Press release

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How ethical is your Easter chocolate? Survey reveals big brands lack of transparency

- New analysis rates the chocolate industry's record on deforestation and human rights
- Household names boasting about green credentials fail to take part.
- Chocolate Scorecard helps the public buy responsibly, revealing good producers and "broken eggs"

Link to Chocolate Scorecard 2023: https://www.unseenuk.org/wp-content/uploads/2023/03/Chocolate-Scorecard-2023.pdf

Now in its fourth edition, The Chocolate Scorecard 2023 reveals that some of the world's biggest brands, including Mondelez (Cadbury), Unilever, General Mills, Tesco, Walmart and Whole Foods, have been awarded "broken egg" status for failing to take part in this year's cocoa sustainability survey.

The annual Chocolate Scorecard study is the biggest survey of its kind and rates the sourcing policies and practices of 56 of the world's largest cocoa buyers, including traders, processors, and manufacturers. This year also includes retailers who sell their own-brand chocolate products.

Altogether, these companies account for about 95% of global chocolate products, Easter eggs among them, and include giants such as Mars, Lindt, Nestlé, Mondelez, Ferrero and Hershey.

The Scorecard rates companies on their policies and practices across six issue areas: deforestation and climate; traceability; living income; child labour; pesticide use; and agroforestry. They are ranked on a scale from green (leading the industry), to yellow (making good progress), to orange (on the journey but a long way to go), to red (lagging far behind the competition) to black (lacking in transparency and zero participation).

Key findings from Chocolate Scorecard 2023:

- Companies which have previously boasted about their sustainability credentials – such as Unilever, General Mills and Mondelez (Cadbury), failed to provide any information, earning them a "broken egg."
- Less than half of surveyed companies have a policy which includes clear expectations for improvement plans for suppliers, including the possibility of exclusion for continued non-compliance
- 91% of companies responding have a 'no-deforestation' policy requiring their suppliers to ensure their cocoa is sourced from areas which does not destroy the forest canopy.
- Brands awarded with a "green egg" on sustainability include Tony's Chocolonely, Alter Eco, Beyond Good, HALBA and Original Beans.
- Several of the world's largest chocolate makers, including Nestlé, Mars-Wrigley, and Hershey, have continued to improve on their scores from last year, each earning a "yellow egg."
- On the opposite end of the spectrum, Kellogg's scored red.
- Newcomer Starbucks has shown its willingness to be transparent, beginning its sustainability journey scoring 'orange.' Former 'broken egg' Godiva continues to show improvement with an 'orange' score

Fuzz Kitto, Director of Be Slavery Free, the co-ordinating NGO of The Chocolate Scorecard said:

"On a recent visit to Cote D'Ivoire near the border with Liberia, I was standing in an area close to a national forest, which is protected by law. But the bulldozers were still running, clearing pristine forest to make way for cocoa plantations."

"The bulldozers won't stop until business and governments deal with the root causes: a lack of traceability and transparency in supply chains and of a living income for farmers. Deforestation, child labour and pesticide use are all symptoms of the two fundamental issues."

West Africa produces three-quarters of the world's cocoa, with Côte d'Ivoire and Ghana being the largest producers. These two countries have lost most of their forest cover in the past 60 years – <u>around 94% and 80% respectively</u>, with approximately one third of forest-loss for cocoa growing.

In 2018, Côte d'Ivoire and Ghana also had the <u>highest rise in primary forest loss of any tropical country</u>. In 2020, another <u>47,000 ha of forest was lost</u> in cocoa growing areas of Côte d'Ivoire. This impacts biodiversity destroying much of the natural habitat of <u>great apes</u>, <u>gorillas</u>, <u>chimpanzees and bonobo</u>.

Best scoring companies in addressing deforestation are Original Beans, Tony's Chocolonely, Beyond Good, Halba, Ferrero, Nestlé, and Mars, who are in the 'green' or top-scoring category. These companies are also leading the way in tackling child and forced labour in their supply chains, alongside Alter Eco, Whittaker's, Hershey

and Ben & Jerry's – despite the latter's parent company, Unilever, refusing to take part and claiming to be deforestation free in its <u>cocoa supply chain</u> by 2023.

Dr Julian Oram, Senior Director, Africa, at Mighty Earth said:

"The grim reality is that around 40% of cocoa remains untraceable with beans from deforested land still entering global supply chains. Companies are sitting on information that could shed light onto these 'dark' chocolate origins."

"Some of the biggest brands including Starbucks, Lindt, Godiva and Kellog's have scored badly for tackling deforestation and climate. We know they can do better and will be encouraging them to do so. Others such as Mondelez, Unilever and Tesco have stayed silent and refused to take part this year, which begs the question: What are they hiding?"

Andrew Wallis OBE, CEO at anti-slavery charity Unseen, said:

"Child labour and modern slavery are part of the cocoa industry and present in the chocolate we buy. This year's Scorecard shows that of the 56 companies taking part, only nine achieved the best rating for addressing child and forced labour in their supply chains. We hope consumers use this information to buy ethical chocolate free of human rights' abuses."

Ends

Notes to editors:

The Chocolate Scorecard is a collaboration between 37 NGOs and universities around the world.