

*Divine*TM

⇐ CO-OWNED BY COCOA FARMERS ⇐

JOIN THE CHOCOLATE REVOLUTION

IMPACT REPORT 2021

Certified



Corporation



Mary Aboagye, Asamankese, Kuapa Kokoo

HIGHLIGHTS OF THE YEAR

Despite the challenges of Covid-19 and the impacts of climate change affecting our partner cooperatives, we're proud of what we achieved together in 2021.

CECAQ-11 (SÃO TOMÉ AND PRÍNCIPE)

10,000 cocoa seedlings produced and 10,000 graftings carried out

110 women from 20 communities received grafting training

[See page 20](#)



KUAPA KOKOO (GHANA)

246 learners signed up with the Adult Literacy and Numeracy Programme (69% female and 31% male)

597 tenancy agreements signed with tenant farmers, the highest figure to date

[See page 16](#)



NGOLEAGORBU (SIERRA LEONE)

20 tonnes of Forest-Friendly, Fairtrade cocoa exported for Divine Chocolate

100% of farmer members participated in organic agriculture training

[See page 23](#)



KASINTHULA CANE GROWERS' ASSOCIATION (MALAWI)

First profits from Namatchuwa maize mill disbursed and 16 women accessed loans to start small businesses of their own

Two boreholes constructed to provide access to clean drinking water

[See page 26](#)



100% FAIRTRADE CERTIFIED

679.6 tonnes of Fairtrade cocoa purchased
228 tonnes of Fairtrade sugar purchased
\$176,793 Fairtrade Premium paid to farmer cooperatives
€266,839 invested in Farmer Community Programmes



[See page 10](#)

DELICIOUS CHOCOLATE FIGHTING EXPLOITATION

Bold new campaign which embodies our mission to give farmers an equitable share of the wealth they help to create

[See page 08](#)



COMMITTED TO SUSTAINABLE BUSINESS

One of the highest ranked food B-Corps in the UK with a score of 127

[See page 29](#)



Divine Chocolate is driven by a mission to champion the needs of farmers so that together, we build a sustainable and fair world.

Our vision is a world in which farmers thrive and prosper; where they are no longer exploited by the cocoa industry for our chocolate pleasure.

In this report, we look at how our new campaign, programmes and partnerships are empowering farmers to build sustainable livelihoods by investing in their farms and communities.

The data and information included in this report is for the year 2021 unless otherwise stated.

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“I WANT THE PRODUCERS OF THE INGREDIENTS THAT MAKE DIVINE CHOCOLATE TO BENEFIT FROM THE PLEASURE IT BRINGS FOR SO MANY PEOPLE.”



**Foreword by Cord Budde,
Group CEO, Divine Chocolate and
Ludwig Weinrich GmbH & Co.**

Most people I know love chocolate. Chocolate is something that brings us great pleasure and provides solace and energy in difficult times. At the same time, we also need to recognise the human and environmental exploitation that is rife in the global cocoa trade system.

Divine is a chocolate brand that actively assumes responsibility and shows that a different chocolate world is possible. Award winning for taste and quality, Divine Chocolate is made with the finest quality cocoa sourced from Kuapa Kokoo farmers in Ghana. A chocolate brand that is co-owned by cocoa farmers is still the exception today. Divine Chocolate is a brand that actively assumes responsibility to show a different chocolate world is possible. Producing chocolate in close partnership with people in cocoa-growing regions is a personal interest of mine, and a responsibility I am determined to expand on.

Divine Chocolate’s brand relaunch represents a call to chocolate lovers and joyful activists in the cocoa industry. Bright new packaging, a new brand campaign rooted in our mission, exciting new flavours in the UK and a refresh of our website will all help to strengthen our positive impact.

Divine Chocolate’s continued commitment to supporting farmers and their communities is only viable when trust prevails among all partners in the value chain, including our customers. We do our very best to prove our commitment through B-Corp certification, shifting to more sustainable packaging and, above all, through our Farmer Community Programmes. These programmes support the farmers and communities who grow our high-quality cocoa and sugar in Ghana, São Tomé and Príncipe, Sierra Leone and Malawi.

In 2003, my first trip to Ghana left a lasting impression. I experienced how people in Ghana enjoy life, even though they manage with a lot less than we do. Since then, I have tried to visit Ghana every year and we have welcomed cocoa producers and cooperative members with open arms to our chocolate factory in Germany. This exchange and other personal conversations with our partners who live in very different geographical and cultural circumstances are what makes our chocolate production so exciting. It drives my wish to continue to expand our direct support and long-standing relationships with our partners.

I hope that the challenges we have all faced in the last two years through the Covid-19 pandemic will soon be overcome so that we can continue to focus on tackling global and intergenerational issues – such as climate change and poverty among smallholder farmers with full force – the foundation of Divine’s Chocolate Revolution to fight exploitation!

Foreword by Fatima Ali, President, Kuapa Kokoo Farmers' Union

With the climate emergency increasingly apparent in Africa and around the world, we have a keen interest in supporting the fight against climate change. As cocoa farmers and members of our communities, as well as a marketing cooperative, we have witnessed first-hand the adverse impacts of climate change, evidenced by reduced crop productivity among our members. Production records suggest volumes have declined over the past five years. This is worrying for our farming communities and it should also be worrying for chocolate lovers world-wide.

With the huge negative impacts emanating from the changing climate, we must take urgent action to reverse these effects and increase resilience. We are investing heavily in mitigation strategies to secure the sustainability of cocoa production for our cooperative societies. We are also taking strategic steps to increase resilience through climate-smart agricultural practices such as planting shade trees, cultivating cover crops, crop diversification, integrated pest management and enhancing off-farm livelihoods.

In the past year alone, we established cocoa and shade tree nurseries in 101 communities and supplied 647,200 improved cocoa seedlings and 160,000 shade and fruit trees to 1,641 farmers. We also trained 400 women in 24 communities in soap making, bread making, bee-keeping and rice production to diversify their income sources and increase resilience.

Kuapa Kokoo's motto – 'Pa Pa Paa' – means 'Best of the Best', reflecting the pride, time and care our members put into growing high quality cocoa. We continue to collaborate with like-minded partners – at local and international levels – to implement interventions and maintain standards. It is my firm belief that these actions, and the commitment of our farmers and partners, will enable us to navigate impacts of climate change, ensure sustainable livelihoods and safeguard a sustainable supply of high-quality cocoa beans.

"WE ARE INVESTING HEAVILY IN CLIMATE CHANGE MITIGATION STRATEGIES TO SECURE THE SUSTAINABILITY OF COCOA PRODUCTION WITH OUR COOPERATIVE SOCIETIES."



