



TONY'S
CHOCOLONELY

BEING A RIGHTS-BASED COMPANY



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Being a Rights-Based Company A Good Practice

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ABBREVIATIONS

CLMRS	Child Labor Monitoring and Remediation System
CSDDD	European Union Corporate Sustainability Due Diligence Directive
CSR	Corporate Social Responsibility
EU	European Union
IFC	International Finance Corporation
ILO	International Labor Organization
NGO	Non-Governmental Organizations
NORC	University of Chicago National Opinion Research Centre
OECD	Organization for Economic Cooperation and Development
SME	Small and Middle-Sized Enterprises
UN	United Nations



FOREWORD

The Development Workshop has maintained partnerships with several Dutch institutions for quite some time. While in the Netherlands for these collaborations, we noticed colourfully packaged chocolates at the airport and in the markets; these were different from other brands, so we would buy them and bring them home to share with friends. This chocolate was Tony's Choclonely. We didn't know about this chocolate company's history until 2022, when, as part of the Development Workshop's Business and Human Rights Working Group, we started looking for companies having good supply chain practices.

What Tony showed us was very remarkable. Our curiosity about the company grew as we read, watched, and discovered more about its operations. During the meetings, training, and seminars we held on business and human rights, we mentioned the company's activities, achievements, and experiences to create a fair and open supply chain. We highlighted how it can make a profit while still ensuring human rights at every production level, how transparent its operations are, how it provides a living income, how it assists cacao cultivators and their children, and how it supports grassroots organisations for farmers.

Now is the time for us to put this in paper and share it with you. A journalist's first step in exposing the poor performance of big corporations may serve as an example for good practices that SMEs could follow. Tony's example certainly demonstrates that outcomes are not always immediate in supply chain procedures with complex links. But it also serves as a reminder of how crucial it is to continue moving forward and openly share this progress.

We hope the example we presented will inspire businesses of all sizes in Türkiye and that the lessons learned over the last two decades may help end human rights violations, particularly child labour, in supply chains.

*Development Workshop
Ankara, April 2024*

BACKGROUND

Corporations, Human Rights and Being Responsible for the Supply Chain

The “business and human rights” framework defines how corporations operate in relation to human rights. By adopting this stance, we see that everyone in the supply chain has a part to play in protecting human rights. Public understanding of the social and environmental responsibilities of businesses of all sizes has led to a recent upsurge in the prominence of this approach, which has evolved and diversified throughout the years.



Supply chain: It refers to the entire process from sourcing raw materials to delivering the finished product to the end consumer. It includes a network of organisations, people, activities, information, and resources that work together to manufacture and distribute goods or services.

Value chain: It is a set of activities organisations undertake to bring a product or service to market and create value at each stage. It is a strategic framework that helps businesses identify and analyse the primary and support activities that contribute to the manufacturing, marketing, and delivering their goods or services.

The movement of industrial operations from wealthy nations to countries offering low-cost labour is a hallmark of the rapid acceleration of globalisation in the 1970s. As a result, multinational corporations became huge players on a global scale, and the general public saw how businesses might violate human and environmental rights. Working conditions are just one aspect of the vast range of rights violations that occur. Other violations include environmental degradation, displacement, and, in certain situations, the abuse of local populations in collaboration with autocratic regimes in less developed countries. This has led to a shift in emphasis from corporations to their human and environmental rights responsibilities.

In response to corporate abuses of human rights and environmental degradation, several international bodies have introduced regulations, including the Economic Cooperation and Development (OECD)¹, the International Labour Organization (ILO)², the United Nations (UN)³, and the European Union (EU)⁴. In most cases, how-

ever, businesses voluntarily comply with these requirements in response to public pressure, and the regulations themselves are not legally binding (soft law). As a result, *corporate social responsibility (CSR)* has emerged and grown. More recently, ethical corporate practices, including *fair trade* and *responsible sourcing* have gained traction. Companies may now be audited by civil society and third parties thanks to the proliferation of certification programs that attest to their respect for human and environmental rights. Among these, *social compliance audits* are the most well-known.



Fairtrade is a social and economic movement that aims to promote equitable and ethical trade practices, particularly in relation to products from developing countries. Fairtrade aims to ensure that producers in these countries receive a fair wage for their labour and products and are treated in a socially and environmentally responsible manner.

For more information, see: adilticaret.org/what-is-fair-trade

Responsible sourcing refers to acquiring goods, materials, or services in a way that prioritises ethical, social, environmental, and economic considerations throughout the supply chain. Responsible sourcing aims to ensure that products are produced and sourced in a way that minimises negative impacts on people, the environment, and local economies.

For more information, see: satinalmadergisi.com/sorumlu-Source-kullanimi-ve-kurumsal-surdurulebilirlik

Social compliance audit is a systematic assessment of a company's social and ethical performance. It involves assessing the company's activities and their impact on various stakeholders, such as employees, customers, communities and the environment. Social audits typically focus on issues such as labour practices, community engagement, environmental impact, and ethical business conduct.

For more information, see: www.kurumsalsurdurulebilirlik.com.tr/sosyal-uygunluk-nedir-?

Regulations that are binding and focused on accountability have recently gained weight. This sprang out of the recognition that companies could need more than just voluntary regulations to ensure that they follow human and environmental rights standards. Numerous countries' legal systems have passed legislation establishing human rights accountability, including France, Sweden, Norway, the Netherlands, and Germany. Significant to this framework is the EU "Directive on Corporate Sustainability Due Diligence".⁵ The Directive requires businesses to identify, prevent,

manage, remediate and report human rights and environmental risks. These legal instruments are often based on guidelines and principles set by international organisations.

Eventually, Türkiye will feel the effects of these new standards and regulations.⁶ Finding out which way this effect is heading is crucial. Companies in food and beverage, personal care, clothing and accessories, footwear, furniture, and recycling must react quickly to the changing circumstances. So, to ensure that these advancements become possibilities for the future and not problems, all social players must have the same vision and goal.



1 OECD Guidelines for Multinational Enterprises on Responsible Business Conduct www.oecd.org/publications/oecd-guidelines-for-multinational-enterprises-on-responsible-business-conduct-81f92357-en.htm

2 Tripartite declaration of principles concerning multinational enterprises and social policy (MNE Declaration) www.ilo.org/empent/Publications/WCMS_094386/lang--en/index.htm

3 United Nations Guiding Principles on Business and Human Rights www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinesshr_en.pdf

4 Sustainable corporate governance (europa.eu)

5 www.consilium.europa.eu/en/press/press-releases/2023/12/14/corporate-sustainability-due-diligence-council-and-parliament-strike-deal-to-protect-environment-and-human-rights/

6 Hülya Kendir, Deniz Parlak, Gökhan Demir ve Selime Güzelsarı (2021). İş Dünyasında İnsan Hakları Eğitimi Rehberi. iheanet.tr/portal/wp-content/uploads/2022/06/Is_Dunyasinda_Insan_Haklari_Egitim_Kitabi.pdf; Bahar Güçlü ve Gökhan Güçlü. (2023). Çevresel ve Sosyal Açıdan Sorumlu İşletmeler ve Kurumsal Sürdürülebilirlik Özen Yükümlülüğü. İktisadi Kalkınma Vakfı. www.ikv.org.tr/images/files/ikv_DN_due_dilligence_2023.pdf; Friedrich-Ebert-Stiftung Derneği Türkiye Temsilciliği (2023). Alman Tedarik Zincirleri Yasası'nın Türkiye'ye Etkileri: Şirketlerin durum tespiti yükümlülükleri ve öngörüler. library.fes.de/pdf-files/bueroes/tuerkei/20112.pdf

INTRODUCTION

Many businesses worldwide have started to create management systems that follow international standards, work together, try new things, and invest in this area with good examples of how to do business in a way that respects human rights and the environment. This is because people now think companies are responsible for how their actions affect people and the environment. Small and medium-sized enterprises (SMEs) in Türkiye may be inspired to improve their existing human rights compliance by one of these companies, Tony's Chocolonely, a Dutch company with an open, transparent, and human rights-respecting supply chain model. The company's chocolate brand is one of the three most popular in Europe.¹ After the Original Beans² brand from the Netherlands, Tony's came in second place in the 2023 chocolate scorecard study, which ranks the performance of suppliers, retailers, manufacturers, and brands in the chocolate industry based on their environmental and social impacts.³ It has been known as a B-Corp since 2013.



The Chocolate Scorecard is a joint effort coordinated by Be Slavery Free, a non-governmental organisation that includes universities, independent consultants and civil society organisations. It aims to draw attention to social problems in the chocolate and cocoa industry and encourage companies to be more attentive to them. The Chocolate Scorecard analyses the cocoa supply chain of companies producing and selling chocolate worldwide for their policy and impact performance in ending poverty, child labour, and environmental degradation.

For more information, see: www.chocolatescorecard.com

B-Corp ("Benefit Corporation") is a certification system that emphasises that a for-profit company goes beyond just financial success and considers its social and environmental impact. To receive this certification, a company must comply with certain social and environmental standards and transparently report on the company's purpose, governance and impact. This certification guides companies through the transition to a business model focusing on sustainability and social responsibility.

For more information, see: www.bcorporation.net/en-us

It was the second Dutch company to do so and the first in Europe among chocolate makers overall. According to the Sustainable Brands Index, domestic customers named it the most sustainable Dutch company in 2023.



The Sustainable Brands Index is Europe's largest independent brand research on sustainability, measuring the perception of sustainability of around 1,600 brands across 36 sectors. It comprises 80,000 consumer interviews conducted in Scandinavia, the Netherlands, and the Baltic countries. Tony's Chocolonely has previously been recognised as a sustainable brand in the Netherlands four times in a row in 2018, 2019, 2020, and 2021

For more information, see: www.sb-index.com/faq

In the background of this inspiring story of these good practices are Tony's endeavours to end modern slavery in the cocoa supply chain, specifically illegal child and forced labour, to provide cocoa farmers with a living income⁴, and to ensure that human rights and environmental impacts are monitored at every stage of its supply chain. Tony's stands out from other companies in a big way, which is why this study is focused on it: the company uses its website, social media accounts, annual reports, and other public platforms to share its entire experience with the public and 'advocate' for the creation of a business model that respects human rights while still being profitable.



