and land ownership.

Finally, we purchase coffee and ingredients with the Fair for Life certification. This guarantees an above-market purchase price, a guaranteed minimum price in the event of a crisis, good working conditions, empowerment of farmers and environmentally friendly farming practices.

We are one of the founders of IDH's Living Income Roadmap, which encourages its members to provide farmers with a fair income over the long term. The support provided to producers aims to increase their productivity, adopt environmentally friendly solutions, and enable access to finance and training in agricultural practices.

PROMOTING GENDER EQUALITY

Women have a significant role to play in improving the living conditions of their families and communities, yet all too often are ignored by sustainability programmes. We work hand in hand with women producers and other women in the community to bring about socio-economic resilience, nutritional diversity, and empowerment.

We strive to make all our activities more inclusive. We learn from and act upon research and evidence from experts, such as the Dutch Royal Tropical Institute (KIT) and LadyAgri, an NGO that supports and empowers women entrepreneurs.

We recently joined the Women Empowerment Principles (WEP), established by the UN Global Compact and UN Women, to help us advance our commitments to promoting gender equality, empowering women in the workplace, the marketplace, and the community.

Women's empowerment in producing communities also enables their participation in household budgeting decisions, and their ability to generate their own income. Our sustainability programmes in cocoa and coffee include the creation of Village Savings and Loan Associations (VSLA) which are often set up and led by women.

In Ivory Coast, we support the creation of Women's Economic Strengthening Units in the farming communities we work with. In this way, we promote collective savings, micro loans, and female entrepreneurship.



| FOCUS |

INCOME DIVERSIFICATION THANKS TO VILLAGE SAVINGS AND LOAN ASSOCIATIONS

Alima and her husband Amadou have 16 children and own a 4-hectare cocoa farm in a village in Gagnoa, Ivory Coast. Amadou sells their cocoa produce to a cooperative, while Alima works on the plantation, growing crops such as chilli peppers, aubergines, and cassava. Alima shares her thoughts about her commitment to the Village Savings and Loans Association (VSLA), and how it has benefitted her family and others:

“ It was important for us to get involved in a VSLA. It is a good way to cultivate solidarity between people who come from different countries and regions.

Our VSLA has 30 members, including 25 women and 5 men.

I play a very important role because I am the treasurer, in charge of the group’s money. Most of the loans taken by the members have been used for developing activities that generate new income for families. I myself have taken out a loan of 10 000 FCFA (15 euros) to start selling millet porridge. (...)

What I like most about the way the VSLA works are the repayment terms. If you don’t respect the repayment date, you are fined. This forces people to be more serious. Everyone understands the importance of respecting these rules if we want the mutual aid system to continue to work. ”

In partnership with Mars & Care.

IMPROVING COMMUNITIES’ NUTRITION AND FOOD SECURITY

The lack of food diversity in many tropical countries - such as Ghana and Ivory Coast - has a direct impact on the health and well-being of adults and children, particularly in rural areas. Farmers who only grow one type of crop, such as cocoa or coffee, are the most affected.

Increasing dietary diversity, especially by adding protein and micronutrient-rich foods to mainstream diets, can help address the negative effects of malnutrition.

We run awareness campaigns to improve understanding of the importance of a varied and balanced diet. We also provide training for producer households, to enable them to grow other crops and keep livestock, to feed their families and provide another source of income.



Alima et Amadou, Gagnoa - Ivory Coast

We offer farmers a range of support to start a business in the breeding of several different animals, including grasscutters, guinea fowl and snails.

Our field staff are trained in nutrition and vegetable production and livestock breeding techniques. They are also knowledgeable about behavioural change, vital to securing the medium to long-term success of the activity.

We are rolling out a pilot programme in Ghana targeted at children and families, to raise awareness of nutrition and to help families grow their own food as well as diversify their income. The programme also serves as an introduction to combatting food waste.

In addition, we are working with cocoa farming communities to train local children to become ‘Child Ambassadors’ for environmental protection, biodiversity, and to combat child labour. They talk with their peers on these issues and participate in reforestation activities. They plant fruit trees in village schools, which contributes to the diversity of their diet.

Our Specialty Coffee subsidiary has a special relationship with coffee-growing communities. For example, in Latin America, we support them to ensure they have a consistent healthy diet.



| FOCUS |

GOURMET COFFEE FUNDING VEGETABLE GARDENS IN PERU

Over the years, the Jaén region of Peru has moved away from subsistence farming. Producers are now mostly growing and harvesting coffee. As a result, food supply for a growing number of families is increasingly at risk, and all the more so due to the impact of Covid-19.

Speciality coffees are high-end products. Their precise origin, high standard of production and distinctive qualities make each coffee unique. At Touton Specialties Coffee, we are therefore building strong relationships with producer communities around the world, and supporting their long-term economic development, so they can continue to grow these exceptional products.

To help producers face the difficulties caused by Covid-19, our colleagues at Touton Specialties are working with Asociación Café del Futuro. The programme aims to improve nutrition and promote income diversification for 105 coffee farming members and their families, by creating vegetable gardens.

Producers from the Asociación Café del Futuro grow high-quality coffee varieties such as Caturra, Bourbon or Mundo Novo according to Fairtrade, Organic, Rainforest Alliance and Naturland standards.

