



# Valrhona

Disclosure Report  
Date Submitted: October 23rd, 2023



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## Disclosure Materials

Certified B Corporations must complete a Disclosure Questionnaire to identify potentially sensitive issues related to the company (e.g. historical fines, sanctions, material litigation, or sensitive industry practices).

This component does not affect the company's score on the B Impact Assessment. If the company answers affirmatively to any items in the Disclosure Questionnaire that B Lab deems relevant for public stakeholders, then, as a condition of their certification, the company must:

- 1) Be transparent about details of the disclosure issues identified on the company's public B Impact Report
- 2) Describe how the company has addressed this issue
- 3) Demonstrate that management practices are in place to avoid similar issues from arising in the future, when necessary.

In all cases, the Standards Advisory council reserves the right to refuse certification if the company is ultimately deemed not to uphold the spirit and integrity of the community.

In addition to the voluntary indication of sensitive issues in the Disclosure Questionnaire, companies pursuing Certification also are subject to a background check by B Lab staff. Background checks include a review of public records, news sources, and search engines for company names, brands, executives/founders, and other relevant topics.

Sensitive issues identified through background checks may or may not be within the scope of questions in the Disclosure Questionnaire, but undergo the same review process and are subject to the same possible review by the Standards Advisory Council, including ineligibility for B Corp Certification, required remediation, or disclosure.

**This document contains a copy of the company's completed Disclosure Questionnaire and related disclosure documentation provided by the company**



# Disclosure Questionnaire

## Industries and Products

	Yes	No
Please indicate if the company is involved in production or trade in any of the following. Select Yes for all options that apply.		
Animal Products or Services	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Biodiversity Impacts	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Chemicals	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Alcohol	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Firearms Weapons	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Mining	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Pornography	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Tobacco	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<a href="#">Energy and Emissions Intensive Industries</a>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fossil fuels Gambling	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Genetically Modified Organisms	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Illegal Products or Subject to Phase Out	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<a href="#">Industries at Risk of Human Rights Violations</a>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Monoculture Agriculture	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Nuclear Power or Hazardous Materials	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Payday, Short Term, or High Interest Lending	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<a href="#">Water Intensive Industries</a>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Tax Advisory Services	<input type="checkbox"/>	<input checked="" type="checkbox"/>

## Outcomes & Penalties

	Yes	No
Please indicate if the company has had any formal complaint to a regulatory agency or been assessed any fine or sanction in the past five years for any of the following practices or policies. Check all that apply.		
Anti-Competitive Behavior	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Breaches of Confidential Information	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Bribery, Fraud, or Corruption	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company has filed for bankruptcy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Consumer Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Financial Reporting, Taxes, Investments, or Loans	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Hazardous Discharges Into Air/Land/Water (Past 5 Yrs)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Labor Issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Large Scale Land Conversion, Acquisition, or Relocation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Litigation or Arbitration	<input type="checkbox"/>	<input checked="" type="checkbox"/>
On-Site Fatality	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Penalties Assessed For Environmental Issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Political Contributions or International Affairs	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Recalls	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Significant Layoffs	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Violation of Indigenous Peoples Rights	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>



## Practices

	Yes	No
Please indicate if the following statements are true regarding whether or not the company engages in the following practices. Check all that apply. If the statement is true, select "Yes." If false, select "No."		
Animal Testing	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company prohibits freedom of association/collective bargaining	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company workers are prisoners	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Conduct Business in Conflict Zones	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Confirmation of Right to Work	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Does not transparently report corporate financials to government	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Employs Individuals on Zero-Hour Contracts	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Facilities located in sensitive ecosystems	<input type="checkbox"/>	<input checked="" type="checkbox"/>
ID Cards Withheld or Penalties for Resignation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
No formal Registration Under Domestic Regulations	<input type="checkbox"/>	<input checked="" type="checkbox"/>
No signed employment contracts for all workers	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Overtime For Hourly Workers Is Compulsory	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Payslips not provided to show wage calculation and deductions	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Yes	No
Sale of Data	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Tax Reduction Through Corporate Shells	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers cannot leave site during non-working hours	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers not Provided Clean Drinking Water or Toilets	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers paid below minimum wage	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers Under Bond	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>