Specifically, in their annual reports, commonly known as “Fair Report,” they outline the challenges they have experienced since the company’s inception, the solutions they have found to solve them, and their own self-criticism.⁵ The company was reviewed in 2023 by the Development Workshop Cooperative Business World and Human Rights Working Group for a presentation. A careful web search, especially for elements that may serve as an example for SMEs, was followed by company reviews and critical reading. Tony’s annual reports, news, articles, and social media posts served as sources in the desk study to portray the company.

The company was reviewed based on good practices rather than success, failure, effectiveness, or ineffectiveness. Here, we want to share the story of a group of people who had little to no experience in the chocolate industry—a highly competitive industry that has a complicated supply chain and is subject to international trade—but who came together with the goal of manufacturing chocolate with respect to human and environmental rights. They started a company with little capital and proved to everyone that this could be done by constantly focusing on their mission. SMEs exporting to Europe may learn from their approaches about how to eliminate child labour, improve supply chain traceability, empower cocoa farmers, and implement the living income model. In this study, we will first focus on the cocoa supply chain and the human rights violations that Tony’s acts in and tries to find solutions for. Then, the story of Tony’s Chocolonely and how it offers solutions to the problems in the cocoa supply chain as a for-profit company will be discussed.



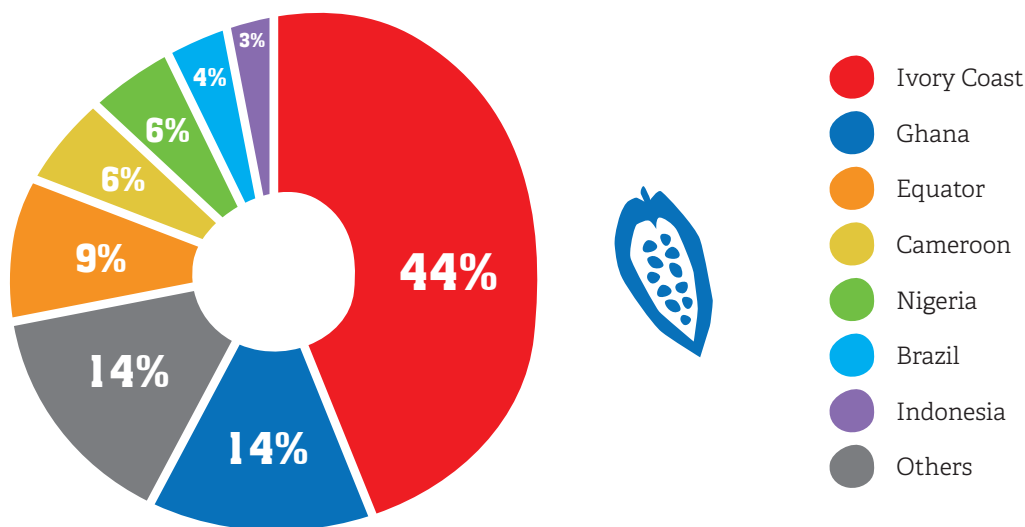
- 1 www.statista.com/statistics/942628/revenue-market-share-of-tony-s-chocolonely-in-the-netherlands/
- 2 Original Beans is a chocolate brand based in the Netherlands. It was founded in 2008. The brand’s main goal is sustainable chocolate making and the preservation of natural resources. Original Beans uses various methods to ensure sustainability in chocolate production. These include growing cocoa beans in their natural habitat, supporting organic farming practices, paying fair wages to farmers and making chocolate packaging recyclable. For more information: originalbeans.com
- 3 Chocolate Scorecard 2023: static1.squarespace.com/static/621486a23f6a6b01d7dbf3e3/t/65bc818a0d463b499cb174f6/1706852754249/Chocolate+Scorecard+2023-A4-Eng.pdf
- 4 Fairtrade International defines a living income for family farms as “income sufficient to meet a reasonable standard of living for all household members after agricultural costs are covered, including a nutritious diet, clean water, decent housing, education, health care and other basic needs, plus a little more for emergencies and savings” (www.fairtrade.net/issue/living-income#:~:text=A%20living%20income%20is%20defined,%20after%20farm%20costs%20are%20covered). The living wage, on the other hand, is defined as “the wage received by a worker in a given location for a standard working week that is sufficient to provide a decent standard of living for him/her and his/her family” (www.globallivingwage.org/about/what-is-a-living-wage/).
- 5 The company’s annual reports since 2013 are available here: tonyschocolonely.com/int/en/annual-fair-reports/

HUMAN RIGHTS AND CHILD LABOUR IN THE COCOA SUPPLY CHAIN

The cultivation, harvesting, processing, production, and distribution phases are all commonly included in the cocoa supply chain. It encompasses cocoa farmers buyers, sellers, shipping and distribution, warehousing, processors, quality control, certification, and makers and retailers of chocolate.¹ The worldwide confectionery and chocolate industries rely on cocoa as a raw ingredient, which generates substantial revenues for multinational companies. However, the cultivation and trade of cocoa have long been under scrutiny due to human rights violations. Cacao farming in West Africa, especially in Ghana and Côte d'Ivoire, is notorious for its human rights violations, such as the use of illegal child labour, forced labour, low wages, unsafe working conditions, land rights, and deforestation.

Nearly sixty countries in the world cultivate some kind of cocoa tree.² The yearly output of cocoa beans worldwide is over five million tons. Take the 2021–2022 cocoa season as an example; worldwide, cocoa bean yield was estimated at about 4.9 million tons. Approximately 60% of this comes from Ghana and Côte d'Ivoire.³

Cocoa bean production by country (%)



(Source: The International Cocoa Organization, Bulletin No: 4; Cocoa Season 2022/23. www.icco.org)

Growing cocoa beans is the first step in the cocoa supply chain. This usually occurs in tropical regions near the equator, such as West Africa, South America, and Southeast Asia. Once the cocoa fruit is harvested from the trees, its seeds are extracted and fermented to bring out its scent and flavour. The beans are sun-dried after fermentation, either directly on the ground or in sieves. After receiving the beans, cocoa processing factories transform them into cocoa mass, butter, and powder. Producers mix these cocoa products with ingredients like milk and sugar to make chocolate. Europe processes almost a third of the world's cocoa bean each year, with the Netherlands accounting for around 12% of that total.⁴

Cocoa value chain

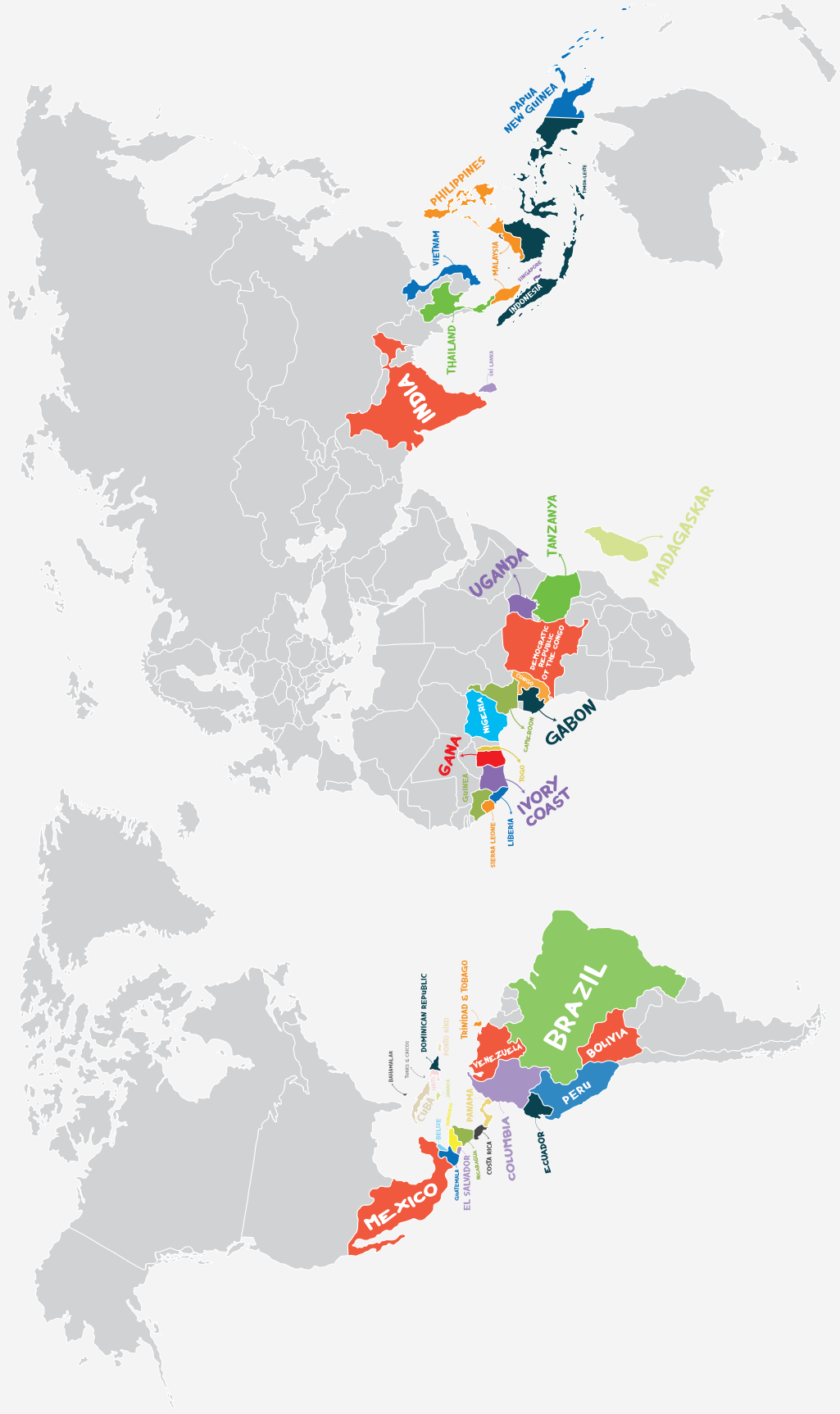


(Source: The Duke University Center on Globalization, Governance & Competitiveness (Duke CGGC) (2015). Pro-Poor Development and Power Asymmetries in Global Value Chains.⁵)

Over 90% of cocoa growers globally operate small, family-run farms on 2–5 hectares.⁶ Due to low cocoa prices and low income, many cocoa farmers in West Africa live on the edge of poverty. A fair price for cocoa beans is out of reach for cacao farmers due to the complex and multi-actor cocoa supply chain.⁷ The income cocoa farmers receive along the value chain is far from enough to support themselves and their families with a respectable quality of life. This results in serious human rights violations, including child labour and forced labour.

