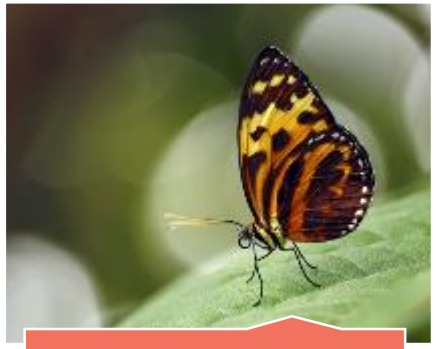
Rainforest Alliance

DRIVING SUSTAINABLE BUSINESS PRACTICES

ALEX MORGAN
APRIL 2018

30+ Years of Transformative Impact

The Rainforest Alliance works to…



Conserve Biodiversity

Ensure Sustainable Livelihoods

By transforming…

Land Use Practices

Business Practices

Consumer Behaviour

Where We Work – 78 Countries

Landscapes & Livelihoods program:

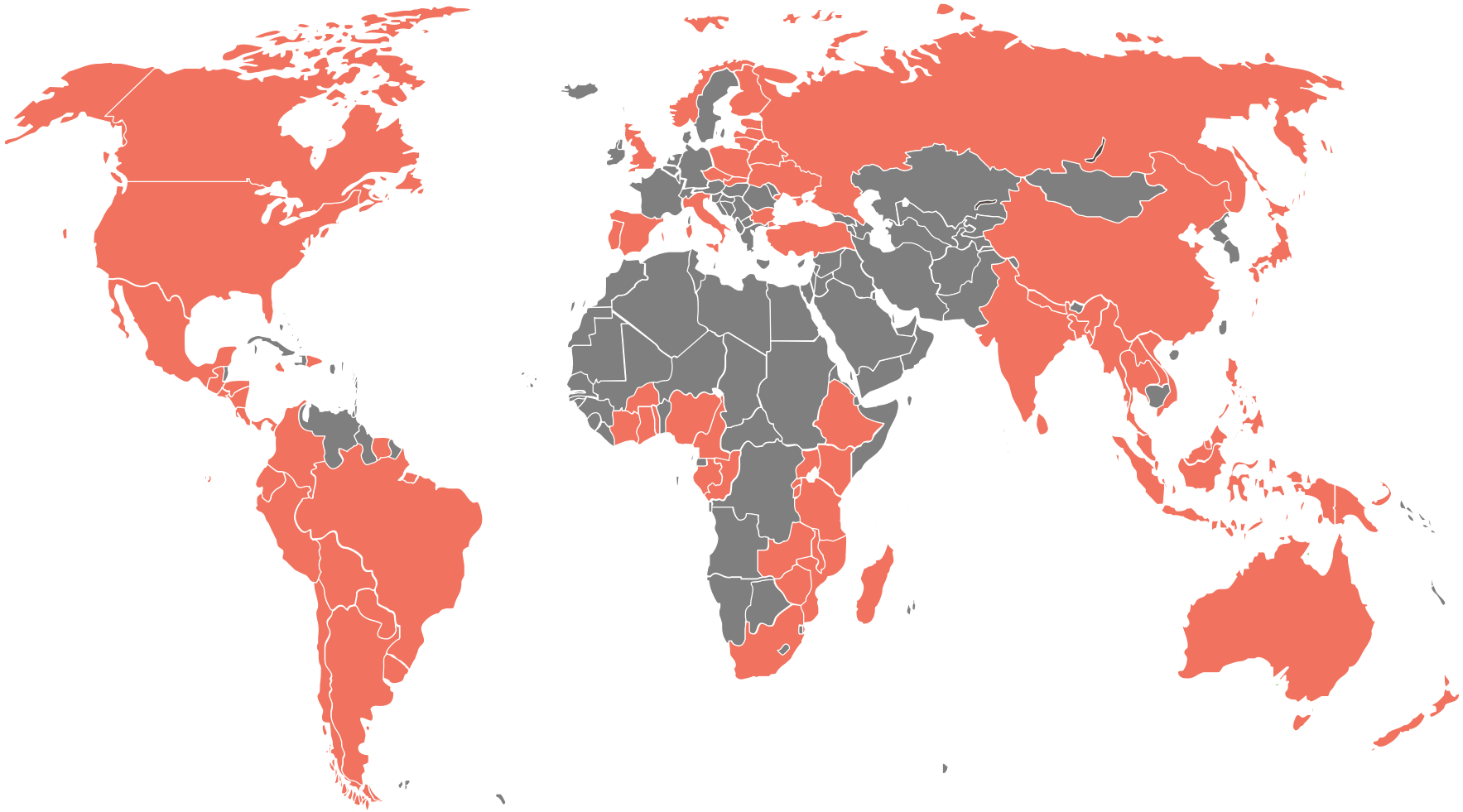
Africa:
- West Africa, Accra
- Congo Basin, Yaounde
- East Africa, Nairobi

