

OUR COCOA

REPORT 2024

Principles. Programmes. Own cultivation.



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DEAR READERS,

Chocolate is one of the most popular confectionery products worldwide. However, the basis of good chocolate – high-quality cocoa – is increasingly under pressure. The last two years have shown that available quantities and qualities can no longer be taken for granted. This has an impact on the price of raw materials. With a product like chocolate, where raw materials account for up to 80% of the material and manufacturing costs, everyone ultimately suffers, from farmers in the countries of origin to consumers worldwide.

That is why we are taking responsibility – for the entire supply chain. Only when we know where our cocoa comes from and who grows it can we take effective measures to improve social, economic and environmental conditions in the long term.

We are convinced that good cocoa can only be produced if the people who grow it are also doing well.

Where people’s own economic situation is difficult, quality becomes a luxury problem.

We have been promoting sustainable cocoa cultivation for 35 years. During this time, the challenges facing us and the people in the countries of origin have changed repeatedly: for a long time, the fight against illegal child labour was at the forefront, but today the focus is on climate change and all its consequences.



Ultimately, the two are linked. When sustainable farming methods increase yields, the economic situation of farmers improves, which in turn reduces the risk of illegal child labour.

The main topic of this Cocoa Report therefore deals with cocoa cultivation in agroforestry systems, as this can simultaneously ensure higher yields, healthier soils, greater biodiversity and thus better opportunities for the future.

This report summarises the main focus of our cocoa programmes in West Africa and Latin America, documents progress, highlights the challenges we face today and outlines the principles we follow when sourcing our cocoa. We use specific examples to tell the stories of some of the people we work with in the cocoa industry. This should also help us to continuously develop and improve our commitment to cocoa sourcing.

I hope you enjoy reading it.

Yours sincerely, Andreas Ronken
CEO Alfred Ritter GmbH & Co. KG

OUR PRINCIPLES OF COCOA SOURCING

We align our actions towards these principles*. They do not outline what we have already achieved and go further than purely operative goals. Even if we do every-

thing we can, realisation thereof depends on many factors and everyone involved along the entire supply chain.



ONLY THE VERY BEST QUALITY

Our cocoa is permanently improved by continuous quality control and feedback mechanisms right back to the source. It has a characteristic flavour profile and is a prerequisite for us for delicious chocolate.

NO ILLEGAL CHILD LABOUR

There must not be any abusive forms of child labour or other forms of forced labour in our supply chain.

FAIR CONDITIONS FOR EVERYONE

We create sustainable economic partnerships with cocoa producers, their organisations and everyone involved in the supply chain.

PROTECTION OF THE RAINFOREST

No forest may be destroyed for our cocoa.

CLIMATE-FRIENDLY COCOA FARMING

We establish sustainable growing systems such as the agroforestry system which promote the conservation of natural resources and development thereof.



* See also Ritter Sport Commitment to Sustainable Cocoa Farming, page 54.

OUR COCOA – QUICK FACTS



**100 %
CERTIFIED**

(90 % according to Rainforest Alliance Cocoa,
10 % according to Fairtrade Cocoa Programme,
as of 2024)



**100 %
TRACEABLE**

to the producer organisation



**99 %
TRACEABLE**

to the farm



Guaranteed origin

100 %

MAPPED CULTIVATION AREA

OUR COCOA PROGRAMMES

5 COUNTRIES

7 PROGRAMMES

CULTIVATION AREA:

64,056 HA

23,051

PARTICIPATING
FARMERS

DELIVERY VOLUME:

8,950 T COCOA MASS

8,000 T COCOA BUTTER

85 % OF TOTAL COCOA
PURCHASES FROM
PROGRAMMES

INVEST: **7 MIO.** EURO/YEAR

corresponds to approx. 1.2 % of turnover*

* Basis: turnover in 2024, 605 million euros.

OUR COCOA FARM



2,500 HA
TOTAL AREA



1,200 HA
CULTIVATED AREA



450
EMPLOYEES



30,000
SHADE TREES



1 MIO.
COCOA TREES

OUR SUPPLY CHAINS – AS SHORT AND DIRECT AS POSSIBLE

THE TRADITIONAL APPROACH:



OUR APPROACH:



Our goal is to work with only one selected partner in order to keep the supply chain as short and transparent as possible.

Respect and appreciation for people and the environment are important to us. In order to fulfil our corporate responsibility, we have been working for many years to achieve maximum transparency in our supply chain.

Short and transparent supply chains enable the traceability of cocoa. We know where our cocoa

comes from, who grows it for us and under what conditions. As part of our cocoa programmes, we are thus able to exert an effective influence on the social, ecological and economic conditions in the countries of origin.

We believe that binding and enforceable regulations that create a level playing field and standardise corporate due diligence obligations can help improve the situation along the supply chain.



GOOD CHOCOLATE HAS MANY FACES

Experts who take care of every single step – from growing the cocoa to the finished product. Here are some of them:



LYDIA FRECH – OUR COCOA EXPERT

If anyone is at home in the world of cocoa, it's Lydia Frech. As Sustainability Manager Raw Materials, she oversees and coordinates our cocoa programmes. Whether at her desk in Waldenbuch or on site in West Africa and Latin America, Lydia drives change with her expertise and a great deal of passion.

SERAPHIN BONIKPRI KOUAKOU – THE PROGRAMME MANAGER

As an employee of our partner SUSCOM, Seraphin Bonikpri Kouakou oversees one of our cocoa programmes in Côte d'Ivoire. He has first-hand knowledge of the challenges of cocoa farming and the needs of farmers, and ensures that the measures and projects in our cocoa programme are tailored to the specific situation on the ground.



HAUKE WILL – THE LORD OF THE TREES

There are probably very few chocolate manufacturers who have a „head of agricultural production“. Very few have their own cocoa farm. We have both: Hauke Will and El Cacao. Hauke is the master of a million cocoa trees on our plantation. His expertise makes him a competent partner for cocoa farmers in other regions as well.

FRANK GELTENBORT – THE FAIR TRADER

Frank Geltenbort is responsible for purchasing our most important raw material: cocoa. What sounds like a world of numbers has a lot to do with our special understanding of fair treatment of everyone involved in the value chain.