A CHOCOLATE REVOLUTION

With so many complex issues involved in the cocoa supply chain, we must all come together to change the cocoa industry for the better. Here are some of the challenges that need to be overcome to end exploitation in cocoa production and create a world in which farmers can thrive.

POVERTY AND MARGINALISATION

The West African countries of Ghana and Cote d'Ivoire cultivate more than half of the world's cocoa. In Ghana, 60% of farmers rely on cocoa for their main income. While the global chocolate market is worth well over US \$100 billion a year and has seen significant growth in recent years, the average cocoa farmer in Ghana earns only around \$1 a day¹. That is well below the world poverty line of \$1.90 a day and even further away from a living income – estimated to be \$2.16 (about £1.60) per day in Ghana².

When farmers do not earn enough to cover basic needs such as food, housing, education, clean water and farm inputs, they cannot plan or invest in the future. Achieving sustainable livelihoods means enabling smallholder cocoa farmers and their families to have a good standard of living. This will allow them to plan for the future and be resilient to stresses and shocks like the impacts of climate change and Covid-19.

GENDER INEQUALITY AND CHILD LABOUR

Women cocoa farmers form an essential part of the cocoa supply chain's workforce, but their work is often unrecognised and undervalued. It is estimated that women provide 68% of the labour in cocoa farming, but earn around 21% of the income. Meanwhile, women spend on average 1.5 times more on domestic (unpaid) work than men.³ Gender inequality and child labour are common issues in cocoa-growing communities, driven by poverty and poor access to education. When parents are unable to earn enough from cocoa farming to pay workers, it can lead to the use of child labour on farms. Maximising opportunities for women to flourish leads to more prosperous communities and better outcomes for children, since empowered communities are more likely to send their children to school.



1. <https://www.fairtrade.org.uk/wp-content/uploads/legacy/doc/The-Invisible-Women-Behind-our-Chocolate.pdf>

2. <https://www.fairtrade.org.uk/~media/FairtradeUK/Resources%20Library/Fairtrade%20Fortnight%202019/Craving%20a%20Change%20in%20Chocolate%20-%20February%202019.pdf>

3. <https://www.fairtrade.org.uk/media-centre/news/fairtrade-draws-attention-to-the-gender-pay-gap-in-chocolate/>

CLIMATE CHANGE, PRODUCTIVITY AND DEFORESTATION

Climate change is expected to impact the cocoa sector in West Africa with consequences for millions of smallholder farmers, economies of cocoa-producing countries and the chocolate industry¹. Cocoa is an extremely sensitive crop and is susceptible to changing weather conditions such as flooding and drought, which are already impacting harvests and yields. Declining soil fertility also forces farmers to open up marginal lands for cultivation and ageing trees further impact productivity. This may drive cocoa farmers to expand farms into forest areas, contributing to deforestation and further impacting climate change. Deforestation is a major issue in Ghana which lost 8% of its primary forest between 2002-2019². If climate change and environmental degradation reduce the viability of cocoa, the next generation may not aspire to take up cocoa farming – threatening the long-term sustainability of cocoa-farming communities and the chocolate industry as a whole.

DEMAND FOR TRACEABILITY

Traceability allows conscious consumers to have confidence in the chocolate they buy. Understanding the journey of a cocoa bean from farm to factory provides transparency over the care and effort farmers put into growing their cocoa. Traceability may also help to mitigate issues like child labour and deforestation if they are constantly monitored to confirm they are not present in the supply chain. Achieving full traceability can be a challenge for large chocolate companies as it requires close relationships with farmers. That is why we believe in developing close, long-term relationships with the farmers who supply the cocoa for Divine Chocolate.



1. <https://www.worldcocoaoundation.org/initiative/climate-smart-cocoa/>
 2. <https://www.worldcocoaoundation.org/initiative/cocoa-forests-initiative/>

THE DIVINE DIFFERENCE



Divine Chocolate is an international social enterprise driven by a mission to help end exploitation in cocoa and create a world where farmers thrive and prosper.

In 1993, a group of cocoa farmers in Ghana came together with a vision to set up a new co-operative based on Fairtrade principles to ensure more benefits for farmers. Kuapa Kokoo – meaning ‘good cocoa farmer’ – was born. In 1997, Kuapa Kokoo farmers voted to set up their own chocolate company to gain a greater share of the wealth they were creating. In the following year, Divine Chocolate was established having received enthusiastic support from The Body Shop, Comic Relief, Christian Aid, DFID-UK and Twin Trading.

OUR PURPOSE-LED BUSINESS MODEL

Based on a business model that champions farmers, and makes delicious, high-quality chocolate for conscious consumers, Divine Chocolate is committed to doing things differently. Our business model reflects our belief that producers should earn an equitable share of the value they help to create through the cocoa supply chain. That is why Kuapa Kokoo Farmers' Union, the world's largest Fairtrade cocoa co-operative of over 100,000 farmers, has a 20% ownership stake in Divine Chocolate. We are the only Fairtrade and B Corp-certified chocolate business in the world that is co-owned by cocoa farmers.

Our business model enables farmers to improve and sustain their livelihoods in four key ways.

1. By paying a guaranteed Fairtrade Minimum Price for cocoa and other ingredients that can be sourced as Fairtrade across our full range of products.
2. By paying a Fairtrade Premium which is invested in farmer cooperative-led social and community projects or paid to farmers to improve their wellbeing.
3. By sharing distributable profits and giving farmers a voice in business decisions through co-ownership and board-level representation.
4. By investing in Farmer Community Programmes, we are able to support farmer-led initiatives in adult literacy and numeracy, labour rights, women's empowerment and sustainable agriculture.

It's **RIGHT**
that farmers
get paid a
FAIRTRADE
price for
their cocoa

It's **RIGHT**
that
FARMERS
HAVE A VOICE
and a say in
their future

It's **RIGHT**
that **FARMERS**
get a **SHARE**
of the **PROFITS**
they help
to create

AWARD-WINNING CHOCOLATE

Divine Chocolate is made from the finest quality cocoa produced by farmers who are trained to carry out each stage of cocoa production with utmost care, from planting and harvesting to fermenting and drying. Kuapa Kokoo's motto, 'Pa Pa Paa' means 'Best of the Best,' reflecting the pride, time and care put into growing high quality cocoa. High cocoa content, extended 'conching' times, 100% cocoa butter, all-natural ingredients and flavours with no palm oil or soya, give Divine Chocolate a rich, smooth taste.

Every new award or accolade is a huge boost for our team. It affirms our mission to improve the lives of farmers and their families. In 2021, our Dark Chocolate Pink Himalayan Salt won a Great Taste Award from the Guild of Fine Food in the UK – testimony to the high quality and delicious taste of our chocolate.

