



MARS

**Cocoa for
Generations**

2022 Progress Report



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Inspiring Moments of Everyday Happiness

At Mars Snacking, our purpose is to ‘**Inspire moments of everyday happiness**’, a mission shared by over 30,000 associates worldwide and brought to life by our iconic brands like M&M’S®, SNICKERS®, MALTESERS®, DOVE/GALAXY®, and more. As a family-owned company with a strong sense of purpose, we hold ourselves accountable for more than just financial performance. Our guiding [compass](#), places equal importance on delivering quality growth, being a trusted partner and making a positive societal impact.

Cocoa is at the heart of our company’s heritage and a strategic cornerstone for our company, aligning with all four pillars of our compass. For over a century, we’ve sourced cocoa to make our beloved brands, playing a vital role in Mars Wrigley’s pursuit of quality growth. Beyond its significance to us, cocoa is central to the livelihoods of an estimated 350,000 farmers in our global supply chain, many of whom are smallholders. We depend on cocoa farming communities, and this mutual relationship drives us to continuously strive to be a trusted partner. Ultimately, we seek to drive positive impact by helping develop a modern, inclusive and sustainable cocoa ecosystem where

the environment is protected, human rights are respected, and everyone has the opportunity to thrive.

The “Cocoa for Generations” strategy represents our commitment to making a meaningful, long-lasting, and systemic difference for the cocoa farmers, their families and communities, and the environment we all rely on. We have committed a billion dollars over a period of 10 years (since 2018) to accelerate intervention and drive real change ensuring **100% of our cocoa is responsibly sourced¹ and traceable to the first point of purchase² by 2025**. And we are proud to report a significant milestone reached in Europe, where, as of 2023, 100% of the cocoa we buy for our direct factory operations is verified as Responsibly Sourced. As our recently published [Net Zero Roadmap](#) highlights, enhancing transparency and traceability and scaling up initiatives in climate smart agriculture of key ingredients such as cocoa will be critical to deliver on our company’s ambition to achieve net zero greenhouse gas emissions across our full value chain by 2050.

This report is a reflection of the progress we are making towards our 2025 commitments. I invite you to explore the programs and innovations led by our passionate Associates and partners around the world as we work tirelessly to realise a modern, inclusive and sustainable cocoa ecosystem where everyone can thrive.

Andrew Clarke
Global President,
Mars Wrigley



¹ We source cocoa through our [responsible cocoa program](#) under the [mass balance](#) method.

² Traceable from the farmer to the first point of purchase - the farmer organization, cooperative, licensed buying company, or the suppliers from whom we buy.



A Modern, Inclusive & Sustainable Cocoa Ecosystem Where Everyone Can Thrive



In a world where climate change impacts on the agricultural supply chain and food security concerns continue to take center stage, discussions on supply chain resilience have become commonplace.

While a world without chocolate seems dull, the stakes are higher – cocoa sustains the livelihoods of around 50 million people.

As you will read in this report, at Mars, the status quo is unacceptable. Our response has spanned decades and invested hundreds of millions of dollars. Our commitment is unwavering because the impact reaches beyond confectionery – it resonates with the lives of countless individuals.

We are proud that we are on track to meet our 2025 commitments, and while our ambition of forging a modern, inclusive, and sustainable cocoa ecosystem is some distance away, we remain encouraged by the forward movement and progress we continue to make. Our innovative strides in world-leading research centers are tackling cocoa's supply chain challenges, offering the promise of broader applications in agronomy and new opportunities for smallholder farmers. Moreover, we're advancing respect for human rights by empowering women and girls socially and economically, and by shifting the institutional structures that shape their choices and voice, and ultimately their lives and futures, as well as those of their families and community. Collaborating with leading organizations, we are making groundbreaking progress in projects designed to improve cocoa farmers livelihoods.

Yet, we remain unrelenting in our quest for holistic collaborative solutions that drive the systemic change our world urgently needs, while also addressing the environmental and social challenges we face. As we look beyond our 2025 commitments and edge closer to delivering the core tenets of our Cocoa for Generations strategy, it is important that we cast our focus beyond 2025 and to the next horizons.

The challenges in the cocoa supply chain remain rooted in systematic foundations that are interconnected and complex. As we look ahead, our belief in a modern, inclusive, and sustainable cocoa ecosystem where everyone can thrive will continue to guide us. This vision remains our North Star as we move forward.

We pledge to bolster our 'Cocoa for Generations' strategy with the necessary investments, foster collaborations and partnerships with industry stakeholders, and relentlessly pursue the model for modern, inclusive, and sustainable cocoa ecosystems where everyone can thrive. Together, with your support, we will ensure that cocoa and those working in its supply chain, truly endure for generations to come.

Amber Johnson
Global Vice President
Mars Cocoa Enterprise
Mars Wrigley



Our Cocoa for Generations Progress: 2022 Highlights



We take a holistic, human-centric, collaborative approach and employ innovative solutions to address the structural barriers and endemic challenges faced by cocoa communities.

Guided by our [Cocoa for Generations](#) strategy, our aim is to create a positive impact by focusing our efforts on three areas, advancing respect for human rights, Improving livelihoods and creating a climate smart future.

	2022 ACTUALS	2023 TARGET	2025 COMMITMENT
100% of our cocoa is responsibly sourced globally and traceable to first point of purchase by 2025			
Total % of Responsible Cocoa Sourced	68%	86%	100%
% EU Responsible Cocoa	71%	100% Goal achieved!	100%
Advancing Respect for Human Rights			
100% of at-risk families in our cocoa supply chains in West Africa ³ are covered by Robust Child and Forced Labor Monitoring and Remediation Systems by 2025	65%	90%	100%
Expand CARE's Village Savings and Loans Associations (VSLAs) to help economically and socially empower women and men through financial literacy, household savings and loans, and diversified income	77,004 Goal already exceeded!	85,438	62,000
Improving Livelihoods			
People reached by a program designed to help increase their income	8,000	12,492	14,572
Creating a Climate Smart Future			
Deforestation and conversion-free supply chain for 100% of the cocoa we source by 2025, with farm plots polygon mapped ⁴	68%	86%	100%

³ Ghana, Côte d'Ivoire, Cameroon and Nigeria

⁴ Based on certification and 3rd party verification.



Transparently Sourcing Responsible Cocoa: Our Commitment to Positive Change

Our Responsibly Sourced Cocoa ambition is to ensure that 100% of our cocoa is responsibly sourced globally and traceable to first point of purchase by 2025.

Understanding the complexities and systemic challenges, such as poverty, in cocoa-producing countries, we've created our own set of supplier requirements under our Responsibly Sourced Cocoa (RSC) Program.

Developed in collaboration with suppliers, certifiers, and other stakeholders, our RSC Program aims to address both current and future challenges in sustainable sourcing. Under these specifications our suppliers must not only understand the risks within their supply chains but also actively mitigate these risks.

To ensure transparency and accountability under the RSC Program, we're working in partnership with our suppliers to polygon map farm boundaries, assess risks, take preventive actions, and validate compliance through third-party verification.