UTA BOAS – THE GOURMET

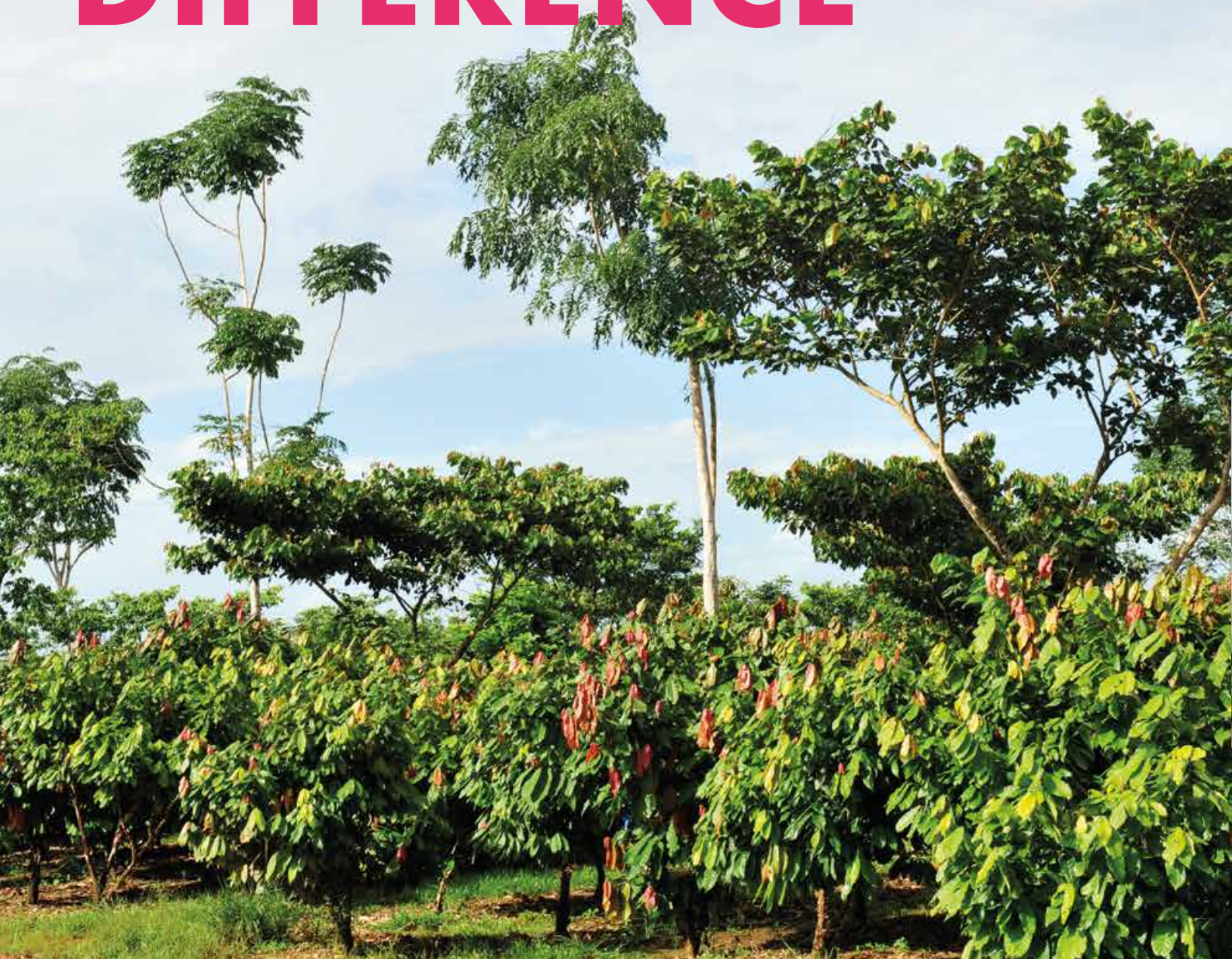
Hardly anyone can describe the flavour nuances of different cocoa varieties as accurately as Uta Boas. Her expertise is evident in every bar of Ritter Sport chocolate. This is because the type and, above all, the quality of the cocoa have a significant influence on the taste of the chocolate.

MARKUS MAURER – THE DOER

At our production sites in Waldenbuch and Breitenbrunn, around 630 production employees ensure that the best ingredients are turned into truly delicious chocolate. As plant manager in Waldenbuch, Markus Maurer and his team are responsible for the production of many varieties. Whether vegan, Nut Selection or Colourful Variety, whether mini, 100 gram or larger bars – every Ritter Sport square contains a wealth of technical and craftsmanship expertise from our colleagues in production.



AGRO-FORESTRY: THE MIX MAKES THE DIFFERENCE



Climate change is one of the dominant issues for everyone who works with agricultural commodities. Recent years have shown all too clearly that cocoa cultivation is also severely affected: lower yields, quality losses and the increasing spread of diseases and pests. But there are also promising solutions for making cocoa cultivation more resilient. One of these is growing cocoa in mixed cultivation, such as agroforestry. This offers a wide range of benefits for the people involved and for nature.

We have been supporting the agroforestry approach in cocoa cultivation for many years and have made it a central component of our cocoa programmes. At El Cacao, our own cocoa farm, we also cultivate cocoa in this ecologically sound mixed cultivation system. The term „agroforestry“ already makes it clear that this is a combination of agricultural and forestry methods. Shade trees, large forest trees that protect the cocoa from too much direct sunlight, play an important role.

There is no clear definition of when cocoa cultivation can be described as an agroforestry system. The number of shade trees per hectare, the degree of shading or the number of different tree species are often used as criteria.

Our experience shows that there is no such thing as a single agroforestry system, as the proportion of shade trees, for example, must always be adapted to the local conditions.

AGROFORESTRY CULTIVATION HAS MANY ADVANTAGES:

- The trees provide shade and wind protection for the sensitive cocoa plants.
- Perennial shrubs and ground cover protect the soil from direct sunlight and help improve soil quality by forming humus. This reduces the need for fertilisers.
- The coexistence of different plants helps to create a healthy microclimate and minimise major climate fluctuations in the cultivation areas.
- The water balance is regulated and the soil is protected from erosion.
- Habitat and food are created, for example for beneficial insects and microorganisms, which are important for natural pest and disease control.
- Diversification of cultivation means additional sources of income for farmers and greater resilience to climate change.
- A healthy microclimate helps the cocoa tree to feel protected and comfortable in an agroforestry system.

In monocultures, on the other hand, a single plant species is cultivated over large areas. This leads to the disappearance of habitats for animals and plants and a decline in biodiversity. If no trees or shrubs are preserved, the cultivated areas are exposed to the sun and wind without protection, water evaporates quickly and is hardly retained in the soil when it rains. The soil loses important nutrients through leaching and is further eroded. In the long term, soil fertility declines.

Cultivation in an agroforestry system specifically counteracts this and makes cocoa cultivation more resilient. Wilfred Apiung, sustainability manager at the Abrabopa producer organisation in Ghana, explains what this means in concrete terms. He is responsible for our cocoa programme there.



Cocoa cultivation in Ghana is traditionally characterised by smallholder farming systems with areas of between two and five hectares. For a long time, monocultures dominated, with cocoa exposed to full sun in order to maximise yields in the short term. However, this has led to soil depletion, increased pest pressure and susceptibility to climate shocks. In recent years, a rethink has begun.

With increasing awareness and education, the focus is shifting towards agroforestry and integrated systems. By integrating tree species with economic, medicinal or ecological value into the cocoa landscape, farmers are switching to more climate-resilient systems. They have come to appreciate the role that shade trees play in regulating temperature and improving soil health.

Ritter's cocoa programme has strongly promoted the transition from monoculture to agroforestry by supporting farmers with both materials (e.g. seedlings) and knowledge (e.g. through training courses). Both are necessary for an effective transition to agroforestry. Initially, there were concerns that the trees could shade the cocoa and reduce yields. However, training courses and practical demonstrations in the field have helped to allay these fears. Farmers have recognised that shade trees reduce heat stress on cocoa, improve biodiversity and serve as an alternative source of income, particularly through fruit and timber species. In addition, cocoa quality has improved, which significantly promotes acceptance.

This transition is all the more important because climate change is having a profound impact on cocoa cultivation in Ghana. Unpredictable rainfall patterns, such as longer dry seasons or droughts, and rising temperatures have led to crop failures and declining productivity because cocoa is less able to thrive and pests are becoming more pre-

valent. The focus of the Ritter cocoa programme on agroforestry is therefore not only timely, but also strategically very sensible. The integration of resilient tree species improves soil fertility, water retention capacity of the soil and shade are improved, which is essential for sustainable cocoa cultivation under changing climatic conditions.

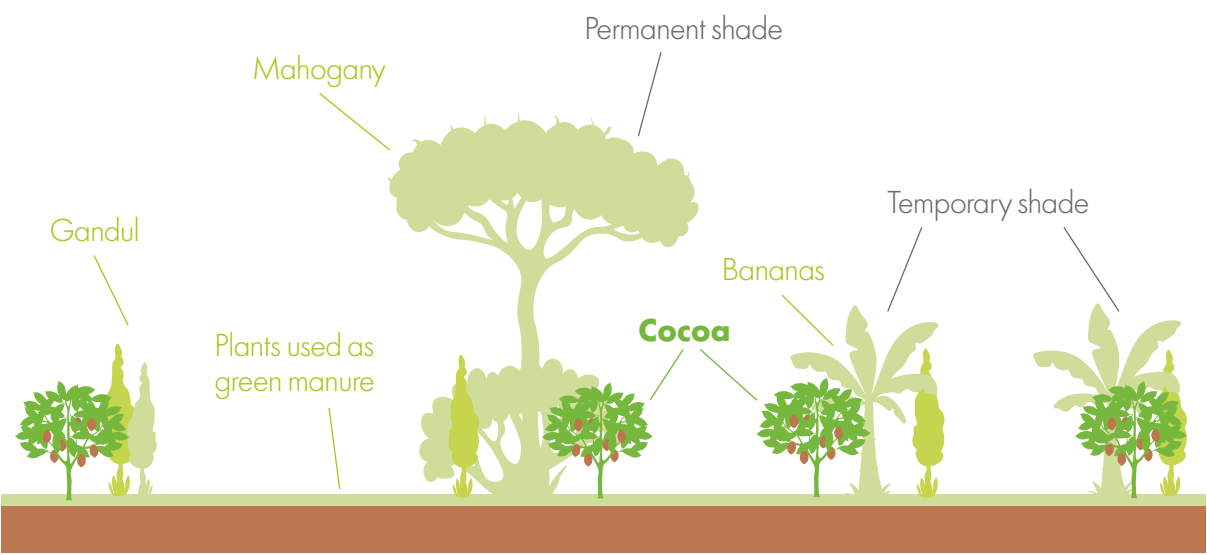


WILFRED APIUNG
Sustainability Manager
Cocoa Abrabopa Association, Ghana

Market dynamics also play a decisive role in the success of a sustainability programme. Global price fluctuations, inflation and inconsistent demand can undermine farmers' confidence and reduce their willingness to invest in sustainable practices. However, partnerships such as the one with Ritter offer stability by providing secure markets and purchase volumes, price incentives and co-financing for development projects. Sustainability initiatives thrive when they are linked to such reliable purchasing arrangements.