A BRAND RE-LAUNCH TO HELP DRIVE CHANGE

In 2021, we launched our **bold new campaign** 'Delicious Chocolate Fighting Exploitation.' It embodies the spirit of our mission to give farmers an equitable share of the wealth they help to create, a voice in how things are run, and assurance that their needs will be met.

We also refreshed our branding across the full product range to highlight best-in-class sustainable cocoa sourcing through Fairtrade as well as our unique "Co-owned by cocoa farmers" business model. We introduced bright new packaging to improve shelf stand-out, exciting new flavours in the UK, and the **brand communication campaign** invited consumers to join our revolution to tackle exploitation in the chocolate industry. This campaign was communicated across a wide range of media, trade and brand channels.



**100,000
FARMER OWNERS
= ONE PURPOSE =**
**DELICIOUS
CHOCOLATE
FIGHTING
EXPLOITATION**



FROM BEAN TO BAR

Our bean-to-bar approach and strong relationships with farmer cooperatives mean we can trace the cocoa in any bar of Divine Chocolate right back to the co-operative it came from. This level of traceability is crucial in understanding how and by whom our cocoa is grown, to help end exploitation in the cocoa industry.

We work very closely with the following farmer cooperatives who grow our cocoa and sugar:

Kuapa Kokoo Farmers' Union – Ghana
121,157 farmers own a 20% share of Divine Chocolate

Cooperativa de Exportação de Cacao de Qualidade – São Tomé
1,027 farmers

Ngoleagorbu Cocoa Farmers' Union – Sierra Leone
1,743 farmers

Kasinthula Cane Growers' Association – Malawi
762 farmers



2021 IN NUMBERS

679.6

TONNES OF FAIRTRADE
COCOA PURCHASED

228

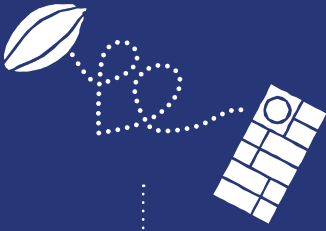
TONNES OF FAIRTRADE
SUGAR PURCHASED

\$176,793

FAIRTRADE PREMIUM PAID
TO FARMER COOPERATIVES

€266,839

INVESTMENT IN FARMER
COMMUNITY PROGRAMMES



TRANSPORTING OUR RAW INGREDIENTS

Our cocoa beans are kept in separate batches (known in the industry as segregated) and closely monitored as they are transported by ship to Europe to ensure full traceability from bean to bar. We work with our supply chain to reduce road and sea miles and we never use air freight.



MAKING OUR DELICIOUS CHOCOLATE

Our chocolate is produced by Ludwig Weinrich GmbH & Co. in Germany which owns an 80% share in Divine Chocolate. The factory is ISO 14001 certified and is 'climate neutral', achieved by offsetting its CO₂ emissions by investing in a project committed to preserving 70,000 ha of the Gola National Park in Sierra Leone.



EVOLVING OUR PACKAGING

Packaging plays a crucial role in preventing food waste and connecting consumers to how their purchasing choices can empower others. Our newly refreshed packaging continues to be plastic-free and features recyclable foil and paper. We only use FSC certified paper and cardboard and we continue to source most of our UK seasonal packaging locally.



LISTENING TO CONSUMERS

We're always keen to listen to our consumers – chocolate lovers and joyful activists who look for premium, authentic and disruptive brands that are not only high quality and taste delicious, but also reflect the ethical values and social/environmental causes that are important to them.

OUR IMPACT AND INTERVENTIONS

Our strong commitment to 'doing business differently' aims to set an example to catalyse change throughout the business world. We consider people and planet in everything we do, and strive to address the UN Sustainable Development Goals aimed at ending poverty, fighting inequality and tackling climate change.

RAISING INCOMES THROUGH SUSTAINABLE LIVELIHOODS

Committed to Fairtrade

100% of Divine Chocolate products are Fairtrade certified and every ingredient that can be sourced as Fairtrade is Fairtrade certified.

This includes cocoa from Ghana, organic cocoa from São Tomé, sugar from Malawi, vanilla from Madagascar and almonds from Pakistan.

The Fairtrade Minimum Price - established by taking into account the sustainable cost of production - provides a safety net for farmers when market prices fall below it. It helps farmers to plan better for the future as they know they have a stable income for what they sell on Fairtrade terms. As we only use Fairtrade cocoa, the farmers who supply us receive a guaranteed Fairtrade Minimum Price of \$2400 per tonne of cocoa or the market price – whichever is higher.

We also pay a Fairtrade Premium which farmers can invest in their communities. This premium in 2021 was \$240 per tonne of cocoa and \$60 per tonne of sugar. It is paid directly to cocoa cooperatives whose members decide how best to invest it. Initiatives include raising farm productivity, improving business efficiency or investing in community wellbeing projects like better housing, education and healthcare.

Profit sharing and giving farmers a voice

Sharing the profits and maximising the voice of farmers makes Divine Chocolate an equitable and inclusive business that supports the interests of farmers.

Divine Chocolate is the only Fairtrade and B Corp-certified chocolate company in the world that is co-owned by cocoa farmers. Kuapa Kokoo owns a 20% stake in the company and receives a 20% share of distributable profits. The co-ownership business model also gives Kuapa Kokoo 40% board-level representation. As well as direct involvement in strategic decision making, cooperative members are involved in day-to-day business initiatives and marketing campaigns.

We believe a multi-stakeholder business model such as this can play an important role in helping to find solutions to socio-economic problems on a global scale, shape a more equitable and inclusive chocolate industry, and ensure local community needs are taken into account.





We directly invest part of the income we make from selling our chocolate in farmer-led community programmes. Projects are designed in consultation with our partner organizations to ensure they meet community needs.

EMPOWERING FARMERS AND PROTECTING HUMAN RIGHTS

Adult Education and Gender Justice

Ensuring women have the opportunity to flourish leads to better outcomes for communities and businesses.

Our projects focus on education, training, mentoring and addressing land rights for women in cocoa-growing communities. Examples include the Adult Literacy and Numeracy Programme in partnership with Kuapa Kokoo Cooperative in Ghana, a Gender Justice programme co-designed with CECAQ-11 Co-operative in São Tomé, and the Women Action Group (WAG) initiated by the Kasinthula Cane Growers' Association in Malawi.

Strong Organisations

Cooperation between farmers brings multiple benefits from shared learning and resources to increased influence and income spread across communities.

Our projects enable farmer cooperatives to work collectively and democratically, with transparency and accountability. For example, we are supporting Ngoleagorbu Cocoa Farmers' Union (NGOCFU) to build on the strong start they have made as an independent farmer union export organisation with training and support for the leadership team as they plan to grow exports.

