



Good
Business
Journey

DAVID JONES

Position Statement Sustainable Cocoa

Context

Seventy percent of the world's cocoa is grown in West Africa, predominantly by farmers with small holdings who are susceptible to price fluctuations on global commodity markets. The imbalance of power between these small farmers and their larger purchasers can lead to issues of liquidity and what is called "working poverty".

There are also widespread reports that children and young people are being trafficked to harvest and produce cocoa in the region. In 2013-14, it was estimated that 2.26 million children were working in cocoa production across Cote d'Ivoire and Ghana, a 24% increase from 2008-09. (1)

Cocoa cultivation also places pressure on the environment, with the clearing of forests for land to grow crops impacting biodiversity in addition to the impact of farming practices employed by cocoa farmers, such as water use and the use of chemical pesticides and fertilisers.

David Jones' Commitment

Even though David Jones is a relatively small player in the global cocoa market, we are committed to working with our suppliers, independent certification bodies, international agencies and others to encourage responsible practices in the cocoa industry.

We will meet this commitment by increasing the amount of sustainably certified cocoa we source and sell under the David Jones' brand, including all cocoa-based ingredients and derivatives.

In making this commitment, we aim to ensure that people who work along our chocolate supply chain are paid a fair wage; to increase liquidity and prices for farmers; and to improve the management of labour and environmental issues.

We commit to sourcing 100% certified cocoa from our preferred certification standards for our private label pre-packaged chocolate and confectionery ranges by 2020 (2). We also commit to sourcing 100% certified cocoa from our preferred standards for our other private label fresh products containing cocoa by 2025 (3).

Our preferred certification standards include UTZ, Rainforest Alliance, Fairtrade and Cocoa Horizons (Forever Chocolate).

Our primary focus is on our own private label ranges but we will seek to encourage other brand owners, selling in David Jones' stores, to increase their sourcing of sustainably certified cocoa where possible.

David Jones also commits to providing an annual update on meeting our sustainable cocoa targets through David Jones' website and the Woolworths Holdings Limited Good Business Journey Report.

Notes

(1) Tulane University, "Survey Research on Child Labor in West African Cocoa Growing Areas," (30 July 2015) accessed at: <http://www.childlaborcocoa.org/index.php/2013-14-final-report> on 11 January 2016.

(2) Inclusive of David Jones-branded pre-packaged chocolate, confectionery and the chocolate counter.

(3) Inclusive of 'behind the glass' products where no specific brand is present and David Jones food service operations.