Touton in Figures

175 YEARS
of history and expertise

15 CERTIFICATIONS
for sustainability and quality

TOP 3
clove traders

TOP 6
cocoa traders

TOP 10
vanilla traders

TOP 15
coffee traders

Annual volume of products processed

350,000 tonnes of cocoa
105,000 tonnes of coffee

More than 130,000 PRODUCERS
of cocoa, coffee and/or ingredients have benefited from at least one sustainability intervention (Côte d’Ivoire, Ghana, Kenya, Madagascar, Nigeria, Uganda)

90% SUSTAINABLE
for supply of cocoa

95%
KPI
PROPORTION OF COCOA PLANTATIONS MAPPED BY SUPPLIER BINK

89,675
PRODUCERS TRAINED IN GOOD AGRICULTURAL, SOCIAL AND ENVIRONMENTAL PRACTICES
*COCOA, COFFEE IN GHANA, CÔTE D’IVOIRE AND UGANDA

106,634
NUMBER OF PRODUCERS ASSESSED AS PART OF THE CHIL Labour Risk Assessment
*IN SELA AND CÔTE D’IVOIRE

SUSTAINABILITY REPORT
2022-2023
An international group with strong local presence
« Coffee together »: 2 companies for a complete control of the supply chain

**Kahawa Pamoja:**
- Purchase of Arabica green coffee from the Tanzanian Coffee Board auctions
- Coffee Storage, Processing and Export
- 19 Staff led by Amina Kondera, Country Manager
- Cupping lab @ 800+ cups & green analysis per week for Auction Samples
- Warehousing: DAR 1620SQM, Mbinga 1020SQM, Tarime 720SQM

**Twende Shamba**
- Supply diversification: coffee parchment purchases
- Delivering extension services to farmers and farmer gorups
Based on our expertise, we have defined our own framework and vision for the sustainable sourcing of cocoa, coffee and ingredients.

The framework is based on 4 pillars to ensure global solutions are offered for targeted interventions and impact.
Boosting yields for climate friendly Robusta coffee in Tanzania - update
Project Overview

Objective:
To reduce the emissions of GHG generated by the production of Robusta coffee by 7,000 smallholder farmers and processors in Tanzania within the JDE Peet's supply chain

Duration & location:
- August 2021 – December 2024 (extension)
- Kagera region, northwest of Tanzania

Project partners:
- Management: 4C Services GmbH
- Financing: Deutsche Investitions-und Entwicklungsgesellschaft mbH (DEG Impulse) from public funds of the German Federal Ministry for Economic Cooperation and Development (BMZ), together with funds of JDE Peet's.
- Implementing partners: Touton S.A., Karagwe District Cooperative Union, 4C Services, Meo Carbon Solutions and GRAS Global Risk Assessment Services.
Project Overview

RATIONALE

• Climate change plays a key role for the sustainable transformation of our agricultural systems.

• Coffee production generates GHG emissions. Conversely, coffee yields are increasingly vulnerable to the effects of climate change.

• Total GHG emissions from Tanzania in 2014 were 286.49 million metric tons of carbon dioxide equivalent (MtCO2e), totaling 0.59% of global GHG emissions. Of these emissions, land-use change and forestry sector account for 72.7% followed by agriculture contributing 17.3% (Climate links, 2014).

• Research shows Kagera region is a GHG emissions hotspot in the Tanzanian coffee supply chain.

ACTIVITIES

1. Measure and assess the carbon footprint of coffee production

2. Identify core impact factors and potential for improvement

3. Implement mitigation strategies (in- and off-setting)

4. Support market uptake of climate friendly coffee

IMPACT

• GHG emissions reduction by 15 to 20%

• 7,000 farmers and supply chain actors to receive technical and financial support to reduce GHG emissions and carbon in-setting measures through training activities and demonstration plots

• 4C Climate Friendly certification of farmers with an objective of 6,000 tons market uptake of Climate Friendly coffee in Europe

• Raise awareness and boost knowledge transfer of outputs in Tanzania and neighboring countries to replicate good practices

Create positive socio-environmental benefits for farmers & local communities in Tanzania and beyond
The GHG emissions of the Tanzania Robusta supply chain are significantly lower than other origins

- Final emission value **137.01 kg CO2 eq/ton** of green coffee including all processing steps. Or **0.02775 kg CO2eq/kg GBE**.

