Breaking Down Chocolate Barriers: How Tony's Chocolonely is Redefining an Industry

"Our vision is 100% slave-free chocolate. Not just our chocolate, but all chocolate worldwide." ⁱ

"Tony's Chocolonely only exists to spark change in the chocolate industry." ⁱⁱ

Introducing Tony's Chocolonely

Just because chocolate is sweet does not mean that it is a sweet thing to make. When Dutch journalist, Teun (Tony) van de Keuken learned about child labor and forced labor used to work cocoa farms in West Africa he was appalled. Our sweet-tooth craving appeared to be satiated by illegal and horrific work practices. His television program aimed to uncover the truth behind the cocoa supply chain. Tony went on the attack against chocolate-industry giants by eating "a pile of chocolate bars and turned himself in as a chocolate criminal to the Dutch authorities."ⁱⁱⁱ As the case was being litigated in Dutch courts, he reached out to chocolate giant Nestlé with a proposal to create an ethical chocolate bar. When Nestlé chose not to accept the challenge, he led by example.

"The first Tony's Chocolonely bar [was] born on the 29th of November 2005 [...] It's Fairtrade and '100% exploitation-free'. 5,000 Fairtrade milk chocolate bars [were] produced but it turns out this [wasn't] enough. They're a huge success: 13,000 chocolate bars [were] sold!"^{iv}

Called "Choco-Lonely" to reflect the sense of loneliness he felt when embarking on this journey of cocoa industry revolution^v, the name stuck and the brand is now a leader not only in chocolate, but in sustainable and ethical business practices. He has set a "bar" for all brands to strive to adopt. With careful consideration for every element of packaging and design, Tony's chose to make a statement through the mold of their bars.

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In 2012, the brand decided to adopt unequally divided bars (see Figure 1) "because it's strange for a chocolate bar to have equal pieces while the industry is still so unequally divided." vi



Figure 1. Tony's Unequally Divided Bars^{vii}

Made With A Mission

Tony's Chocolonely has 3 defining pillars that help guide their mission and practices:

Creating Awareness

An aim is to create awareness of the need to change the supply chain.

"It applies to cocoa farmers knowing about the rights of children and good agricultural practices, and to chocolate companies paying a fair price and sourcing cocoa responsibly. It applies to retailers who decide which products to put on their shelves. It applies to Choco Fans equipped to question a company's practices and choose more sustainable options. And it applies to governments that lay down the law when it comes to corporate behavior."^{viii}

Leading by Example

To change industry practices, it is important to show that the business can be successful while also improving the lives of those working in the industry.

"This pillar is about being commercially successful while doing good. Which we do by implementing sustainable business practices. In doing so, we also prove to our peers it's possible to put people and the planet on equal footing with profit and value creation."^{ix}

Inspiring to Act

The final pillar is to encourage others to act.

"Together with [...] those who join us in our promise to end exploitation in cocoa – we aim to create a snowball effect."^x

Given these pillars, it is clear that Tony's Chocolonely is not simply a chocolate company. It is an educator and aims to be a game-changer. With purpose at the core of the brand, Tony's intentionally seeks out uncomfortable conversations in an effort to bring greater transparency to the cocoa industry as a whole. The company created guidelines to help encourage sustainable and ethical practices. Tony's aims to build an industry-wide initiative to forever change the nature of the cocoa pipeline. This initiative is driven by their agenda for sourcing.

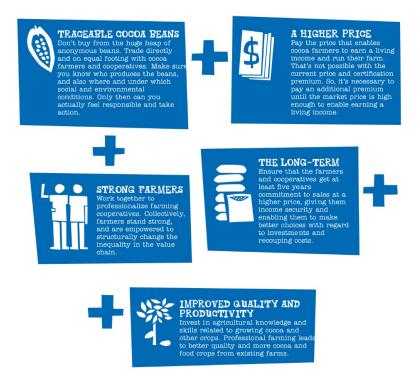
Tony's 5 Sourcing Principles

"Tony's 5 Sourcing Principles put human rights at the center of business. They help to practically address the complex issue of poverty in cocoa through concrete solutions and long-term opportunities."^{xi}

Tony's principles hold chocolate companies accountable because they establish a standard for more sustainable, ethical business practices (see Figure 2).

The sourcing principles support Tony's Open Chain initiative inviting brands to adopt similar practices. All 5 principles must be implemented together because "in a system, you cannot change only one thing [...] they interact with each other to strengthen the positive impact, but also to counteract possible, negative side-effects." *xii*

Figure 2. Tony's 5 Sourcing Principles^{xiii}



Companies can become *Mission Allies* if they too adopt and follow Tony's 5 Sourcing Principles, choosing to "together [take] responsibility for the chocolate industry to drive structural change towards a more equally divided cocoa chain." *xiv*

Responsibilities include:

- An open and transparent chain, where issues are always brought out in the open so they can be solved.
- Direct and equal business relations throughout the entire chain.
- Paying a higher price, which makes a living income achievable for farmers.