Today, as part of our journey towards our Responsible Cocoa ambition, we're proud to say that 68% of the cocoa we purchase is certified, and third-party verified under established standards like the [Rainforest Alliance](#) or [Fairtrade](#), using the mass balance sourcing method.

As of 2023, 100% of the cocoa we buy for our [direct factory operations](#) in Europe are verified as Responsibly Sourced Cocoa.

We take pride in our annual reporting on cocoa traceability.

Our commitment lies in establishing an effective and transparent supply chain that identifies and tackles issues such as deforestation.

Of the cocoa we sourced in 2022:

- >95% is traceable to country of origin via our Tier 1 direct suppliers
- 68% is traceable to Tier 2 farmer group from first point of purchase
- 51% is traceable to Tier 3 farm level polygons from first point of purchase

We also annually publish a list of the [tier-1 suppliers](#) from which we source cocoa.



The success of our RSC Program relies on traceability.

We ensure that cocoa volumes sourced through the program are accurately traced and not mixed with untraced cocoa until first point of purchase.

Furthermore, in 2022 we continued to advocate for national governments and industry stakeholders to collaborate on establishing national traceability systems in all regions and countries in which we source cocoa, including West Africa, Latin America and Indonesia. The significance of collaboration is being reinforced in light of the European Union's plans to ban imports associated with deforestation and rights abuses by 2024.

Mars and [ANECACAO](#) in **Ecuador** are supporting the cocoa industry through the Ecuadorian Cacao Coalition, which is developing a roadmap called Cacao 2030 for sustainable cocoa production. Mars plays a key role, leading the Governance working group and Collaboration & Best Practices committee. The primary focus of the Coalition is twofold: (a) advocating for the swift implementation of the National Traceability System, which includes using polygon mapping as a standardized tool, and (b) developing a plan for Ecuador to become a carbon-neutral source of cocoa by introducing and adopting climate-smart solutions.



Ecuador

In **Côte d'Ivoire**, Mars actively participated in the Cocoa-Coffee Board's Technical Working Group on Traceability to contribute to the development of Côte d'Ivoire's national traceability framework. The Ivorian cocoa regulatory council ([Conseil du Café-Cacao](#)) recently initiated the distribution of electronic farmers identity cards as part of this framework, aimed at tracing beans from plantations to export ports and ensuring fair payments to growers.



Côte d'Ivoire

In **Ghana**, discussions have spanned two years on the adoption of a new national Cocoa Management System (CMS). A comprehensive proposal was submitted in mid-2021 to the [Ghana Cocoa Board](#), which Industry members, including Mars, have supported via a task force led by the [World Cocoa Foundation](#). This ambitious system, encompassing applications for banks and input suppliers, aims to track investments and loans.



Ghana

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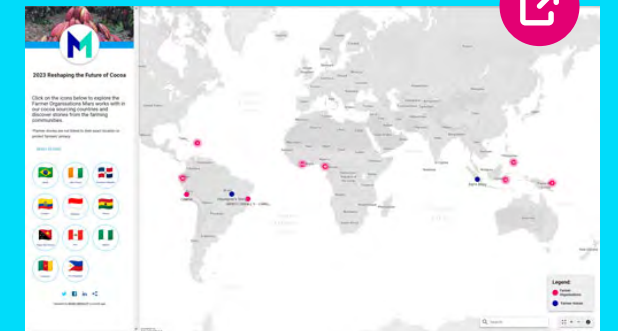
Ecuador plays a pivotal role in the successful implementation of our Cocoa for Generations strategy, particularly in ensuring seamless traceability. The Coalition has shown how working together can produce impressive results, ensuring that all stakeholders - from farmers and suppliers to exporters, as well as local and global chocolate companies - have a platform to express their concerns, voice their priorities, and meet the stringent requirements for integrated pest management and traceability. This collective effort is instrumental in fostering the sustainable growth and resilience of the Ecuadorian cacao sector, allowing it to continue shining brightly in the global market.

”

Katheryne Molina Medina
Corporate & Public Affairs Director
Latin America



Click on the visual to the right ►
to explore the farmer organizations
that are part of Mars' Responsible
Cocoa program and discover stories
from the farming communities.



Delivering on our Cocoa for Generations Strategy

OUR AMBITION FOR

Advancing Respect for Human Rights



Innovating thought leadership to pave a path for women's empowerment and child protection in the cocoa supply chain.

At Mars, we believe we have a responsibility to improve the lives of the people in our value chain. [Our approach](#) is rooted in human rights due diligence and focuses on improving workplace conditions, bridging income gaps, and creating opportunities for vulnerable communities. Guided by the UN Principles on Business and Human Rights, we prioritize our actions where the risk to individuals is highest.

We use the [C.A.R.E. framework](#) to develop Human Rights Action Plans for priority raw material supply chains, including the cocoa [Protecting Children Action Plan](#) (PCAP), our approach to identifying, preventing and mitigating human rights issues in the cocoa supply chain. The PCAP defines how we work with suppliers, governments, experts and others to identify, prevent and mitigate human rights risks.

65%

of our supply from Ghana, Côte d'Ivoire, Cameroon and Nigeria were covered by Child Labor Monitoring and Remediation Systems (CLMRS), reaching 135,000 cocoa farming families.

AMBITION:

By 2025, 100% of our supply in those countries will be covered by CLMRS.

>77,000

VSLA members reached in Côte d'Ivoire and Ghana, with more than 60,000 VSLA members in communities linked to Mars' supply chain.

AMBITIONS:

Expand CARE's Village Savings and Loans Associations (VSLAs) to help economically and socially empower women and men.

Embed a gender transformative approach into cocoa policies, strategies, partnerships and programs.

\$500K

invested in Lead For Ghana (LFG) to create enhanced educational opportunities for children while simultaneously addressing gender inequality and child labor.

AMBITION:

Access to safe, quality education for youth in cocoa farming communities.



OUR AMBITION FOR

Protecting Children

100% of at-risk families from which we source cocoa through our Responsible Cocoa program to be covered by child and forced labor monitoring and remediation systems by 2025.

Embedding child and forced labor monitoring and remediation systems into the cocoa supply chain is key to understanding the risks to people working within it. Our first priority is to ensure our suppliers have robust child and forced labor monitoring and remediation systems in place that are designed to identify, prevent and help to remediate cases of child labor and forced labor as appropriate.



“

After over two years of project implementation, the Child Labor Monitoring and Remediation System (CLMRS) has proven successful within the five cooperatives. Community facilitators in these cooperatives have been highly effective in raising awareness about child labor issues among cocoa farmers and providing assistance to children and their families in need. We are currently embarking on a new project phase focused on enhancing Ecookim’s capabilities to empower the cooperatives with greater autonomy in managing the CLMRS.