SE Asia:
- Three sub- offices (Bali, Sulawesi, Sumatra)

Americas:
- United States, New York
- Mexico, Mexico City
- Central America, Guatemala City
- South America, Lima

Europe:
- United Kingdom, London

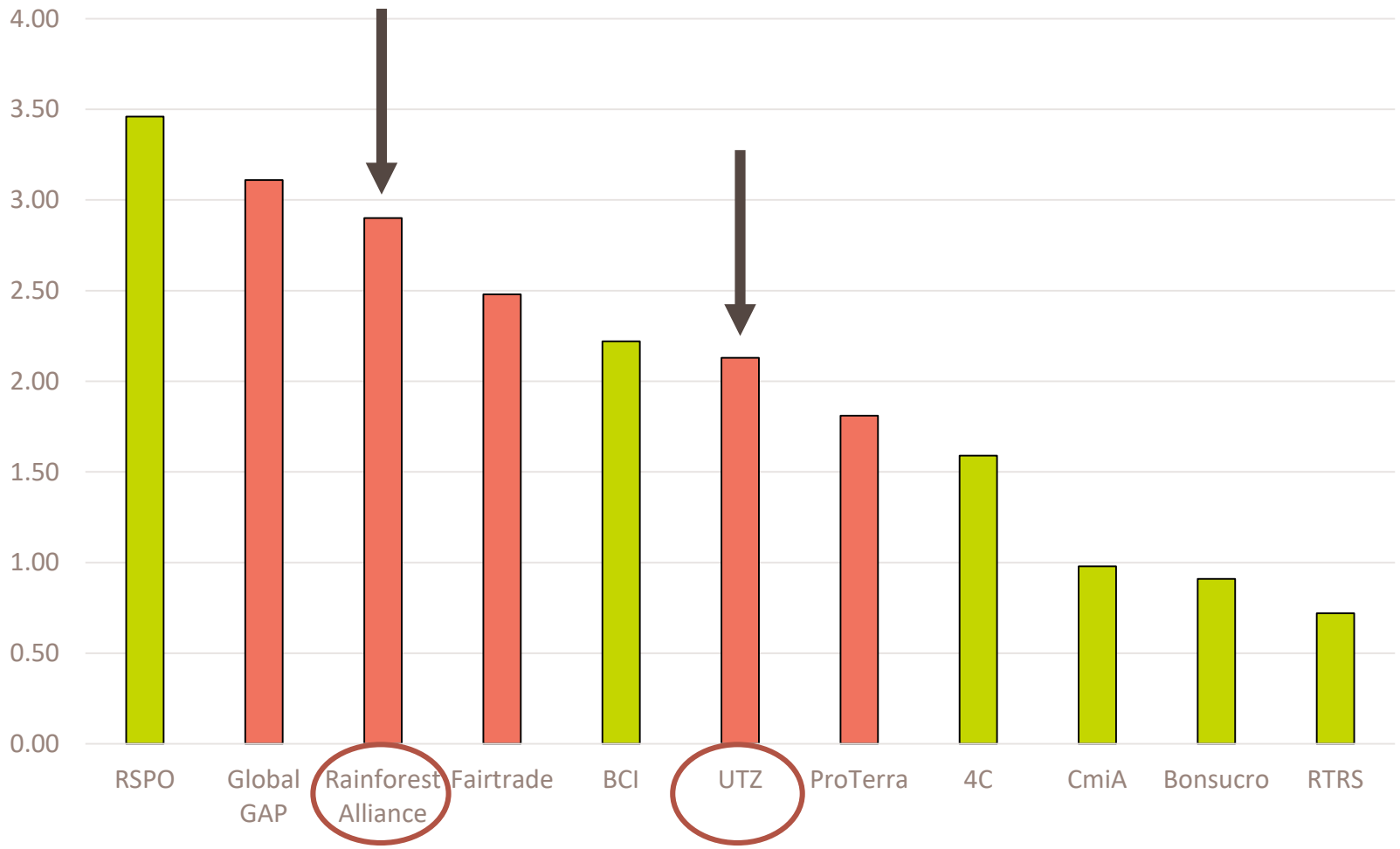
Each office oversees network of technical consultants and institutional partners, giving Rainforest Alliance permanent technical capacity in 25 + countries



Largest Agricultural Voluntary Sustainability Standards

Multi-crop standard

Single-crop standard



Source: *The State of Sustainable Markets – Statistics and Emerging Trends 2017*. ITC, Geneva. Data from 2015.