A 2020 study by the University of Chicago's National Opinion Research Center (NORC) found that 1.56 million children work in cocoa farming in Ghana and Côte d'Ivoire in West Africa. 1.48 million of these children are subjected to the worst forms of child labour.⁸

Countries where cocoa is cultivated



There is evidence of child labour being used in human trafficking for forced labour on cacao farms.⁹ It is now thought of these actions as modern slavery. Poor farm maintenance and a lack of youth involvement in cocoa cultivation are two major outcomes for farmers receiving such a small share of this valuable fruit.¹⁰ Cocoa farmers often work in harsh conditions, including agrochemical exposure and a lack of protective equipment. Lack of proper safety measures and the use of hazardous chemicals can lead to health problems among cocoa farmers and workers. Pressure to expand cocoa planting, which might result in deforestation and the displacement of local populations, is rising in tandem with the demand for cocoa.¹¹

Efforts to end these human rights problems involve collaboration between governments, cocoa-producing countries, international organisations, NGOs, and the chocolate industry. Initiatives focus on fair pricing, combating child labour and improving cocoa farmers' living conditions by promoting sustainable and ethical practices. Certification programs develop standards for fair, ethical, and sustainable cocoa cultivation and trade. On the other hand, non-governmental organizations such as the International Cocoa Initiative, which is funded by global chocolate brands, also work to address other social problems, particularly child labor in cocoa cultivation.



- 1 Marco Antonio Artavia Oreamuno and Andre Croppenstedt (2023). Bottlenecks, stresses and risks in the cocoa supply chain in Ghana: recommendations to increase its resilience. FAO Commodity and Trade Policy Research Working Paper, No. 58. Rome, FAO. www.fao.org/3/cc8649en/cc8649en.pdf
- 2 World Wide Chocolate. Where does Cocoa Grow?. Accessed: January 2024. www.worldwidechocolate.com/magazine/where-does-cocoa-grow
- 3 The Swiss Platform for Sustainable Cocoa. Produced in the south – consumed in the North. Accessed: January 2024. About cocoa - Kakaoplattform
- 4 The Swiss Platform for Sustainable Cocoa. Produced in the south – consumed in the North. Accessed: January 2024. About cocoa - Kakaoplattform
- 5 www.globalvaluechains.org/wp-content/uploads/Pro-PoorDevelopment_and_PowerAsymmetries_inGlobalValueChains_Final.pdf
- 6 The International Cocoa Organization (ICCO). Cocoa Economy Informations. Accessed: January 2024. www.icco.org/economy/#marke
- 7 Food Empowerment Project. Child Labor And Slavery In The Chocolate Industry. Accessed: February 2024. foodispower.org/human-labor-slavery/slavery-chocolate/
- 8 NORC (2020). Assessing Progress in Reducing Child Labor in Cocoa Production in Cocoa Growing Areas of Côte d'Ivoire and Ghana. www.norc.org/content/dam/norcorg/pdfs/NORC%202020%20Cocoa%20Report_English.pdf
- 9 According to the 2020 United States Human Trafficking Report, young men working on cocoa farms in Côte d'Ivoire and Ghana are subjected to trafficking and forced labor. These young men are forced to work in backbreaking and hazardous jobs that threaten their health. Some are also trafficked from neighboring West African countries such as Burkina Faso and Mali, where they are controlled by a "big boss" who exploits them. For more information, see www.state.gov/wp-content/uploads/2020/06/2020-TIP-Report-Complete-062420-FINAL.pdf
- 10 The International Cocoa Organization (ICCO). Cocoa Economy Informations. Accessed: January 2024. www.icco.org/economy/#market
- 11 The International Cocoa Organization (ICCO). Cocoa Economy Informations. Accessed: January 2024. www.icco.org/economy/#market

TONY'S CHOLONELY: THE BEGINNING

The Dutch chocolate brand Tony's Choclonely (Tony's Choclonely Nederland B.V.) first gained notoriety in 2005. In addition to supporting fair trade practices, it seeks to eradicate modern slavery¹ and child labour from the chocolate industry and the cocoa supply chain. Other objectives of the company include drawing attention to human rights problems in the cocoa supply chain, informing consumers about the rights violations associated with the chocolate they buy, and reminding them of the industry's role in perpetuating these issues. This characterises the company as *mission-driven*.² The company produces its chocolates in a factory in Belgium³ and only sources cocoa beans from Côte d'Ivoire and Ghana. The company does this because the major global chocolate brands it seeks to inspire and change through its business approach predominantly source cocoa beans from these countries. Tony's believes that if the existing business practices causing human rights abuses in the cocoa supply chain in these countries change, its mission will be accomplished.

Dutch journalist Teun van de Keuken, known for his interest in fair trade and human rights abuses in the global food industry, and his colleagues created the brand. Both the company and its brand bear the name of its creator. Tony is the English equivalent of the Dutch name Teun. Its creators intentionally picked the name "Choclonely" to symbolize the company's lonely battle against human rights violations surrounding cocoa farming and the chocolate industry.⁴



Henk Jan Beltman, former CEO of the company

"Tony's Choclonely is an impact organisation that makes chocolate, not a chocolate company that makes an impact. That seems the same, but in my view, it is essentially something else. 100% slave-free chocolate is our goal, not just our chocolate but all chocolate worldwide. Selling chocolate successfully commercially is a means to achieve that goal. No goal in itself."⁵

The TV show “Keuringsdienst van Waarde,” which Teun and his colleagues developed and aired in the Netherlands in 2003, shaped the beginning of the company’s journey. Teun and his colleagues investigated the origins of food products and informed viewers of this TV show. In 2003, the program addressed progress related to the Harkin-Engel Protocol, signed by major chocolate firms in 2001 to end severe human rights violations, such as child labour, in the cocoa supply chain.⁶ While preparing the program, the team discovered that child labour and forced labour were still prevalent in cultivating and harvesting cocoa beans. These human rights abuses in cocoa fields were documented during program filming in Ghana and Côte d’Ivoire.



Teun van de Keuken, TV and radio programmer who contributed to the creation of the Tony's Chocolonely brand



The team of the TV program 'Keuringsdienst van Waarde' (Source: kro-ncrv.nl/programmas/keuringsdienst-van-waarde)

While trying to get an answer from the chocolate makers that signed the Harkin-Engel Protocol, the program team was turned down. Teun launched his awareness campaign after being shocked and annoyed by the indifference of big chocolate brands. As a radical way to bring attention to the problem, he decides to buy and eat chocolates that he knows are made using child and forced labour. He thus declares himself complicit in slavery and illegal child labor. He reported himself to the prosecutor's office, but the office refused to initiate a formal investigation.

During the self-denunciation phase, Teun returned to Côte d'Ivoire to document the experiences of four children working in poor conditions in cocoa fields as witness testimony.⁷ Teun decided to make 5,000 fair-trade chocolate bars free of slavery in an attempt to bring even more attention to the issue and set an example for the chocolate industry and the general public.⁸ They accomplished this through a partnership with Fairtrade Netherlands⁹, which promotes more equitable trading practices and improved living conditions for cocoa farmers. Five thousand 200-gram milk chocolate bars, valued at around 15,000 euros, were made by Alain de Laet, a Belgian chocolate manufacturer. This cost was covered by Maurice Dekkers, the producer of the TV program.¹⁰ More than 13,000 of the chocolates were sold through an online store, which was a complete surprise. The result was Tony's Choclonely, a company with the mission of transforming the chocolate industry.

"Crazy about chocolate. Serious about people" is the company's motto, reflecting its mission. A message "100% slave-free chocolate" appeared on the original wrapper of the chocolate bars. Regardless of the Fairtrade accreditation, the company eventually modified its slogan to "On our way to 100% slave-free chocolate" due to uncertainty over whether the cocoa beans used in its chocolates are grown without slave labour (on the 10th anniversary of the brand, the message was updated as "together we will make chocolate 100% slave-free"). With 160,000 euros in capital, Maurice Dekkers registered the company in 2006.¹¹ Teun, who contributed greatly to the company's creation and mission, decided to continue his journalism work.

Beginning as a small business with big ambitions, the company has expanded to become a major player in Europe and North America, especially in the Dutch market. The company works hard to make its objective clear in everything it does, from social media to customer communication, packaging, websites, and annual reports. Products and their presentation are also part of an awareness campaign that started in 2005 for the company.¹²

Tony's tries to "explain" to everyone interested, especially customers, why it was started and what its mission is at every turn. Two examples are how it delivers its message through eye-catching packaging and the form of its chocolate bars. In their own words, they use every square centimetre of their packaging, both inside and out, to tell who they are, what they do, and what can be done together in collaboration with different stakeholders. A brief explanation of the social challenges facing the worldwide cocoa supply chain and the company's position on these matters is provided inside the wrapper. As a metaphor for the unequal relationships and low incomes experienced by cocoa farmers at the beginning of the cocoa supply chain, Tony's chocolate bars are not equally divided, unlike other brands. This unfair distribution ensures that top global brands get the lion's share at the expense of small-scale cocoa farmers and West African nations. Plus, the equator is depicted at the base of the chocolate bar, and the main cocoa-growing countries



The packaging the company uses to communicate its mission to consumers, and the unequally divided chocolate bar (Source: tonyschocolonely.com)

are shown from left to right: Côte d'Ivoire, Ghana, Togo, Benin, Nigeria, and Cameroon. Since 2012, the company's packaging has been made from recycled materials.