Labour Rights

Labour standards protect the rights and the wellbeing of farming communities, including children.

Our Labour Rights Programme with the Kuapa Kokoo Cooperative addresses concerns around use of labour in cocoa production and the treatment of hired labour. We facilitate and promote the signing of written tenancy between farm owners and hired workers also known as 'tenant' farmers to ensure clear, agreed labour practices that help to avoid disputes over expectations and benefits.



CHAMPIONING SUSTAINABLE AGRICULTURE AND AGROFORESTRY

Good agricultural methods enable farmers to increase productivity and soil fertility, protect the environment and adapt to climate change.

Initiatives we currently invest in include promoting organic and productivity increasing agricultural methods at CECAQ-11 in Sao Tome, as well as supporting development of forest-friendly cocoa at NGOFCU in Sierra Leone.

The climate crisis is upon us and smallholder farmers in developing countries face the brunt of the impact through extreme weather and variable weather patterns. In 2022, Divine Chocolate will embark on an important new partnership with HALBA, a leading producer of Swiss chocolate, to support sustainable livelihoods for Kuapa Kokoo farmers through a multi-stakeholder approach that promotes income diversification, climate resilience and biodiversity conservation.

The project is supporting dynamic agroforestry – a nature-based farming system that combines a variety of trees alongside cash crops, allowing farmers to grow diverse food staples like yam, maize and cassava in addition to cash crops such as cocoa and bananas. Crucially, this system increases soil moisture and fertility, supports biodiversity and shade cover, all of which are vital to the long-term sustainability as climate change impacts increase.

Divine Chocolate will finance seeds for annual crops for 120 farmers within 30 hectares designated for dynamic agroforestry.



PREMIUM CHOCOLATE DOESN'T HAVE TO COST THE EARTH

DELIVERING IMPACT THROUGH PARTNERSHIPS

Our farmer-centric approach ensures we invest in projects that support farmer households and communities to increase resilience and build sustainable livelihoods. We work closely with farmer co-operatives to identify and understand local needs. Although projects vary by farmer group and country, tackling the root causes of poverty is a common theme across our investments in all farming communities.



17 PARTNERSHIPS FOR THE GOALS



KUAPA KOKOO FARMER'S UNION

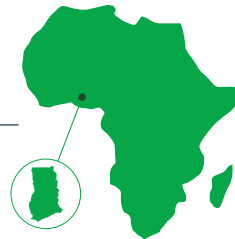
Kuapa Kokoo was the first Fairtrade certified smallholder farmers' organisation in West Africa and it is now the largest Fairtrade cocoa cooperative in the world. We are proud of our close relationship with the farmers of Kuapa Kokoo, developed through years of listening, sharing and collaborating.

Since it was established in 1993, Kuapa Kokoo has grown into a co-operative of over 100,000 smallholder cocoa farmers working in 57 cooperative societies spanning 71 districts in Ghana. We piloted our first Adult Literacy and Numeracy Programme together in 2014 and it is still a key focus today. A main objective is to empower women so they can participate fully in the co-operative, be more involved in their communities and unlock opportunities to grow their businesses. We are also working together to strengthen the commitments of existing Labour Rights agreements to ensure clear labour practices and protect rights of tenant farmers.

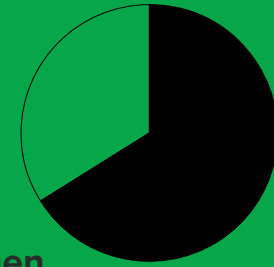
From March 2022, we will source our cocoa from one specific Kuapa Kokoo society, called Suhum. This will bring a much higher level of traceability to our cocoa which has, up until now, come from a number of Kuapa Kokoo's 57 societies. Through their involvement in the Adult Literacy and Numeracy Programme, we already know the farmers of Suhum well, and we look forward to building this connection further.



GHANA



121,157
Farmers



20%
Share in Divine
Chocolate

57
Cooperatives

40%
Representation on
the Divine Board

ADULT LITERACY AND NUMERACY PROGRAMME

Empowering communities with literacy and numeracy skills

Our experience has shown that women have less access to education and training. As a result, their participation in decision making and their sources of income are limited. Our priority is to increase access to basic literacy for Kuapa Kokoo members, especially women. Literacy and numeracy classes run for nine months of the year, four times a week. About a third of Kuapa Kokoo's membership of over 100,000 farmers are women. While many women have now risen to senior positions, the proportion of women members is not yet reflected in elected roles. A survey suggests a contributing factor is differing levels of literacy between men and women.

What is our impact?

A total of 188 students (77% women) from the Ofase, Suhum and Asamankese societies graduated from the first cycle of the Adult Literacy and Numeracy Programme. In May 2021, the second cycle saw the programme rolled out in the Central Region at the Assin Fosu, Assin Breku and Cape Coast Societies. 246 learners signed up, and 69% were women. Within the 2nd cycle, 26% of participants have never been to school, and average class attendance was 70%.

What have we learnt?

Following the training, learners are able to perform basic arithmetic, reading and writing, and operate their mobile phones. Most are involved in small scale trading alongside cocoa farming. Prior to the programme they were unable to cost and price their activities or keep proper records, resulting in losses. Learning better business and financial management skills has contributed to higher incomes.



Adult Literacy & Numeracy Group, Cape Coast Society, Kuapa Kokoo

What's next?

The programme in the Central region ended in January 2022, after which it is being extended to the Sankore, Goaso and Kasapin societies in the Brong Ahafo Region of Southern Ghana.

“NOW I TAKE CARE OF THE COLLECTION AND PURCHASE OF COCOA. THANKS TO THE CLASSES, I AM ABLE TO HELP MY KIDS WITH THEIR SCHOOL WORK”

Nana Ama Acheampong,
Akenkansu, Kuapa Kokoo

INVESTING IN A MULTI-STAKEHOLDER APPROACH TO AGROFORESTRY

Beginning in 2022, Divine Chocolate will invest in the Dynamic Agroforestry Project (DAF), delivered by HALBA and its partners promoting income diversification, climate resilience and biodiversity conservation among Kuapa Kokoo farmers. DAF participants will also be enrolled in the Adult Literacy and Numeracy Programme to empower Kuapa Kokoo farmers, especially women, to participate in decision making as well as raise their ability to read, write and calculate earnings from different sources of income.