Rainforest Alliance – UTZ Merger

Effective January 2018

Key points:

- The new organization carries the Rainforest Alliance name
- We remain a global organization with dual headquarters in New York and Amsterdam
- The Rainforest Alliance seal remains
- The two certification systems will operate in parallel for the next 22 months
- A new certification program will be published towards the end of 2019 that brings together the best of both systems; the process will include extensive consultation with stakeholders

Rainforest Alliance 30 Years

Some Collaborating Companies in the United States

COSTCO WHOLESALE

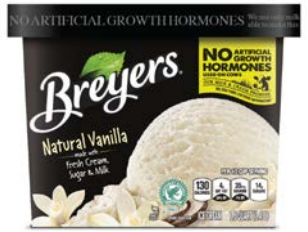
Griffith FOODS

TACO BELL

MAGNUM

The REPUBLIC of TEA
LEADING PURVEYOR OF PREMIUM TEAS

Caribou COFFEE



DUNKIN' DONUTS

CLIF BAR

WHOLE FOODS MARKET

allegro COFFEE

LA COLOMBE TORREFACTION

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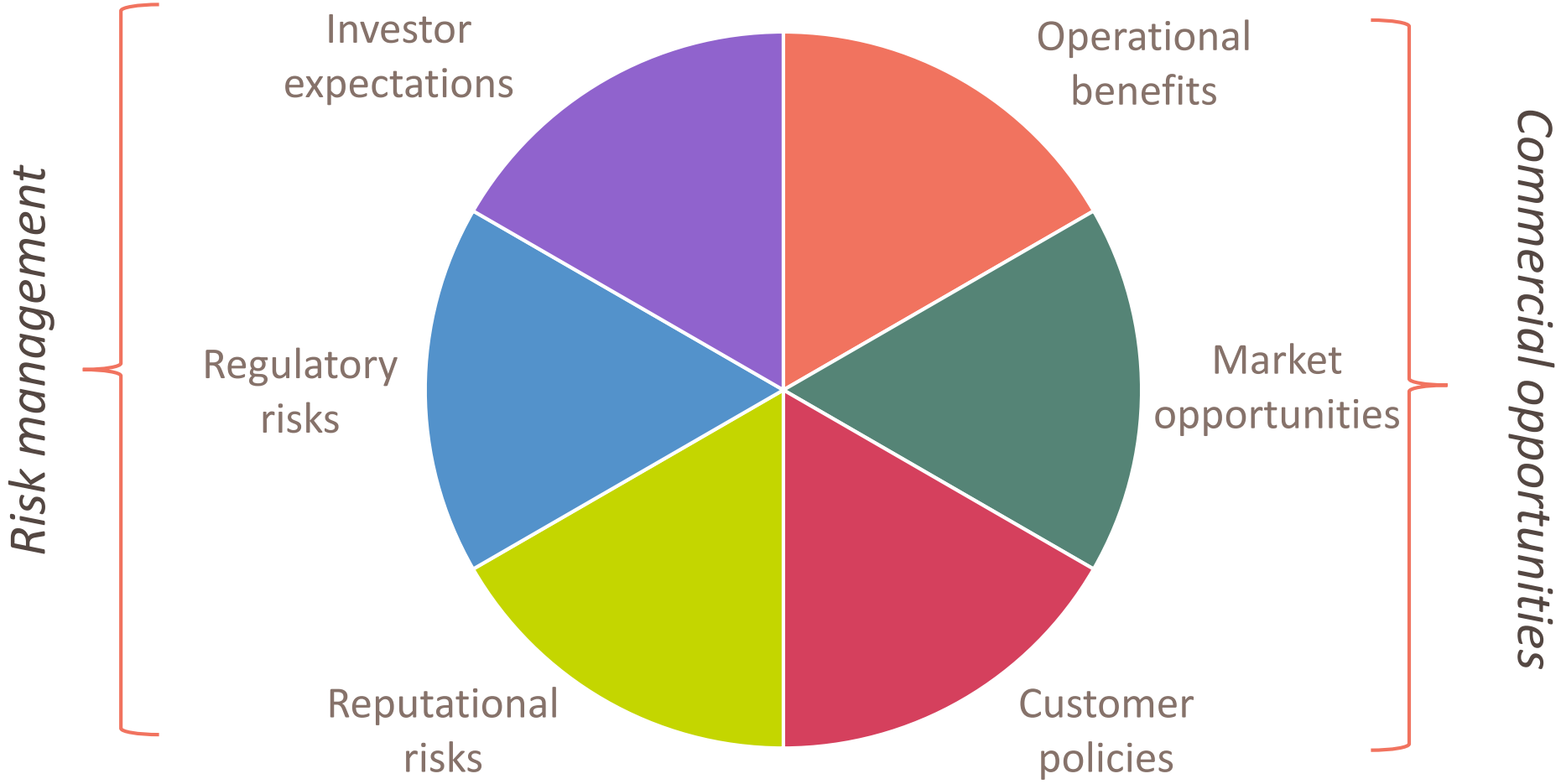
The Sustainability Evolution: from Niche to Norm