”

Gnabro Anderson

Project Coordinator
International Cocoa Initiative



OUR 2022 ACHIEVEMENTS

Expanding our CLMRS coverage

In 2022, **65%** of our supply from Ghana, Côte d’Ivoire, Cameroon and Nigeria were covered by [Child Labor Monitoring and Remediation System](#), reaching **135,000** cocoa farming families. Additionally, more than **152,000** farmers received human rights sensitization and training.

Collaborating to Advance respect for children’s rights and their wellbeing

In 2022, together with Save the Children, we launched **two new collaborative efforts in Indonesia and Côte d’Ivoire** with the objective of protecting and promoting children’s rights.



In **Côte d’Ivoire**, we are working with Save the Children on a multi-year insight and intervention program that aims to use behavioral insights and exploration of social norms to ideate and test solutions. It will also leverage the Action Media methodology to design communication materials aimed at changing parents’ and children’s attitudes and behaviors and influencing norms to prevent children’s engagement in hazardous tasks in cocoa production.



Côte d’Ivoire

In **Indonesia**, Mars collaborates with Save the Children on a Child Protection program that addresses child labor in the cocoa supply chain and that seeks to help keep children out of harmful work, promote their rights, and develop and implement sustainable protection systems in the cocoa growing communities of South Sulawesi. After a year of implementation, we have reached more than 2.000 beneficiaries of farmers’ families with the establishment of Perlindungan Anak Terpadu Berbasis Masyarakat (PATBM/ Community Based Child Protection Committee) and strengthening village youth clubs in 20 villages.



Indonesia

Additionally, beginning in 2022, Mars is working with fellow cocoa producers and Save The Children, to champion unified actions that involve government bodies, the private sector, and civil organizations. This collaborative approach aims to heighten awareness and push for the development of a strong child protection system within the cocoa-growing communities of Indonesia.



OUR AMBITION FOR

Unlocking Opportunities for Women

Expand CARE's Village Savings and Loans Associations (VSLAs) to help economically and socially empower women and men through financial literacy, household savings and loans, and diversified income.

Embed a gender transformative approach into cocoa policies, strategies, partnerships and programs linked to advancing respect for human rights and improving the environment and farmer incomes.

The empowerment of women and girls in the cocoa supply chain catalyzes progress toward increasing incomes, protecting human rights and preserving forests. Mars envisions a world where cocoa farming is truly inclusive, where resources are offered in a non-discriminatory manner and accessible to all cocoa farmers regardless of gender, and where women and girls in cocoa farming communities can reach their full potential.



OUR 2022 ACHIEVEMENTS

Empowering Communities Through Our Unique Women for Change program

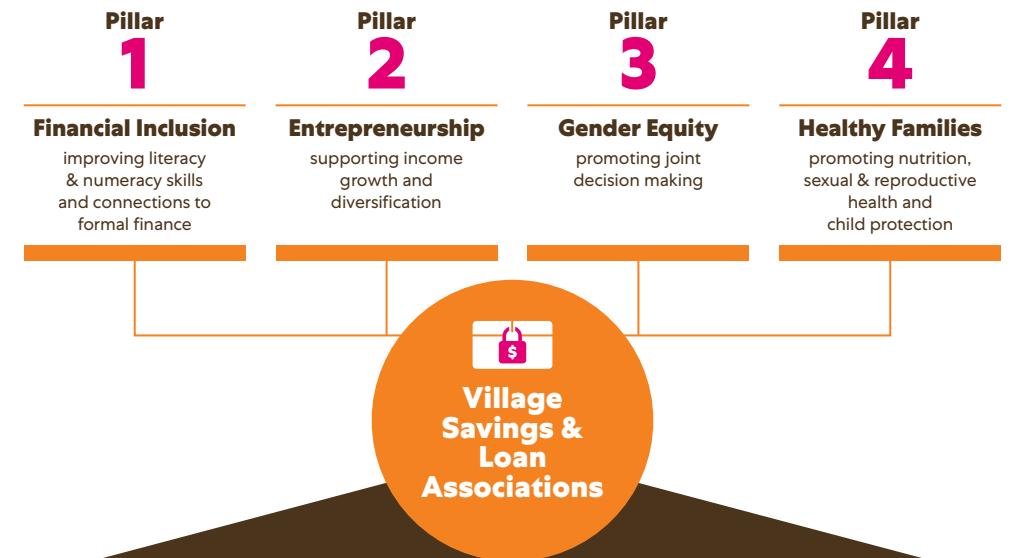
To make that vision a reality, in 2016 Mars has teamed up with CARE to create the ['Women for Change' program](#). The Women for Change (W4C) model, which originated in Côte d'Ivoire and is grounded in a proven theory of change, builds on CARE's successful Village Savings & Loan Association (VSLA) approach.

W4C is designed to empower participants in multiple ways. The program increases access to vital resources and leverages collective power to break down social and financial barriers. It focuses on four key areas: **Financial Inclusion, Entrepreneurship, Gender Equity, and Healthy Families**. The goal is not only to improve gender equity within households and communities but also to achieve tangible benefits like increased savings, skill enhancement, and income growth. Additionally, the program aims to elevate school enrollment rates and boost nutrition levels.

Another unique aspect of W4C is its effort to shift social norms and reduce gender-based violence. It involves men in the process, encouraging joint saving and decision-making. By employing this multifaceted approach, W4C strengthens women's roles in the cocoa supply chain, using a well-balanced mix of solutions.

Encouraged by the results achieved by W4C, in 2020, Mars committed to scale up the W4C model with an additional investment of \$10 million, including an expansion of the model to Ghana. As of 2022, the program has already exceeded its initial targets by reaching more than 77,000 W4C VSLA members (over 75% are women). That number is expected to reach over 85,000 by the end of 2023. By the end of 2022, the W4C members had collectively saved over \$7.4 million in total to [invest back into in their businesses and family needs](#).

The Women for Change Model



Creating a world where chocolate does as good as it tastes

Mars is also taking action for women in the cocoa supply chain through its iconic brands, like DOVE GALAXY®. In 2023, DOVE GALAXY pledged to 'help one million people including women, their families and their communities thrive by 2030'. The [ambitious commitment signifies a new purpose](#) for the beloved chocolate brand that will focus on women empowerment within cocoa growing communities and DOVE GALAXY retail markets.



To mark the news, Mars, the makers of DOVE GALAXY, has introduced a global campaign featuring authentic and empowering stories from women around the world and the positive impact they have on their communities. The BBDO led creative, which introduces a new brand platform of 'Your Pleasure Has Promise,' was directed by acclaimed Kenyan filmmaker, Amirah Tajdin, an award-winning director who championed women of color throughout her storied career. Her influence is evident in the new campaign [spot](#), which features empowering stories from women around the world and the positive impact they have on their communities.

“

A woman can engage in cocoa farming just like men; it's entirely achievable. When I reflect on my own journey, I never imagined that I would one day be capable of all this. Even my husband acknowledges that his wife has made remarkable progress.