246

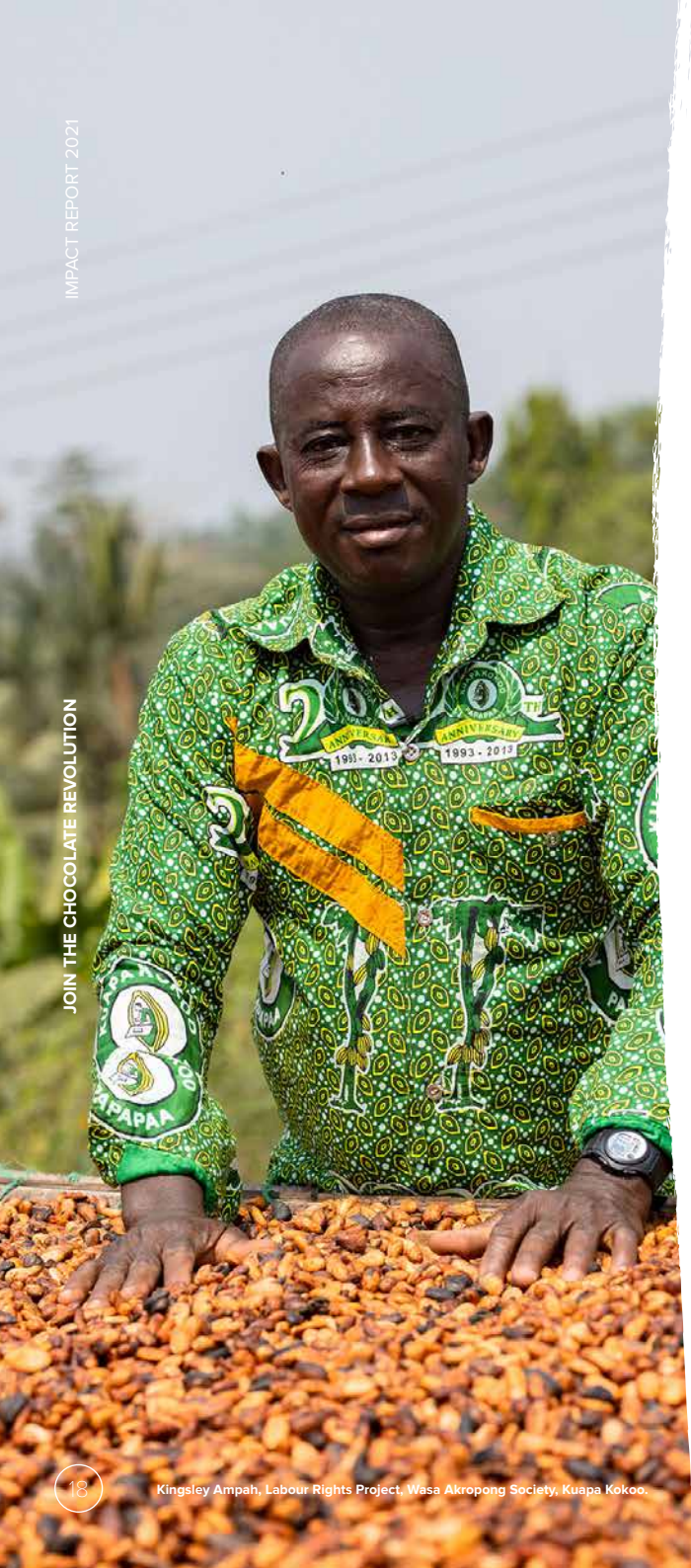
Learners

70%

Average attendance

40-49

Average age



“WE ARE HAPPY TO JOIN KUAPA KOKOO IN STRENGTHENING THE WORKING RELATIONSHIP BETWEEN FARM OWNERS AND THEIR TENANTS. COCOA FARMING IS OUR MAIN OCCUPATION AND WE WILL ENSURE FARMERS LIVE IN HARMONY.”

Nana Kumi, Osemkrom Community Chief, Wassa Akropong, Kuapa Kokoo

LABOUR RIGHTS PROGRAMME

Championing the rights of tenant farmers

Kuapa Kokoo has become a pioneer in addressing the labour rights of tenant farmers in the cocoa industry. This is an issue that is not being addressed by any other cooperative, producer or chocolate company in Ghana. Our approach involves progressing from verbal agreements between farm owners and tenant farmers to written tenancy contracts. We are also establishing Labour Rights Committees which raise awareness about tenant rights, strengthen relationship building and record keeping, and help to resolve farm tenancy disputes.

What is our impact?

In 2021, 597 tenancy agreements were signed between Kuapa Kokoo members and tenant farmers, the highest signing to date. This means 1,758 tenants and farm owners are now working under clear, written and official contracts. We expanded the project to cover Nkawie and Nyinahin societies.

Around 100 meetings were conducted with Kuapa Kokoo members and community leaders to increase their awareness, build capacity and seek participation in tackling labour rights issues.

What have we learnt?

We continue to embed learning from research carried out by Dr. Kristy Leissle which highlighted the importance of recognising cocoa tenants and caretakers as a legal category with specific rights as well as the importance of tenancy agreements as a tool to prevent and mitigate

597

Tenancy agreements signed in 2021

202

Labour Rights Committees with 548 members

36%

Signatories are women

38

Disputes resolved (85% of cases)



against conflict and tenant abandonment. The report recommended strengthening strategies to ensure collaboration with institutions, and deepen awareness among cooperatives of tenant farmers' legal rights.

What's next?

The Labour Rights Programme will continue developing Kuapa Kokoo's internal control mechanism to protect labour rights, including raising awareness of tenant farmer rights, capacity building, tenancy conflict resolution and finalising policy guidelines on labour rights for farmer members and tenant farmers. We will also build our strategy to enhance project visibility by sharing lessons with other players in the cocoa sector through external communication.

“A WRITTEN TENANCY AGREEMENT IS THE KEY FOR US TENANT FARMERS TO ENJOY OUR LABOUR IN PEACE AND EARN SOME RESPECT.”

Francis Aziador, Dabiasem-Dadieso, Tenant Farmer

Francis has worked for many years as a tenant cocoa farmer in Ghana. Last year, he had an opportunity to sign a three-year tenancy agreement to formalise his labour relationship with a Kuapa Kokoo farm owner. Francis now serves as a Labour Rights Committee member, representing tenant interests within his community. He has encouraged other tenants to have a written agreement with their farm owners and report conflicts to the committee. Frances has helped resolve several disputes between tenants and farm owners and now champions the rights of tenant farmers.

Adult Literacy & Numeracy Group, Cape Coast Society, and Kuapa Kokoo farmers.



CECAQ-11

CECAQ-11 is a Fairtrade, organic-certified cocoa cooperative based in the southern part of the African island nation of São Tomé and Príncipe. We began sourcing the cocoa for Divine Chocolate’s Organic range from CECAQ-11 in 2018.

With a population of around 215,000, cocoa is the most important export product of São Tomé and Príncipe. Due to its rich volcanic soil and location, the island region is well suited for the cultivation of premium cocoa. Our work has focused on supporting sustainable agriculture by promoting good agricultural methods that are organic, regenerative, adaptive to climate change and increase productivity on existing land.