Rainforest Alliance 30 Years

SUSTAINABLE DEVELOPMENT GOALS

Rainforest Alliance 30 Years

6 Primary Drivers for Corporate Action on Sustainability Issues



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Increased Transparency Requires Increased Proactivity

theguardian

Burger King animal feed sourced from deforested lands in Brazil and Bolivia

Campaign group Mighty Earth says aerial drones, satellite imaging and field research show farmers carried out forest-burning for fast food giant's soy suppliers

Companies Scramble to Meet Consumer Demand for Zero Deforestation

3p Contributor | Thursday September 25th, 2014 | 0 Comments

Like 30 | +1 8 | Tweet 85 | Share 57

By Adam Wiskind

The global uptake of 'zero deforestation' claims is growing, with demand for deforestation-free products on the rise. The Consumer Goods Forum, representing 400 global brands such as L'Oreal, Proctor & Gamble and Unilever, has committed to help members "achieve zero net deforestation" in their supply chains by 2020. Retailers have also stepped up, such as Safeway, with its recent pledge to source palm oil only from sites

Nestlé admits slave labour risk on Brazil coffee plantations

Nestlé and Jacobs Douwe Egberts say beans from Brazilian plantations using slave labour may have ended up in their coffee

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Increased ESG Reporting & Disclosure Expectations

CDP
DRIVING SUSTAINABLE ECONOMIES

Dow Jones Sustainability Indexes

FOREST 500 BETA VERSION
About The Forest 500
POWERBROKERS OF ZERO DEFORESTATION

Global Reporting Initiative™

GREENPEACE

Johnson & Johnson: Failing

- Responsible sourcing: Failing
- Transparency: Failing
- Industry Reform: Strong

HOME / ARTICLES / SUSTAINABILITY

Shareholder support for CSR proposals doubles since 2005

0 Comments Tweet Share

February 18, 2013 | By Adam Brown

Environmental and social proposals increase to cover 40 percent of all shareholder actions

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Real Supply Chain Risks, Often Linked to Climate Change