Very popular on the gourmet market, these varieties are marketed by Touton Specialties.

We donate part of the profits to the association to enable them to buy tools, vegetable beds and seedlings for 10 varieties of local vegetables including radish, carrot, potato, onion, and cucumber. Growers are also trained in good vegetable growing practices.

Thus equipped, **the families produce on average about 670 kilos of vegetables per quarter, which contributes to providing between 50 and 60% of the food needs of a family of 4.** A new income is also created for the whole family, as the surplus can be sold to neighbours.

So far, 2 112 bags of coffee have been sold for the benefit of the project. In addition, the success of the vegetable gardens means that the project will be rolled out on a larger scale next season.

#WE SUSTAIN COFFEE

DECENT WORKING CONDITIONS

We ensure that everyone in our supply chain works in a safe environment, conducive to good physical and mental wellbeing. We provide appropriate personal protective equipment, decent working hours, and encourage a positive and supportive atmosphere. We also check that workers are not exposed to either difficult working conditions, harassment, or biological and chemical risks.

Across all our supply chains, we conduct awareness training on good health and safety practices, delivered for example through the Rainforest Alliance certification.

The young agricultural service providers that we train – or ‘cocoa and coffee technicians’ (see Goal 5 - Facilitating access to professional services) - are also a part of this process and play a key role in ensuring farmers’ health and safety.

Potentially dangerous tasks, such as spraying or cutting, are entrusted to experts trained in these practices, who are fully aware of the need to respect health and safety rules and use protective equipment.

The most effective way to prevent or remedy forced and child labour is the improvement in the living and working conditions of producers. This is achieved through ensuring a decent living income, capacity building, and empowering women.

WHISTLE BLOWING TO ENSURE RESPECT FOR HUMAN RIGHTS

In addition to our commitments, we want to enable all our stakeholders to alert us as and when they identify risks or threats to human rights in our supply chains.

We have therefore implemented an internal and external alert system. This system has been formalised in accordance with the applicable regulations, in particular Law n°2016-1691 of 9 December 2016 relating to “transparency, the fight against corruption and the modernisation of economic life”. The information relating to whistleblowing is detailed in the Code of Ethics of the Touton Group.

KEY PERFORMANCE INDICATORS

86 511 producers were surveyed

They represent **78%** of the total number of producers

The socio-economic questionnaires previously mentioned highlight other relevant areas to monitor:

23 122 of our producers, and 21% of the total number of producers surveyed are women cocoa farmers.

554 communities were profiled for their risk of child labour (as of the end of the fiscal year) in Ghana and Ivory Coast.



Goal 5: To maintain a relationship of trust with our suppliers and contribute to their economic development

CONTEXT AND DEFINITION

Securing our value chain is a major challenge, especially in the face of Covid-19 and repeated disruptions and shortages.

Companies with long-term, trusting relationships with their suppliers have demonstrated greater resilience in the face of various global crises. Stakeholders are increasingly questioning agribusinesses about their sourcing practices, and whether their supplier relationships are fair and conducive to the development of farming communities.

In our supply countries, the challenges of economic development are numerous. Producers must therefore build their capacity in technical and management skills, income diversification and access to financing solutions.

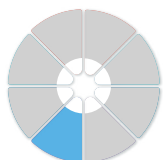
OUR POLICY

We have traded in tropical agriculture commodities since 1848, and are looking forward to a continued prosperous future. Beyond respecting fundamental rights or meeting compliance requirements, we are working to create shared value for everyone in our supply chains.

We have always maintained excellent relationships with local actors and our partners. 85% of our employees are based in producing countries, and we hire our team members locally.

We are committed to maturing, together with suppliers and producers, through a collaborative working environment. We also promote a sustainable approach to agricultural activities, and participate in community economic development.

Our sustainability programmes are targeted at the specificities of each supply chain and production area, to effectively respond to these challenges. The relationship of trust that we maintain with our suppliers is supported by the activities we carry out in respect to the 'Economic and social development' pillar in our sustainability approach.



Our action plans with producers

ACCESS TO KNOWLEDGE AND TRAINING

Our socio-economic questionnaire (see Goal 4) is a crucial way of understanding the expectations of our suppliers, enabling us to adjust the support and guidance materials that we provide accordingly.

Many cocoa and coffee farms record low yields due to the small size or ageing nature of their farms, as well as losses due to pests and diseases. To increase yields, it is essential that we allow access to ongoing training in agricultural and commercial practices. Our specialist trainers aim to work with key farmers in local areas, so they can in turn deliver training to other farmers ('Train the Trainer' approach).

We have set up basic modules, for which participation is mandatory. The training takes place on example farms or demonstration plots. Basic modules include training on a range of farming techniques, including composting, pruning, fertiliser use, crop protection, and crop rehabilitation and diversification.

All farmers in our supply chains must obtain their certificate, following the annual test. They are then considered advanced. At this stage, they can access different additional training courses, or be selected for one-on-one coaching and benefit from an individual farm development plan.

In order to make training effective in the long-term, our central objective is not simply to pass on knowledge, but more importantly to increase the number of farmers adopting and implementing these skills and techniques in the long-term.



DEVELOPING ECONOMIC INDEPENDENCE

In Africa, microfinance institutions can still have high interest rates, and are not always able to meet the needs of low-income rural communities.