”

Yeo Bibata
VSLA Member



Embedding A Gender Transformative Approach

Women and girls' empowerment is a dynamic and transformative process of change, which requires addressing gender inequalities and disempowerment across multiple dimensions. To address these challenges, we partnered with the [Royal Tropical Institute](#) (KIT) to conduct qualitative research to understand and explain behaviors, experiences, and attitudes in relation to the inequality and disempowerment that women face in their daily lives in cocoa growing communities in Côte d'Ivoire, Ghana, and Indonesia. It was concluded that the longer-term, often overlooked and neglected "mainstreaming" work of changing mindsets and social norms is essential if we want to make meaningful progress in lowering barriers to equality, reducing poverty, and unlocking the full potential of women and girls. Mars is committed to taking action by [embedding a gender transformative lens](#) into its cocoa policies, strategies, partnerships and programs linked to human rights, the environment, and farmer income.

The detailed findings have been described in the following two reports:

[KIT Empathy Report](#)

[KIT Viability Report](#)



GrowHer: Kakao - Empowering Indonesian Women Leaders in Agriculture

The “GrowHer: Kakao” project, a winner of the German Agency for International Cooperation’s (GIZ) Feminist and Fair competition in 2022, is another example of our approach to gender equality. The [GrowHer: Kakao](#) project empowers women as leaders in agriculture, ensuring their voices are represented and heard in crucial business decisions, such as adoption of climate smart practices and crop diversification.

This initiative, running from 2023 to 2025, is led by a consortium including Grow Asia, Mars, Save the Children, and Partnership for Sustainable Agriculture Indonesia (PISAgro), with GIZ’s support. The project targets 30 communities in South Sulawesi, Indonesia, **supporting around 4,000 women in the Cacao value chain and aiming to enhance their participation and access to resources.** These particular villages were selected,



due to Mars’ existing programs in the area, enabling us to have well-established connections with farming households and key stakeholders, including local officials, which we can leverage. The program employs locally sustainable interventions, emphasizing capacity building, including financial literacy, community-based planning, and entrepreneurship training, climate-smart practices, and gender-transformative policies.

“

Our experience in smallholder farming communities has revealed that women actively participate in agricultural work, but they often face limited access to leadership roles and economic development opportunities. By providing them with a level playing field, we can unleash their full potential and bring about exponential benefits for both them and their households. This, in turn, will contribute to better health, education, and security for their children.

”



Dessy Kurwiany Ukar
Interim CEO
Save the Children Indonesia

Expanding the Women Grow Together Program at Mars La Chola

In 2020, inspired by [Full Potential](#), driven by our commitment to gender equality and concerned by the pandemic’s widening gender gap, we initiated efforts to support women in rural Ecuador near Mars La Chola, our commercial and research farm. Our approach began with encouraging more women to join our workforce during peak harvest periods.

In 2021, we forged a partnership with [Fundación Acción Solidaria](#), a local NGO specializing in human capital. The Women Grow Together (WGT) program was launched with the goal of fostering diversity and inclusivity at Mars La Chola Farm.

In 2022, we expanded our program by introducing new technical content, including post-harvest aspects, and created a dedicated class for practicing various cutting techniques. Furthermore, we enhanced participant opportunities by forming a partnership with another local farm. Currently we have 9 participants in the program who will graduate by the end of September 2023. This will bring the total to **almost 30 women engaged in training and capacity-building initiatives, aiming to enhance their access to cocoa sector employment opportunities.** We successfully accomplished our objective to allocate 50% of our temporary harvester positions to women in 2023. Out of the 15 temporary workers who joined, seven were women from the WGT program, and of those seven, three are currently employed on the farm.

“

Whether we are men or women we are equal... for me Women Grow Together means fellowship, knowledge, empowerment, and strong women.

”

Eliana Cirino

Women Grow Together



OUR AMBITION FOR

Access to Quality Education

Access to safe, quality education for youth in cocoa farming communities.

Access to quality education and development opportunities for children are critical components of driving better long-term futures for children in cocoa-growing communities. Investing in education can have a positive circular effect: educated children can earn higher incomes as adults and contribute more to the development of their own children, households and communities.



OUR 2022 ACHIEVEMENTS

Elevating Futures: A Unique Public-Private Partnership for Quality Education in Côte d'Ivoire

In 2020, we made a \$3.3 million investment to support the Jacobs Foundation's creation of a public-private funding facility aimed at promoting quality education, in line with the Côte d'Ivoire government's strategic objectives in the fight against child labor. Led by the Ivorian Government in collaboration with the cocoa and chocolate industry and philanthropic foundations, the [Child Learning and Education Facility \(CLEF\)](#) was officially launched in June 2022. CLEF is dedicated to enhancing access to and the quality of education in cocoa-growing regions of Côte d'Ivoire by constructing school infrastructure, training teachers in effective pedagogical practices, and engaging parents in their children's learning. **Together, we aim to impact the lives of over 4 million children.**

Virginia Mars School: Pioneering Quality Education to Combat Child Labor in Bahia

The community arm of the Mars Center for Cocoa Science (MCCS) in Brazil, known as the Virginia Mars School, has taken a leading role in supporting the quality of education as a fundamental pillar for mitigating child labor in the Bahia region. Over the course of 36 years, spanning from 1987 to 2023, **more than 2400 students have successfully completed their studies** at the school.

The school has become a vehicle and a social innovative powerhouse that connects MCCS with future generations (+250 students), cocoa industry

and communities, and allows for best practice transfer to happen. Specifically, Mars is advocating for the adoption of a Sustainability School Curriculum that includes topics from racial and youth inclusion, biodiversity, and cocoa science for children as well as the development of the Bee-Sustainable program where currently +25 farming families are getting the opportunity to create additional income through harvesting honey from Uruçu honeybee in the Cabruca systems.



Lead for Ghana: Enhanced Educational Opportunities for Children in Ghana

In 2022, we invested \$500K in Lead for Ghana (LFG), a leadership development and network organization, partnering with like-minded organizations such as ECOM, Touton, and ofi. Together, we aim to create enhanced educational opportunities for children in Ghana while simultaneously addressing gender inequality and child labor. Through a two-year leadership

development fellowship, LFG engages and empowers Ghana's most talented recent university graduates and young professionals to teach Science, Mathematics, Information Technology, and English in demanding educational settings. Under the program, **Mars is currently funding the deployment of 34 fellows to 11 schools in 10 cocoa growing communities.**



“

Throughout Africa, access to quality education remains a significant challenge, with many families unable to afford schooling for their children. As a result, some parents prioritize their children's labor contributions to the family's livelihood over education. These experiences ignited a deep understanding within me regarding the obstacles that children across Africa face and the urgent need to invest in their futures. After receiving a life-changing scholarship to study at a prestigious American university, I felt a strong calling to give back and create similar opportunities for others.

”

Daniel Dotse

Co-founder & CEO
Lead For Ghana

[Full testimonial here](#)



“

I believe it is critical to actively cultivate a strong sense of responsibility and an understanding of the importance of leadership in addressing societal challenges among young people. This is why Lead For Ghana is so important. As a Fellow, I strive to instil these principles in my students.