EATER TWEET SHARE

The Future of Tea Looks Bleak, Thanks to Climate Change

Warmer weather is stripping flavor from your cup

by Clarissa Wei | Jul 8, 2016, 12:30pm EDT

Photography by Clarissa Wei

TOP STORY

Vanilla bean shortage threatens price of ice cream, baked goods

By Wayne Shutsky, AFN Staff Writer Jul 2, 2017

SCIENTIFIC AMERICAN

English

Global Warming Changes the Future for Tea Leaves

Tomorrow's climate may not be your cup of tea

POPULAR SCIENCE

Environment

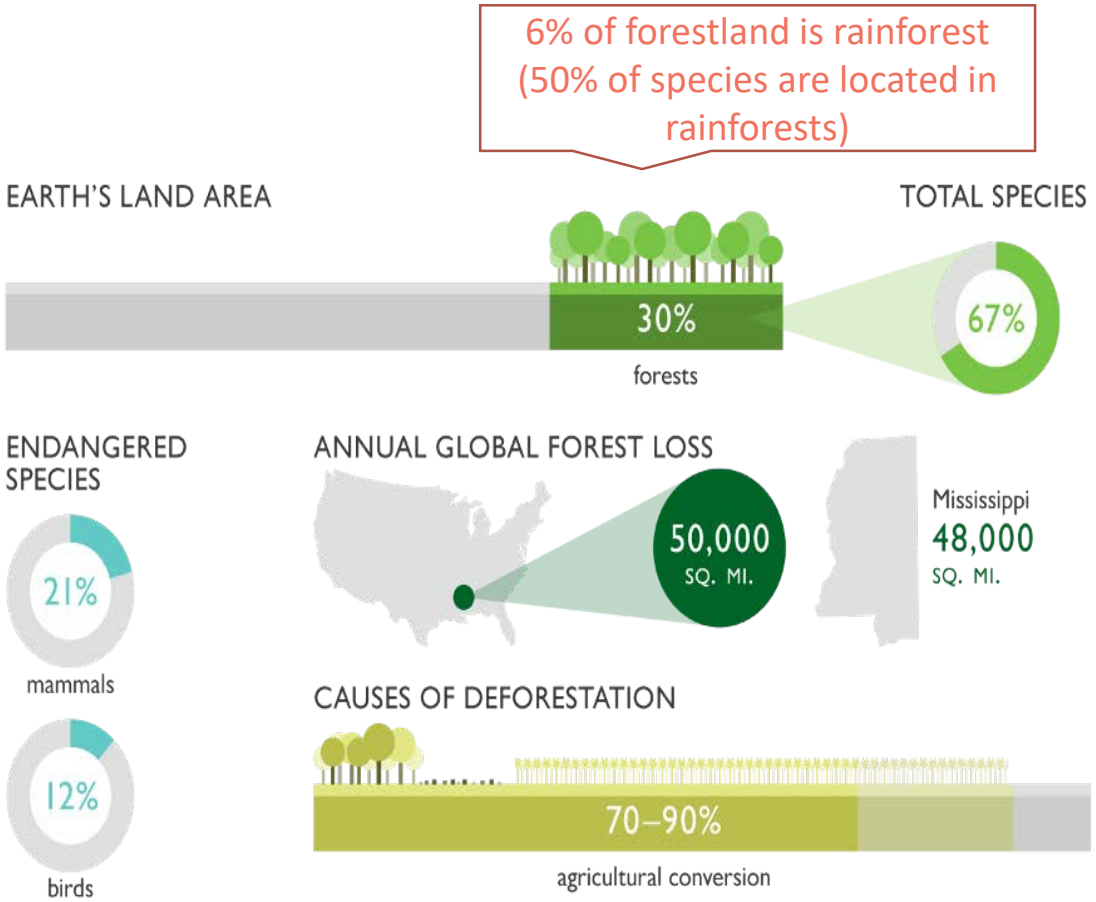
Climate change will make your coffee cost more and taste worse

Over half of Ethiopia's crop is in peril, and the same goes for other coffee-producing countries.

By Sara Chodosh June 21, 2017

The Role of Agriculture in the Environmental Crisis

- 17% of the global GHG emissions comes from AG (Excl Deforestation)
- Largest consumer of Fresh Water (70% of the water consumption)
- Single largest user of Land- 40% of the Terrestrial Land
- Single largest source of Biodiversity loss



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Consumer Preferences are Changing

Edelman

57%

of consumers buy or boycott a brands based on its position on social or political issues

2015 CONE COMMUNICATIONS/EBIQUITY GLOBAL CSR STUDY

87%

of consumers are likely to refer to product packaging to understand environmental or social impacts of a product

Source: Edelman Earned Brand 2017 Survey; 2015 Cone Communications/Ebiquity Global CSR Study

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How Corporations are Responding

447 companies

Have made 760 public commitments to reducing deforestation impacts of their supply chains

800 investors

Representing US$100 trillion in assets request companies to disclose climate impacts

Source: Stephen Donofrio, Philip Rothrock, and Jonathan Leonard, *Supply Change: Tracking Corporate Commitments to Deforestation-free Supply Chains, 2017* (Washington, DC: Forest Trends, 2017).; CDP Forests Programme *Strategic Plan 2017-2020*.