Fin Scope's research shows that most loans are used for basic needs and crisis mitigation, which contributes to long-term debt. A savings approach can help farmers to improve cash flow management.

Thanks to the Village Savings and Loan Associations (VSLAs), which provide controlled loans and train communities on how to manage savings, we are strengthening the socio-economic resilience of cocoa farming communities. Our teams also train VSLA members on how to run association meetings and bookkeeping.

We also establish renewable multi-year contracts with some partner cooperatives, to ensure consistency and reliability. This allows us to support and train producers over the long term in managing both income and loans. Some contracts for our coffee supply have been renewed for more than 15 years.



Our action plans with producers



EMPOWERING COMMUNITIES WITH PROFESSIONAL SUPPORT AND OPPORTUNITIES

Many cocoa-producing communities lack the manpower to provide support or professional services to their farms, resulting in a low rate of adoption of good practices.

The location of some farms makes it difficult for farmers to access professional services. To meet this need, we are training networks of young micro-entrepreneurs to become qualified “Cocoa Technicians” to reach out to surrounding communities with specialist guidance. We have provided training for 330 cocoa technicians this year.

This means we are not only supporting farmers with quality professional support, but also creating jobs for young people in rural communities. Our vision is of communities which retain young talent and generate employment in agriculture, while also mitigating the risks of child labour.

Innovation is at the heart of our sustainability strategies. We work with start-ups, offering innovative solutions to foster independence and promote farmers’ economic stability.

In Uganda, we are working on a pilot project with the coffee technicians – or “Coffee Agripreneurs” - and the start-up OKO, which provides crop insurance to coffee and vanilla farmers. Through this collaboration, we are offering financial services to improve producers’ resilience to economic and climatic risks. We plan to extend this service to more supply chains.

| FOCUS |

INNOVATIVE SOLUTIONS AGAINST THE RISKS OF CLIMATE CHANGE

We have set up a sustainability hub in the Kasese region of Uganda, where producers are highly exposed to the effects of climate change. Extreme weather events, such as floods or droughts, increase soil erosion and crop vulnerability. All these phenomena threaten the long-term economic stability of producers.

We have partnered with OKO, a young company that provides an accessible and rapid crop insurance solution to coffee and vanilla farmers. The start-up uses satellite imagery and weather forecasting technologies to simplify and automate insurance claims management. Digital registration by phone and accessible payment solutions, such as smartphone accounts, are easily deployed in remote areas. Complementary weather alert services, advice and access to small loans are also available.

During this launch phase, 2 000 producers in the region were made aware of climate risks and offered an insurance solution. Almost half of them have registered, and 57 have signed up for the coming season. We expect to see progress in registration rates in one or two seasons.

The OKO micro-insurance also benefits the network of young agripreneurs trained by us. To make staying in rural areas an attractive option for local youth, we are mobilising their entrepreneurial spirit by creating brigades of independent agricultural service providers. Trained in good agricultural practices, and equipped to prune or plant, agripreneurs provide farmers and their communities with the necessary services to develop their activity. They become OKO agents, which allows them to generate an additional source of income and to build a sustainable future.



ENCOURAGE THE DIVERSIFICATION OF ACTIVITIES AND CROPS

Farmers often depend on their main crop as their sole source of income, but this income is not guaranteed or standard throughout the year. This poses a major risk to their ongoing stability and livelihood.

We therefore encourage and support the producers from whom we source cocoa to diversify into other food crops, such as cabbage, carrots, and chilli, to help secure their livelihoods.

In our sustainability programmes, income diversification is stimulated through diversification of crops, intercropping and through the development of agroforestry systems. It is usually supported by small loans financing mechanisms (VSLA) or is associated with nutritional training.

We supply producers with various species of shade and fruit trees to optimise the agroforestry management of their plantations (see Issue 1 for more details on the benefits of agroforestry). In addition to preserving forests, this also helps farmers begin new activities, such as beekeeping to stimulate the pollination of their plants.



| FOCUS |

COFFEE, VANILLA, AND CHILLIES: THE WINNING COMBINATION FOR PRODUCERS' ECONOMIC STABILITY

The challenging context for coffee cultivation on the slopes of Mount Rwenzori in Uganda is undermining the ability of coffee growers and their families to secure a decent income. Despite their best efforts, the lack of access to chemical inputs and agricultural training, as well as the negative effects of climate change, often result in low yields and poor-quality produce.

Leveraging our expertise and purchasing capacity across a wide range of agricultural commodities, we have launched an ambitious sustainability programme, funded with the support of IDH¹, PSFU² and CRS³, among others. This project targets 5 000 Arabica coffee farmers in the Kasese region, a third of whom are women. Our objective is to improve income through crop diversification and encourage regenerative agriculture.

Our supply structure allows us to secure the purchase of crops other than coffee. We support the adoption of intercropping techniques using cocoa, vanilla, and bird's eye chillies to generate additional income throughout the year. Our programme provides infrastructure at the beginning and at the end of the crop cycle.

Further up the value chain, we are setting up a central nursery that supplies seeds and seedlings to several other orchards, run by farmers and agripreneurs - young people we train to provide agricultural and insurance services. Further down the value chain, we are building a central drying station for coffee, cocoa, and chillies, which will serve as a model for other future local drying stations.