All throughout the supply chain, Tony's Chocolonely advocates for decent and social rights-based working conditions. Because of this, Tony's Chocolonely takes great care in choosing its partners in the supply chain, including those in West Africa from whom it sources cocoa beans as well as those in distribution, logistics, warehousing, and packaging, and it ensures that these companies have a positive impact on society. Besides, Tony's believes businesses should be accountable for their actions when they violate human rights or environmental norms in their supply chains or do nothing when they know about human rights or environmental violations in their business practices. This is why the company keeps a careful eye on global develop-



Team Tony's handing over to EU officials the petitions signed in their campaign to hold corporations accountable for human and environmental rights violations... (Source: tonyschocolonely.com)

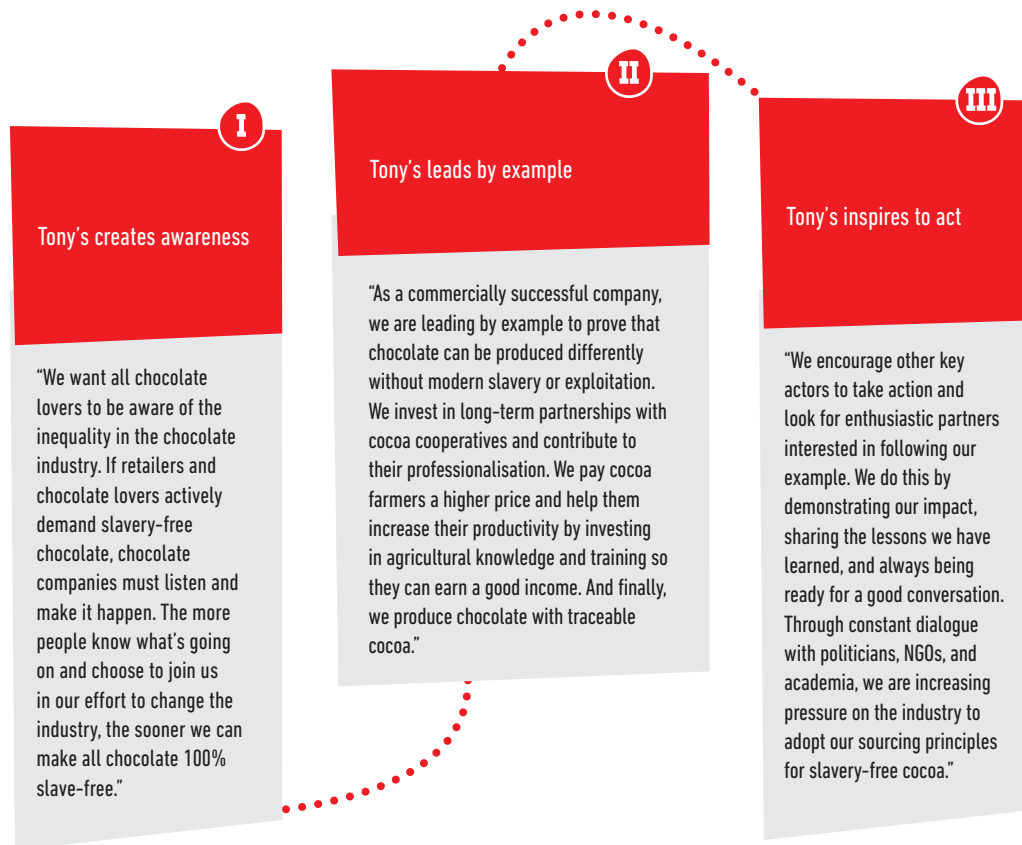
ments in corporate responsibility and due diligence laws and regulations, both soft and hard, pushes these kinds of regulations, and engages in campaigns to inform the public and its customers.



- 1 The term 'modern slavery' is defined by the company to refer to any form of forced labor or exploitation, including illegal child labor (Tony's Annual Fair Report 2012/2013. tonyschocolonely.com/nl/nl/jaarfairstlagen/jaarfairstlag-2012-2013).
- 2 Mission-driven companies focus on changing the world for the better in some way by working beyond the pursuit of profit. They are committed to solving social problems and demonstrating responsibility for promoting positive change. Instead of leaving it to governments or non-profit organizations to solve social and environmental problems, mission-driven companies encourage their employees, communities, and stakeholders to rise to the challenge. www.oysterhr.com/glossary/mission-driven-company#:~:text=Mission%20driven%20companies%20work%20beyond,responsibility%20for%20supporting%20positive%20change
- 3 Since its inception, the company has partnered with Barry Callebaut in Belgium, the world's largest chocolate manufacturer, for the production of its chocolate bars. Barry Callebaut is also a mission partner in Tony's Open Chain system. Barry Callebaut is often criticized for human rights violations in the cocoa supply chain and in the chocolate industry. Therefore, Tony's has its share of these criticisms from time to time. For Tony's, however, working with Barry Callebaut is a deliberate choice. In a statement on its website on December 3, 2018, the company justified this partnership as follows: «In 2005, we deliberately chose to partner with Barry Callebaut to show that it is possible to be fully traceable while working with a large processor. This way, we show that every chocolate company can work according to our 5 sourcing principles. From the start, Barry Callebaut has believed in our mission and collaborated with us to set up fully segregated processing for our 100% traceable beans so they are never mixed with other beans. Working with Barry Callebaut allows us to further scale up our production and enables us to grow Tony's Open Chain by processing the 100% traceable cocoa beans from our mission allies, too.» («Tony's response to The Times article», December 3, 2018. Accessed: January 2024. tonyschocolonely.com/us/en/our-mission/news/why-we-are-not-on-all-lists-of-ethical-chocolate-brands
- 4 Raising the Bar, a world without slavery in any chocolate | Ynzo van Zanten www.youtube.com/watch?v=XP61o1JhuQ4&ab_channel=TEDxTalks
- 5 The Harkin-Engel Protocol, sometimes referred to as the Cocoa Protocol, is an international agreement aimed at ending the worst forms of child labor and forced labor in the cultivation of cocoa, the main ingredient in chocolate. The Protocol was negotiated by US Senator Tom Harkin and US Representative Eliot Engel in response to a documentary and numerous articles reporting on widespread child slavery and child trafficking in cocoa production in 2000 and 2001. The Protocol was signed in September 2001. The industry's commitment under the Protocol to reduce child labor by 70 percent in Côte d'Ivoire and Ghana was not met until late 2015. For more information, see: www.dol.gov/sites/dolgov/files/ILAB/legacy/files/Harkin_Engel_Protocol.pdf
- 6 "Tony's reponds", December 3, 2018. tonyschocolonely.com/nl/en/misyonumuz/news/tonys-reponds
- 7 The case was dismissed by the court in 2007 because it could not be proven that there was a direct link between child labor and modern slavery and the chocolate bars Teun had eaten and turned himself in for.
- 8 Recordings of the company's emergence and the related TV program can be found here; youtube.com/playlist?list=PL5E5690A1F7DCD9C4&si=o5x_L500_PICn1TC
- 9 www.fairtradenederland.nl/
- 10 Nesrien Abu Ghazaleh, Maarten Hogenstijn and Merel Sluiter (2018). The story of Tony's Chocolonely: Amsterdam entrepreneurship cases. Innovation Exchange Amsterdam. pure.hva.nl/ws/files/5255121/Tony_s_teaching_case_final.pdf?_ga=2.47744359.1387192164.1711882409-1121712107.1711882408
- 11 Esther Blom, Elco van Burg, Petra Verhagen and Mark Hillen (2013). Tony's Chocolonely: How A Social Enterprise is Changing The Chocolate Industry. Social Enterprise NL. www.archief.social-enterprise.nl/files/1814/4198/0581/Tonys_Chocolonely_Teaching_Case_Version_Beta.pdf
- 12 For a more detailed review on this subject, please see; Sevim, E. S. and Findıklı, S. (2023). "Tüketimde etik hedonizmin ambalaj tasarımına yansması: Tony's Chocolonely Örneği". R&S- Research Studies Anatolia Journal, 6(4). 331- 357 dergipark.org.tr/en/download/article-file/3157594

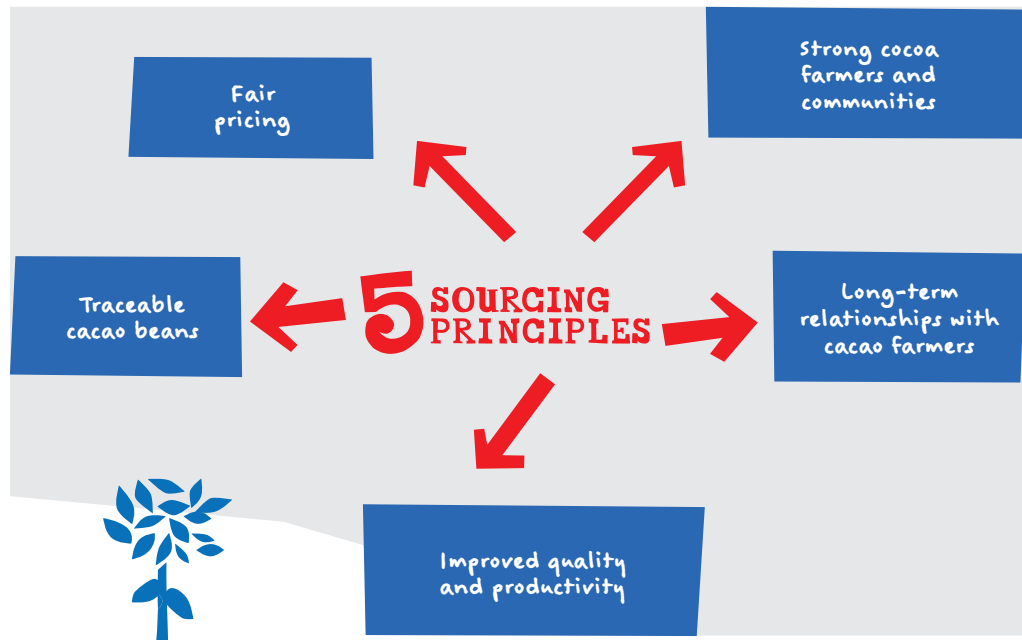
TONY'S ROADMAP AND SOURCING PRINCIPLES

Tony's Chocolonely has developed a roadmap of long-term goals to respond to human rights challenges in the cocoa supply chain and the chocolate industry in general. This roadmap is based on three pillars;



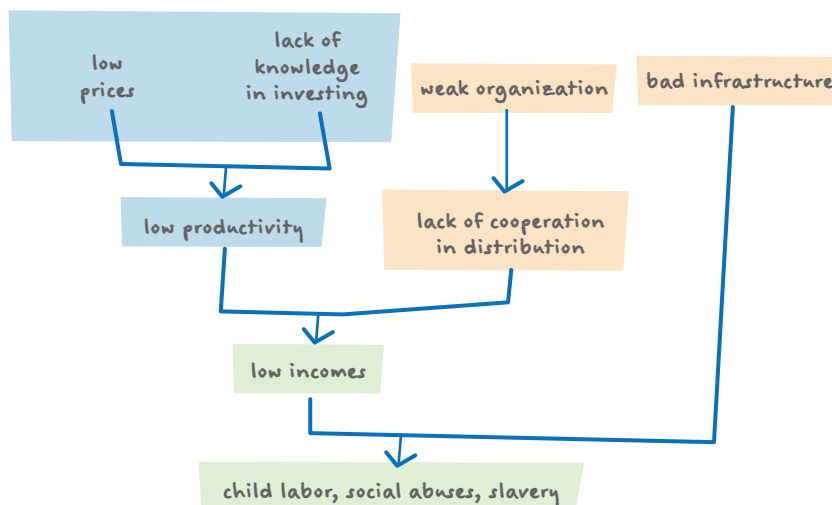
From the very beginning, the company has been steadily working towards achieving the goals outlined in the roadmap. Since its inception in 2005, the company has been actively spreading awareness. 2012 marked the beginning of specific actions to set an example for the industry and other stakeholders, and 2019 saw the start of inspiring change.