The Ritter cocoa programme has not only raised sustainability standards in the Ghanaian cocoa sector, but also redefined what a meaningful partnership with farmers can achieve. By focusing on agroforestry and holistic rural development, it is paving the way for a new era of cocoa farming – an era in which people, the environment and profit are valued equally.

THE THREE-LAYER AGROFORESTRY SYSTEM



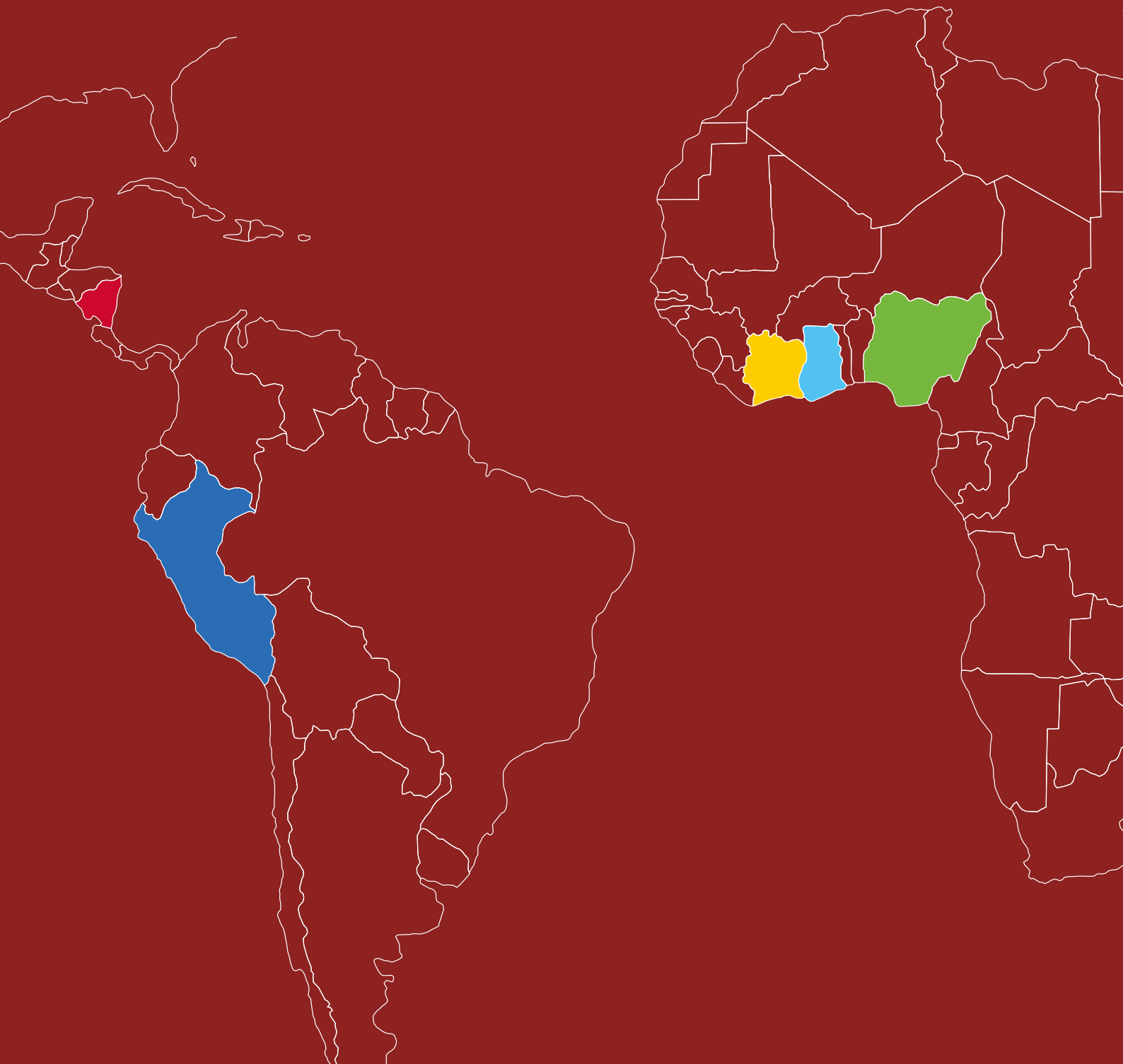
COCOA CULTIVATION IN AGROFORESTRY SYSTEMS – A SUCCESS STORY

Cocoa cultivation in agroforestry systems is not a new invention. With our Cacao-Nica programme, we have been promoting sustainable cocoa cultivation in Nicaragua for 35 years. Agroforestry has been an integral part of this programme from the very beginning. Over this long period, we have gained a wealth of valuable experience together with the farmers, which our other Cocoa programmes and our own cultivation at El Cacao are benefiting today.

35 years of Cacao-Nica show that agroforestry systems are a good choice for cocoa due to the specific requirements of cocoa plants, the sustainable and environmentally friendly nature of the cultivation method and, above all, against the backdrop of the general challenges posed by climate change.



OUR COCOA PROGRAMMES

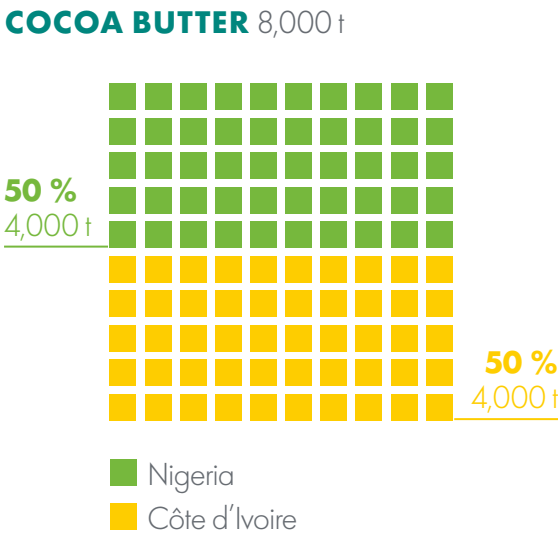
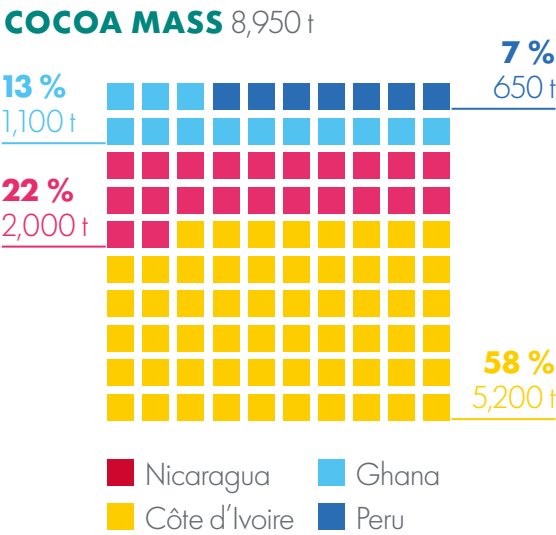


For us, implementing cocoa programmes means entering into reliable partnerships. The aim of these programmes is to work with local partners to bring about positive change in the social, ecological and economic conditions of cultivation through concrete measures and to ensure the long-term availability of high-quality raw materials. Our cocoa comes from Nicaragua, Peru, Côte d'Ivoire, Ghana and Nigeria. Together with our local partners, we have developed programmes tailored to the respective needs.