”

Zainab Yussif

English-teaching Fellow, Nkonya



“

What I appreciate most about my LFG teachers is their model behaviour and how they encourage us to speak English well. They are not only our teachers but also our friends who genuinely care about us.

”

Eunice Awuku

JHS 2 Student, Nkonya



“

Emmanuel Badu is my son. I appreciate how interested the LFG Fellows are in his academics and his home life; they come to visit us at least once every two weeks to see how he is doing. He now not only takes his personal studies seriously, but he is also helpful at home.

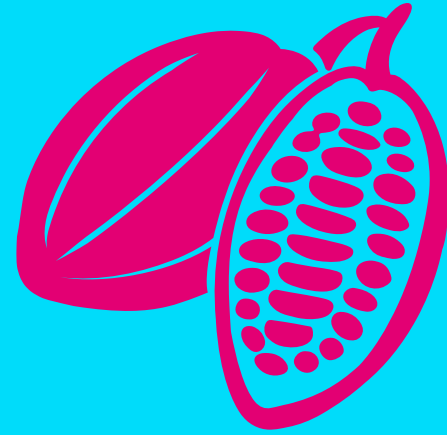
”

Mr. Badu

Father of Emmanuel Badu, JHS 2 Student, Nkonya

OUR AMBITION FOR

Improving Livelihoods



We believe everyone working within our extended supply chains should earn sufficient income to maintain a decent standard of living.

Boosting the income of cocoa farmers while supporting the responsible sourcing of cocoa is key to a thriving cocoa sector. To achieve our aim of 100% of our cocoa being responsibly sourced and traceable to the first point of purchase by 2025, the most vulnerable people in our supply chain should be rewarded fairly. There is no single answer to closing the living income gap for cocoa farmers. Increasing payments to farmers is only one piece of the puzzle. We, along with other cocoa stakeholders, must tackle some of the systemic issues blocking the ability to build sustainable supply chains.

The Farmer Income Lab (FIL), a “think-do” tank founded by Mars, reviewed more than 1,500 studies detailing common interventions to increase farmer income. FIL found only three of them raised incomes by more than 50% and could be sustained over time. **Based on FIL’s research companies sourcing strategies should bundle interventions, customize approaches, and partner to drive impact at scale.**

~15,000

Cocoa farmers in Ghana, Côte d’Ivoire and Indonesia helped on a path to sustainable living income by our three test-and-learn approaches.

AMBITION:

Increase income and improve livelihoods for cocoa-farming families.

OUR 2022 ACHIEVEMENTS

In 2022, Mars applied findings from the FIL to launch a series of test-and-learn pilots. These pilots blend best-practice interventions designed to unlock farmers’ entrepreneurial skills, diversify income, and boost productivity.

The ultimate goal? To fortify farm resilience and accelerate incomes. We aim to scale these successful strategies and put 15,000 cocoa farmers in Ghana, Côte d’Ivoire, and Indonesia on a sustainable living income path.



Livelihood Ecosystem Advancement Program (LEAP) program – Côte d'Ivoire

Mars, Fairtrade, and ECOOKIM embarked on a holistic development journey to achieve and maintain a living income for cocoa growing communities. Drawing on more than 10 years of collaboration between the project partners, the [Livelihood Ecosystem Advancement Program \(LEAP\) program](#) focuses on the below priority areas:

- Farmer segmentation strategy, activity bundling, and living income growth streams to meet unique farmer needs.
- Strengthening co-operatives so they can support farmers with a range of services (i.e., training/coaching, governance, access to inputs, market access) so that they can earn higher incomes.
- Diversifying farmer incomes so both women and men farmers can make money from on-farm and off-farm activities.
- Expanded access to affordable finance through digital banking, a revolving micro-finance facility, and working with village savings and loan associations.

LEAP aims to support more than 3500 participating farmers in Côte d'Ivoire to achieve a living income by 2030. If the program is successful, this could translate to as much as a 100% increase in average household income from 2022 for most participating households and would contribute to transforming the rural economy to sustain incomes and economic growth beyond the program.

To initiate the project and understand farmers' current situation and challenges a range of scoping studies have been conducted on the topics of income diversification, access to finance and co-operative strengthening. A baseline study has also been completed to gather and analyze data related to essential programme metrics such as household incomes, income diversification, agricultural practices and gender dynamics. The results of these multiple studies will inform the subsequent implementation of the program.



Mars is fully committed to integrating a gender-transformative perspective into every program implementation, and Fairtrade wholeheartedly supports this dedication, as it will play an essential role in our LEAP initiative. We will conduct a gender analysis to assess the insights from the LEAP scoping studies and baseline data. This analysis will guide the formulation of a Gender Action Plan for LEAP, ensuring that all activities are executed with a gender-sensitive and transformative approach.



Anna Mann
Head of Responsible Business
Fairtrade Foundation

Advancing Cocoa Agroforestry Towards Income, Value, and Environmental Sustainability (ACTIVE) - Indonesia

Launched in 2022, the [Advancing Cocoa Agroforestry Towards Income, Value, and Environmental Sustainability](#) program, a partnership with USAID and I4DI, projects to increase the income of 9,000 farmers in Indonesia by up to 15% over four years and to reduce by 20% the number of participating farmers living below the living income benchmark. The ACTIVE program's focus is on promoting an inclusive, scalable, and sustainable agroforestry model, supporting financial inclusion and enabling access to digital financing and crop insurance solutions and building partnerships to help create an enabling environment necessary for diversified cocoa-farming ecosystems to succeed.

Our journey began with a strong awareness campaign supported by [Sustainable Farming in Tropical Asian Landscapes](#) program and Mars Cocoa Academy. This was followed by comprehensive agroforestry training to equip local cocoa farmers with skills to adapt to climate changes and boost their income sustainably. By May 2023, ACTIVE had engaged 622 cocoa farmers (77% men, 23% women).

A crucial part of our program is assessing Learning Sites to tailor our ongoing agroforestry training in the second year, ensuring farmers' resilience against

Cocoa Yiedie Initiative in Ghana

Launched in 2022 through the Livelihoods Fund for Family Farming (L3F), the [Cocoa Yiedie Initiative in Ghana](#) forms a coalition comprising Mars, cocoa supplier Touton, Solidaridad West Africa (a local implementer with extensive smallholder experience in West Africa), and I4DI (a trusted scientific partner tasked with evaluating project impacts).

Livelihoods and its partners are collaborating on an innovative 3-year project to uncover strategies to uplift cocoa farmers from poverty and enable a shift



Agroforestry Trial Training at North Luwu and East Luwu in South Sulawesi, Indonesia

environmental changes. We also emphasize crop diversity, initially focusing on five non-cocoa crops and planning to introduce more. Concurrently, we're collecting data to help farmers access quality seeds and effectively sell non-cocoa harvests.