## Supply Chain Disclosures

	Yes	No
Please indicate if any of the following statements are true regarding your company's significant suppliers.		
<a href="#">Business in Conflict Zones</a>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Child or Forced Labor	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Negative Environmental Impact	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Negative Social Impact	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>



# Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Business in Conflict Zones

<b>Topic</b>	One distributor of Valrhona had a subsidiary in Russia.
<b>Summary of Issue</b>	Valrhona's products are sold to clients and distributors with their own distribution networks. Valrhona has identified that one of their distributors had a subsidiary in Russia. Valrhona stopped selling products to this particular client.
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	In 2022, the total revenue from this distributor amounted to 0,1% of Valrhona's revenue.
<b>Impact on Stakeholders</b>	As per the OECD, conflict zones are often characterized by widespread human rights abuses and violations of national or international law.
<b>Resolution</b>	Valrhona has stopped working with this distributor since February 2023.
<b>Implemented Management Practices</b>	The company has not renewed the client contract with this company.
<b>Report</b>	
<b>Management Comments</b>	

# Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Environmentally Intensive Industries

<b>Topic</b>	Water Intensive Industries
<b>Summary of Issue</b>	As a company that produces cocoa derived products, Valrhona operates in an industry that is water intensive.
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	100% of Valrhona's revenue comes from the sale of manufactured goods. In 2021, Valrhona's water consumption was 17,07 m3 per tonne of finished product.
<b>Impact on Stakeholders</b>	<p>As a water intensive industry, agriculture poses risks such as water stress or depletion of local water sources if water use is not appropriately managed. The company's production process in the factory also requires substantial water for cooling products after processing and cleaning.</p> <p>The company's water is from the city's water source, the Rhône river is not a water stressed area.</p>
<b>Implemented Management Practices</b>	<p>In 2013, Valrhona's objective was to reduce by 50% water consumed on the production site. In 2022, the tap water consumption decreased by 40%, due to a better consumption monitoring system and responsible use from employees. Ground water consumption dropped by 67%, due to infrastructure investment of a new heat pump.</p> <p>From farms: Valrhona's cocoa beans supplies are from non irrigated crops.</p>
<b>Report</b>	<a href="#">2022 Mission report</a>
<b>Management Comments</b>	



# Disclosure Questionnaire Statement

## Disclosure Questionnaire Category: Environmentally Intensive Industries

<b>Topic</b>	Energy and Emissions Intensive Industries.
<b>Summary of Issue</b>	As a manufacturing company that produces cocoa derived products, Valrhona operates in an industry in which energy and carbon emissions is a material environmental issue.
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	100% of Valrhona's revenue comes from the sale of manufactured goods.
<b>Impact on Stakeholders</b>	<p>After delivery the cocoa beans must be debacterized to ensure food safety, this process is done with the use of steam produced by gas. The cocoa beans are roasted, which is energy intensive because roasting machines operate, with natural gas, at high temperatures, roughly 150 degrees celsius max. The degree of roasting determines the flavor profile of the cocoa beans, and different roasting levels can produce complex flavors and aroma. This heating process is energy intensive.</p> <p>The process of grinding and refining the chocolate ingredients to lower the particule size is another energy intensive process. Once melted, the liquid chocolate is chilled in molds, the solidification of chocolate requires energy to cool it down. The chocolate needs to be kept cool and so is preserved under 20°C conditions, the cooling processes are powered by electricity.</p>
<b>Implemented Management Practices</b>	Valrhona's energy management team is composed by 4 experts. and since 2015, Valrhona has been certified to ISO 50001 to improve its environmental policies and practices in terms of energy. The cooling devices have been replaced to improve the coefficient of performance (COP). Valrhona monitors the energy efficiency of the activities and reduced the kw/T per finished product by 37% between 2013 à 2022.
<b>Report</b>	<a href="#">2022 Mission report</a>