To date, a nursery of 800m² has been set up to accommodate 150 000 coffee, cocoa, and shade tree seedlings. 110 people have started their apprenticeships to cure vanilla harvested in 2022. Training on good agricultural practices, climate and regenerative agriculture were attended by more than 3 000 farmers, who have also received materials to facilitate the monitoring of their operations (manuals and account books). 10 demonstration plots have been established to test and monitor the impact of regenerative farming techniques and crop diversification on profitability and soil quality.

In addition, we have led the collective effort to structure traceability in Kasese's coffee supply chain. In August 2021, it was subsequently awarded the new Rainforest Alliance certification standard. With this certification, products can fetch a better price, to the benefit of the local community. The potential to create other sustainable value chains for coffee, cocoa, vanilla, and other spices in the region is significant. We will continue to use what we learnt from leading this sustainability project, to make Kasese a sustainable and prosperous agricultural hub in Uganda.

1 IDH : IDH, The Sustainable Trade Initiative
 2 PSFU: Private Sector Foundation Uganda
 3 CRS : Catholic Relief Services

KEY PERFORMANCE INDICATORS

We worked with **64 971** farmers, providing training in good agricultural, social, and environmental practices.





Goal 6: To attract and retain talent

CONTEXT AND DEFINITION

Our employees are the driving force behind Touton's business model. Attracting and retaining talent is one of our priorities.

Certain key professions, such as commodity traders and back-office execution teams, have a unique level of expertise, in a competitive recruitment market. The knowledge of these individuals is key to the effective functioning of our supply chains.

It is therefore essential to put in place policies to attract new talent and to offer rewarding working conditions.

OUR POLICY

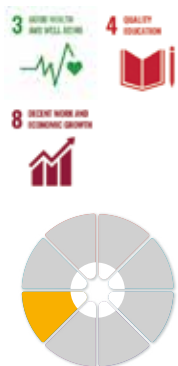
Recruitment and retention of talent is managed by the Human Resources department at our headquarters, and directly by local managers in each subsidiary office. At headquarters, those departments for which the market is the most competitive (including IT, financial controllers, traders) benefit from tailored candidate recruitment and retention initiatives.

In France, our pay policy positions us above the regional market level. Across our local offices, salaries are at market level at the minimum. Some of our subsidiaries have formalised their own policies for identifying and retaining local talent.

Cocoa Touton Processing Company (CTPC) in Ghana has policies dedicated to recruitment, induction of new employees, performance management, benefits, and training. Their aim is to organise at least 6 hours of training per year for each employee.

Touton Uganda (TUL) aims to formalise its recruitment policy in 2022.

To ensure the sustainability of our activities and the well-being of our employees around the world, we are continuously developing and adapting our training offer. We also maintain a regular and qualitative social dialogue.





TO ATTRACT AND RETAIN TALENTS IN OUR TEAMS

To draw and retain talent, we rely on our strong culture. We have a high rate of retention among young people who start as interns, and remain with us on long-term contracts.

We give all our employees the means to perform and an environment in which to excel, notably by relieving them from repetitive tasks thanks to automation. Every employee can bring about progress and change and test their ideas. Everyone is supported by an open and responsive management team. 6 out of 10 shareholders are involved in our daily operations, including the CEO and the Managing Director.

Subsidiaries such as Touton Négoce Côte d'Ivoire (TNCI) and Touton Uganda (TUL) have created welcome booklets to facilitate the integration of new employees. At headquarters, during the trial period, review meetings are organised between new recruits, their managers, and our Human Resources staff to gather feedback and assess progress. The management of CTPC factory conducts satisfaction and performance reviews a month after recruitment.

To help our employees plan their future with us, annual appraisals are proposed: they include an evaluation and a review of the past year. These exchanges allow management to consider requests, particularly in terms of training, and allow them to support their staff to realise their ambitions.

We offer numerous benefits to achieve employee retention. These include profit-sharing, a Company Savings Plan with a 300% matched contribution capped at €1 600 per calendar year, a savings account, and a long-service bonus which guarantees a salary increase of 2% every two years.

Following our successful introduction of remote working during Covid-19, we formalised a remote working charter with social partners. This allows employees to benefit from a day of remote working per week according to their needs and wishes. These days are not fixed, which allows for agile management based on trust and in everyone's best interest.

At Touton Nigeria, reviews are organised quarterly, in addition to annual assessments. Junior employees receive a free lunch. In Uganda, lunch is provided by Touton for all employees.

We allow staff in our subsidiaries to work autonomously and to have both an operational and a managerial role, in particular through project management. Several transport allowances can be put in place, such as TUL. Within our subsidiary TNCI, we have invested in medical support by facilitating vaccination for all our employees.

Thanks to our actions, we are building a work environment that is respectful and ensures gender equality. We are fully committed to respecting all local and international rules and standards for equality. Our commitment in this respect is a key success factor during third party audits, which also contributes to our ability to secure sustainability certifications.

We track employee length of service, to assess our ability to retain talent. On average, people work for us for around 8.48 years. Many new hires have taken place in the last 3 years due to our growth rate, translating into a downward effect on length of service.

At the Group level, only 5 staff have left less than 2 years after their date of arrival. The average age is 40 years old, and this remains stable and relatively similar for men and women alike.

