

# Corporate Buying Policy for Cocoa

**ALDI SUISSE**





## 1 Introduction

In order to fulfil our responsibility towards our customers and the environment, we have pledged in our Corporate Responsibility Policy to act and trade responsibly.

We strive to promote the sustainable sourcing of cocoa throughout our supply chains in cooperation with our business partners and therefore apply well-established certification schemes.

These certification schemes concentrate on those areas where the greatest challenges across the cocoa-growing countries exist. Among these challenges are, for example, wide-spread child labour, insufficient knowledge of sustainable growing methods, and the lack of financial funds, which result in a decline in productivity and quality.

Therefore, we aim to contribute to the further development of the working conditions on cocoa plantations according to recognised social and ecological standards and, consequently, to the improvement in smallholders' living conditions.

Our Corporate Buying Policy for Cocoa serves as a guideline for the implementation of sustainable sourcing practices for our business partners and employees alike, and, consequently, supports sustainable cocoa-growing methods worldwide.

Furthermore, as a member of the Swiss Platform for Sustainable Cocoa, ALDI SUISSE is actively promoting the import of cocoa products which derive from sustainable production.

## 2 Scope of application

The scope of our Corporate Buying Policy for Cocoa comprises all private label products containing cocoa regardless of the total quantity contained.

## 3 Goals and requirements

In future, we aim to follow a 2-step approach in procuring the cocoa for all private label products containing cocoa exclusively from certified sources.

- 1) Since 1 January 2017, we have been procuring the cocoa for all products within the commodity groups of Chocolates, Biscuits, and Seasonal Confectionary, as well as for products in other commodity groups with a total cocoa content of more than 10% only from sustainable sources.
- 2) By 31 December 2020, we will exclusively use certified cocoa for all our products containing cocoa irrespective of the total quantity contained.

Within the scope of our buying process, we refer to our 'ALDI Social Standards in Production' which have been defined as part of our CR Principles. These standards reflect our minimum requirements which we strive to exceed wherever possible. We expect all our business partners and suppliers to meet these standards throughout the entire supply chain and to ensure that all of their sub-suppliers and production processes also comply with these requirements. Our 'Social Standards in Production' are based on:

- the ILO (International Labour Organization) standards,
- the UN Universal Declaration of Human Rights,
- the UN Conventions on the Rights of the Child,
- the UN Convention on the Elimination of All Forms of Discrimination against Women, and
- the OECD Guidelines for Multinational Enterprises.



Furthermore, the ALDI SOUTH Group and, thus, ALDI SUISSE AG as well, joined the amfori Business Social Compliance Initiative (BSCI) in 2008. amfori BSCI participants are committed to improving the working conditions throughout their supply chains, to compliance with environmental guidelines, and to the creation of structures for ensuring social standards in production.

#### **4 Active implementation**

At ALDI SUISSE, we implement our sustainability requirements in close cooperation with our suppliers.

Since 2011, we have consciously procured cocoa from certified sources and are committed to sourcing cocoa exclusively from certified sources by the end of 2020. The certification schemes we accept are listed below:

- Fairtrade (including Fairtrade Cocoa)
- UTZ
- Rainforest Alliance

We request our suppliers to source certified cocoa for our products. Which of the above-mentioned certification schemes is to be used is decided in cooperation with the relevant Buying Director. Thus, compliance with the respective scheme forms part of our contracts.

For all certified products, we verify the validity of the certificate. Although sustainability logos on products increase the transparency for our customers, the relevant Buying Director decides whether a logo is to be used. We recommend not to use sustainability logos for the labelling of products with a low cocoa content.

In the event that our binding objectives are not fulfilled, we rigorously monitor their future implementation and develop specific measures for improving production processes in cooperation with our business partners. In certain cases of non-compliance, we also reserve the right to terminate business relations. Our common aim: To make more sustainable products the common standard for retailers and consumers alike.