# Disclosure Questionnaire Statement

## Disclosure Questionnaire Category: Industries at Risk of Human Rights Violations

<b>Topic</b>	Forced labor, child labor, and human trafficking risks in cocoa/chocolate industry
<b>Summary of Issue</b>	As a manufacturing company that produces cocoa derived products, Valrhonna operates in an industry in which human rights issues such as forced labor, child labor, and human trafficking are prevalent globally in the cocoa supply chain.
<b>Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)</b>	100% supplier expenses come directly from cocoa farms.
<b>Impact on Stakeholders</b>	The global cocoa industry has a history of forced and child labor, which subjects workers to poor working conditions, low wages, and puts children at risk for human trafficking.
<b>Implemented Management Practices</b>	<p>Valrhonna can trace 100% of its cocoa supply as they work in direct partnerships with cooperatives, producer associations or private plantations. The company engages in long term partnerships (3 year minimum term) with its producers to secure volumes and more importantly guarantee fixed prices which allows producers to have greater visibility on their income. Valrhonna only works with partners who share their values and are committed to the 10 principles of the United Nations Global Compact, including responsible environmental stewardship, respect for human rights and the prohibition of child labour. To date, 100% of their partners have signed the Responsible Purchasing Charter.</p> <p>Valrhonna have joined the International Cocoa Initiative (ICI), a non-profit foundation that works to ensure a better future for children in cocoa-growing communities. The company's actions in favour of the fight against child labour are based on two main axes:</p> <p>1) Training &amp; Awareness</p> <p>In Côte d'Ivoire, the company financed a training center in Daloa in 2017. This building offers a place to gather the 30 cooperatives teams of the ECOOKIM Union, for meetings and</p>



	<p>trainings. Since 2018, Valrhona has financed the CAPEDIG cooperative training farmers annual program. An ECOOKIM trainer make and provide the training program to all CAPEDIG members, within rural communities. The training program includes sessions on good agricultural practices directly on farms, environment sensibilisation ( such as waste management, awareness of the environment and biodiversity), social (for example: women, children and workers rights, health, disease prevention) and finance (such as revenue management). There are many sessions each aiming to be as close as possible to the producers. The average participation rate is above 80%.</p> <p>In parallel with these trainings, their partner cooperative has created Committees to combat child labour. These committees are composed of:</p> <ul style="list-style-type: none"> <li>• 1 or 2 Member(s) of the Board of Directors</li> <li>• 1 Fairtrade Certification Officer</li> <li>• 2 or 4 Young Leaders (or Young Leaders) aged between 18-25</li> <li>• 1 Person responsible for child protection policy</li> </ul> <p>These members are proficient in the child protection policy and procedures, child labour and child protection aspects of the Fairtrade Standard and the Community Child Watch and Remediation System including Youth.</p> <p>Young leaders, who are between 18 and 25 years old, are an essential link in the monitoring system. Within communities, young leaders are in close contact with the producer, the communities and the cooperative. They sensitize communities about the consequences of child labour, and they are the ones who identify child labourers and families at risk.</p> <p>2) Access to quality education</p> <p>Since 2015, in consultation with their partners and local authorities, they have embarked on a vast program to improve access to education in West Africa. The schools to be built or renovated were prioritized according to the existing infrastructure, their condition or their capacity.</p> <p>Their impacts since 2018: 8 schools built, 3 schools renovated, representing a total of 50 classes benefiting 2555 students at the end of 2022.</p>
Report	<a href="https://fonds-solidaire-valrhona.org/en/">https://fonds-solidaire-valrhona.org/en/</a>