Sustainability & Development Goals in Action

Exploitation and human right's violations are not unique to the chocolate industry. Tony's Open Chain guidelines can serve as a model for legislation to protect rights, and a guide for better business action. Tony's connects its purpose to the United Nations Sustainability and Development Goals (SDGs) (see Figure 3), created as "a shared blueprint for peace and prosperity for people and the planet, now and into the future."^{xv}

Figure 3. United Nation's SDGs & Tony's Chocolonely^{xvi}



"Sub-Target 8.7 of SDG 8, which focuses on promoting decent work and economic growth, closely aligns with our vision for a future where conducting business and enjoying chocolate bars do not come at the cost of human rights violations and illegal labor."*xvii*

Tony's has established a strong purpose-driven brand by recognizing and integrating models of sustainability and ethics from multiple regulatory bodies. Tony's not only reaches for the highest levels of certification of ethical practices, but also aligns with global goals for good, while creating their own additional models to help further guide better business practices.

Fair Trade Verified Chocolate

In an industry with a legacy of exploitative labor and unethical supply chain practices, becoming a member of the Fair Trade Federation was a step in the right direction for Tony's Chocolonely to help "grow the global movement of trade that values the health of the planet, and the labor, dignity, and equality of all people."^{xviii}

Tony's Chocolonely produces a comprehensive annual Fair Trade Report to recognize achievements and avenues for future improvement. Alongside visually striking and clear graphics, the brand makes a point of emphasizing their commitment to the principles of the federation through thorough consideration of labor transparency, supply chain ethics, and environmental impact (see Figure 4).

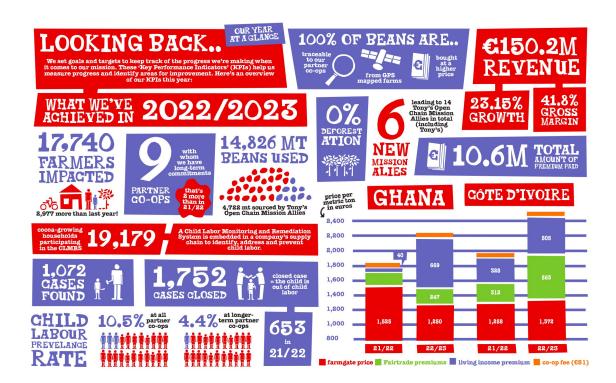


Figure 4. Figure 4. Tony's Fair Trade Report 2022/23^{xix}

B-Corp Cocoa

In addition to involvement in the Fair Trade Federation, Tony's is a B-Corp certified organization at the Outstanding Level (see Appendix), demonstrating not only their commitment to the cocoa industry, but sustainable business practices as a whole. When commenting on the achievement, Tony's remarks how "they are commended in both the 'purpose and transparency' and 'ethics' categories. But that score could be better. We've still got room to raise the bar in terms of our environmental efforts and commitment to diversity within our teams, for example. And we're on it." *xx*

Locked In On The Future

In 2023, Tony's made an outstanding commitment to their stakeholders and mission by creating a failsafe policy to permanently maintain better business. A "Mission Lock" aims to ensure that the business always adopts ethical practices.

"Tony's Mission Lock is a legal structure which gives a golden share in Tony's to a fully separate and independent entity (a foundation) – overseen by Mission Guardians.... with this golden share, Mission Guardians will be able to protect against any changes to our mission-related clauses – ensuring these elements can never be changed without their agreement... *This legally protects Tony's mission, indefinitely."xxi*

This significant, public commitment to ethics, and places Tony's at the forefront of a hopeful revolution in the sustainable business industry.

"To all purpose-driven leaders and shareholders, we hope that Tony's Mission Lock provides you with a little bit of inspiration to think about how you too could lock your mission forever. [...] Join us in raising the bar and ringing in a new endless age of better business for all mission-led companies." -Chief Chocolonely, Douglas Lamont^{xxii}

Appendix: B Lab Assessment for Tony's Chocolonely**iii

	Governance	19.7	Environment*	29
	Mission & Ethics	4	Air Climate	7.9
	Ethics & Transparency	5.7	Environmental Management	7.1
	Mission Locked	10	Land Life	8.2
			Water	1.4
	Workers*	28	+ Land/wildlife Conservation	3.8
	Financial Security	5.7		
	Health, Wellness, & Safety	7.5	Community	43.7
	Career Development	4.2	Diversity, Equity, & Inclusion	4.5
	Engagement & Satisfaction	6.9	Economic Impact	5.8
			Civic Engagement & Giving	6.6
	Customers	4.3	Supply Chain Management	8.2
	Customer Stewardship	4.3	+ Supply Chain Poverty Alleviation	16

