



POSITION STATEMENT

COCOA, COFFEE, TEA & CANE SUGAR.

November 2024



PURPOSE.

When cocoa, coffee, tea and cane sugar are not sourced responsibly or ethically, they can contribute to labour exploitation, unfair pay, deforestation, climate change and nature loss.

This **position statement** outlines Foodstuffs Own Brands Limited's ("Foodstuffs") sourcing preferences for these commodities within in-scope products, to support better outcomes for people and the planet.

Scope.

In Scope

- Own brand products, namely Pams Value, Pams, Pams Finest and Gilmours brands, their associated sub-brands and any other brand where Foodstuffs Own Brands Limited acts as the supplier within the New Zealand market, specifically where these products constitute:
 - cane sugar as a single ingredient products (e.g. brown, white, raw or icing sugar); or
 - single and multi-ingredient products that contain cocoa, coffee, or tea as a primary and/or characterising ingredient.

Out of Scope

- White label products not managed by Foodstuffs are currently out of the scope of this position statement and will be assessed at a later date.
- Vendor branded products.

Our Position.

Foodstuffs understands the importance of sourcing cocoa, coffee, tea and cane sugar in a way that minimises and/or avoids any negative environmental and social impacts in our supply chain. In doing so, we will provide our customers with a selection of responsibly and ethically sourced products they love and trust.

We are committed to working with our supply partners to support positive outcomes, such as preventing deforestation, preventing child labour, supporting fair wages for farmers, and respecting the rights of Local and Indigenous communities.

New products to Foodstuffs will be assessed to determine whether they can meet the sourcing preferences outlined in this position statement during development.

Assessments should consider the impacts on cost, the environment and the customer, when meeting or not meeting our sourcing preferences outlined below. As well as a review of sourcing practices within the product category. Assessments will be undertaken in consultation with the Foodstuffs Responsible & Ethical Sourcing Team.

Our Sourcing Preferences

Cocoa

All own brand core and seasonal food products containing cocoa bean and/or its derivatives as a primary and/or characterising ingredient (e.g. chocolate chip cookies, chocolate drinks, and cake mixes) should use independently certified/verified cocoa. Recognised certifications/verifications include Rainforest Alliance, Fairtrade International, and Cocoa Horizons.

We prefer physically segregated certified cocoa, but mass balance certified cocoa is also currently accepted.

Coffee

All own brand core and seasonal food products containing coffee bean and/or its derivatives as a primary and/or characterising ingredient (e.g. instant coffee, coffee ice cream) should use independently certified coffee. Recognised certifications include Rainforest Alliance and Fairtrade International.

Tea

All own brand core and seasonal food products containing black, green, or herbal tea (e.g. chamomile, peppermint, chai) as a primary and/or characterising ingredient (e.g. tea bags, iced tea, or chai latte sachets), should use independently certified tea. Recognised certifications include Rainforest Alliance and Fairtrade International.

Cane Sugar

All own brand single-ingredient cane sugar products (e.g. 1kg sugar bags) should be certified to Bonsucro or Fairtrade International standards or an independent third party recognised by Foodstuffs Responsible and Ethical Sourcing.

Foodstuffs may request specific ranges to meet our cane sugar sourcing preferences where cane sugar is used as an ingredient (e.g. soft drinks). Where this is the case, it will be communicated in the product development brief.

Claims

To provide customers with assurance our products have been responsibly and ethically sourced, Foodstuffs may include responsible sourcing claims on product packaging. We have a preference for using third party certification (e.g. the Rainforest Alliance seal) on packaging where the claim is material to the product and complies with the relevant trademark use requirements. Any claim on product packaging must be approved by the Responsible & Ethical Sourcing team and comply with Foodstuffs' Environmental Claims Framework.

Updates and Review Period

The Foodstuffs Responsible & Ethical Sourcing team will review this position statement every two years, or as required to ensure best practice.

The Responsible & Ethical Sourcing team may update or replace this position statement at any time (or convert to a policy) by publishing a revised version on [Foodstuffs Exchange](#) website and Foodstuffs Blender (Foodstuffs' Product Management Portal). Where changes are made, these will be communicated to you and your acceptance sought.

Position Statement Owner

This position statement is owned by the Head of Responsible & Ethical Sourcing for Foodstuffs. Any questions or comments about this position statement should be directed to responsiblesourcing@foodstuffs.co.nz

Last updated: October 2024

Glossary

Bonsucro

Bonsucro is a global initiative that promotes sustainable sugarcane production and trade by setting standards that ensure environmentally responsible farming practices, social responsibility, and economic viability in the sugarcane industry. Bonsucro certification is available to sugarcane growers, mills, and farms worldwide who meet those standard as well as the final products.

Characterising Ingredient¹

Characterising ingredient means an ingredient or a category of ingredients of the food that:

- a. is mentioned in the name of the food; or
- b. is usually associated with the name of the food by a consumer; or
- c. is emphasised on the label of the food in words, pictures, or graphics.

Cocoa Horizons

Cocoa Horizons is a responsible cocoa assurance program developed by Barry Callebaut, focusing on improving the livelihoods of cocoa farmers, promoting sustainable agricultural practices, and supporting community development in cocoa-producing regions. Cocoa Horizons verified products contain cocoa that is produced under this program.

Fairtrade International

Fairtrade International is a global organization that promotes fair trade practices through its Fairtrade certification system. Fairtrade certification ensures products have been produced and traded according to certain standards, including fair prices, decent working conditions, environmental sustainability, and community development. For farmers and workers, the standards include protection of workers' rights and the environment. For companies they include the payment of the Fairtrade Minimum Price and an additional Fairtrade Premium to invest in business or community projects of the community's choice.

Foodstuffs Own Brands

Foodstuffs Own Brands Limited is a national organisation responsible for managing own brand products across both Foodstuffs North Island and Foodstuffs South Island regions. We're passionate about developing customer-led products for every New Zealander and develop and procure Foodstuffs' Private Label offering under its brands Pams, Pams Value, Pams Finest and Gilmours.

1 Australia New Zealand Food Standards Code, Standard 1.2.10-2. Note that the definition of characterising ingredient for the purposes of this policy does not include the exceptions stated in Standard 1.2.10-2, sub-clause (2).

Independently Certified/Verified

Where an independent third-party organisation (e.g. Fairtrade, Rainforest Alliance) has assessed and confirmed that a supplier or product has met specific environmental and social standards and requirements. This ensures credibility and enables consumers to be confident that a commodity has been sourced in a responsible and ethical manner.

Mass Balance

A supply chain certification method where a certified commodity is mixed with non-certified commodity.

Rainforest Alliance

An international non-profit organisation that focuses on conserving biodiversity and promoting sustainable livelihoods. Rainforest Alliance certification ensures that products have been sourced sustainably, promoting environmentally friendly farming practices, nature conservation and improved living conditions for farmers and workers in producing regions.

Responsibly Sourced

Responsibly sourced means that products are sourced from suppliers who meet defined standards set out in this position statement and the Foodstuffs Responsible and Ethical Sourcing Policy that enable Foodstuffs to avoid and mitigate the risk of negative environmental and social impacts in its supply chain.

Segregated

A supply chain certification method where a certified commodity is kept separate from non-certified commodity.

Vendor branded product

Any product sold by Foodstuffs where our supply partners own the brand or a third-party act as the supplier within the New Zealand market.