The company's solution to the problems observed in the cocoa supply chain is centred around five sourcing principles that aim to create a positive and sustainable impact in the cocoa communities;



The company's sourcing principles complement each other to create a stronger, sustainable, ethical cocoa supply chain. By adopting these principles, Tony's Chocolonely focuses on the key issues in the cocoa industry and aims to contribute to a sustainable recovery for cocoa farmers, their communities and the environment.

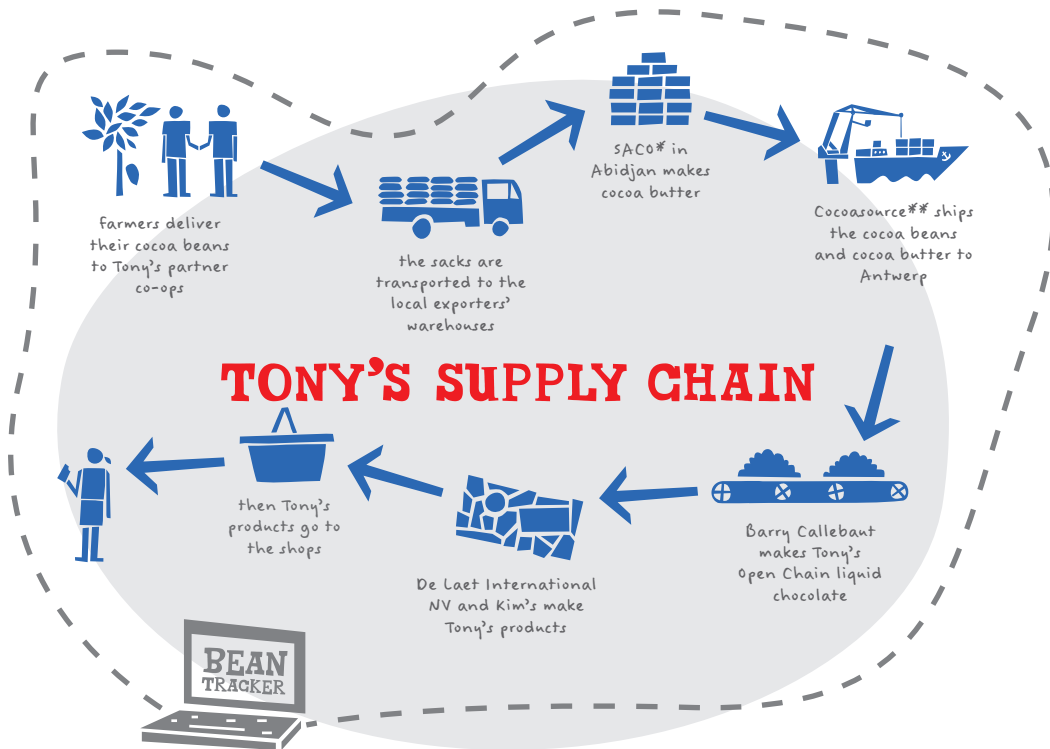
The vicious circle of cocoa growers, according to Tony's



(Source: tonyschocolonely.com)

Traceable Cocoa Beans

Principle 1 Do not source cocoa beans of unknown origin: Trade directly and on equal terms with cocoa farmers and cooperatives. The only way to take responsibility and take action is to know who produced the beans, where and under what social and environmental conditions.



* African Cocoa Company in Abidjan, Ivory Coast

** A Swiss supply company

(Source: tonyschocolonely.com)

Traceability in the supply chain is not easy for a company that runs its business operations on an international scale. For Tony's Chocolonely, this process is a multi-stage, multi-stakeholder and technological investment. The company's perspective on this issue is quite clear: *"If you know where your cocoa beans come from, you cannot ignore abuses that happen there."*

For a fully traceable cocoa supply chain, they use their own cocoa bean tracker (Tony's Beantracker), the child labour monitoring and remediation system (CLMRS)¹ developed by the International Cocoa Initiative and GPS mapping tools for all cocoa

farms where cocoa beans are sourced. In contrast to Tony's, the industry standard is to blend a company's certified and non-certified cocoa beans into a single, anonymous mass before processing it into chocolate.²

The company's stance on traceability is based on buying beans from cocoa farmer co-operatives. The company has a five-year long-term agreement with nine cooperatives, beginning with the 2022–2023 cocoa season. It is possible to trace the origin and amount of the cocoa beans used by the company, from the farmers to the cooperatives to the Belgian factory. Tony's cocoa mass has been fully traceable since 2013, and cocoa butter since 2016.³ This was made possible by installing a separate production line for the liquid chocolate utilised in Tony's bars at the Belgian facility of long-term business partner and internationally known chocolate maker Barry Callebaut.



In keeping with Tony's 100% traceability policy, Belgian chocolate maker Barry Callebaut set up a separate production line.

(Source: tonyschocolonely.com)

The Child Labor Monitoring and Remediation System is integrated into the company's supply chains to identify, address, and prevent child labour. Community facilitators—frequently cocoa farmers—affiliated with cocoa cooperatives serve as the system's nerve centres, directing and monitoring operations. These facilitators visit households to raise awareness about the risks of child labour and identify children engaged in hazardous work. As soon as Tony's collab-



Children in front of a primary school supported by Tony's...

(Source: tonyschocolonely.com)

orates with a cooperative and/or illegal child labour is found in the cocoa fields, the CLMRS comes into play. Tailor-made remedies for children and parents follow this. The company also contributes to the local communities to ensure that children continue their education. In the cocoa growing season 2022/2023, 1,072 child labourers were identified in the areas of responsibility of the cocoa cooperatives from which the company purchases cocoa beans directly. In the same season, 1,752 child labour cases were closed with the withdrawal of children from work. The company first provides support for identified children to return to school. Measures include obtaining birth certificates for school enrollment, providing stationery and supplies (uniforms, shoes, bags, etc.), and bicycles if they need to travel long distances to school. Older children are channelled into vocational training programs.

Fair Pricing

Principle 2 Pay an additional premium on top of the certified bean price, enabling farmers to earn a living income and run their farms.

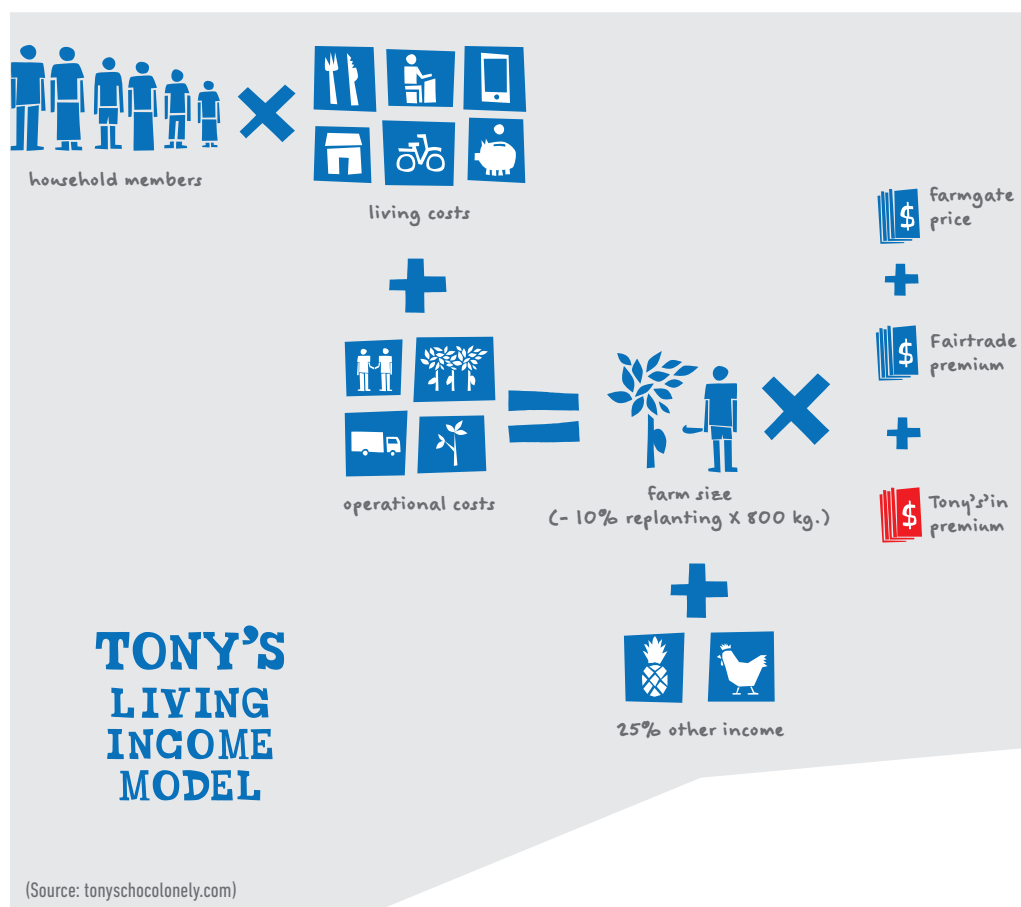
In 2018, a report published by True Price⁴ highlighted that the “real costs” of cocoa prices, such as poverty, illegal child labour, modern slavery, and deforestation, are paid for not by the industry and the market but by cocoa-growing families, mostly in West Africa.⁵

A pricing policy that enables cocoa farmers to make a living and keep farming is thus an integral part of the company’s living income idea. According to the company, existing cocoa prices make this impossible. Deforestation, modern slavery, and child labour all stem from severe poverty caused by the inequality in the cocoa supply chain. Thus, the company pays farmers a premium on top of the standard price to offset the difference between what they earn and what they should receive until the cocoa price reaches a certain level. In calculating this additional premium, Tony’s worked with Fairtrade, relying on various independent research and calculations.⁶ This joint work results in a formula that sets out a ‘living income reference price’ for cocoa. This is the price that a typical cocoa-growing family with a viable farm size and a sustainable level of productivity would need to earn a living income from the harvest.⁷ The additional premium calculation considers family size, living costs, cocoa farming costs, and other household income. The company assumes that 75 percent of cocoa farmers’ total household income comes from cocoa cultivation and the rest from other sources. According to this calculation, a farmer in Ghana should receive €2.00 per kilo of cocoa (base price €1.52), while in Côte d’Ivoire, he/she should receive €2.20 (base price €1.70).⁸ The additional premium is paid per tonne. Premium payments and the system are reviewed after each cocoa season. Based on the cocoa base price set by the governments of Ghana and Côte d’Ivoire and new findings on the cost of living in these countries, the premium per

tonne for Tony's cocoa beans is adjusted. The company started this additional premium system in 2013.