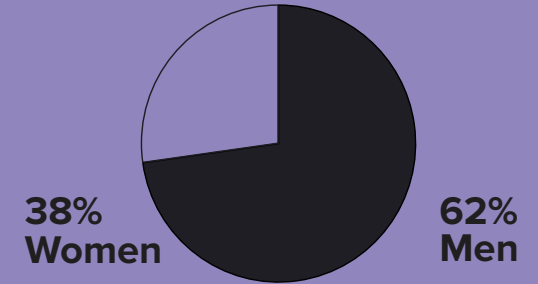
As part of our Farmer Community Programmes, a Gender Justice Programme has been established to create an enabling environment for women cocoa farmers. Through increased access to training, the programme raises awareness of the work, especially the unpaid work women do, with the aim of challenging social norms.



SAO TOME



1,027
Farmers



20
Districts

SUSTAINABLE AGRICULTURE

Developing good agricultural methods to improve productivity and climate resilience

Our holistic approach to supporting sustainable agriculture at CECAQ-11 combines production and distribution of new cocoa plants with training in good farming practices such as pruning, grafting and organic/regenerative techniques.

What is our impact?

The nursery centre in Monte Belo successfully produced 10,000 cocoa seedlings in 2021. The distribution of plants started after the end of the cocoa harvest in November and will continue in early 2022.

Grafting allows farmers to choose the qualities they want in their trees and reduce expenses compared to growing seedlings. 10,000 graftings were carried out between March and October, enabling the replanting of 12.5 hectares of land. Farmers pruned ten hectares of existing trees with Divine's support.

Farmer training and information sharing were carried out to develop capabilities in good agricultural techniques:

- 114 producers took part in pruning and shade control training to develop skills in increasing yields as well as to influence other farmers to do the same.
- 20 farmers and 8 technical partners attended grafting training.
- 113 people including community leaders received environmental protection training in relation to climate change, and organic / agro-ecological production techniques.
- 90 participants from 18 farmer groups attended 3 sessions to exchange experiences and maximise their learning.

A focus on waste management resulted in collection of 10 tonnes of cocoa husk waste to be reused to produce organic compost. A waste management project in Anselmo Andrade raised awareness of the risk to public health of unmanaged household waste. Mainly snail shells and other kitchen waste were collected and buried to reuse as potash in compost mix.

What have we learnt?

It takes time for productivity outcomes to be realised. The aim is that rehabilitation and renovation of cocoa farms with grafted plants will eventually yield 800 kg of dry production per hectare per year. Yields have increased to 300g per hectare from 131g per hectare in 2015, and 800 hectares remain to be replanted.

113

People received environmental protection training

114

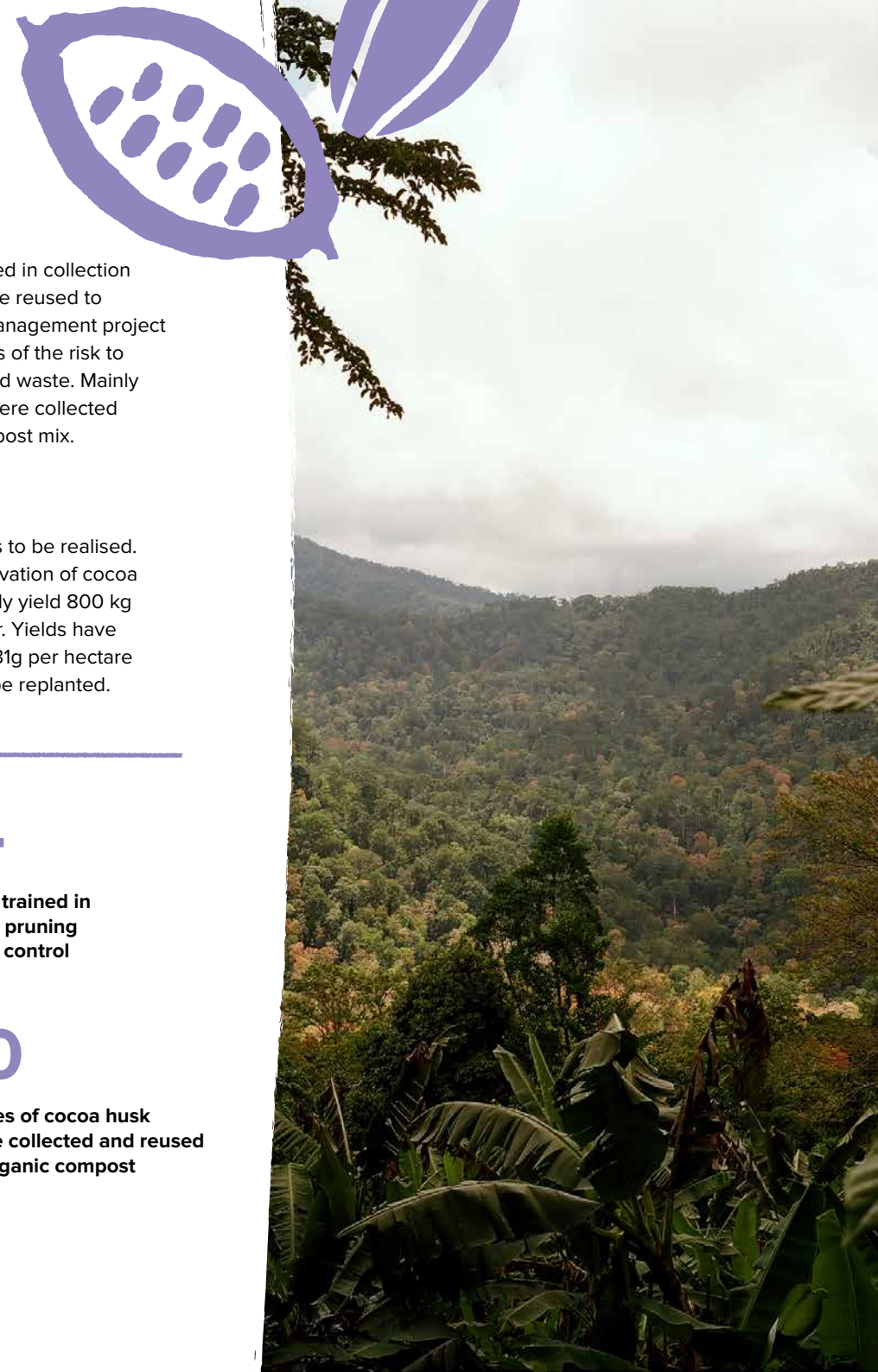
Producers trained in cocoa tree pruning and shade control

169

KG per HA increase in cocoa production between 2015 and 2021

10

Tonnes of cocoa husk waste collected and reused for organic compost





WOMEN'S EMPOWERMENT

Gender Justice programme

The gender unit within CECAQ-11 is made up of a secretariat including the Executive Director, Treasurer and President of the cooperative. It is responsible for bringing together focus groups to deliver and oversee activities related to gender and development.