ACTIVE also recognizes the important role of women in the cocoa sector. Our gender survey aims to understand and empower female farmers. As we celebrate a successful first year, we're looking ahead to a future where cocoa farmers actively contribute to sustainability.

towards more sustainable agroforestry models that increase farmers' income. By addressing various farmer needs, such as skills, finances, and labor, the initiative aims to promote Good Agricultural Practices and invest in replanting activities. This flexible approach allows partners to test different approaches with separate groups of farmers and adjust as needed, all with the shared objective of helping farmers move towards a sustainable income level.



Nigeria Resilient Cocoa Farmers Programme

To gain a deeper understanding of the sustainability challenges faced by Nigerian farmers, Mars and Netherlands Enterprise Agency (RVO) funded the ECOM-run **Nigeria Resilient Cocoa Farmers Programme**. The inaugural phase of the program involves the assessment of 15 cocoa-producing communities on the topics of living income, child labor, and deforestation risks. These communities are key cocoa producers for ECOM's Tulip Cocoa plant, and the results obtained will serve as valuable insights for identifying areas of improvement in the upcoming phase of the project.

In 2022, the program collaborated with Solidaridad West Africa to conduct a study focused on the involvement of children in cocoa farming. The study specifically scrutinized the time spent by children engaged in farm activities, the types of tasks they performed, and the impact of cocoa farming on their well-being. Recommendations derived from these findings will be integrated by the Tulip team as appropriate, and they encompass the following measures:

- Training initiatives aimed at distinguishing between lawful child work and unlawful child labor more effectively.
- Community engagement strategies to facilitate safer knowledge transfer to children, minimizing potential hazards.
- Advocating for cooperative labor systems and services.
- Establishment of rural service centers.
- Implementing a comprehensive child labor monitoring and remediation system, actively involving schools and local communities.



Creating Farmer Advice Networks

Access to better agricultural inputs and advice will help cocoa growers improve and maintain the health of their farms. Mars, together with our partners, has supported cocoa farmers in Indonesia since 2012 through our Cocoa Development Center (CDC) and Mars Cocoa Academy in Luwu Raya, South Sulawesi, where cocoa farmers can study modern farming techniques and become “Cocoa Doctors”, helping farmers to dramatically increase their cocoa production.

From 2018 to 2022, the Rural Empowerment and Agricultural Development Scaling-up Initiative, the Youth Entrepreneurship and Employment Support Services programs funded by the International Fund for Agricultural Development (IFAD), Mars and the Ministry of Agriculture Human Resources Directorate trained 173 “Cocoa Doctors”. Since the program’s timeframe has now been extended until 2025, we have plans to train an additional 190 “Cocoa Doctors” across the entire archipelago.

Since its inception in 2012 the Mars Cocoa Academy has trained more than 4,300 “Cocoa Doctors”. These specialists, who run their own cocoa businesses, provide advice and coaching to fellow farmers. Once established – one “Cocoa Doctor” can effectively reach 150-200 farmers each.



“

My name is Suwardi, and I am a cocoa farmer and together with my wife we are operating a nursery business. Through my role as a “Cocoa Doctor”, I am able to share and show to the younger generations that being a farmer does not only mean to be working on the field all day, but they can also run their own business while also helping other farmers around them to grow together.

”

Suwardi

“Cocoa Doctor” and Agripreneur at East Luwu, Indonesia

OUR AMBITION FOR

Creating a Climate-Smart Future



Tackling deforestation and innovating in agronomy and modern sustainable farming practices that, beyond reducing greenhouse gas (GHG) emissions from land use, are focusing on regenerating and improving soil health, as well as increasing biodiversity and climate resilience.



89%

(>215.000) of the farm plots in our Responsibly Sourced Cocoa program have been polygon mapped — tracing the entire perimeter of a farm rather than just one GPS location point to increase transparency and traceability.

AMBITION:

100% of the cocoa farm plots polygon mapped.

3,000

hectares of pastureland in Latin America are being regenerated into healthy, productive soil with the support of Mars through our venture, Andean Cacao.

AMBITION:

Deploying climate-smart practices across our modern sustainable cocoa farming programs and partnerships.

Climate-smart cocoa

is the focus of our efforts at our UC Davis Greenhouse, where Mars is supporting farmers and our planet by developing a new generation of cocoa plants that are more drought resistant and durable to pests and diseases.

AMBITION:

Helping secure the future of cocoa through science.



OUR AMBITION FOR

Deforestation and Conversion-Free Cocoa Supply Chain

A deforestation- and land conversion-free supply chain (as defined by the [Accountability Framework Initiative](#)) for 100% of the cocoa we source.

100% of the cocoa farm plots polygon mapped by tracing the perimeter of the farm plot, to increase transparency and traceability from the farm to the first point of purchase.

Achieving a deforestation and conversion-free supply chain ambition is the single largest and most significant first step Mars Wrigley and Mars, Incorporated can take towards delivering on our ambition to [hold our land use flat, reduce greenhouse gas emissions](#) from our value chain by 27% by 2025 (vs 2015 baseline), and [achieve net zero greenhouse gas](#) emissions across our full value chain by 2050.

We're making steady progress toward our goal and remain committed to collaborating with supply chain partners, governments, industry players, and civil society stakeholders. Our collective efforts focus on preventing cocoa-driven deforestation and land conversion. Additionally, we're working to support and enforce forest protection policies. Where credible, landscape-level frameworks exist, we strive to enhance agroforestry and reforestation efforts while deepening our engagement with local communities.

Our approach to preserving forests in the countries we source cocoa from is set out in our [Cocoa and Forests Action Plan](#), which includes our renewed commitment to the [Cocoa & Forests Initiative](#).



OUR 2022 ACHIEVEMENTS

We **polygon mapped 89% (>215,000) of the farm plots in our Responsibly Sourced Cocoa Program** — tracing the entire perimeter of a farm rather than just one GPS location point to increase transparency and traceability.

Additionally, more than 330,000 hectares in our cocoa supply chain in Côte d'Ivoire and Ghana were included in a **deforestation risk assessment** — with **376,000 hectares** assessed globally.

To help avoid the worst effects of climate change and promote healthier forests, more trees need to be planted. We have worked alongside suppliers and civil society partners to **distribute more than 2 million new non-cocoa trees** to increase important biodiversity and shade and to help capture carbon.



Cocoa-techs: Empowering Youth and Cocoa Producers for Sustainable Agriculture

Supported by Mars, the “cocoa agri-preneurs” or “cocoa-techs” initiative implemented by Touton aims to create a new profession that provides agricultural services to cocoa producers, addressing economic, social, and environmental challenges in Ghana and Côte d’Ivoire. Young volunteers are trained to offer services like tree pruning and advice on good agricultural practices, benefitting both cocoa producers and their communities.

This approach not only empowers youth with skills and employment opportunities but also enhances cocoa yields, reduces child labor, and prevents forest encroachment. Collaborating with three cooperatives in Côte d’Ivoire for the 2021-2022 cocoa harvest, Mars and Touton trained 24 young people who, in turn, trained others, magnifying the program’s impact.