The cooperatives receive direct payment of the premiums. The cooperative's members democratically approve the premium plans and choose how the premium is allocated. At this point, the company has a good working relationship with the cooperatives and can offer advice on their plans. A certain percentage of the premium is always given directly to the cocoa farmer, either in kind or cash. The remaining premium is utilised for community development, including infrastructure upgrades, health, education, and professional management consulting for cooperatives.

In the 2021/22 cocoa season, the company paid an approximately 2 million euros premium to cocoa farmers.⁹ In the same period, it transferred approximately 9.9 percent of the retail price of each chocolate bar to cocoa farmers directly or through cooperatives. In the 2022/23 cocoa season, the company, together with its mission partners in Tony's Open Chain, paid an additional premium of around 10 million euros to cocoa farmers with whom they work directly.¹⁰



Strong Cocoa Farmers and Communities

Principle 3 Buy from and co-develop professional cooperatives as service providers for farmers. Work together to professionalise farming cooperatives and farms, giving them more power to change inequality structurally.

For Tony's, the key to a more equitable supply chain is for small-scale cocoa growers to develop ways to act collectively. Cocoa farmers and cooperatives are the focus of the company's efforts as they work to increase their capacity and provide financial support. Specifically, it helps cooperatives become more established, grow to a larger size, and gain the confidence of their members and their community. A stronger cooperative, says the company, is better positioned to negotiate for and get the technical services and equipment it needs. So that the cooperatives may function more effectively, the company collaborates with local experts. Furthermore, representatives from the company also appear at these cooperatives' annual general meetings to strengthen relations.



Annual meetings of the cooperatives the company works with (Source: tonyschocolonely.com)

Long-term Relationships in the Supply Chain

Principle 4 Ensure that the farmers and cooperatives get at least five years' sales at a higher price, giving them income security and enabling them to make better investment choices and recoup costs.

The company aims to work with cooperatives long-term, with a minimum five-year agreement model. In this way, cocoa farmers can plan their investments, knowing that they will receive a premium from the company for the duration of the contract. According to the company, the long-term, contractually guaranteed commercial re-



In 2018, the company participated in the annual meetings of the cooperatives in Côte d'Ivoire and Ghana with Tony's party truck and organised various events for cocoa farmers.

(Source: tonyschocolonely.com)

relationship allows farmers to invest in new cocoa farms, farming equipment, or capacity building for higher yields. The long-term relationship also allows for the development of cooperatives, the improvement of cocoa farmers' living conditions, and the implementation and impact of projects that address issues such as illegal child labour and human rights.

Improved quality and productivity

Principle 5 Invest in agricultural knowledge and skills related to growing cocoa and other crops. Undertake productivity, diversification, and quality programs to improve the yield.

Tony's claims that when cocoa farmers gain more expertise, they will have higher yields and more income. Consequently, the company collaborates closely with cooperatives to launch initiatives to train farmers in new techniques for cacao and other crops. The goal is to establish well-equipped farms and farmers so that cocoa farmers may increase their yield per unit and, in turn, their income. With the assistance of a strong cooperative that takes advantage of economies of scale, the company aspires for an efficient farmer to harvest 80 kg of cocoa beans per decare. On top of that, lots of beans may not be good enough to ship overseas. The company runs several initiatives to help farmers enhance their harvests. To improve farming practices and product quality, the company adopts methods including advisory groups, agricultural development plans, and one-on-one communication. It additionally seeks to increase the quality of agricultural services offered by cooperatives.

Tony's Chocolonely's five key principles centre on cocoa farmers and the company's relationship with them. Despite being the initial link in the cocoa supply chain, they are frequently the most ignored segment. Their income is so low that they cannot break the cycle of poverty because they receive just a small share of the profit generated by the chocolate industry. Tony's enters into long-term contracts with cocoa growers, paying them a living income, and providing agricultural empowerment and support to improve the quality and yield of the product. In fact, the company is doing all these things to tackle poverty, which is the root cause of the child labour and

forced labour practices it has identified in its supply chain. The company spent approximately 8 million euros, or 6.2 percent of its 2022 revenues, to make an impact on the cocoa supply chain and for cocoa farmers.¹¹ Tony's is, in fact, engaged in a development program focusing on cacao farmers and children through its roadmap and sourcing principles.



Entrepreneurship also means taking responsibility and not just doing charity work. We enter into a business relationship with cocoa farmers. For example, if the growers cannot deliver the agreed kilograms due to local problems or very low-quality cocoa beans, we may pay them less than we both hoped. But then we take steps to prevent this from happening next season.



- 1 International Cocoa Initiative (ICI). Child Labour Monitoring and Remediation Systems. Accessed: January 2024. www.cocoainitiative.org/our-work/operational-support/child-labour-monitoring-and-remediation-systems
- 2 This is a system used in the supply chain for sourcing raw materials from certified sources, commonly known as "mass balance". The system allows producers to purchase a portion of a source, such as cocoa, soy, or palm oil, from certified sources, mix it with non-certified sources, and still label a proportionate amount of their final product with the certification label (source: www.edie.net/definition/mass-balance/).
- 3 Online Knowledge Center for Sustainable Entrepreneurship (2016). Sustainable chocolate with fully traceable cocoa butter. Accessed: January 2024. www.duurzaam-ondernemen.nl/duurzame-chocolade-met-volledig-traceerbare-cacaoboter/
- 4 True Price is a social enterprise with a mission to realize affordable, sustainable products for all by enabling consumers to see and voluntarily pay the real price of the products they buy. According to this initiative, the true price of a product is the combination of social and environmental costs incurred in the production of that product, which should be added to the market price. For more information: www.trueprice.org
- 5 True Price (2018). The True Cost of Cocoa: Tony's Chocolonely 2018 progress report. trueprice.org/wp-content/uploads/2022/07/The-True-Price-of-Cocoa.-Progress-Tonys-Chocolonely-2018.pdf
- 6 Cost of living as determined by True Price and ISEAL study; household and farm sizes and income diversification as determined by KIT Royal Tropical Insitute; operational costs as determined by Fairtrade; new planting costs as determined by Agricultural Economics; income diversification as estimated by KIT Royal Tropical Insitute; yield target as determined by Südwind and Fairtrade.
- 7 "What is a Living Income Reference Price?", Accessed: February 2024. www.fairtrade.net/issue/living-income-reference-prices
- 8 Living Income Model". Accessed: January 2024. tonyschocolonely.com/nl/nl/onze-missie/serious-statements/living-income-mode
- 9 "Tony's Chocolonely Annual Fair Report 2021/2022". Accessed: January 2024. tonyschocolonely.com/uk/en/annual-fair-reports/annual-fair-report-2021-2022
- 10 "Tony's Chocolonely Annual Fair Report 2021/2022". Accessed: January 2024. tonyschocolonely.com/uk/en/annual-fair-reports/annual-fair-report-2021-2022
- 11 Celebrating 10 years of measuring impact - and the results are in..., January 9, 2023. tonyschocolonely.com/uk/en/ourmission/news/celebrating-10-years-of-measuring-impact-and-the-results-are-in

TONY'S JOURNEY IN TIME



Joined the FairTrade certification scheme to ensure fair trade and ethical principles in its supply chain.

2006

Tony's Chocolonely brand is incorporated. The initial capital is 160 thousand Euros.

2007

The Dutch Media Authority (Commissariaat voor de Media) found that Tony's Chocolonely's excessive advertising in seven episodes of Keuringsdienst van Waarde generated "excessive profits" for the company and fined the program's broadcaster 20 thousand Euros.

Swiss chocolate brand Bellissimo filed a lawsuit against Tony's, claiming that the motto "slave-free chocolate" harms other chocolate brands. The case was dismissed in favor of Tony's.

The phrase "100% slave-free" on the chocolate packaging is changed to "on the road to 100% slave-free chocolate".

2008

CHOCOLONELY
foundation

The Chocolonely Foundation is founded.

2009

2005



The first Tony's Chocolonely bar is born. 5,000 chocolate bars with fair trade and 100% slave-free are produced and sold.

2003



Teun and his team begin to investigate human rights violations, especially child labor in the chocolate industry, for a TV program.

2001



The Harkin-Engel Protocol on ending the worst forms of child labor and forced labor in cocoa farming is signed.



Uneven chocolate bars and new wrapper, representing the map of West Africa and referring to the unequal value chain, are launched for the first time.

A five-year purchase agreement is made with two cocoa cooperatives in Ghana and Ivory Coast.



Tony's Fair, the company's annual event to share its activities with chocolate fans, is organized for the first time and the company presents its first annual report, FairReport, to the public at this event.

1V EenVandaag

In 2010, when hazelnut milk chocolate was added to the product range, the Dutch TV program Een Vandaag reported on child labor in hazelnut harvesting in Türkiye. The company then stopped supplying hazelnuts from Türkiye.

2010

2011

Henk Jan Beltman. The new CEO of the company.



2012



For the first time, a fully segregated cocoa chain becomes reality, using 100% traceable cocoa beans.

Additional premium to supplier cooperatives under the living income model begins.

Awarded in the 'Strongest Brand' category at the Marketing Next 2013 NIMA Awards.