Past community consultations led by Divine heard women farmers were unable to access agricultural training such as pruning, shade control and grafting. As a result, we helped to develop a programme focused specifically for women.

What is our impact?

Two sessions were held in 2021 to raise awareness of the role of the gender unit. Training sessions were run for gender focus associates of 20 member associations, with 17 women and three men participating.

110 women from twenty communities received grafting training, an average of six women per community. Teams of women are now being formed to support farmers in preparing for and carrying out grafting. Grafting tool kits (pocket-knife, saws, scissors, alcohol, thread and plastic, markers and labels) were supplied to ten communities so that the women can continue this work and improve their techniques.

What have we learnt?

With support from our Farmer Community Programme, CECAQ-11 has been able to create and train a gender unit, prepare a gender plan and give more focus to women's empowerment. This funding has also contributed to an increase in cocoa production at a rate of 10% per year – demonstrating that women's empowerment has a significant impact on productivity.

What's next?

Recognising women's contribution to productivity growth, the cooperative will continue to develop and execute women's empowerment programs, including forming groups to provide grafting and pruning services.

20

Member associations trained on gender justice issues

110

Women from 20 communities received grafting training

10%

Increase in cocoa production in production year-on-year

NGOLEAGORBU COCOA FARMERS' UNION

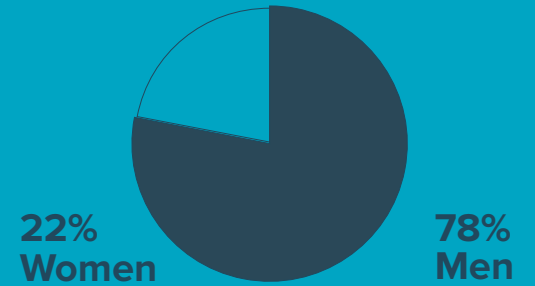
Ngoleagorbu Cocoa Farmers' Union (NGOCFU) is a cocoa farmer cooperative located on the edge of the Gola Rainforest in Sierra Leone, one of the last remaining fragments of West Africa's ancient rainforest. We have been working with NGOCFU since 2018 to develop the criteria and practices for forest-friendly cocoa.

In 2020, NGOCFU gained its export license and exported twenty metric tonnes of forest-friendly, Fairtrade cocoa to Rotterdam for use by Divine Chocolate. We have been leading this innovative pilot project with the Cocoa Origins programme to develop the world's first forest-friendly cocoa vision, criteria and practices that can be replicated in other cocoa supply chains. While preserving the ancient forest is at the forefront of this work, none of it can be achieved without a clear gender focus, as women are the key to managing resources.



SIERRA LEONE

1,743
Farmers



3
Farmer associations
- GACFA, TUNKOCFA
and MACFA - covering
4 communities

SUSTAINABLE AGRICULTURE

Leading with Forest-friendly farming

The forest-friendly farming approach is about working together to farm responsibly, protect the rainforest and support the sustainable livelihoods of forest-frontier farmers and their organisations. Funded by the IDH (Sustainable Trade Initiative), and Divine Chocolate, the project will build knowledge in the cocoa sector and improve the livelihoods of farmers living on the edge of the Gola Rainforest.

What is our impact?

Divine Chocolate continued to support farmers to extend their skills and find markets for their Forest-Friendly, Fairtrade cocoa. NGOCFU achieved Fairtrade re-certification and is on track to achieve organic certification in early 2022. 100% of farmer members have participated in organic agriculture training.

The leadership team has also been trained and supported on export procedures, exporting two containers directly and broadening and consolidating their client base in 2021. They are buying cocoa from their members and planning additional exports going forward.

NGOCFU farmers had a successful year despite the ongoing challenges. An outcome of the climate crisis was that the rains came early in Sierra Leone in 2021 and the cocoa season started earlier than expected. With support, the NGOCFU farmer leadership team were able to create an opportunity from this situation by quickly adapting plans to begin procuring cocoa as soon as it was available from farmer members.

+250%

Increase in cocoa prices received by farmers

>\$2

In 2021, the price was over \$2 per kg, up from less than \$1 in 2015





What have we learnt?

The work of NGOFCU is having a positive impact on the reputation and prices of Sierra Leonean cocoa. NGOFCU farmers do not use artificial fertilisers or pesticides and their training in quality control shows in the high standard of cocoa beans. When work with farmers in the Gola Rainforest began in 2015, prices typically paid to farmers were suppressed at around 9,000 Leones (SLL) per kg (less than \$1/kg). In 2021, farmers reported an all-time high price of 23,000 SLL per kg (over \$2/kg), with local buyers competing to buy quality cocoa from farmers. The ripple effect sets farmers on a strong trajectory towards consolidated higher prices. This presents a clear business case for farming in harmony with nature and the rainforest.

What's next?

Experiencing the impacts of climate change has strengthened the NGOFCU farmers' resolve to commit to forest-friendly agricultural practices. As well as protecting the forest and wildlife, they will create a more resilient farming environment. Due to the impact of Covid-19 and other challenges, farmers still need support to build on the strong start they have made as an independent farmer union export organisation. The focus will be on growing cocoa volumes, expanding membership, deepening the work on forest-friendly agriculture and maintaining certifications.

"WE HAVE EXPORTED OUR FIRST CONTAINERS OF COCOA DIRECT TO EXTERNAL BUYERS. WE HAVE ALSO BEEN ABLE TO GET A FAIRTRADE CERTIFICATE SO THE COCOA WE HAVE JUST EXPORTED IS FOREST-FRIENDLY FAIRTRADE CERTIFIED COCOA. THIS MEANS WE GET HARD CURRENCY FOR OUR COCOA, AND A PREMIUM TO HELP DEVELOP OUR POOR COMMUNITIES."

Foday Brima, Chairperson, NGOFCU

100%

Increase in cocoa prices received by farmers

100%

Members trained in organic farming

20

Tonnes of Forest-Friendly Fairtrade cocoa exported after gaining an export license

KASINTHULA CANE GROWER'S ASSOCIATION

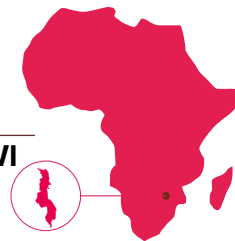
Kasinthula Cane Growers' Association (or KCGA) is a Fairtrade-certified sugar cane farmer association based in southern Malawi. KCGA has supplied Fairtrade sugar for Divine's chocolate for over a decade.