ENABLING OUR STAFF TO EXCEL

At Touton, employee training and development is essential. We ensure that staff members understand our vision and the role they play in creating value. We have established an induction programme which trains staff in key functions, and the different products we trade.

Regular updates - called 'What's Up' sessions - are offered to Group employees (in subsidiaries and Bordeaux) to encourage the sharing of information on current topics, and good regular communication.

We provide e-learning programmes in Bordeaux, which have now been extended to Uganda and Vietnam. Deployment in other subsidiaries is underway. 40 e-learning licenses have been booked to enable volunteers to learn throughout the year on subjects that may be of interest to them or suggested by management. In subsidiary offices, training takes place annually, at a minimum. In Ghana, leadership training is organised for managers.

We give new talent the chance to be entrepreneurial and to gain autonomy through the acquisition of skills on the ground. We encourage internal mobility for employees who wish to develop by changing their role or by moving between our different subsidiaries.

Such a transition to a different department or role requires each employee to carry out a 6-month training period (in 2021). To simplify the process even further, we plan to reduce the training time to 3 months. A balance must be maintained between the satisfaction of everyone's ambitions and the retention of talent, both at headquarters and in the subsidiary offices.



FOSTERING EMPLOYEE ADVOCACY AND RIGHTS

Social dialogue manifests itself differently across offices, depending on the country's culture and labour laws. In France, employee representatives sit on the Social and Economic Committee (CSE). In every country where we operate, staff representation is assured, and sometimes translates into a trade union presence. In Ghana and Vietnam, employees are strongly unionised. This has not translated into any recent industrial action, as we always keep the dialogue open with employees. CTPC organises public consultations with its various teams and departments as well as collective negotiations with employees' trade unions.

USING THE RIGHT TOOLS

Talent management and related data is carried out through our HR Information system (HRIS) in which we track turnover, recruitment, conversion rates, absenteeism, and demographic information.

The system also allows us to manage information about health and safety at work, such as absenteeism following an accident at work. To date, we have deployed the tool in most countries where we are established, including France, Germany, Ivory Coast, Vietnam, Singapore, Ghana, Madagascar, USA, Cameroon, and Uganda. Our objective is to integrate the remaining subsidiaries into this system before the end of 2022.

In addition to the advantages brought by using this system across the board, we want every employee - regardless of their location or level - to benefit from the best HR tools which effectively build engaging and smooth career paths.

E-LEARNING TO ADAPT TO CHANGING BUSINESS ENVIRONMENT

Human expertise is at the heart of our know-how. We are fully aware that individual fulfilment at work is a vital element of our collective success, as is the sum of our individual performance. We therefore aim to allow each employee to benefit from opportunities for training and advancement, whether they are based at headquarters or in our subsidiary offices.

In recent years, the constantly evolving environment has changed the way we operate, especially in our support functions and commercial activities. The rapid and profound change in expectations of our finance, trading, sustainability, research, contract execution and logistics activities require on-going adaptation of skills.

At the same time, technological disruptions accelerated by Covid-19, are bringing new digital solutions in professional training. These solutions constitute a great opportunity to effectively respond to the challenges faced by an agile, multicultural, and international company.

Since December 2021, we have been testing the e-learning platform OpenClassrooms. It allows employees to access more than 800 online courses across the year on a variety of subjects, including coding, software applications, office automation, and management. The 18 employees who volunteered for this first trial were quickly followed by an extra 40 trainees.

4 months after the launch of the project, our staff had completed 14 courses, while 55 were still in progress, representing a total of 161 hours of training completed. Enrolment was most successful in France, Uganda, and Vietnam. The most popular subjects are office automation, project management, data visualisation and initiation to innovative solutions (blockchain in particular).

E-learning solutions allow the employee to remain in control of their own learning process (time, pace, topics) while also enabling Human Resources and managers to propose training courses responding to individual and collective needs.

OPENCLASSROOMS

KEY PERFORMANCE INDICATORS

DISTRIBUTION OF MEN AND WOMEN BY GEOGRAPHY

The share of female staff in Europe and Asia increased by one point compared to last year.

The share of women employees in Africa decreased significantly, from 35% to 15%. This is due to a change in our calculation method: have now removed seasonal workers from this statistic

TURNOVER

We recorded a staff turnover of 11.4%, down 3.4 points compared to the previous year. It is important to note that new hires are as significant as departures in the turnover calculation. Despite the Covid-19 period, we have continually recruited new talent, which may explain the high turnover rate of staff.

EMPLOYEE LENGTH OF SERVICE

On average, this is 8.48 years. A significant number of new hires in the last 3 years has a downward effect on length of service.

At Group level, only five staff have left us less than 2 years after their date of arrival. The average age remains stable and relatively similar for men and women, at 40 years old.



Priority 3: Ensuring the integrity of our operations



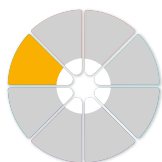
Goal 7: To provide a safe working environment for our employees

CONTEXT AND DEFINITION

Ensuring the health and safety of our employees has always been a priority of our human resources policy. We responded to the challenges of Covid-19 by reinventing our way of working.

Our activities are not highly industrialised or mechanised, and accidents are rare. We have achieved these positive results by maintaining a culture of trust and respecting local legislation on worker rights. Another key to success is keeping employees well informed and giving them access to the correct tools to prevent problems and limit exposure to risk.

