

SUPPORTING ORGANIC MILK PRODUCTION IN FRANCE

3 FRENCH ACTORS CREATE THE FIRST MILK POWDER CHAIN FOR CHOCOLATE, 100% FRENCH, FAIR TRADE, LABELLED ORGANIC

Organic milk production has grown strongly in recent years, faster than consumption. **Its production is** expected to be in surplus by 2022. Under the impetus of the Scop Ethiquable, which has just relocated its chocolate production to the Gers region in France, three French cooperatives are launching a fair trade and organic milk powder production chain. The group of producers Biolait, the Scop Ethiquable and Ingredia Prospérité Fermière intend with these first volumes, to create new outlets at a remunerative price for the organic dairy sector and to contribute to its construction on the long term.

AN UNBALANCED ORGANIC MILK MARKET

With abundant milk volumes and slowing consumption, the organic milk market is going through a period of adjustment. Approximately 200 million liters will be produced in the coming months. To support the efforts made by farmers, the need for outlets is strong, but not at any price. A stable and fair remuneration, a commitment in time on the volumes are necessary to accompany this course.

ORGANIC AND FAIR-TRADE MILK MADE IN FRENCH PASTURES

for fair trade and organic chocolate bars made in the Gers

With its new chocolate factory inaugurated last August, the Scop Ethiquable has the possibility to formulate new commitments: 100% of the ingredients of the chocolate are labelled fair trade and organic. Cocoa, cocoa butter, cane sugar obviously for the pioneer brand of fair trade in supermarkets, but also milk powder. The Scop Gersoise, which campaigns for peasant agriculture, has called on the expertise of the Biolait producers' group and the French SME Ingredia, a subsidiary of the Prospérité Fermière cooperative, located in the Hauts-de-France region. The three structures have pooled their know-how to create the first to create the first fair-trade and organic

to create the first to create the first fair-trade and organic milk powder for chocolate.

This partnership is designed as a response to the challenges of respectful dairy production of the animal and of nature.

Delighted that each player in the organic sector has found a partnership where everyone has a place for a robust sector and a sharing of common values, such as the remuneration of breeders, product quality and respect for environmental standards.

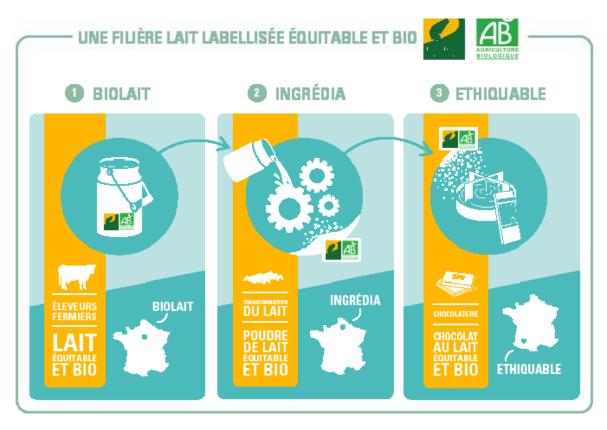


Sandrine Delory CEO Ingredia

In organic, most of the milk is coming from grass fed cows and increases sharply in the spring with the abundance of available grass. **We speak of the seasonality of milk:** the production of organic milk in spring is 30% higher on average than the production in February. Consumption remains stable throughout the year.

The organic milk used for the powder for chocolate production by Ethiquable is purchased under fair trade conditions, guaranteeing a single price all year round.

AN INNOVATIVE FRENCH SECTOR, 100% FAIR TRADE, ORGANIC



Producing organic milk requires an investment of time by the producers which must be supported by a remunerative price. Fair trade and organic milk of France works for a fair remuneration for farmers, allowing them to implement sustainable practices on their farms.