Before cocoa can be turned into chocolate, it is processed into cocoa mass and cocoa butter. While

the cocoa mass is used for individual taste of a chocolate, cocoa butter has no influence on this. However, it is responsible for the right melt. Because cocoa butter does not depend so much on the specific cocoa variety and its individual sensory properties, it is often produced in large quantities, which makes transparency and traceability much more difficult.

We have the same standards for our cocoa butter as we do for our cocoa mass. We want to know where the cocoa comes from, who grows it and how. That is why we source 100% certified cocoa butter. We can also trace the cocoa beans processed for it back to the producer organisation.



CÔTE D'IVOIRE



PROGRAMME 1

Programme partner: CEMOI CÔTE D'IVOIRE
Participating producer organisations: ECAKOG, SCOOPAKAM
Participating farmers: 2,100
Supply volume: 1,200 tonnes of cocoa mass
Programme start: 2015

PROGRAMME 2

Programme partners: Fuchs & Hoffmann Kakaoprodukte GmbH and SUSCOM-CI
Participating producer organisations: SCOOWEND COOP-CA, CASIB COOP-CA, COOP-CA ADA, BARA COOP-CA
Participating farmers: 2,670
Supply volume: 4,000 tonnes of cocoa mass
Programme start: 2022

PROGRAMME 3

Programme partners: Cargill Cocoa & Chocolate, Cargill BV
Participating producer organisations: AGRIAL COOP-CA, COOPAWEB COOP-CA, ECAPA GZ COOP-CA, SOCAAN COOP-CA
Participating farmers: 4,715
Supply volume: 4,000 tonnes of cocoa butter
Programme start: 2021

COCOA SENSORY

Our cocoa from Côte d'Ivoire forms the basis of many of our chocolates. It has a very balanced aroma with a subtle cocoa note and delicate roasted notes. This makes it an important companion for our filled chocolates, allowing the individual fillings to take centre stage in terms of flavour.



BEST PRACTICE EXAMPLE

INDEPENDENT, BUT NOT ALONE
Fatou Konate and the „Our Cocoa” programme

In 2000, Fatou Konate acquired around 1.5 hectares of land and has been growing cocoa there ever since. After a few years, she faced a problem that many farmers around the world are familiar with: a shortage of labour. She could no longer maintain her plantation on her own as she needed to. The result was declining yields.

Our cocoa programme, in which Fatou has been participating as a member of the CASIB COOP-CA producer association since 2022, opened up a new opportunity for her: her farm was selected as a field school for farmers, providing Fatou with the personnel support she needs to carry out all the necessary work. Proper care of a plantation is important, for example, to prevent the spread of plant diseases or pests. A composting area was also set up on Fatou’s plantation. The compost produced there serves as fertiliser for the cocoa trees, which have received a small boost as a result. All in all, these measures have enabled Fatou to increase her yields again.

With the support of the „Our Cocoa” programme, Fatou was elected gender manager by the cooperative and appointed representative of the VSLA group in her section. Impressed by her dynamic nature and courage, the cooperative suggested that Fatou also participate in Fairtrade’s NORAD project, a project for women in leadership positions that gives her access to funding for her personal projects.

Fatou has now planted a cassava plantation alongside her cocoa plantation in order to diversify her income and no longer be solely dependent on cocoa.

Fatou Konate is a self-confident woman who takes care of herself and her five children independently. As a member of CASIB and a participant in our cocoa programme, however, she no longer has to do everything on her own.



VOICES FROM THE PROGRAMMES

“ My husband is a cocoa farmer in Petit Bouaké. A few years ago, I started a small business, which is doing quite well. I have a table with shoes, clothes, ointments... a little bit of everything, really. This allows me to do more for my children, help my husband and contribute to the household expenses. The ‚Empow Her’ training not only changed my perspective on equal sharing of tasks, but also provided me with important know-how for my business. I am proud that I earn my own living.”



CATHERINE K.
Owner of a small business

“ When my yields continued to decline, the cooperative suggested supporting me with professional tree pruning. I was sceptical at first, but then I agreed. Today, I am very happy with the result. My plantation is now producing very well. I can only recommend that all producers take advantage of the opportunities offered by the cocoa programme. to benefit from professional tree pruning, for example.”



YAO KOUAMÉ SADRACK
Cocoa farmer

GHANA

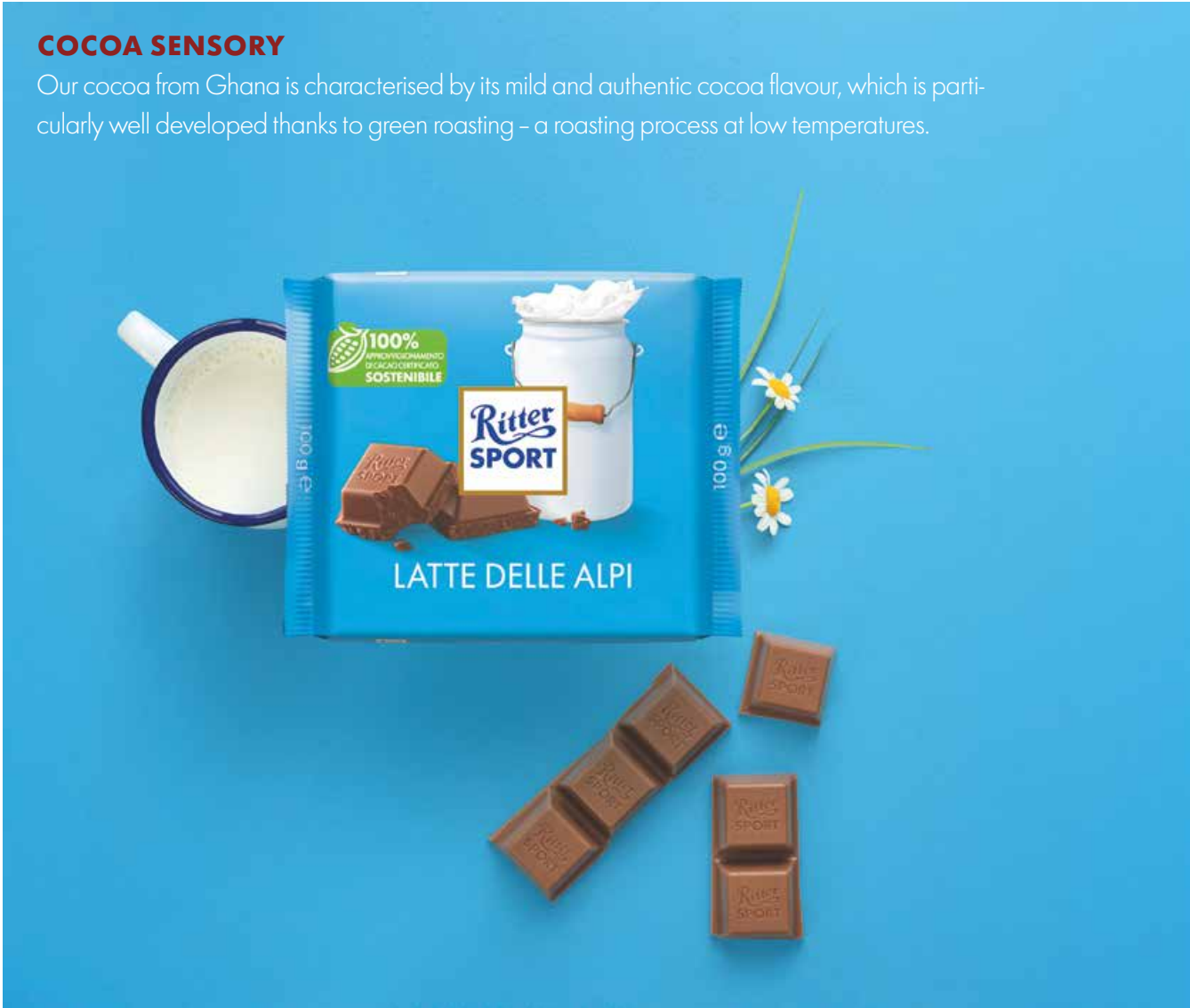


PROGRAMME

Programme partners:	Fuchs & Hoffmann Kakaoprodukte GmbH and ETG
Participating producer organisations:	Cocoa Abrabopa Association
Participating farmers:	526
Supply volume:	1,100 tonnes of cocoa mass
Programme start:	2021

COCOA SENSORY

Our cocoa from Ghana is characterised by its mild and authentic cocoa flavour, which is particularly well developed thanks to green roasting – a roasting process at low temperatures.