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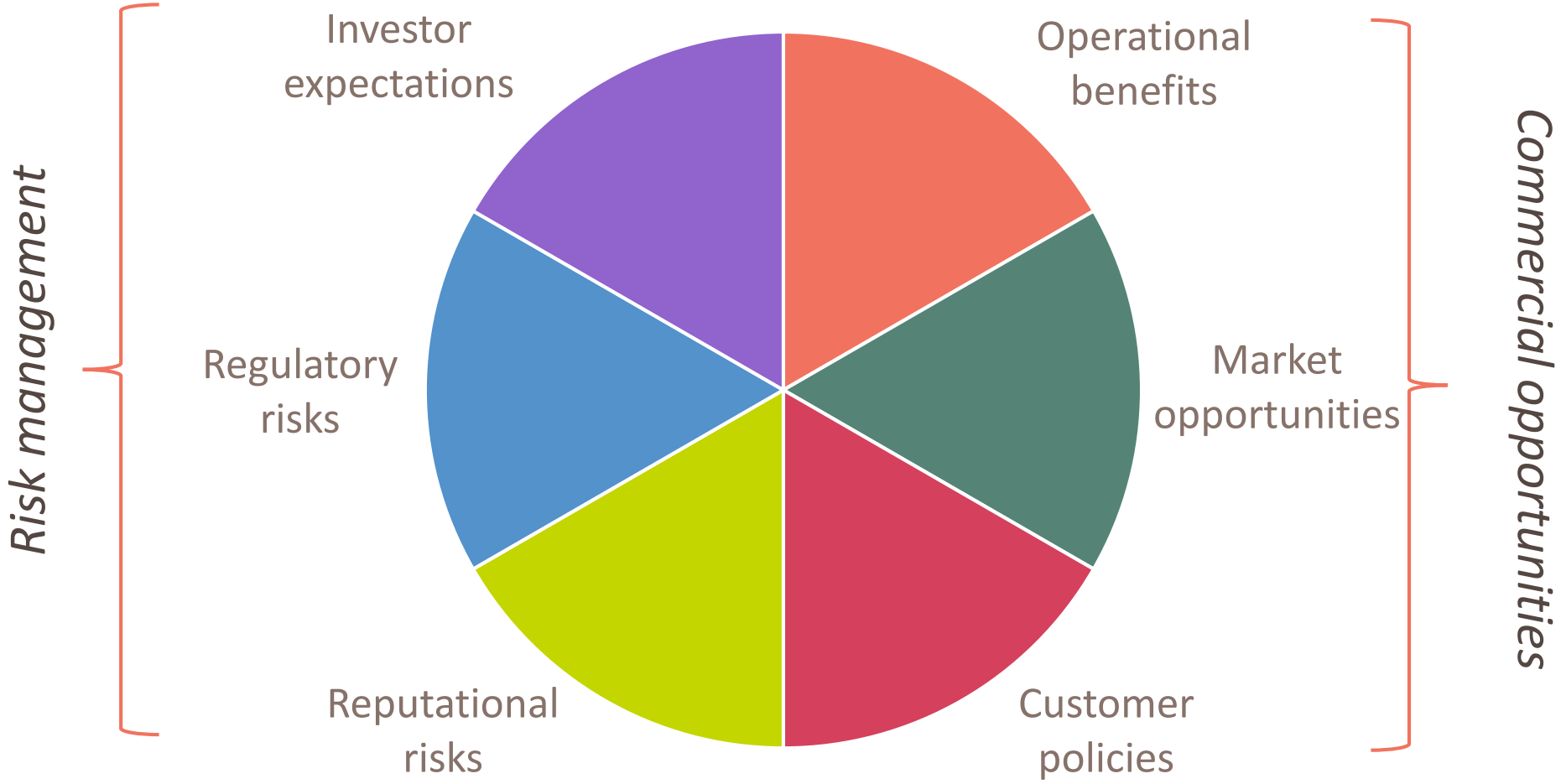
6 primary drivers for corporate action on sustainability issues



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Catalysts For Sustainability

- Media and Public Perception
- Reporting and Disclosure Expectations
- Reputational Risk
- Consumer Preferences
- Supply Chain Risk