This sector is based on the demanding criteria of the Organic and Fair-Trade label in France and on Biolait's commitments which go far beyond the European organic specifications:

- a tripartite agreement that federates over time
- a remunerative price, based on production costs, which constitutes a floor price below which Ethiquable cannot go
- opportunities contracted over several years (3 years)
- a development fund, fed by a premium paid in addition to the price of milk, which allows Biolait to finance actions for its members (financial support for setting up or converting to organic farming, support for setting up pastures, biodiversity diagnosis on farms, etc)
- Family farms of 55 hectares on average
- Grazing on average 250 days/year
- 1 hectare/cow

• 90% of the feed produced on the farm, no imported feed (100% of the feed is of French origin) and zero imported deforestation

• Democratic governance: 1 farm = 1 vote

• Reduction of transportation: a geographically defined milk production basin, to favor producers in the 4 departments closest to the Ingredia factory.

With the relocation of chocolate production in France, it was important to be able to use a local production. Both demanding in terms of commitment and quality. With this partnership, we are happy to go further in our commitments and support the organic sector as well as the French food production.



Christophe Eberhart co-founder of Ethiquable "

The volumes integrated in the first productions of the Ethiquable chocolate factory are bound to grow with an intensification of the production for France, but also for its partners Ethiquable Belgium, Ethiquable Germany and its Spanish partner Ideas.

AN EXPERT SECTOR

In chocolate making, liquid milk cannot be used. To guarantee its long conservation and obtain a melting texture, the manufacturing process requires the use of powdered milk. This is transformed from the milk of the Biolait group in Hauts-de-France by Ingredia.

This cooperative has been working for 70 years to develop milk into dairy ingredients for the food, nutrition, and health industries, with a unique understanding and know-how for use in chocolate making.

With this chain, organic milk becomes a milk ingredient, a quality product for the manufacture of chocolate that is demanding in terms of taste and commitment.



THE SECTOR IN FIGURES



300 MILLION of liters collected in 2021

1400 member farms and 2500 producers

74 departments covered



5 drying towers

3 filtration lines

50 000 T of dairy powder produced per year

ETHIQUABLE

25 MILLION tablets produced per year

25% OF SALES of organic chocolate in supermarkets

2% of the French supermarket chocolate bar market

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À LA FÈVE

ABOUT ETHIQUABLE

ETHIQUABLE is a cooperative company. Its capital is held by the employees who participate in the strategic decisions of the company according to the rule 1 Man = 1 Vote. Since 2003, it has been working for a demanding fair trade (remunerative price, direct & sustainable relationship, support on the field) exclusively based on organic peasant agriculture.

Approved as a socially useful enterprise (ESUS), the SCOP is linked to 97 cooperatives of small partner producers located in the South as well as in France.

The products resulting from its fair-trade approach in France are marketed under the brand Paysans d'ici. Today, through a range of more than 260 references positioned in 4000 points of sale, the Gers-based company impacts 48,500 producers throughout the world.

Its 7 agronomists are a strong link with the producers' organizations allowing a support and a measurement of its commitments throughout the year.

www.ethiquable.coop @Ethiquable - in @ethiquable

ABOUT BIOLAIT

Biolait, the French leader in the collection of organic milk, is a group of 100% organic producers founded in 1994 by six producers wishing to create the organic dairy sector. 30 years later, they form a community of 2500 producers committed to a different kind of organic farming. Passionate about their work, the producers work every day to change practices and transform agriculture in a sustainable way. Biolait milk comes from human-sized farms (56 cows on average), and from happy cows living outside, fed 100% organic and local food every day and cared for as naturally as possible.

ABOUT INGREDIA

www.ingredia.com

♥ @Ingredia1 - in @ingredia-group

Ingredia is a French dairy industry that develops and produces innovative ingredients: dairy powders, functional and nutritional proteins as well as natural active ingredients for the food and nutrition-health industries.

With a focus on sustainable production, Ingredia is constantly innovating to provide better nutrition and protection.

www.biolait.eu y@BiolaitOP - in@biolait-sas

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