Total B Score*125

*Rounded

Description from the B Corp Directory: Tony's Chocolonely is an impact company that makes chocolate and fights for equality in the chocolate industry. Tony's exists to make 100% slave free the norm in chocolate. Not just their own chocolate, but all chocolate worldwide. Because the system is broken and it's up to chocolate companies to fix it. And the only way to make this happen is by working together. Tony's raises awareness around child labour and forced labour in cocoa, because for change to happen, everyone has to be aware of current problems, possible solutions and the role we each play. Tony's leads by example by being 100% traceable from bean-to-bar, because knowing who produces the beans where and under which circumstances is the only way to take full responsibility. Tony's also pays a higher cocoa price that enables cocoa farmers to earn a living. By investing in long-term partnerships and working directly with cocoa cooperatives, as well as working on quality and productivity together with the farmers, Tony's aims to make cocoa farming structurally more sustainable. Tony's Chocolonely shows that it is possible to make chocolate differently and inspires other to do the same.

Endnotes

ⁱ "Our Mission", accessed March 15 2024, <u>https://tonyschocolonely.com/int/en/our-story/our-mission</u>

ⁱⁱ "Join In – #sweetsolution", accessed March 15 2024, <u>https://tonyschocolonely.com/nl/en/join-in/sweet-solution</u>

ⁱⁱⁱ "Our Timeline", accessed March 15 2024, <u>https://tonyschocolonely.com/nl/en/our-mission/how-it-all-started</u>

^{iv} "Our Timeline", accessed March 15 2024, <u>https://tonyschocolonely.com/nl/en/our-mission/how-</u> <u>it-all-started</u>

^v "Our Mission", accessed March 15 2024, <u>https://tonyschocolonely.com/int/en/our-story/our-mission</u>

^{vi} "Our Timeline", accessed March 15 2024, <u>https://tonyschocolonely.com/nl/en/our-mission/how-it-all-started</u>

^{vii} "Our Timeline", accessed March 15 2024, <u>https://tonyschocolonely.com/nl/en/our-mission/how-it-all-started</u>

^{viii} *Tony's Chocolonely Annual Fair Report 2022/23*, accessed March 15 2024, <u>https://online.flippingbook.com/view/287207390/</u>

^{ix} *Tony's Chocolonely Annual Fair Report 2022/23*, accessed March 15 2024, <u>https://online.flippingbook.com/view/287207390/</u>

[×] *Tony's Chocolonely Annual Fair Report 2022/23*, accessed March 15 2024, <u>https://online.flippingbook.com/view/287207390/</u>

^{xi} *Tony's Chocolonely Annual Fair Report 2022/23*, accessed March 15 2024, <u>https://online.flippingbook.com/view/287207390/</u>

^{xii} "Tony's Open Chain", accessed March 15 2024, <u>https://www.tonysopenchain.com/</u>

xiii "Tony's Open Chain", accessed March 15 2024, https://www.tonysopenchain.com/

xiv "Tony's Open Chain", accessed March 15 2024, https://www.tonysopenchain.com/

^{xv} "The 17 Goals – UN SDGs", accessed March 16 2024, <u>https://sdgs.un.org/goals</u>

Grace Ward supervised by Neil Bendle, go to https://https://neilbendle.com/

^{xvi} *Tony's Open Chain Impact Report 2022/23 Annual Fair Report 2022-2023*, accessed March 15 2024, <u>https://online.flippingbook.com/view/371809889/</u>

^{xvii} *Tony's Open Chain Impact Report 2022/23 Annual Fair Report 2022-2023*, accessed March 15 2024, <u>https://online.flippingbook.com/view/371809889/</u>

xviii "Fair Trade Federation", accessed March 16 2024, https://www.fairtradefederation.org/

^{xix} *Tony's Chocolonely Annual Fair Report 2022/23*, accessed March 15 2024, <u>https://online.flippingbook.com/view/287207390/</u>

^{xx} *Tony's Open Chain Impact Report 2022/23 Annual Fair Report 2022-2023*, accessed March 15 2024, <u>https://online.flippingbook.com/view/371809889/</u>

^{xxi} "Introducing: Tony's Mission Lock", accessed March 16 2024, <u>https://tonyschocolonely.com/us/en/our-mission/news/introducing-tonys-mission-lock-a-future-proof-legal-structure-for-impact-companies</u>

^{xxii} "Introducing: Tony's Mission Lock", accessed March 16 2024, <u>https://tonyschocolonely.com/us/en/our-mission/news/introducing-tonys-mission-lock-a-future-proof-legal-structure-for-impact-companies</u>

^{xxiii} "Tony's Chocolonely – B Lab Global", accessed March 16 2024, <u>https://www.bcorporation.net/en-us/find-a-b-corp/company/tonys-chocolonely/</u>