# "Vilniaus pergalė" is starting to switch to the use of responsibly sourced cocoa in confectionery production

Growing consumer awareness of sustainability issues has led to growing demand for sustainable and traceable cocoa products in recent years. As such, our customer requirements for sustainable cocoa have increased in line with consumption trends. In 2021, Vilniaus pergalė joined the world's leading program supporting responsible and sustainable cocoa cultivation UTZ certified. We have started the use of responsibly sourced cocoa in the production of dragée. At present, certified cocoa is used for production of chocolate covered dragée, as well as dragée covered with cocoa powder that contain 100% sustainable chocolate or cocoa.

It is important for us to know the origin and journey of raw materials – in the preparation, packaging, transport and sale of food, we are based on sustainability and environmentally friendly solutions, meet consumer needs. Sustainable growth is the new norm in business and industry.

Cocoa is a key ingredient in chocolate, so its extraction practices, origin and quality are essential. The cultivation of cocoa trees is only possible under certain conditions, which is why most cocoa trees grow only in a narrow area around the equator. Unfortunately, in these regions, where cocoa trees are grown, harvested and processed, the daily lives of the people are difficult due to various economic and social conditions. That's why the Rainforest Alliance has developed a cocoa certification program that promotes more sustainable cocoa cultivation in these regions. The key priorities of the Cocoa Strategy are confidence, shared responsibility, supply chain transparency, cost-effectiveness and sustainability. By joining this program, we reaffirm our commitment to working in an increasingly sustainable way to help improve the working and living conditions of cocoa growers.

The Rainforest Alliance logo confirms that the cocoa used in the products is grown in accordance with the Rainforest Alliance's sustainable agriculture standard. Such a certificate is granted to farmers whose production methods ensure social, economic and environmental well-being.

In 2018, the Rainforest Alliance merged with the existing responsible cocoa certification program, UTZ, to strengthen responsible cocoa cultivation

practices. The Rainforest Alliance is an international non-governmental organization operating in more than 60 countries. The Rainforest Alliance ensures that forests are protected, farmers receive a fair income, human rights are guaranteed and the impact on the climate is reduced. You can learn more about the program here: https://www.rainforest-alliance.org/

# Traceability is important

Traceability is increasingly important in the food sector due to strict regulations and rising consumer demand for corporate social responsibility. In the European Union the General Food Law Regulation requires companies to be able to trace and track food and ingredients through all stages of production, processing and distribution. Food traceability is the ability to follow the movement of a food product and its ingredients through all steps in the supply chain, both backward and forward.

Backward traceability refers to a company's ability to trace an end product back to all its ingredients and establish the purposes for which the remainder of those ingredients were used (e.g. in the event of a serious customer complaint with food safety implications). It also covers the prerequisite information pertaining to the respective supplier (one step back).

Forward traceability regards a company's ability to account for all of the finished goods any one batch of a raw material went into. This may go as far as customer data (one step forward).

"Vilniaus pergalė" has full ability to trace the product backward according to it's identification to all raw materials and packages used together with their suppliers and forward from the purchased raw material according it's lot to final products and their sales points with internal accounting platforms.

As traceability for RA certified cocoa products is performed according mass balance level (MB), we use administrative traceability credit account for 100% certified cocoa products and ensure their quantity conformance for sold products with RA seal. The traceability platform is used to reflect the physical movement of certified products and for any activity performed on the certified product.

### We keep the environment in mind

In our daily activities, we keep the environment in mind. Paper and cardboard waste generated in production is recycled, we collect film waste, hazardous

chemicals, electrical equipment and municipal waste separately – all of them are treated in accordance with the Waste Act.

Energy saving led light bulbs are used in the warehouses which save 3 times less energy. In winter, we only use outdoor energy to prepare ice water. This costeffective cooling saves 2 times less energy than using the compressors.

Reusing of treated ice water in the production back to the water circulation circle saves up to 700 m<sup>3</sup> water per month.

Every year, we invest large sums in new production equipment, for which energy efficiency is also an important criterion.

The maintenance and safety of the factory complex and the territory are also important to us. The necessary areas are limited by a garden, the roads are maintained and the landscaping is tidy. The production building is marked and the traffic routes are marked accordingly, the territory is illuminated in the dark. In addition, it increased the light intensity, which improved the working environment of our employees.

# Sponsorship activities

Over the years, "Vilniaus pergalė" factory has supported many different fields, projects, events, etc. Today, we have focused our sponsorship activities primarily on two areas: culture events and youth, student activities.

### Our goals

Gradually increase responsibly and sustainably sourced Cocoa ingredients to 100%.

Reducing our environmental impact in line with the best available data.

Respecting human rights.

Accelerating diversity, equity and inclusion.

Amplifying "Vilniaus pergalė" people and culture.

Reduction for job functions with ergonomic risks through process improvements.