BEST PRACTICE EXAMPLE

MORE THAN JUST COCOA
How additional sources of income improve the economic situation

Reducing dependence on cocoa as the sole source of income plays an important role in stabilising the economic situation of many farming families. A central component of our cocoa programmes is therefore to promote income diversification – whether through the cultivation of other agricultural products or the uptake of other activities to supplement farming. However, because farmers often lack the financial resources to do so, we have established local savings and loan associations, known as Village Savings and Loan Associations (VSLA), as part of our cocoa programmes. These enable farmers to save money collectively and grant small loans to invest in alternative incomegenerating activities, as in the case of Sabina Nyanko.

Sabina Nyanko and her family also depended on cocoa farming as their sole source of income. Her idea of opening a small snack bar where she could sell KENKEY, a popular Ghanaian dish, seemed unattainable due to a lack of capital. The introduction of the VSLA through our cocoa programme opened up a new opportunity for Sabina. „We used to live exclusively from cocoa farming. We didn’t have the money to set up my own snack bar. The introduction of the VSLA programme enabled me to take out a loan to realise my long-cherished dream. Today, my business is thriving. Not only can I meet my family’s daily needs, but I can also finance my children’s education and invest in our cocoa farm.“

Sabina’s journey shows what measures such as the introduction of the VSLA programme can achieve. For her, it was an opportunity to turn her skills into a successful business model, improve her livelihood and create a better future for her family. Her example also highlights how important it is to empower farmers to take control of their own financial future.



VOICES FROM THE PROGRAMME

“ There are currently two major challenges in cocoa farming: declining yields and the high cost of pesticides and fertilisers. The fact that my harvests are getting worse every year is also due to the fact that temperatures are continuing to rise and there is no longer any stable rainfall. Sustainable farming methods are therefore important. I am now planting shade trees, which improve the micro-climate on my plantation and make the cocoa less susceptible to pests and diseases.



FRANCIS OBENG
Cocoa farmer

“ In the training courses offered by the cocoa programme, I learned how to increase my yields. For example, by using fertiliser correctly or pruning trees properly, you can increase yields and at the same time save money to buy urgently needed inputs that also contribute to higher yields. This is important because climate change is increasing production costs while yields are declining – if nothing is done about it.”



JONES OKYERE DARKO
Cocoa farmer

“ I had a very practical problem in my business: I didn’t have the money for a bigger refrigerator to store enough fish. So I was forced to buy less fish than I could have sold. This led to a drastic loss of income. Thanks to the VSLA initiative, I was able to take out a loan and buy a larger refrigerator. This allows me to prevent the fish from spoiling and ensure that I have enough in stock for my customers. Not only has my business recovered, it has also grown significantly, which has increased my profits and improved my financial situation.”

AGNES ARTHUR
Cocoa farmer and
grocery store owner



NIGERIA



PROGRAMME

Programme partner:	Olam Food Ingredients (OFI)
Participating producer organisations:	OAA, OAI, High Yield, Better Lives, Born to Win
Participating farmers:	8,610
Supply volume:	4,000 tonnes of cocoa butter
Programme start:	2018

COCOA SENSORY

Although cocoa butter has no influence on the individual taste of chocolate, it is responsible for its perfect melt. We also owe the firmness and the right bite of chocolate to cocoa butter.



BEST PRACTICE EXAMPLE

HEALTHY LIVING

When glasses change lives

Eye diseases are a major problem in many African countries. This is also the case in Nigeria, where, according to official figures, over 1.3 million people over the age of 40 are at risk of going blind.



There are many reasons for this. For example, there are simply not enough ophthalmologists in Africa's most populous country, which has a population of around 220 million. Rural regions in particular are underserved. The economic situation of many people also limits their access to healthcare. In addition, there are very specific problems such as infectious diseases caused by poor hygiene and a lack of clean water. All too often, there is also a lack of suitable medicines and glasses.

Together with our partner ofi, we have therefore implemented a health day in all producer organisations participating in our cocoa programme in Nigeria.

The events, which were attended by 542 farmers, eye tests and examinations were carried out and, where necessary, glasses and appropriate medication were provided.

Cocoa farmer Nyamja Francis Obi reports on his experiences:

„I used to have difficulty reading, and sometimes my eyes would water. I am glad that I took part in the Healthy Living Programme. My eyes were thoroughly examined by the doctors, and I was given eye drops and glasses. This has helped me to see better and now, with the help of my glasses, I can read properly again.“

The Healthy Living Programme also included general health checks for all female and male farmers, such as blood pressure and blood sugar measurements. The aim was also to raise awareness of general health issues and encourage them to refrain from self-medication and instead visit the hospital for routine medical examinations, including eye tests.

The focus of our cocoa programmes in all countries of origin is clearly on promoting sustainable cocoa farming methods such as agroforestry systems. That is why, for example, the distribution of shade trees is a central component of all cocoa programmes. Because we take the statement seriously: „We want the people who grow our cocoa to do well,“ we also include projects that provide general public services.

VOICES FROM THE PROGRAMME

“ Since I switched to drying tables, the quality of my cocoa has improved. I used to dry my cocoa on a tarpaulin on the ground. This exposed the cocoa to the risk of contamination by stones and other foreign objects. The drying tables allow me to minimise this risk. In addition, I no longer have to strain my back to turn the beans on the ground. I am grateful for the introduction of this tool, which makes my work easier and improves the quality of my cocoa.”



ADEKOLA MURITALE
Cocoa farmer

“ In the past, the AFI River was the only source of water here in the community. The children had to cross the highway to fetch water, and many accidents happened. The river water was polluted by faeces and chemicals from agriculture, causing diseases such as cholera. The new well has significantly improved the situation.”



ANAKAN RICHMAN
Cocoa farmer

“ I have already take part on several training courses where I have received tips on how to increase the yield of my cocoa trees, for example by removing trees that are too close together and pruning them regularly. I am trying to implement this because I want to become one of the best cocoa farmers.”



TIAMIYU SILIFATU
Cocoa farmer

NICARAGUA



PROGRAMME

Programme partner:	Ritter Sport Nicaragua S.A.
Participating producer organisations:	COMUCOR, COOMULBAN, COOPESIUNA, COOMUSASC, Nueva Waslala, Flor de Dalia, Ríos de Agua Viva, UNCRISPROCA, SOPPEXCCA, PACSA, COOMUVEMAR, Hermandad Campesina, La Campesina, Asociación de Madres, CACAONICA, COOPROCAFUC, COOSEMUCRIM, COMPOR, Flor de Pancasán
Participating farmers:	2,335
Supply volume:	2,000 tonnes of cocoa mass
Programme start:	1990

COCOA SENSORY

A strong cocoa note with a slightly nutty aroma is typical of our Nica cocoa. It impresses with its low acidity, making it ideal for pure chocolate enjoyment.



BEST PRACTICE EXAMPLE
A PIECE OF FREEDOM
Rosibel – a success story from the
Cacao-Nica programme

Energy – that’s the word that comes to mind when you meet Rosibel Mesis Zeledón. This woman is used to getting things done, taking control of her own life, and she radiates incredible strength. Rosibel is one of 2,235 farmers participating in the Cacao-Nica programme, our first cocoa programme, which we launched back in 1990.

Life actually had a very different plan for Rosibel. Today, she stands her ground as a cocoa farmer. And that has a lot to do with the Cacao-Nica programme.