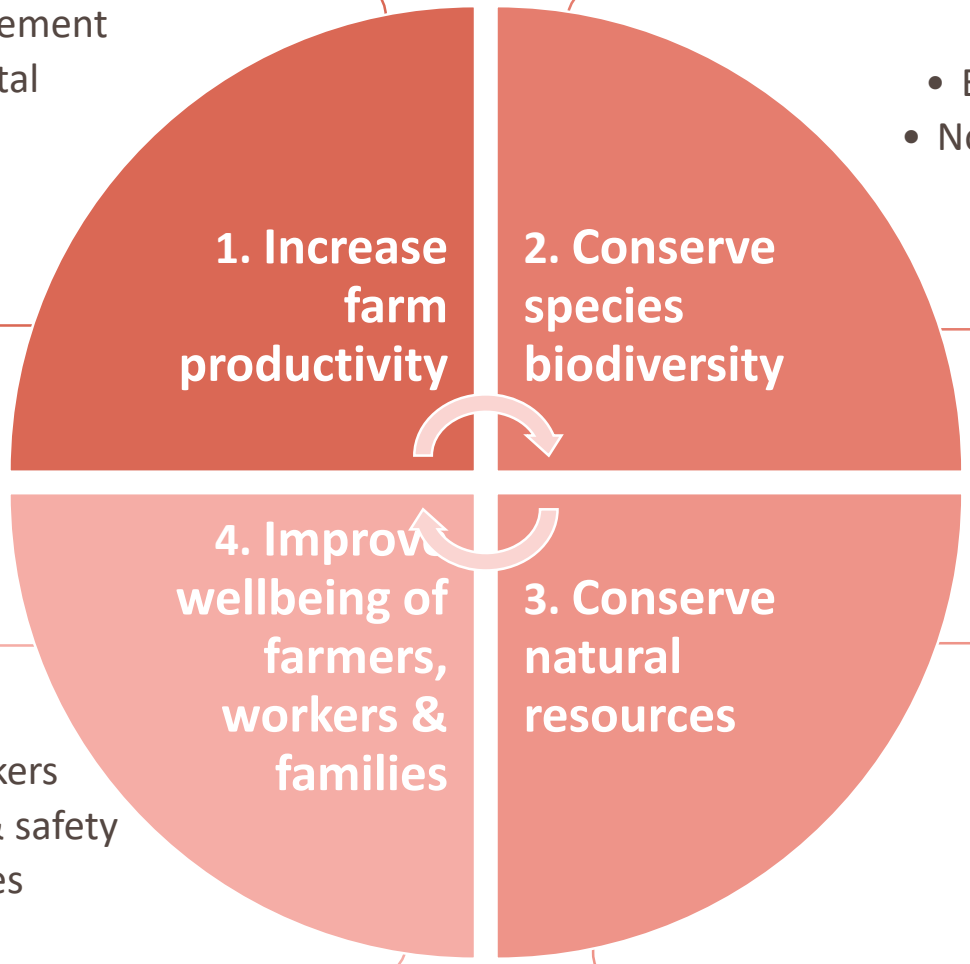
Rainforest Alliance Delivering Impact

- ✓ Respected, independent NGO utilizing credible scientific methodologies with media-trained experts on staff.
- ✓ Comprehensive standard to support regulatory and client requirements.
- ✓ Third party verification and support of claims and data. Implementing partner on projects that address specific risks in supply chains.
- ✓ Globally recognized brand and seal.
- ✓ Conduit for latest sustainable agricultural practices, climate science and methodologies for supply chain efficiencies.

Rainforest Alliance 30 Years

The 2017 Rainforest Alliance Sustainable Agriculture Standard

This is what farms have to achieve in order to be Rainforest Alliance Certified™



- Integrated crop management
- Social and environmental management system
- Climate-smart farming techniques

- Pesticide regulation
- Ecosystem conservation
- No GMO crops permitted
- Wildlife protection

- Fair treatment of workers
- Occupational health & safety
- Access to basic services
- Community relations

- Water conservation
- Integrated water management
- Soil management & conservation

2018 Impact Report: Selected Highlights

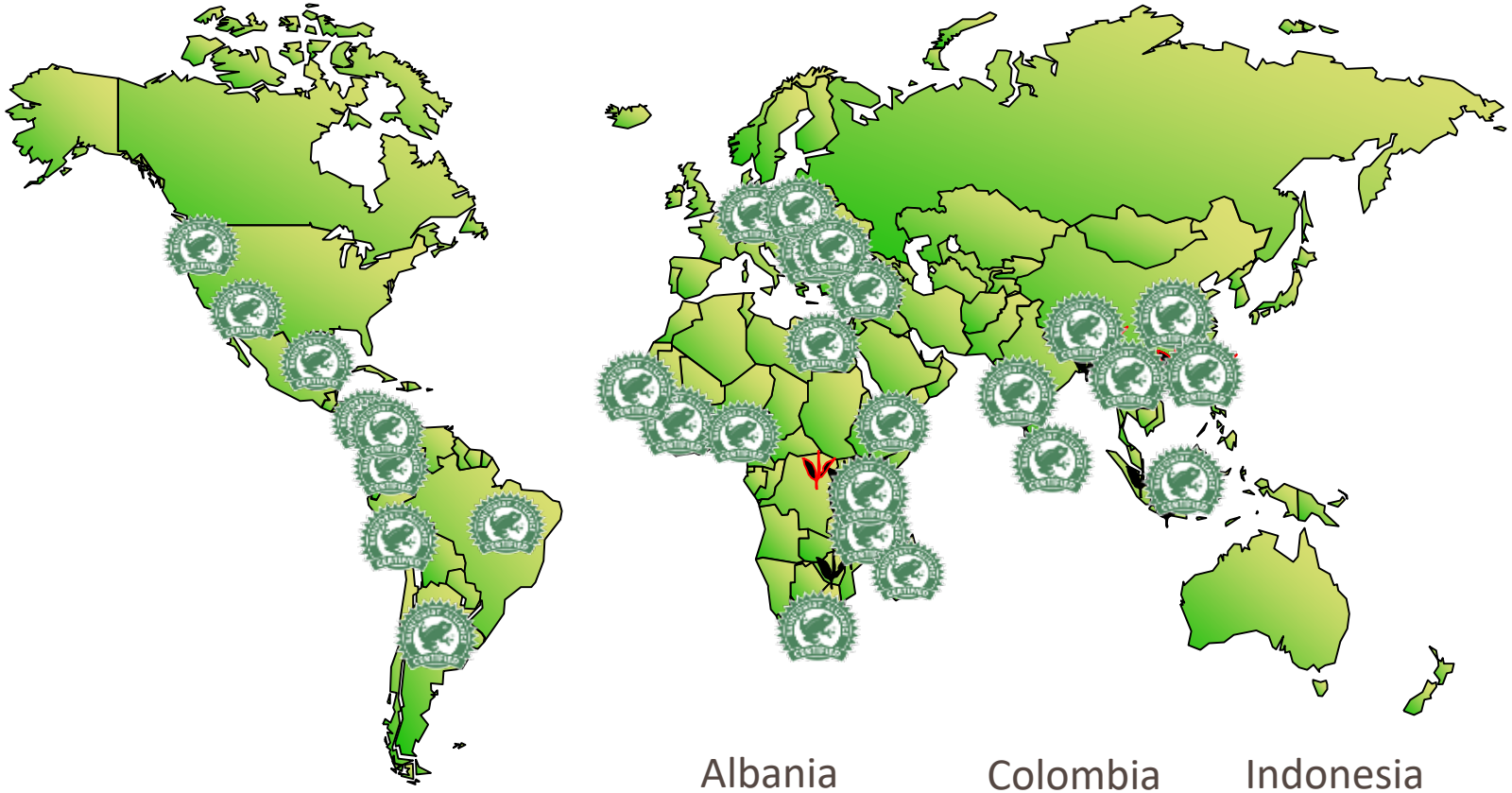
- Higher wages paid to workers (Tea, Kenya).
- Higher proportion of workers' children on certified estates attend[ing] school. (Tea, India)
- Significantly higher household income, coffee income, and prices (Ethiopia, coffee)
- Poverty rates significantly lower (Ethiopia, coffee)
- Significantly higher yields (475 kg/ha on certified farms versus 169 kg/ha on non-certified). (Ghana, cocoa)
- Lower deforestation rates and more tree cover (Multiple countries, coffee)
- Higher diversity, better habitat connectivity for key species, and improved forest quality (Multiple countries, coffee)