“

Thanks to this new source of income, I see a lot of improvement in my living conditions. I have built two houses, set up a pig farm and reinvested in my cocoa plantation. But above all, with this new role, I gained more respect in my village, and beyond.

”

Daniel

Cocoa agri-preneur



“

Raining patterns have changed. As a result, the cocoa trees have become more fragile, and production has dropped. Together with my community, I have participated in awareness-raising sessions about deforestation, and I know that it has consequences for the climate. To combat this, I planted shade trees on my farm. I planted them because they are ‘friends’ of my cocoa trees: they protect them from the sun and reduce pest attacks. In my field, there are also avocado and orange trees that I sell to earn extra income.

”

Charles

Cocoa agri-preneur



Proactively Safeguarding Ecosystems

By understanding the importance of forests and the communities that depend on them, the industry can responsibly source deforestation and conversion-free cocoa, thereby safeguarding ecosystems and the forests that serve as a natural shield against the adverse impacts of climate change.

Through a dynamic partnership between Conservation International and Mars, we’ve undertaken a comprehensive exploration into the intricate interplay between cocoa cultivation, forests, and natural ecosystems across our origin countries. Over the course of the last three years, this collaboration has spanned twelve countries: Côte d’Ivoire, Ghana, Cameroon, Colombia, Ecuador, Peru, Nigeria, Papua New Guinea, Dominican Republic, Indonesia, Philippines, and Brazil.

This endeavor leveraged meticulous desk-based research and insightful spatial analyses. The culmination of these efforts is reflected in the country assessments, of which we will share publicly concise summaries by the end of the year, each offering a multifaceted understanding:

- **Cocoa Production Insights:** explaining the cocoa production landscape within each country, its unique dynamics and challenges.
- **Forests and National Policy Frameworks:** A holistic examination of the forests and the national policies relevant to cocoa cultivation.
- **Mapping Sustainability Commitment Relevance:** Detailed maps outlining areas pertinent to sustainability commitments related to forests and natural ecosystems when data are available.
- **High-Level Recommendations:** Strategic recommendations on impactful initiatives, addressing gaps in areas like land tenure, yield, data, sustainable production, and livelihood diversification designed to generate support from suppliers, development partners, applicable governments, and other stakeholders.

The summaries will be readily accessible on the Conservation International website, serving as valuable resources to drive positive change and sustainable practices in cocoa sourcing and beyond.

“

Sustainable cocoa production holds tremendous potential to help protect the biodiverse forests and ecosystems that naturally shield communities around the world from the worst effects of climate change. These country assessments, spanning West Africa, Latin America and Southeast Asia, serve as national briefings for the sector on socioeconomic and environmental opportunities to advance deforestation-free cocoa and we hope they can help catalyze collective action and investment to realize those opportunities.

”



John Buchanan

Vice President of Sustainable Production, Conservation International



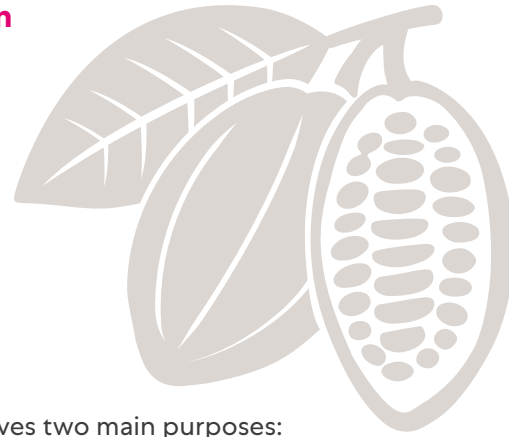
Innovative Field App To Verify Suspected Deforestation

In our pursuit of deforestation and conversion-free supply chains, we found that current remote sensing methods have trouble accurately spotting deforestation, especially in the context of cocoa cultivation. There were situations where the act of replanting cocoa trees was erroneously identified as forest clearance. Because of this, farmer organizations were prompted to adopt varying methods when they received deforestation alerts from remote sensing.

Partner organizations regularly conduct field visits to verify deforestation claims, validating or refuting the remote sensing results. However, without proper documentation, it can prove difficult to substantiate their findings. Lack of time or lack of awareness of remote sensing limitations means that farmers can be excluded from the supply chain preemptively, inadvertently impacting those producers who hadn't engaged in deforestation.

Mars is working to build rigorous risk management and well-documented due diligence processes. In collaboration with our suppliers we have taken proactive steps to develop field verification criteria that verify whether suspected deforestation identified with remote sensing is actual deforestation.

These criteria, shaped through on-site visits with Blommer, ECOM, Ofi, Sucden, and Touton, have culminated in an **innovative field verification app**.