The company is the first European chocolate company to be certified as a B-Corp.

B square
or B Corp



Certified
Corporation

2013

Tony's chocolates are introduced to the Belgian and Finnish markets.



Joined the International Cocoa Initiative.

Tony's chocolates expanded into the Swedish, German and US markets.



True Price works with Tony's to calculate the carbon footprint of the company, analyzing the entire supply chain, from cocoa production to milk powder and transportation to stores.

International
COCOA
Initiative



2015



Received €700 million for its investments in West Africa from the Dutch Good Growth Fund (DGGF), which provides financing to Dutch SMEs in developing countries.

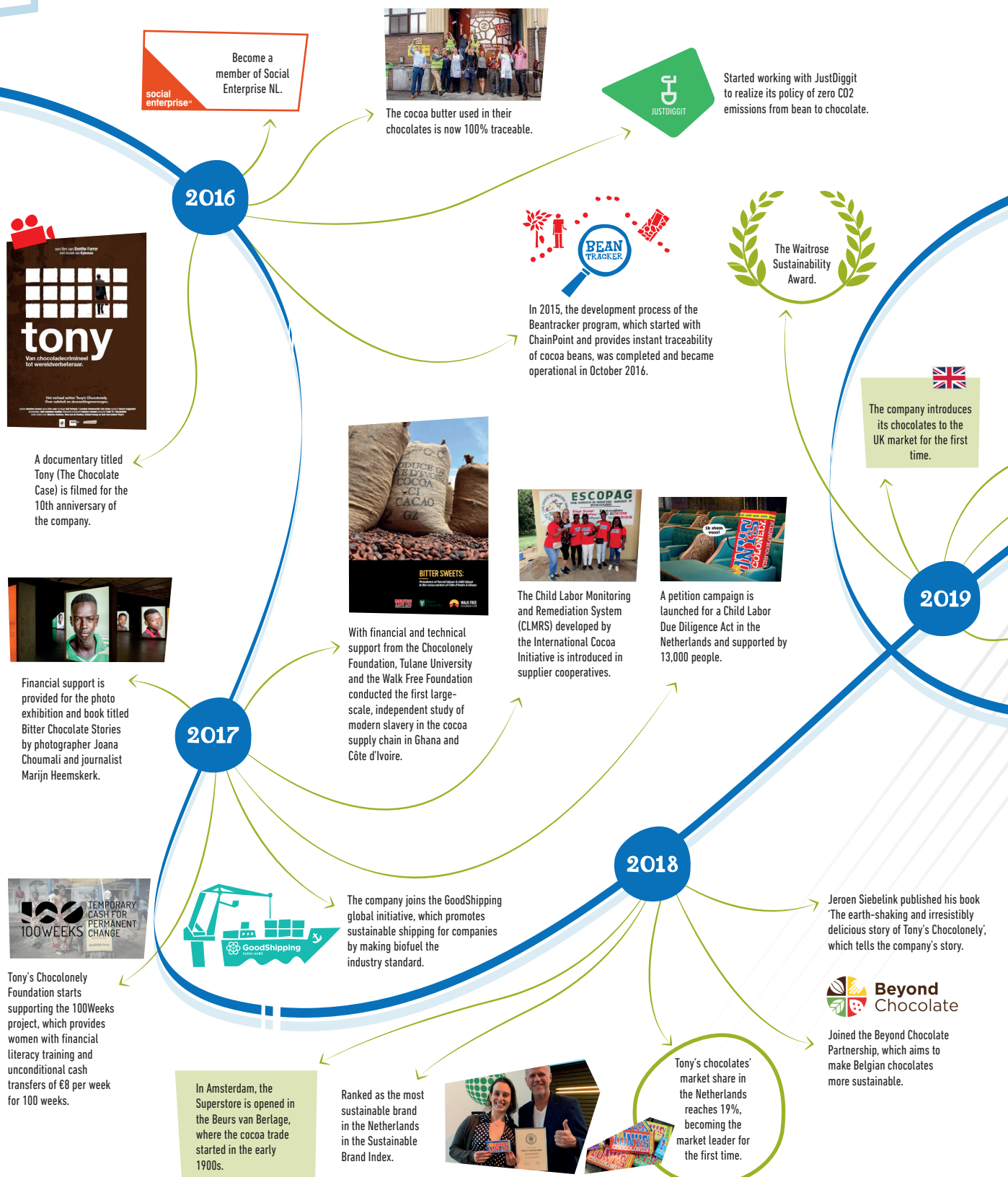
2014

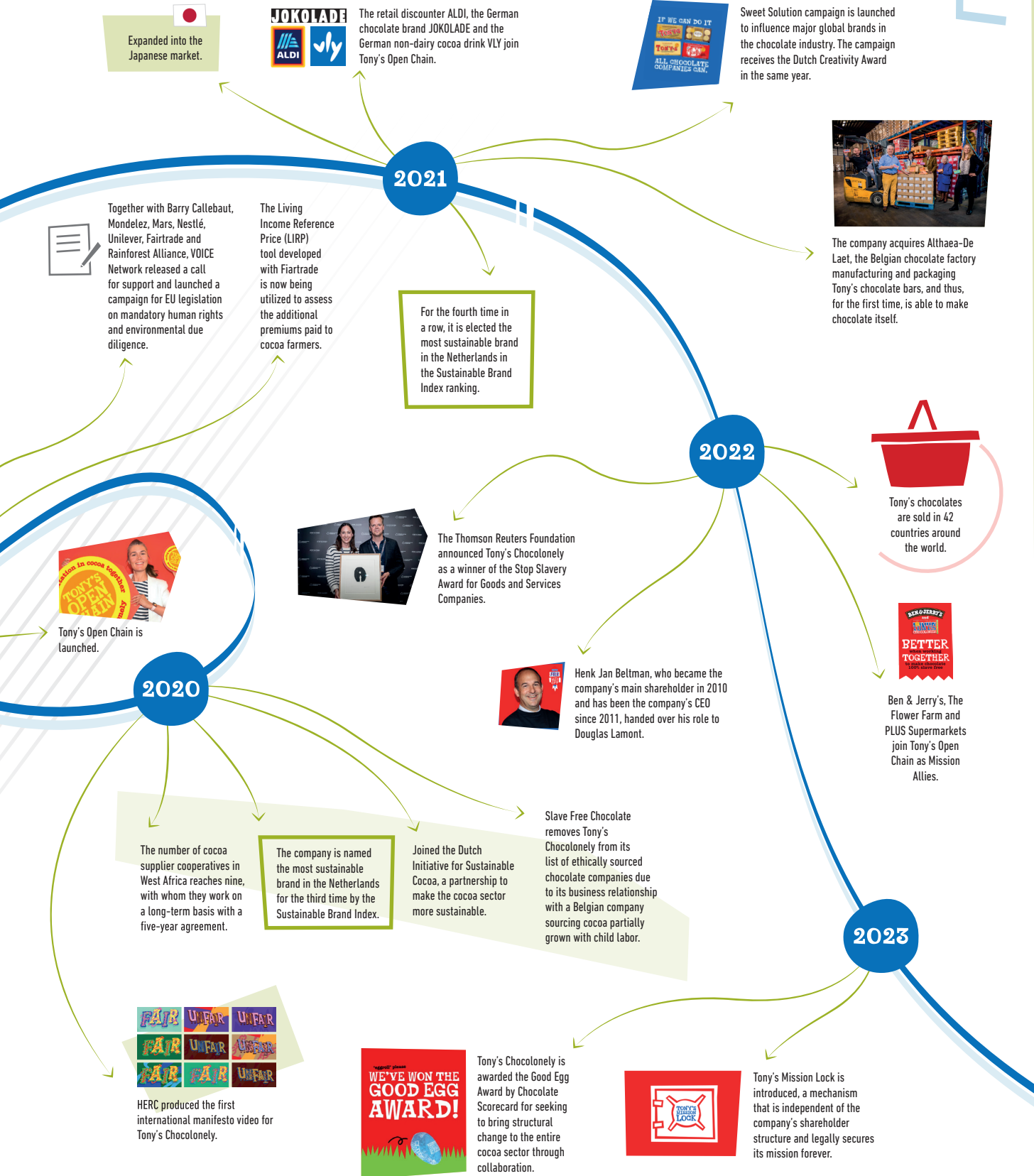
Ranked first in the Best Young and Small Workplaces in the Great Place to Work.



In collaboration with True Price, the company calculated how much income a cocoa grower would need to earn above the poverty line. The company then started paying a 25 percent premium on top of the base price of cocoa to the cooperatives.







OTHER IMPACT CREATING STEPS

Tony's Open Chain

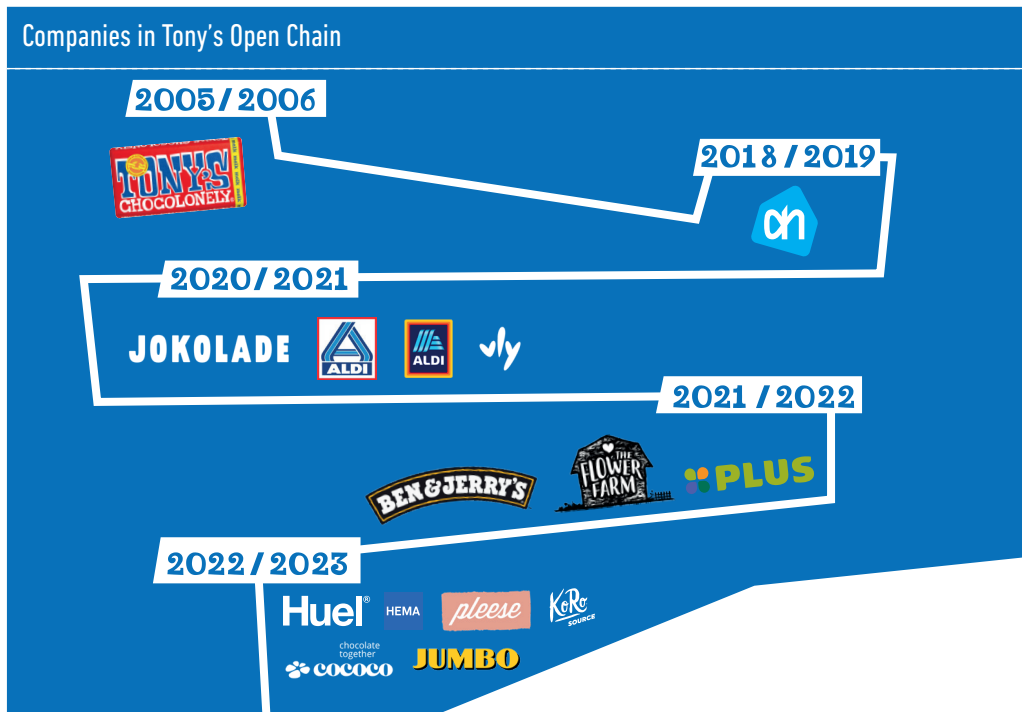


Tony's Open Chain aims to address systemic inequality in the cocoa supply chain with an open-source platform that facilitates collaboration and interaction. It opens the door for structural change in the industry by encouraging other companies to follow Tony's sourcing standards. Tony's Open Chain is a platform where chocolate companies can access the knowledge and resources they need to create a more equitable, transparent, and human rights-conscious industry. It also serves as a space for sharing experiences.