KCGA has its origins in the Kasinthula Smallholder Sugarcane Growers' Scheme established in 1997 by the Malawi government with support from local leaders and farmers who offered their land to the scheme. Today, Kasinthula has 762 farmers – 34% female and 66% male – and 1,435 ha under sugarcane production. It achieved Fairtrade certification in 2004 and Divine Chocolate is one of Kasinthula's long-standing Fairtrade partners.

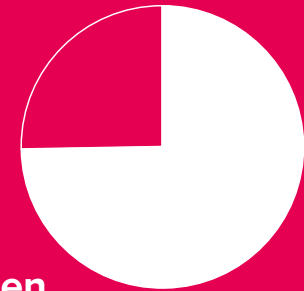
Communities in Malawi have been impacted by floods, drought and debt in recent years. While we have provided direct economic assistance to support the immediate response when needed, our ongoing projects focus on enhancing income diversification, empowering women, improving access to clean water, and building educational facilities for long term community resilience. Strengthening the Women's Action Group (WAG) which now includes 260 women representing 34% of KCGA's membership is a pivotal part of our programme support.



MALAWI



762
Farmers



34%
Women

66%
Men



1,435 ha
Under Production



ORGANISATIONAL AND COMMUNITY RESILIENCE

What is our impact?

In 2020 and 2021, we invested in a range of projects in partnership with KCGA.

Following establishment of the Namatchuwa WAG maize mill, Kasinthula women have set up their own fund with proceeds from the mill as start-up capital. The first of the profits from the Divine-funded maize mill were disbursed in 2021 and sixteen women accessed loans to start small businesses of their own. This year, profits will also be used to support the most vulnerable women in the group (i.e. the oldest) with basic consumer items such as soap, flour and sugar.

Distribution of maize seed packs to 762 KCGA members for planting in sugarcane fields during the fallow season saw crops harvested in November with an average range of 10-13 bags of maize produced per farmer.

With the construction of two boreholes at the Namatchuwa WAG maize mill and Byason Village, the maize mill and surrounding communities can now access clean water that is proven to be safe for consumption. Research conducted by local youth showed people previously had to travel around 3 km to access water.

Construction of the Youth Training Centre for young adults began in November 2021. The Centre will include a workshop area, sales kiosk, commercial restaurant and an IT centre to support income-generating activity and training.

Beehives and fishponds were fenced and the first harvest took place in 2021.

Two blocks of Matchombe primary school were renovated, delivering essential educational infrastructure for the students.

What have we learnt?

Covid-19 remained a challenge in 2021 as Kasinthula maintained efforts to stay Covid-free through strict precautionary measures. Cyclone Anna severely impacted the region and delayed the completion of the construction work at the Youth Training Centre, now to be completed in the first quarter of 2022.

The WAG women are very satisfied with the impact the maize mill project has had on their lives and their communities.

Whats next?

We will continue to support income diversification through increased access to education and training for young adults. This will include supporting construction of 3 more rooms at the Youth Training Centre, purchase of computers and equipment needed for the YTC IT Centre, and training in areas such as carpentry and bike repair. Furthermore, another maize mill will be constructed to enhance empowerment and economic diversification among another community of Kasinthula women farmers.

762

Farmers received seed packs with 10-13 bags of maize produced per farmer

16

Women received loans to start small businesses

2

Community boreholes to access clean water

2

Blocks renovated at the primary school



DRIVING SUSTAINABLE BUSINESS



B-CORP CERTIFICATION

While Divine's mission is focused on empowering farmers and delighting consumers, we are also deeply committed to our responsibility as a company to do business differently. This commitment is exemplified by our B-Corp accreditation which we have held since 2016.

B-Corporations are leaders in the global movement for an inclusive, equitable and regenerative economy. They demonstrate high social and environmental performance, and a corporate governance structure that is accountable to all stakeholders, not just shareholders. They also provide transparency about how improvements are made in the five impact areas of Governance, Community, Workers, Customers and Environment.

Our B-Corp score of 127.1 makes Divine Chocolate one of the highest rated food B-Corps in the UK. We score especially high in the area of Community, reflecting our purpose-led mission to tackle poverty and disempowerment within the supply chain through Fairtrade sourcing, a co-operative and co-owned business model, and farmer community programmes.

We are thrilled about being recognised as one of the Best for the World™ B Corps of 2021 – the 4th time in 5 years we have received this recognition! The Best for the World are B Corps whose scores in one or more of the five impact areas assessed towards certification reach the top 5% of all B Corps worldwide. Not surprisingly, Divine Chocolate has been recognised for efforts within the Community impact area. As all B Corps are already businesses that meet the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose, this is a recognition that makes us incredibly proud!

In 2021, we undertook a re-certification process with B-Corp to reflect Divine's new ownership structure. We also participated in a number of brand collaborations and partnerships with like-minded B-Corp businesses to promote our products as well as to drive visibility for our shared values.



A SUSTAINABLE VALUE CHAIN

We are committed to reducing our impact on the planet across our full value chain, beyond sourcing.

Our chocolate bars are produced at a carbon-neutral factory operated by our co-owner Ludwig Weinrich GmbH & Co. that compensates for all its greenhouse gas emissions through verified climate protection projects. In past years all on-site CO₂ emissions have been offset through a climate protection project in the Rainforest National Park in Gola, Sierra Leone. This project is committed to preserving 70,000 ha of the Gola National Park as a forest ecosystem while developing sustainable agricultural practices for cocoa cultivation in cooperation with 122 local communities.

We are continuously looking at ways to improve our packaging. Embossing on all our packaging, including on our chocolate bars, has been removed to allow for improved recyclability. Our Easter Eggs remain 100% plastic free.

We believe a big issue in recycling is that people are not always aware about how to dispose of or recycle packaging after use. In order to address this issue we have teamed up with OPRL in the UK to start including clear messaging on-pack about material composition and disposal.

We aim to reduce road and sea miles when transporting products, and never use air freight. In the UK, we continue to work from Sustainable Workspaces, a co-working office for purpose-led organisations in South London. The building is made from as much reclaimed and environmentally friendly materials as possible, uses 100% renewable energy, and the majority of furniture is second hand.



**THE ONLY FAIRTRADE AND
B-CORP CERTIFIED CHOCOLATE
COMPANY CO-OWNED BY
COCOA FARMERS.**

**JOIN THE CHOCOLATE
REVOLUTION SO FARMERS
AND THEIR FAMILIES CAN
IMPROVE THEIR LIVES,
THRIVE, AND PROSPER
FROM THEIR HARD WORK.**





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