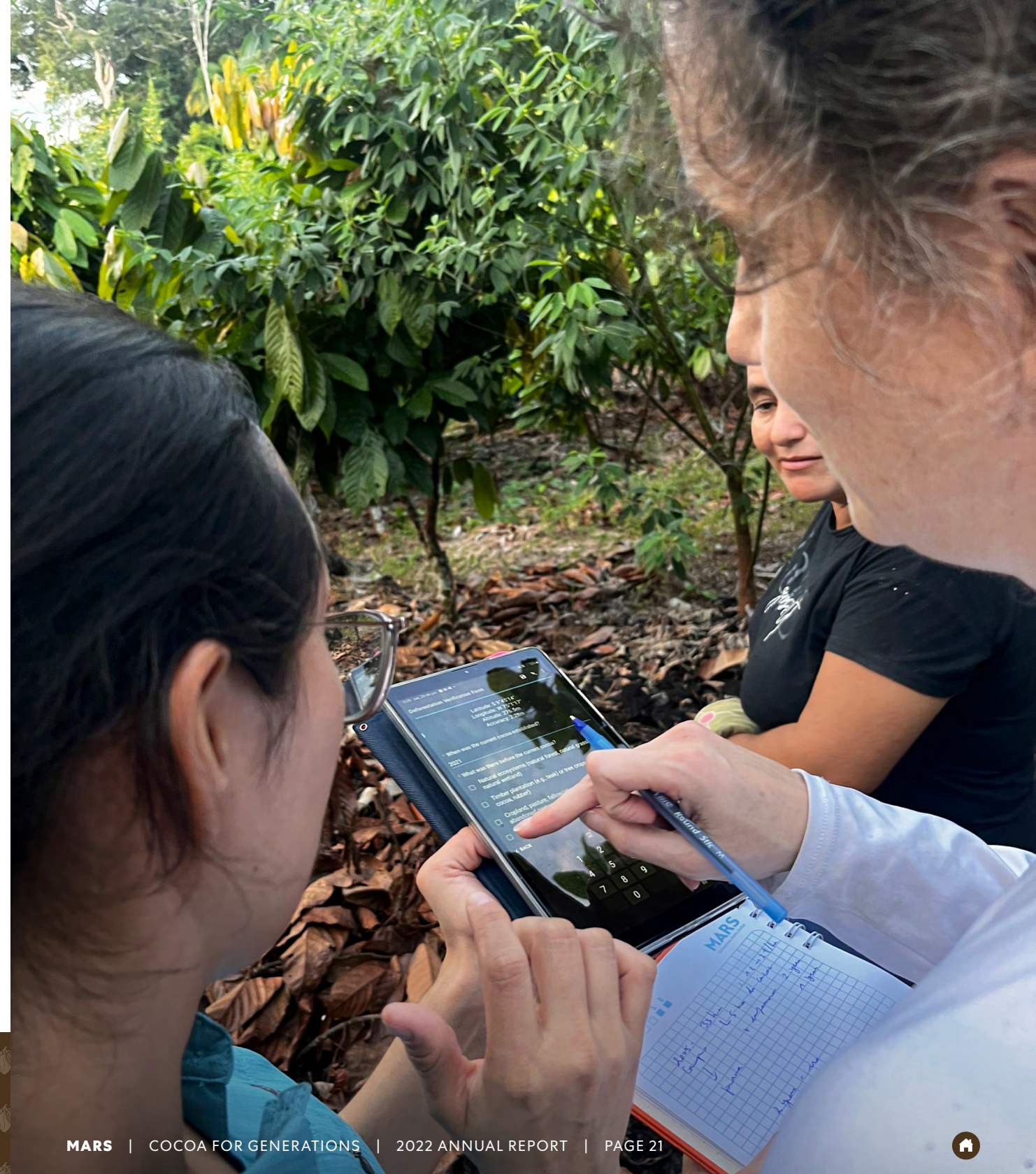


The app serves two main purposes:

- **Establishing Cocoa Tree Origins:** It supports collecting substantiated evidence that the existing cocoa trees were established prior to the stipulated cutoff date.
- **Validating Land Use History:** In cases without evidence of cocoa tree establishment, the app supports evidencing past productive land use before the current cocoa trees or confirms the absence of forest tree felling indicative of a prior forest presence at the cutoff date.

Through a step-by-step approach, the app not only supports robust due diligence, but also decreases the number of farmers being excluded from farmer organizations without justification and substantiation.

The app will be made available in English, Spanish, French and Bahasa Indonesia by the end of the year. We extend an invitation to others to utilize, refine, and contribute to this tool, enriching the broader community's efforts towards sustainable cocoa sourcing.



OUR AMBITION FOR

Modern Sustainable Cocoa Farming and the Importance of Cocoa Science

Deploying climate-smart practices across our modern sustainable cocoa farming programs and partnerships.

Distribution of highly productive planting material.

Our goal of achieving a deforestation-free supply chain for all the cocoa we source by 2025 is a key enabler of low footprint cocoa beans. Yet, to truly achieve our climate ambitions and to support building resilience for the next generation of cocoa farming communities, we will need to leverage transformative science and the implementation of climate-smart and regenerative agricultural practices beyond those required to stop deforestation.

Mars is adopting a “climate-smart” agriculture approach, which means that beyond reducing greenhouse gas (GHG) emissions from land use, we are focusing on regenerating and improving soil health, increasing productivity per hectare,

as well as increasing biodiversity and climate resiliency. Climate-smart agriculture supports our ambition to create a cocoa supply chain where farmers are better equipped to adapt to the effects of climate change by being more productive on existing farming land, leveraging practices that can reduce GHG emissions, and increasing carbon sequestration in trees and soil.

In partnership with others, leveraging decades of research in soil management, crop production and plant science, we are also investing in larger-scale farming, operations and strategic planning to help pioneer new methods of cocoa-growing that have the potential to regenerate soil, improve biodiversity and positively impact communities.



CREATING A CLIMATE-SMART FUTURE | MODERN SUSTAINABLE COCOA FARMING

OUR 2022 ACHIEVEMENTS

Advancing Cocoa Sustainability Through Science and Technology

For more than four decades, we have been investing in science and technology (S&T) and conducting research through our diverse cocoa research centers, demonstration farms, and pilot projects across Brazil, Ecuador, Indonesia, and our cocoa germplasm site in Davis, California. We take immense pride in the [groundbreaking work at our UC Davis Mars Greenhouse](#). In 2021, in collaboration with [SwissDeCode](#), we developed an [easy-to-use Virus Rapid Detection Kit](#) identifying swollen shoots within just 60 minutes. In 2022, we continued to support farmers and our planet with a revolutionary application to assess cacao tree health and the development of climate-smart cocoa plants that are more productive, drought-resistant, and resilient to pests and diseases.

Pest and diseases pose a global challenge for cocoa production, causing estimated annual losses of up to 35%. **Integrated Pest Management (IPM) focuses on prevention, detection, and mitigation.** Our S&T team in Ecuador, collaborating with the Davis Hub, has developed IPM scouting tools to be more accurate, efficient, and effective on the pillars mentioned before. We've embraced digitalization developing a data collection app and harnessed GIS and data analytics to optimize field operations, interpret results, and make informed decisions.

At Mars La Chola in Ecuador, our commercial and scientific demonstration farm, we're **pioneering climate-smart and transformative agricultural models.** We collaborate with forward-thinking experts like Kennemer and [Andean Cacao](#) to share insights and foster innovation. Our partnership with Andean Cacao is regenerating nearly 3,000 hectares of degraded pastureland into fertile, productive soil in Latin America.

Currently under construction in Pangkep, South Sulawesi, Indonesia, the Cocoa Advanced Research Laboratory (C.A.R.L.) will be the latest advancement to Mars Plant Science Research Capabilities globally. The Laboratory, once fully operational, will enable additional capacity for **advanced research and business solutions for Integrated Pest and Pollinator Management and Cocoa**

Post-Harvest processing and beyond. Furthermore, we envision C.A.R.L. to be the center-of-expertise for South-East Asia Cocoa and other crops of interest (e.g. palm, coconut, rice). Furthermore, the C.A.R.L. will enable internal and external collaborations and research that will enable further capacity building and technology transfer for a more sustainable Cocoa Ecosystem in Indonesia and the region.

“

The implementation of these tools in Mars La Chola has led to a significant reduction in pest and disease incidence, from 7% to 2%, allowing for more tailored interventions based on hot-spots and an impressive 80% reduction in time spent on data collection and management. Furthermore, it has provided a valuable development opportunity for field associates, who have been trained and specialized as IPM scouters, gaining expertise in IPM concepts and digital technologies. Since 2021, seven field associates have become official scouters, while the entire group has received training to act as observers and report emerging field situations.

”

Denny Carriel
Senior Principal Technician IPM
Mars La Chola





Thank You

**We want
to thank all our
suppliers, experts, and
implementation partners
for working with us and making
a critical difference through their
technical expertise and
on-the-ground support.**

They are vital in helping us understand root causes of cocoa challenges, make positive changes based on the learnings, carry out essential work to support farmers and their communities and help create the **modern, inclusive, and sustainable cocoa ecosystem where everyone can thrive.**

A special thank you to our partners and our Mars Associates for providing us with the photos used throughout this report and to all the cocoa farmers and their families for graciously sharing their stories with us.