This collaboration platform was launched in 2018 as part of the company's mission to lead by example in its roadmap. The main rationale is that companies in the chocolate industry spend more time and energy on what cocoa farmers need to do to escape poverty than on their own purchasing practices in the name of sustainability. However, for Tony's, the key issue is enabling companies to review and transform their business and operational practices. This is exactly what Tony's Open Chain addresses.

Companies involved in the open chain (producers, retailers, and brands) are considered mission allies. They are expected to take responsibility and accountability for the social problems in the cocoa supply chain, going beyond the existing certification schemes. At this point, they commit to acting in accordance with Tony's sourcing principles. At this stage, they pledge to follow Tony's sourcing principles. Additionally, they must put Tony's Open Chain logo on the wrappers of their chocolates.

As of the 2022/2023 cocoa season, there are 15 mission allies in the Open Chain, including Tony's. In Ghana and Côte d'Ivoire, the Open Chain works directly with 11 cooperatives. According to the Open Chain 2022/2023 Impact Report, 17,740 cocoa farmers benefited positively from the open-chain approach.¹ Mission allies paid around €10 million in additional living income premiums to cocoa farmers in the given season. The prevalence rate of child labour in the supply chain of mission allies is reported at 4.4 percent.



(Source: tonyschocolonely.com)

Chocolonely Foundation

CHOCOLONELY foundation

The Chocolonely Foundation was founded in 2008, when the company first became profitable.² Its main function is to support cocoa growers and communities based on human rights in line with the company's roadmap and sourcing principles. The Foundation is funded by 1 percent of the company's annual gross turnover. For the 2021/2022 cocoa season, the company's budget allocated to the Foundation exceeded one million euros. The Foundation's activities focus on cocoa cooperatives and cocoa-growing communities in Ghana and Côte d'Ivoire.

The Foundation's activities include school and education support for children, social credit for women, poverty alleviation and youth empowerment. All members of the Board of Directors volunteer at the Foundation. The company covers the salaries and expenses of the Foundation's professional team. Therefore, the foundation has no overhead expenses. Since its inception, the Foundation has implemented 65 projects focusing on children, youth and women, including the Children's Education and Training Center,³ pastry, cooking and chocolate making training for women,⁴ Reintegration Center in Burkina Faso,⁵ Education at the Right Level.⁶

Tony's Mission Lock



Tony's mission to eliminate exploitation and promote fair trade in the chocolate industry, Tony's five sourcing principles and the duty of directors to abide by them are already in Tony's Articles of Association. However, in 2023, the company's leadership established an independent and legal structure called Tony's Mission Lock to ensure that this mission is not compromised under any circumstances.⁷

Tony's Mission Lock is a legal structure that provides a golden share in the company to a completely independent and separate organisation (this is a foundation), overseen by three independent persons called mission guardians, whose sole responsibility is to protect Tony's mission. This golden share gives them the power to prevent any legal changes to the definition of Tony's mission, Tony's five sourcing principles, or any other mission-related clauses. This mechanism thus guarantees the company's mission for as long as the company exists. The company shares the details of Tony's Mission Lock as open source to help other companies follow this approach and raise standards together.



Launch of Tony's Mission Lock (Source: www.tonymissionlock.org)



- 1 Tony's Open Chain Impact Report 2022/2023. Accessed: January 2023. online.flippingbook.com/view/371809889/18/
- 2 For further information about the Foundation and the projects they carry out, please visit: www.chocolonelyfoundation.org
- 3 www.chocolonelyfoundation.org/projects/child-learning-education-facility/
- 4 www.chocolonelyfoundation.org/projects/training-in-confectionary-cooking-chocolate-making-for-women/
- 5 www.chocolonelyfoundation.org/projects/teaching-at-the-right-level/
- 6 www.chocolonelyfoundation.org/projects/teaching-at-the-right-level/
- 7 www.tonymissionlock.org/

CONCLUDING REMARKS

The distinctiveness of Tony's Chocolonely lies in the way it confronts the persistent social and ethical issues within the cocoa supply chain and the chocolate industry through a novel, collaborative, and challenging approach. By establishing solid connections with cooperatives of small-scale cocoa farmers, Tony's is setting a positive example of a more transparent, equitable, and environmentally friendly method of sharing the economic benefits. By pushing for fair trade, taking responsibility for eradicating child labour in cocoa growing, putting sustainable policies into effect, and heeding international conventions on business and human rights, Tony's is showing itself as a pioneering company. Tony's Chocolonely sticks to these values to remind people that the mission and dreams should come before profit and that playing the game by the rules and taking people seriously may lead to financial success. Business as usual in the chocolate industry is called into question by the company's this philosophy. At first glance, Tony's approach to sustainability and social responsibility sounds alternative or charity, but it actually ought to be the norm. Companies of all scales may take a page out of Tony's book.



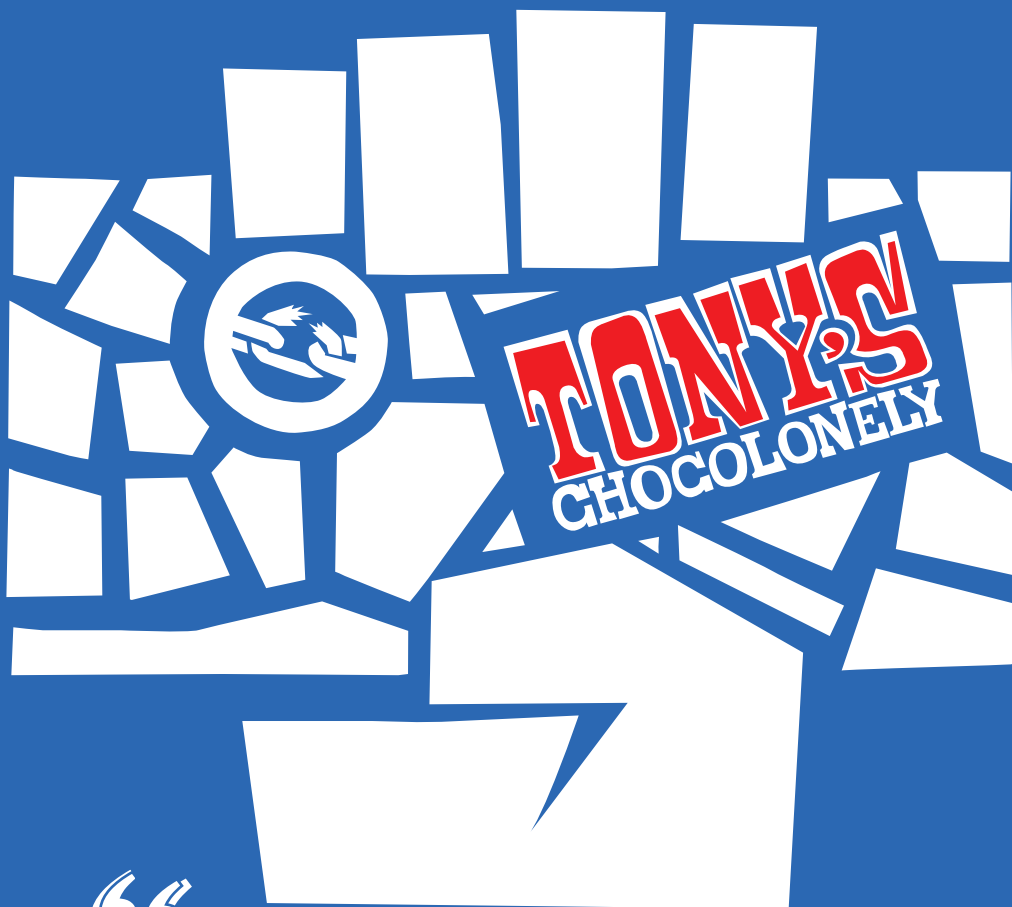
We have never found an instance of modern slavery in our supply chain; however, we do not guarantee our chocolate is 100% slave free. While we are doing everything we can to prevent slavery and child labour, we are also realistic. Firstly, we cannot be there to monitor the cocoa plantations 24/7, and we don't believe in that kind of monitoring. Our ambition extends beyond our own bar: we want to change the whole industry, which involves being where the problems are so that we can solve them. Only then can we say we have achieved our mission to make all chocolate 100% slave free.



The company's ethical governance approach and recognition of its rights-based nature have contributed to its global popularity. Recent binding and/or non-binding regulations, especially in business and human rights, might be achieved by establishing direct ties with small-scale producers, implementing sustainable supply chain management, and engaging in innovative purchasing practices. Businesses of all sizes and in every sector can gain insights from the company's management in being

transparent and accountable about its cocoa supply chain, chocolate-making process, public reporting system, and efforts to become a rights-based company. This is a way to resolve social problems in supply chains while increasing trust via improved communication with the organisation's internal and external stakeholders.

SMEs in Türkiye may find inspiration in Tony Chocolonely's story of transformation into a rights-based, mission-driven organisation, the stages the company underwent, the challenges it experienced, and the solutions it delivered. Adding value to products and operating within a similar ethical framework are goals that SMEs can achieve with the help of steps in rights-based governance, sustainable supply chain, transparency, stretch goals, consumer trust and engagement, social activism, and international cooperation.



So, are we dreamers? *We don't think so ourselves. We dare to think big and without limitations and, therefore, get a lot done. With our focus and roadmap, we are convinced of our dream and committed to realising it.*



DEVELOPMENT
WORKSHOP