Rosibel is 54 and lives in the community of El Laberinto, about 75 kilometres from our purchasing and drying station in Matagalpa. Growing up on her father’s farm, she took care of her own household and four children after she got married – the typical biography of a woman in the rural regions

of Nicaragua. When her marriage failed and Rosibel’s husband left her and the children, she was once again dependent on her parents’ support. Or so it seemed. Rosibel took the initiative and joined the Flor de Pancasán cooperative, which has long been part of our Cacao-Nica programme. An initial microcredit enabled Rosibel to buy a few hectares of land for growing grain. She was successful and began cultivating cocoa. Rosibel also became part of the Cacao-Nica programme, which helped her to apply agroforestry principles to her cultivation.

Rosibel had her cultivation certified back in 2014. This gave her access to further training opportunities. She now cultivates an area of around 14 hectares with two permanent employees. The farm provides a livelihood for the family and – something that is particularly important to Rosibel – finances her children’s education.



VOICES FROM THE PROGRAMME

“ I started out a few years ago with around 0.7 hectares, and today we grow cocoa on almost four hectares. In total, our farm covers around eight hectares. In addition to cocoa, we also grow maize, beans and coffee. Our cocoa plants were grown from beans. Through the Cacao-Nica programme, I learned how to graft trees with low productivity. I have created my own small variety garden for this purpose. One day, I would like to pass on what I have learned about cocoa farming to my children.”



LEONEL PINEDA
Cocoa farmer

“ Here in Nicaragua, the cocoa sector faces numerous social, economic and environmental challenges. Producers are struggling with a limited access to finance, scarce land, low land productivity and highly volatile cocoa prices, which directly affects their livelihoods. These difficulties are intensified by declining soil fertility and the country’s high vulnerability to natural disasters and climate risks. We have therefore developed a comprehensive sustainability strategy that focuses on improving productivity, strengthening climate resilience and ensuring stable incomes for farmers.”



ELIZABETH RIZO
Managing Director,
Cocoa Purchasing,
Ritter Sport Nicaragua S.A.

PERU

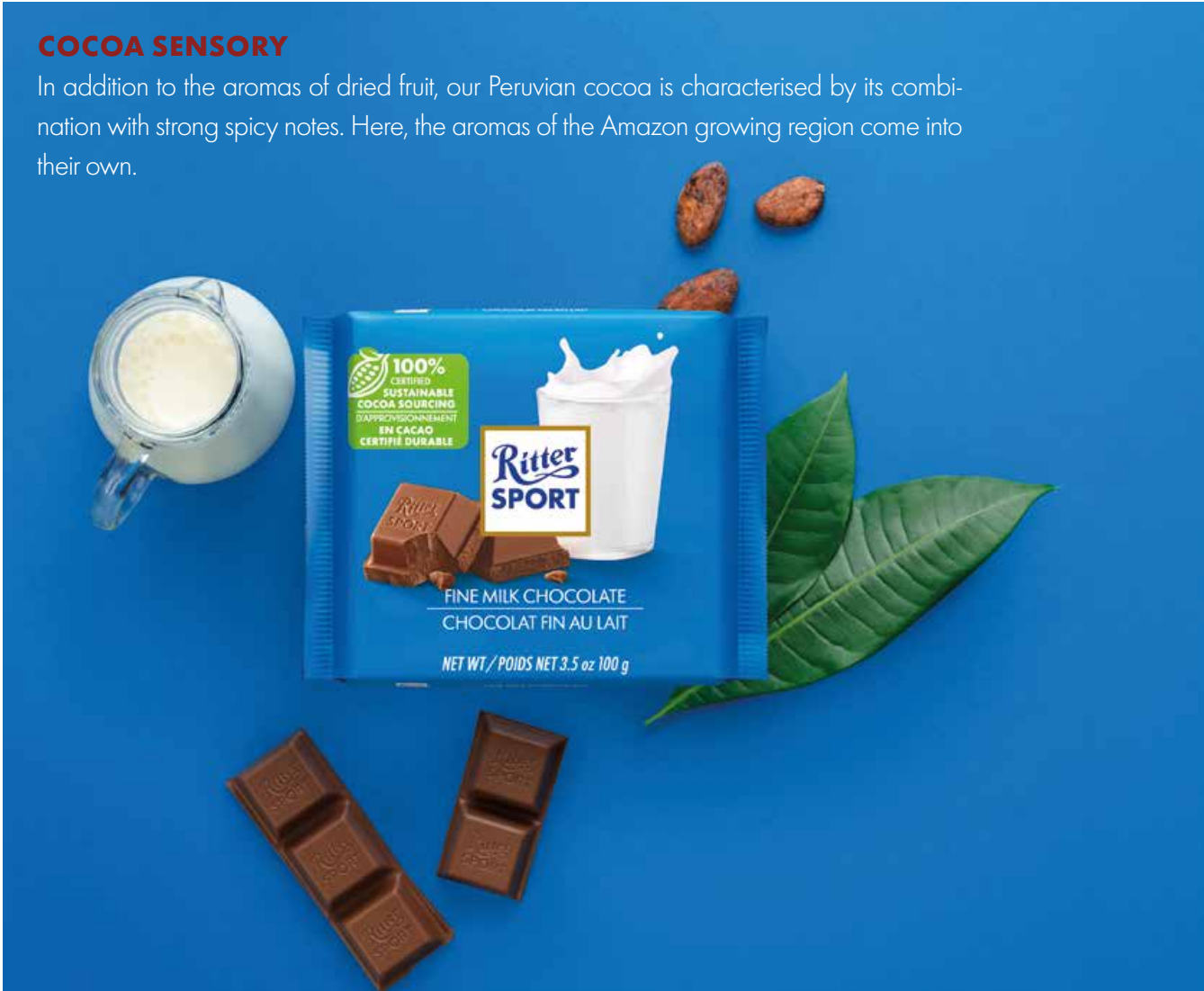


PROGRAMME

Programme partner:	Fuchs & Hoffmann Kakaoprodukte GmbH und Minka
Participating producer organisations:	ASOTOC
Participating farmers:	300
Supply volume:	650 tonnes of cocoa mass
Programme start:	2022

COCOA SENSORY

In addition to the aromas of dried fruit, our Peruvian cocoa is characterised by its combination with strong spicy notes. Here, the aromas of the Amazon growing region come into their own.



BEST PRACTICE EXAMPLE

WITH KNOW-HOW AND MODERN TECHNOLOGY

Why crop yields are important economically and ecologically

For Chrisostomo Salazar Gomez, the fact that there is now a market for Peruvian cocoa and that producers can actively do something to increase their yields is a sign that cocoa cultivation in Peru has developed positively in recent years. The 58-year-old, who participates in our cocoa programme in Peru, harvests around 3,600 kilograms of cocoa annually on his approximately four hectares of cultivated land. However, he too has to deal with increased pest infestation and recurring long periods of drought. Chrisostomo attributes this to the effects of climate change. Nevertheless, he and his wife have set themselves the goal of further developing their cocoa cultivation in order to enable their three adult children to have a good profession and a better quality of life.

At 900 kilograms per hectare, Chrisostomo's yield is comparatively high, but this is typical for Peru's „young agricultural land“. Healthy soils are needed to ensure that this remains the case in the long term. Sustainable fertilisation with natural, non-synthetic fertilisers such as compost is therefore a key focus of our cocoa programme. In order to fertilise in a targeted manner, the exact nutrient requirements of the soil must be determined. Soil samples are analysed for this purpose. Based on the results, packages for soil fertility and plant health are then put together in collaboration with the farmers. Training courses teach, among other things, how to produce nutrient-rich compost yourself.

Only by maintaining crop yields can we prevent the emergence of migratory agriculture, which requires ever-increasing amounts of land, upsetting the ecological balance and threatening species-rich rainforests. The importance of South America's rainforests for our climate is well known. That is why, from the outset, all existing cultivation areas were mapped using so-called polygons as part of the cocoa programme. This technique is not only a basic prerequisite for transparency and traceability, it also helps with the targeted reforestation of cocoa plantations with shade trees. Depending on the growing region, cocoa trees need more or less shade, which ultimately affects yields.