We offer safe and healthy working conditions throughout the world. Our challenge is to achieve this across many different cultures with different sensitivities, and across diverse operational contexts. The absence of discrimination in the workplace (gender, disability, age) is also part of our commitment to respecting the human rights of all our employees.



OUR POLICY

Our policy on Human Rights is formalised in our 'Labour and Human Rights Statement' and highlighted in our Global Compact progress report for the United Nations. We have also established a health and safety policy for our head office and subsidiary offices.

At Touton Négoce Côte d'Ivoire (TNCI), a health and safety monitoring committee is in place. CTPC has appointed 'safety champions' for each department and created a safety team. Some of our subsidiaries have put in place additional specific policies (CTPC plant, Touton Ghana) and safety risk management procedures (CTPC, TNCI). With regards to accident monitoring, our objective is to remain below one serious accident every three years on average.

Our Code of Ethics states that human resources management is based first and foremost on the fundamental principles of trust and mutual respect, to treat each employee with dignity. We apply a fair and law-abiding approach.

We strictly prohibit all forms of discrimination and all harassment of a moral, religious, racial, sexual, or disability-related nature. We encourage the expression of diverse cultural identities and seek to enable all individuals to flourish within the company. Our staff comprises 15 different nationalities.



GUARANTEED INSURANCE FOR ALL OUR EMPLOYEES

We provide health and life insurance for staff across all our offices, even where it is not required by local regulations.

In the event of an accident, there are medical centres in several of our subsidiary offices, such as Ivory Coast and Ghana.

In addition, our CTPC factory team organises an annual medical check-up. Compulsory personal protective equipment (PPE) is distributed to our staff around the world carrying out higher-risk roles, including at warehouses and in the processing plants.

ENCOURAGING FITNESS AND WELLBEING

Sport and physical activity are important components of wellness in the workplace, and therefore of our health and safety policy.

We provide our employees in Bordeaux, and in several local offices, a fully equipped and free gym.

In addition, we sponsor the UBB rugby club in Bordeaux, as this sport has values close to ours. In Ivory Coast, we have initiated a partnership with the Ivorian rugby federation, to foster the development of rugby schools for young players in the country.

HEALTH AND SAFETY TRAINING FOR EMPLOYEES

We run numerous training programmes to protect our employees against health and safety risks. These cover general health and safety at work, the risks of industrial work, manual handling, and first aid.

Our subsidiaries, including TNCI, Eliho and Touton Nigeria, also organise regular training and updates on good health and safety practices.

ENSURING HEALTH AND SAFETY COMPLIANCE

In addition to making every effort to ensure the health and safety of our employees, we work with external parties to ensure that key regulations are being followed across all our operations.

Our headquarters was audited by SMETA on working conditions and health and safety standards in May 2021, receiving a score of 4/4.

Some subsidiaries are regularly audited by government institutions for health and safety at work. The CTPC plant and Touton Nigeria are verified by government agencies and TNCI by the Caisse Nationale de Prévoyance Sociale. During this financial year, there were no work-related accidents at Touton SA in Bordeaux.

EMPLOYEES WITH A DISABILITY: INCLUSIVITY AND RETENTION

We aspire to a diverse workplace which is fully inclusive of all our workers. We currently employ 2 people with a disability in Bordeaux. Our objective is to recruit at least 2 more within the next 3 years.

Meanwhile, we have signed a three-year service agreement with an ESAT (establishment for assistance through work).

KEY PERFORMANCE INDICATORS

ABSENTEEISM RATE

1,32% We note an absenteeism rate of 1.32% across 72% of our workforce. We consider this to be an excellent result, especially in the context of the unprecedented Covid-19 pandemic.

If we focus on Touton SA in Bordeaux, the absenteeism rate is higher. This is the effect of government protocols for isolating employees who had the virus, or had been in contact with someone who had it.

Our objective for the coming year is to be able to monitor absenteeism on 100% of our workforce.



Priority 3: Ensuring the integrity of our operations



Goal 8 : To maintain exemplary business practices

CONTEXT AND DEFINITION

For clients, suppliers, traders and back-office teams, Touton Group's value creation is based on commodity trading activities and the connection between players operating in different geographical countries and cultures.

To ensure the responsible conduct of our business, we guarantee ethical business practices and integrity throughout our entire value chain. We aim to certify that our customers and suppliers operate transparently and in compliance with local and international laws.

We do this by ensuring that our employees are well informed about corruption, tax evasion and anti-competitive practices in line with national legal provisions, international conventions, and laws with extraterritorial application.



OUR POLICIES

Touton complies with all French (Sapin II, PACTE law) and international laws relating to the ethics of our practices.

Our Code of Ethics presents all the measures that we put in place against tax evasion, corruption, and anti-competitive practices, including:

- Compliance with conflict-of-interest regulations
- Protecting the integrity of our assets
- Accounting records of all financial transactions
- Internal control and audit of the Group and our subsidiaries
- Political neutrality of the Group and our subsidiaries
- Fair and open competition
- Absence of active or passive corruption
- Whistleblowing system.

The code is distributed to all our employees. The Supplier Code of Conduct sets out our requirements of suppliers in terms of anti-corruption, ethics, and compliance. It also covers the protection of our stakeholders' private data.