- Comparison to other robusta origins:
  - Vietnam = **2.53 kg CO2eq/kg GBE**
  - Indonesia **2.55 kg CO2eq/kg GBE**

- Therefore, main contributors to GHG emissions are final downstream transportation and packaging

- These values include upstream activities from farm level and AMCOS and final processing at dry mill

*System boundary was updated to omit the transport element, which was not part of the project.*
Identified improvement/reduction measures

Low baseline emissions mean that we concentrate efforts on improving yield to achieve reduction goal of 15-20 %

**Improve agricultural practices with technical training & support**

- Technical training to implement Good Agricultural Practices with focus on Climate Smart Agriculture
- Increase soil health, yield increase, soil carbon accumulation & 4C add-on compliance

**How:**
- Setup Demo plots
- On-farm coaching/support

**Carbon sequestration through distribution of shade trees**

- Raising and distribution of shade trees for:
  - Direct carbon removals in biomass
  - Benefits from additional shade
  - Additional income from sale of fruit/nut tree crops

**Optimisation & promotion of fertiliser use**

- Distributing manure to select farmers and measuring yield improvement
  - demonstrate benefits of additional organic nutrient application on yields and soil health

**How:**
- Nursery setup
- Procurement & raising of seedlings
- Distribution on-demand
- Follow-up & support for planting

**Other options we explored but were not possible:**

- Transport improvements could not be realised due to new auction protocol, geographical conditions and AMCOS budget constraints
- Energy consumption reduction at dry mill through solar panel – investment needed beyond project budget
- Change in packaging from plastic to jute not possible due to cost
Results

- **7085** (100%) smallholder farmers are certified with the 4C Climate Friendly Add-On
- Training materials developed and distributed (manual, training poster and farmer record book) – content specifically tailored to the context of the project and the regional specificities.
  - Focus on Climate Smart Agriculture and Regenerative Agricultural practices.
- **44** demo plots setup for field demonstration & training “classrooms”
- **6957** farmers trained by the end of October 2023
- Nursery is setup with ~**400,000** shade tree seedlings including Macadamia, Avocado, Mango, and other native shade tree species, (*maesopsis eminii*).
Training in action

- Training of Trainers with Field Officers & Farm Leaders
- Demonstration of pruning & stumping
- Distribution of Farmer Record Books
- Training on record keeping (Farmer Record Books)
- Training at Demo Plot on water management (trenches)
- Trenches at Demo plot
- Mulching at Demo plot
- Training on mulching practices (water management)
- Farmers gathered at Demo plot
- Training on climate change & coffee production
Seedling nursery & manure distribution

- Soaking of macadamia seed
- Germination of macadamia seed on germination table
- Mango seedlings
- Eminii seedlings
- Soil for potting activity
- Polytubes installed in the nursery
- Filling polytubes
- Arranging polytubes in the nursery
- Macadamia seedlings installed in nursery
- Manure distributed at farmer plot
Next Steps

Due to project extension, we have one more year to boost yields!

Interim GHG emissions data collection & calculation
- Field team has collected data from 126 sample farmers for interim GHG emissions calculation

Training continues with focus on those farmers not yet reached
- Trainings on demo plots and on farmer plots continue every month, covering different topics to support farmers to uptake climate friendly agricultural practices and improve yields

Shade tree seedlings will be distributed
- Once seedlings are ready to be distributed we will make them available to each AMCOS; farmers will be offered on a first come first served basis