https://www.rainforest-alliance.org/impact-studies/impacts-report-2018

Rainforest Alliance Certified Spices and Herbs

Certified spices & herbs

- **35,453 hectares**
- **21,776 producers**
- **89,321 tonnes**



Countries with certified spices and herbs

Albania
Argentina
Bangladesh
Brazil
Burkina Faso
Chile
China
Colombia
Costa Rica
Egypt
Ethiopia
Germany
Guatemala
India
Indonesia
Kenya
Madagascar
Mexico
Nigeria
Peru
Poland
Senegal
South Africa
Sri Lanka
Tanzania
Turkey
United States
Vietnam

Tetley
OVER 100,000 PRIZES TO BE WON!

#farmersfirsthand

RAINFOREST ALLIANCE
CERTIFIED
LEADERS
IN SUSTAINABILITY
AND BETTER
PRODUCT QUALITY

I'M A FOLLOWER.

CERTIFIED
CONSERVING FORESTS
AND WILDLIFE AND
IMPROVING THE QUALITY
OF LIFE OF FARMERS,
THEIR FAMILIES
AND COMMUNITIES
Rainforest
Alliance

I'M A FOLLOWER

49 ST
TELEPHONE
I'M A FOLLOWER.

Rainforest
Alliance Week

I FOLLOW
THE FROG.
I FOLLOW THE
FROG TOO.

teapigs.

allegro
COFFEE
RAINFOREST BLEND
WHOLE BEAN

Current Certified Volumes of Key Spices & Herbs (mton)

Rainforest Alliance

Total:

- 18 types of spices
- 25 types of herbs

- Further growth on the way

	Nov-16	Dec-17	Growth	Key origins
SPICES				
Chilli	22968	37500	163%	Mexico, India
Pepper	832	5500	661%	India, Sri Lanka, Vietnam
Turmeric	3218	3000	93%	India, Ethiopia
Vanilla	3233	1800	56%	Madagascar
Cinnamon/cassia	832	860	103%	Indonesia, India, Sri Lanka
Ginger	464	830	179%	Nigeria, India, Bangladesh
Cumin	348	390	112%	India
Cardamom	41	51	124%	India
TOTAL	31936	49931	156%	
HERBS				
Rosehip	-	2800	-	Chile
Mint, peppermint	400	2500	625%	USA, Egypt, Poland
Sage	64	2400	3750%	Albania
Coriander	1372	1800	131%	India
Chamomile	589	895	152%	Egypt, Croatia
Hibiscus	108	582	539%	Burkina Faso, Egypt
TOTAL	2533	10977	433%	