Our suppliers not only commit themselves to ethical business practices by signing this document, but they also ensure that their own suppliers respect them.



MAPPING AND MANAGING RISKS

In each operating country, we map CSR risks in our direct supply chain. To date, we have assessed 90% of our first-tier suppliers in respect to environmental, social, and societal issues. Suppliers (excluding state organisations) who have signed the Supplier Code of Conduct represent 73% of our total purchasing volumes over the fiscal year.

In addition, our compliance department has established an information system to collect and automatically monitor our raw material suppliers.

This tool makes it possible to obtain information related to the shareholding and the composition of the management of our third parties, as well as daily monitoring of any sanctions and negative media coverage concerning them. We aim to apply this to all our commodity suppliers within five years, before rolling it out to the rest of our suppliers.

By the end of March 2022, 22% of our commodity suppliers were monitored with this tool. These suppliers represent 87% of our total purchasing volumes during the fiscal year.

Finally, an alert mailbox, referenced both in the Code of Ethics and the Supplier Code of Conduct, allows our employees and suppliers to flag and report any problems or concerns.

RAISING AWARENESS AMONG EMPLOYEES

In order to successfully adopt best practice in all circumstances, we need our entire company to be involved. Our employees are therefore all trained in ethics and compliance issues as soon as they join us.

All employees are expected to read and sign our Code of Ethics. In several subsidiary offices including Ghana, the Code of Ethics is the subject of training sessions.

ENSURING THE ADOPTION OF GOOD PRACTICE

Verifying the implementation of corporate good practice is an integral part of our daily work.

We benefit from the expertise of our Legal Department, who collaborate closely with our General Management and support teams across the entire group. The legal team helps prevent risk to the integrity of our business, identifies potential economic sanctions through the preparation and verification of contractual commitments made by us, and monitors our strategic projects.

Internal audits are regularly carried out across all our subsidiaries, to ensure that our procedures are properly implemented and are consistent with our ethics and compliance requirements.

We have also built a dedicated Compliance team in charge of streamlining and coordinating compliance programmes, while also monitoring action plans and controlling measures implemented.

We look after the compliance of our daily business operations and management in accordance with relevant French and international legislations and regulations. Close collaboration between our Audit, Legal and Compliance teams here at Touton together with banks, consultants, lawyers, and tax specialists enable us to ensure the integrity of our operations.

Our financial operations are also audited annually by our statutory auditors, who guarantee the integrity of our accounts



KEY PERFORMANCE INDICATORS

INCLUSION RATE OF COMMODITY SUPPLIERS IN THE MONITORING TOOL

22% of our tier-one commodity suppliers are assessed in the monitoring tool. They represent

87% of the volumes purchased during the fiscal year.

PERCENTAGE OF SUPPLIERS HAVING SIGNED THE SUPPLIERS CODE OF CONDUCT

The total number of suppliers (excluding national structures) who have signed the Supplier Code of Conduct represent:

73% of the volumes purchased during the fiscal year.



APPENDIX

Appendix :

Our methodology

INTRODUCTION

This chapter is devoted to CSR and to our sustainable development indicators. It has been prepared by our internal audit department, with the collaboration of other interested departments, as well as our relevant subsidiaries.

REPORTING PRINCIPLES

All reported data (indicators) come from different internal reporting systems.

- HR: IT system for Human Resources Management
- Sustainability: IT systems for Monitoring and Evaluation
- Volume statistics / financial data: management and accounting tools

The reporting period is based on the fiscal year, from 1 April 2021 to 31 March 2022.

SCOPE OF REPORTING

The declaration of non-financial performance concerns exclusively companies in which we hold more than 90% of the capital. Some indicators are not applicable on a complete scope, this is therefore specified where applicable.

DATA COLLECTION

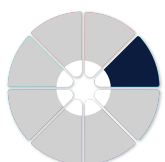
Each relevant Department is responsible for the information produced. This report relies on several data sets:

- Social indicators managed and collected by our Human Resources department
- Societal indicators that are monitored directly by our relevant departments
- Environmental information that is monitored directly by our relevant departments
- Financial information that is monitored by our financial department

SCOPE OF CONSOLIDATED INDICATORS



GOAL 1

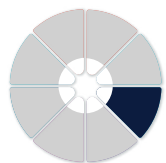


GOAL 2

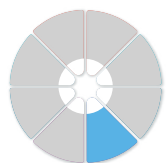
| INDICATORS | DEFINITION | SCOPE 2021-2022 |
|---|---|----------------------|
| Number of plantations that have undergone a DRA (Deforestation Risk Assessment) | The Deforestation Risk Assessment (DRA) is an analysis conducted on all mapped cocoa plantations. The risk analysis is integrated into the system that has been automated. | Ivory Coast Ghana |
| Number of individuals benefitting from agroforestry projects | Number of individuals identified by a unique key code who have received shade trees during the fiscal year | Ivory Coast Ghana |
| Volume variation of sustainable products sold (Sustainable products: certified or part of a sustainability programme) | Sources: management tools Calculation method: Tracking of Volume variation for sustainable products sold between 2 financial years | Group |
| Share of Volume of sustainable products sold (Sustainable products: certified or part of a sustainability programme) against total volume sold* | Sources: management tools Calculation method: share of sales of sustainable products / total sales | Group |
| Share of products covered by a quality standard* | Sources: management tools Calculation method: Share of purchases from our subsidiaries / total purchases for Ivory Coast Proportion of cocoa product suppliers with a certified factory / total product purchase within the group | Ivory Coast Group |

