Stichting de Chocolonely Foundation policy plan
2023-2028

General information
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1. Vision & mission

Strong, resilient, and prosperous cocoa communities and a responsible chocolate industry, where equality is the norm for all.

The Chocolonely Foundation supports projects and organisations that contribute to prosperous cocoa growing communities in Côte d'Ivoire and Ghana, facilitate systemic change, and challenge the status quo.

1.1 Activities

In order to have as much impact as possible and to achieve its mission, the Chocolonely Foundation focusses its efforts solely on Ghana and Côte d'Ivoire by supporting projects in three impact areas: strong, resilient and inclusive cocoa communities (addressing underrepresented voices, (gender) equality, climate resilience), poverty and prosperity (including sustainable livelihoods, good health and wellbeing), and enabling environments in cocoa-growing communities (covering youth empowerment, quality education for all).

Examples of projects that the Chocolonely Foundation has invested in:

100Weeks - This innovative approach has faith in women's ability to create a better future for themselves and their families if only given the chance via financial means. The project gives women €8 per week for 100 weeks. This is an effective way of alleviating extreme poverty and helping build strong cocoa communities.

Community infrastructure development in the cocoa communities of Tony's Open Chain partner cooperatives - Strong communities with good infrastructure make for firm foundations for members, equipping them to promote human rights and, ultimately, move out of poverty. This effort follows an annual project-based approach, which fits into the five-year rolling community development plan by each partner cooperative, which is created using MPI and CLMRS insights and needs-assessments, as well as feedbacking processes within communities themselves. Infrastructure projects focus on key poverty metrics: education, healthcare and water and sanitation (WASH). In the past, the Chocolonely Foundation has, for example, funded the construction of school canteens, health centres, water pumps and toilet blocks.

Education to Inspire – This education programme aims to implement 21st century-ready education for children (8-12 years) and building future-ready capacities for teachers, which

has an immediate and a long-lasting effect on the improvement of cocoa communities. The programme combines the learning methods of Designathon Works and Fawaka Foundation and follows a project-based learning method. The content focusses on real-world problems that students need to solve in creative and authentic ways.

2. Financial Policy

The Manager of the Chocolonely Foundation is responsible for the day-to-day management of the Chocolonely Foundation's funds. The assets of the Chocolonely Foundation consist of:

I. Grants, donations and contributions, including from governments and a portion of the annual turnover of Tony's Chocolonely;
II. Gifts, heirlooms and legacies;
III. Fees for services rendered and interest accrued from funds;
IV. All other acquisitions and income.

In concrete terms, this means that the income of the Chocolonely Foundation consists of:

I. A contribution from Tony's Chocolonely/Tony's Factory B.V., which consists of 1% of the net turnover.
II. Financing through collaboration with third parties.
III. Gifts from consumers and companies who want to contribute to the mission of the Chocolonely Foundation.

2.1 Specifications regarding donations other than Tony's Chocolonely

Acceptance of the above income streams (II. & III.) are judged based on the following criteria:

I. It must contribute to the Chocolonely Foundation's mission.
II. The donation is not activity-specific.
III. The Chocolonely Foundation has the right to refuse donations that are not in line with its mission or are contrary to Dutch law.
IV. The Chocolonely Foundation has the right to refuse donations in the absence of unanimous approval by the board members of the Chocolonely Foundation.
V. The Chocolonely Foundation has the right to refuse advertising with the name 'Chocolonely Foundation' by third parties.

In order to accept donations from third parties exceeding €15,000, it is important that the ethical and economic standards of third parties are addressed by a thorough internal process, screened by the head of the board of the Chocolonely Foundation, with the support of the Manager of the Chocolonely Foundation. The screening process covers:

I. Introduction to explain motivation behind the potential donation.
II. Identification of synergies between the Chocolonely Foundation and the third party.
III. Background to other donations by the third party.
IV. Description of the ultimate purpose, importance and motivation of the amount to be donated by the third party.

Upon a favourable decision by the board of the Chocolonely Foundation to accept the donation exceeding €15,000, a payment documentation request is drawn up adhering to a time indication with regards to the payment from the third party to the Chocolonely Foundation.

3. Asset Management
The financial administration of the Chocolonely Foundation is performed by Tony's Chocolonely employees via annually checks and the creation of the financial statements of the Chocolonely Foundation.

Once a project is approved by the board, a contract must be signed by the project partner and a board member; preferably the head of the board, but any board member may also sign.

Once the contract is signed, and an invoice has been submitted to the Manager of the Chocolonely Foundation, a payment request is made by the Manager of the Chocolonely Foundation to Tony's Chocolonely. When the money has been received by the Chocolonely Foundation from Tony's Chocolonely, the project partner is paid by bank transfer by The Manager of the Chocolonely Foundation.

Each book year, 30% of the annual 1% turnover contribution from Tony's Chocolonely/Tony's Factory B.V. is fenced for community infrastructure development initiatives in the cocoa communities of Tony's Open Chain partner cooperatives (compare 1.1 Activities). The board has recommendation rights for this activity.

4. Use of the assets
The board of the Chocolonely Foundation determines the strategy of the Chocolonely Foundation and conducts a self-evaluation once per book year which will inform possible strategy adjustments. The board approves project applications. The board meetings are prepared by the head of the board and Manager of the Chocolonely Foundation. The projects are assessed based on the following criteria:

I. The project must directly contribute to the advancement of the Chocolonely Foundation's mission and fall within one of the impact areas (compare 1.1 Activities).
II. The approach must be demonstrably effective and/or innovative.
III. The results achieved by the project must be freely available.
IV. The initiative's geographic scope must focus on Ghana and Côte d'Ivoire.

For each new project, the following procedure is followed:
I. Approval project proposal
II. Sign contract + 1st payment request
III. Interim report(s)
IV. Further payment requests
V. Final Report
VI. Final payment

The interim reports do not require the approval of the board, but are assessed by the Manager of the Chocolonely Foundation. However, the conclusion of any project must be reported to the board.

5. Board composition
All board members act on a voluntary basis and join the board for a minimum of one term (four years) and a maximum of two terms (eight years). The Chocolonely Foundation accepts up to five board members and one Tony's business advisor. The board consists of the head of the

board, the treasurer, the secretary, two general board members and one Tony's business advisor.

All board members have voting rights with the head of the board having decisive voting rights. Tony's business advisor is a consultative function and has recommendation rights.

5.1 Conflict of interest
To guarantee good governance, if Tony's business trustee or any board member has a conflict of interest, they may not participate in the decision-making process. There is a conflict of interest if Tony's business trustee or any board member has a direct or indirect personal, professional or financial interest in a decision to be taken by the Chocolonely Foundation. A conflict of interest of Tony's business trustee or any board member will be stated and recorded in the minutes at the beginning of any board meeting and prior to any decision-making moment (Article 5.1 is in accordance with Staatsblad 2020, 507). In accordance with Article 5, the conflicted board member may, at their discretion, transfer their voting rights to the Tony's business trustee.

6. Remuneration policy
The Chocolonely Foundation maintains minimal overhead costs.

This Policy Plan was unanimously agreed upon by the board in Amsterdam on 05/09/2023, for a time period of a maximum of five years. A minor amendment to clause 6 was unanimously agreed upon by the board in Amsterdam on 29/09/2026.