VOICES FROM THE PROGRAMME

“Cocoa trees are like humans: if we don't eat well, we can't be strong and we become sick. Cocoa trees also need nutrients to produce a lot and not be affected by monilia and other diseases. If we don't fertilise properly, the soil becomes tired and yields decline. Thanks to soil analyses, we know what our plantation needs and can fertilise in a targeted manner. We only use organic fertiliser.”



MARIA MENESES HUACACHI
Cocoa farmer



KEY FIGURES IN COMPARISON

With our cocoa programmes, we aim to achieve a positive impact on the ground in as individual a manner as possible. Nevertheless, there are challenges that all countries from which we source cocoa face – for example, the effects of climate change and the associated demands for more sustainable cocoa cultivation. This excerpt from our regular monitoring enables us to compare the individual programmes and helps us to evaluate the effectiveness of our measures.

REPORTING YEAR 2024 (Reporting year = calendar year)	INDICATOR	TOTAL	CÔTE D’IVOIRE Programme 1	Programme 2	Programme 3	GHANA	NIGERIA	NICARAGUA Cacao-Nica	PERU
General aspects, including traceability	Hectares of cocoa farms	64,056	6,374	7,945	24,436	2,390	18,264	3,527	1,120
	Farmers in the programme	23,051	2.100	3,052	4,715	526	8,610	2,335	300
	Percentage of farms mapped with polygons	99 %	100 %	100 %	100 %	100 %	100 %	94 %	100 %
No child labour or forced labour	Households where CLMRS is implemented	18,247	2,127	3,037	3,947	526	8,610	n/a	n/a
	Identified cases of child labour (all forms included)	493	0	65	333	34	61	n/a	n/a
	Number of cases in remedy	475	0	47	333	34	61	n/a	n/a
Sustainable cultivation and productivity	Hectares of cocoa cultivation area converted to sustainable cultivation by 2024, e.g. through measures such as GAP	8,283	2,338	362	1,626	2,390	380	987	200
	Farmers who have received training in sustainable cocoa farming, e.g. GEP, IPM, PPE	23,760	1,535	2,670	2,558	526	8,111	2,662	299
Gender / Empowerment of women	Women who have received support or training	4,064	1,660	1,079	950	150	125	100	n/a
	Farmers who have received training on gender issues	7,255	Planned for March 2025	2,704	Planned for 2025	125	1,791	2,335	300
Agroforestry	Hectares of cocoa farms in agroforestry systems (total)	33,667	6,374	1,346	4,786	5,975	11,099	3,527	560
	Percentage share of land in the agroforestry system	50 %	100 %	17 %	20 %	100 %	61 %	100 %	50 %

KEY:
CLMRS: Child Labour Monitoring and Remediation System
GAP: Good Agricultural Practices
GEP: Good Environmental Practices
IPM: Integrated Pest Management
PPE: Personal Protective Equipment

EL CACAO – OUR OWN CULTIVATION



Cocoa is so important to us that we even grow it ourselves: ON OUR OWN FARM, EL CACAO, IN NICARAGUA

In just over ten years, something special has been created here: a model plantation – a good place for cocoa, people and nature. With El Cacao, we want to set new social and ecological standards in cocoa cultivation. We want to show that it is possible to grow cocoa under socially and ecologically sound conditions and still achieve marketable prices and first-class quality. To achieve this, we are rethinking every step of cocoa production: from growing the cocoa plants to fermenting and drying the cocoa beans.



EL CACAO – QUICK FACTS



REFORESTATION OF FALLOW LAND SINCE **2012**



450 SECURE JOBS



LA ACADEMIA
RITTER OWN CENTER FOR TRAINING AND FURTHER EDUCATION



LOCATION
LATITUDE: 12° 19' 57.92" N
LONGITUDE: 84° 1' 49.03" W



2,500 HA
TOTAL AREA



1,200 HA
CULTIVATED AREA



1,200 HA PROTECTED
FORESTS AND WETLANDS

OWN CULTIVATION IN MIXED CULTURE



30,000
SHADE TREES



1 MIO.
COCOA TREES

NATURE CONSERVATION



220 ANIMAL
AND PLANT SPECIES



CLIMATE-POSITIVE
COCOA CULTIVATION



RECOGNISED
CLIMATE PROTECTION
PROJECT – certified by the Gold Standard

FEATURES

WHAT MAKES EL CACAO SPECIAL

LAND USE AND CLIMATE PROTECTION PROJECT

El Cacao covers an area of 2,500 hectares. However, we only use about half of this for our cocoa cultivation. The other half consists of forest and wetland areas that are permanently preserved and protected.

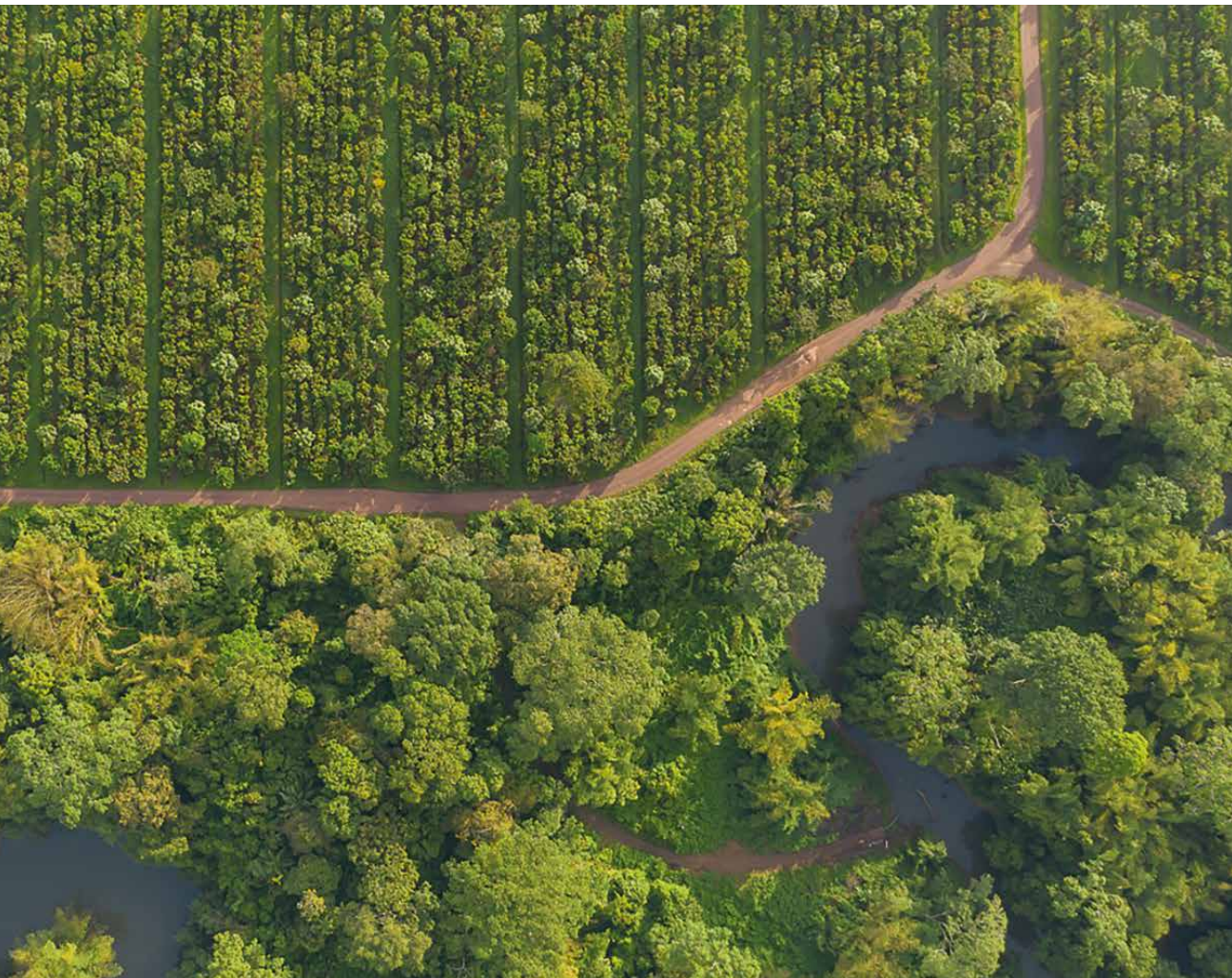
For agricultural use, we have reforested former pasture land with over a million cocoa trees and around 30,000 shade trees.