*Key performance indicators (KPIs)

SCOPE OF CONSOLIDATED INDICATORS



GOAL 3

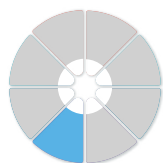


GOAL 4

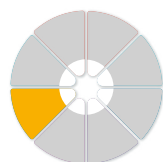
| INDICATORS | DEFINITION | SCOPE 2021-2022 |
|--|--|----------------------|
| Overall number of plantations mapped and verified by the end of the fiscal year * | Supply chain plantations are mapped by contracted field teams. As the collection tools have evolved over the years, and the data comes from different actors, the data sources are different: <ul style="list-style-type: none"> • Mergedata • Garmin (polygons sent per unit by the cooperatives) • 3D • Polygons sent by external partners | Group |
| Share of plantations mapped for supplier risks (as part of the DRA) | Goal 1-1 / Goal 3-1 | Ivory Coast Ghana |
| Cumulative number and share of producers covered by a socio-economic survey * | Producers in the supply chain are visited by enumerators who carry out a questionnaire on socio-economic characteristics and farming practices. The collection tool for this questionnaire has changed between the 20/21 and 21/22 crop seasons: During the 20/21 season, we used Mergedata and during the 21/22 season, we used Survey Solution | Group |
| Number and share of producers whose declared gender is female | Data relating to gender stated in the records integrated into our CubeD digital tool. This is the gender declared by the producer when registering at the beginning of the season. This data is then confirmed or denied by the socio-economic questionnaire. The data was collected via Excel, and submitted and audited by the certification bodies. This data was checked and cleaned by the local and global M&E team, then restructured to be integrated into CubeD. | Group |
| Number of communities profiled for child labour risk assessment (cumulative to the end of the fiscal year) | Number of communities assessed by our enumerators as part of the community survey conducted in Ghana and Ivory Coast. In Ivory Coast, the Survey Solution tool was used to collect the data. In Ghana, the 3D collection tool was used. | Ivory Coast Ghana |

*Key performance indicators (KPIs)

SCOPE OF CONSOLIDATED INDICATORS



GOAL 5

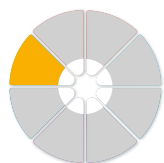


GOAL 6

| INDICATORS | DEFINITION | SCOPE 2021-2022 |
|---|--|----------------------|
| Number of producers trained in good agricultural, social, and environmental practices * | Number of individuals receiving at least one training programme on good agricultural, social, and environmental practices. The collection processes differ for the various products : For coffee, in Uganda and Kenya, the data was digitised via the 3D interface and is available on the CubeD platform. For cocoa in Ghana, the data was digitised using an Excel spreadsheet. For cocoa in Ivory Coast, the data was digitised via Mergedata. | Ghana Uganda |
| Number of « cocoa technicians/ agripreneurs » trained | | Ivory Coast |
| Staff turnover* | Source: SIRH Lucca Calculation method: legal formula. [(Number of entries + Number of exits) /2] Average number of employees | 72% of Group's scope |
| Average length of service | Source: SIRH Lucca Calculation method: average length of service at year-end | 72% of Group's scope |
| Share of staff leaving less than two years after arrival date | Source: SIRH Lucca Calculation method: number of departures according to this criterion | 72% of Group's scope |
| Breakdown of men and women by continent * | Sources: SIRH Lucca & Excel personnel register for subsidiaries not equipped with Lucca. Calculation method: number of employees according to these two criteria | Group |
| Average age | Sources: SIRH Lucca & Excel staff register for subsidiaries not equipped with Lucca. Calculation method: average age on 31/03/22 | Group |

*Key performance indicators (KPIs)

SCOPE OF CONSOLIDATED INDICATORS



GOAL 7



GOAL 8

| INDICATORS | DEFINITION | SCOPE 2021-2022 |
|--|---|--|
| Number of work-related accidents | Source: SIRH Lucca Calculation method: data tracking | Touton SA (15% of Group's total employees) |
| Accident frequency rate / severity rate | Source: SIRH Lucca Calculation method: data tracking | Touton SA (15% of Group's total employees) |
| Number of serious / fatal accidents at work | Source: SIRH Lucca Calculation method: data tracking | Touton SA (15% of Group's total employees) |
| Absenteeism rate* | Source: SIRH Lucca Calculation method: Formula: number of days of absenteeism (excluding leave and training) / number of days that can be worked. Parameters configured directly in the SIRH, accessible for audit. | 72% of Group's scope |
| % Share of suppliers under supervision* | Source data: list of active suppliers over the last 2 accounting years Calculation method: share of suppliers under supervision / number of active suppliers. Also calculated as a proportion of the product volumes processed over the year | Touton SA |
| % Share of suppliers who have signed our supplier code of conduct* | Source data: list of active suppliers over the last 2 accounting years Calculation method: proportion of volume processed over the financial year coming from suppliers who have signed the code / total volume processed (excluding volume processed with state structures) | Touton SA |

*Key performance indicators (KPIs)



TOUTON