This makes El Cacao a climate-positive plantation and an officially recognised Gold Standard climate protection project.

FOREST PROTECTION AND BIODIVERSITY

Around 1,200 hectares consist of forest and wetland areas that will be permanently preserved. Protecting the rainforest is doubly important to us: for the global climate as well as for the microclimate on the plantation.

The fact that almost half of El Cacao remains untouched and that we protect these forest and wetland areas also serves to promote biodiversity. A monitoring system regularly documents the biodiversity of both the agricultural land and the forest and wetland areas.



AGROFORESTRY AND INTEGRATED AGRICULTURE

El Cacao is a good place for cocoa, people and nature. That's why we don't grow our cocoa somehow, but in an agroforestry system, an ecologically sensible mixed culture. Various native tree and shrub species are planted between the cocoa trees. They provide shade and wind protection for the cocoa, help improve soil quality and create habitat for a wide variety of animals.

We cultivate El Cacao according to the principles of integrated agriculture, which include energy efficiency, the avoidance of climate-relevant emissions (climate-positive), sustainable soil fertility, composting and biodiversity.



SECURE JOBS

El Cacao now employs 450 people. They all receive fair wages and comprehensive social benefits such as health and pension insurance as well as private accident and life insurance. Health care measures and high safety standards in occupational health and safety make El Cacao a literally safe place to work. The farm has its own medical station to provide medical care for employees. El Cacao generally applies social standards that go far beyond the legal requirements. It is simply a good place for cocoa, people and nature.



TRAINING AND FURTHER EDUCATION

In order to improve the material living conditions of our employees at El Cacao in the long term, we focus on qualification through education and professional training and have founded our own „La Academia“ for this purpose.

QUALITY AND KNOW-HOW

Around one million cocoa trees of eleven different varieties now grow at El Cacao. They were all lovingly cultivated by hand in our own nurseries and later planted out. It takes three to five years for cocoa tree to bear its first fruit. Unfortunately, the cocoa tree itself is not particularly easy to care for and requires a lot of attention from our colleagues. From the cultivation and care of the trees to post-harvest treatment, standardised procedures, e.g. for the fermentation and drying of the cocoa beans, and the expertise of our employees ensure the consistently high quality of El Cacao’s fine cocoa.

HOLISTIC COCOA FRUIT UTILISATION

At El Cacao, we are working to utilise the entire cocoa fruit and not just the cocoa beans, as is usually the case. The shells serve as a habitat for insects or are composted, thus returning important nutrients to



the soil; from the pulp, we extract cocoa juice, which we use for innovative products such as our Cacao-Vida drinks.



BEST PRACTICE EXAMPLE

„I WANT TO MAKE MY CONTRIBUTION – TO THE COMPANY AND TO OUR SOCIETY“

Even though I don’t work directly in the field, my everyday life also revolves around cocoa. Cocoa cultivation means a lot to our region. Being involved in it fills me with pride. It motivates me to know that what we grow here at El Cacao is essentially the basis of the chocolate that people in many countries around the world love.

I have been with Ritter Sport Nicaragua for ten years now. During this time, I have been able to develop both professionally and personally. In addition to technical training, I have acquired leadership skills and learned to work according to international quality standards.

I think I have also grown as a person. Teamwork, social responsibility and the impact of our work on society have become very important to me. Ritter has certainly influenced me in this regard. The company is simply close to its employees. It invests not only in the quality of the cocoa, but also in the well-being of the people. The company’s commitment to sustainability makes all the difference to me. I want to contribute to this.

The way cocoa is grown has taken great strides forward. In the past, cocoa was grown in a very traditional way, but today it is much more controlled and standardised in order to achieve consistently good yields and consistently high quality. Producers are also better trained, and there is greater awareness of quality and, above all, of the impact of cultivation on the environment. Ritter has played a key role in this development with its cocoa programme in Nicaragua.

KEVIN ALEXANDER TELLEZ OPORTA

29 years old
Industrial engineer and
information systems engineer
Head of Production, Certification,
Health and Safety at El Cacao



Professionalised, sustainable agriculture is immensely important for an agricultural country like Nicaragua. Due to our geographical location between the Pacific and Atlantic oceans, we have been feeling the effects of climate change for a long time. All of this has an impact on the yield, but also on the quality of the cocoa. For the future of cocoa cultivation – not only in my home country – it is important that we learn to adapt and become more resilient through sustainable farming methods. Contributing to this motivates me.

BEST PRACTICE EXAMPLE
SUCCESS WITH RESPONSIBILITY

When we say that El Cacao is a good place for cocoa, people and nature, we are demonstrating that responsible, targeted agriculture based on ethical and ecological principles is possible and can be successful. I am proud to be part of this.

The fact that cocoa cultivation has increasingly shifted towards sustainable and conscious practices in recent years is due, on the one hand, to the global increase in demand for ethically produced products and, on the other hand, to climate change. The effects of global warming require new cultivation methods. Perhaps this is the only positive aspect of the climate crisis: it acts as a catalyst for more sustainable agriculture.



**ANGELINA ZENEYDA
MENDOZA SEQUEIRA**

30 years old
Agroforestry engineer and agriculture
team leader at El Cacao

In my work at El Cacao, I experience every day what climate change means for cocoa cultivation: rainfall patterns are changing and rising temperatures are having a direct impact on cocoa flowering and, consequently, on cocoa production. In addition, there are other important agronomic challenges, such as managing soils with low natural fertility, pest control and increasingly prevalent diseases.

I hope that Ritter will continue to set the standard for ecological and social commitment by promoting sustainable cultivation and supporting its employees here at El Cacao through continuous training and good working conditions. This has enabled us at El Cacao to create this wonderful place for cocoa, people and nature in recent years.

BEST PRACTICE EXAMPLE
A MAN FROM THE VERY BEGINNING

If anyone knows El Cacao really well, it's Vicente Valle Bravo. He's been there from the start. Long before the first cacao tree was planted, he took care of surveying the land and conducting initial soil tests. Our cocoa literally went to school with him. But it's not just the approximately one million cocoa trees that have flourished over the years. Vicente himself has also flourished: from foreman to head of the planting department and head of the tree nursery to head of agriculture. While working, Vicente completed his studies in agroforestry engineering and took advanced training courses at „La Academia“ in occupational safety, leadership and English.

„During my time at El Cacao, I have developed greatly both personally and professionally. It is by no means a given here that a company will invest in the further training of its employees. On the contrary, Ritter is one of the few, if not the only, companies in the region that gives its employees the opportunity to continue their academic education and thus grow or advance within the company.

Vicente's heart beats for cocoa farming because cocoa is a crop that allows the much-vaunted „good agricultural practices“ to be applied in terms of environmental protection and biodiversity.

„I would go so far as to say that cocoa cultivation in our region can also help mitigate climate change, as cocoa is one of the few crops that can coexist with forest trees. This means that by growing cocoa, we can reforest ecosystems damaged by extensive livestock farming and grazing, for example, and thus improve carbon sequestration. We have now proven this at El Cacao, a climate-positive cocoa farm.“



VICENTE VALLE BRAVO

34 years old
Agroforestry engineer and head of
agriculture at El Cacao

VOICES FROM THE PROGRAMME

“ El Cacao is an incredibly large and courageous project – proof that world-class cocoa can be cultivated in a socially, ecologically and economically sustainable manner on land that was cleared for livestock farming decades ago and only renaturalised by Ritter, who reforested 1,200 hectares for cocoa cultivation. All this is only possible because the Ritter family is 100% behind it and willing to think long term. For me personally, El Cacao is probably a unique opportunity to be part of something so groundbreaking and demonstrably good.”



MATTHEW NOVAK
Agricultural Managing Director,
Ritter Sport Nicaragua S.A.

“ From a human resources perspective, one of the biggest challenges is employee retention. This is a phenomenon that is also seen elsewhere. It is therefore important to develop strategies that promote an attractive working environment with opportunities for further training, which not only retains talent but also increases productivity.”



TAMARA WALQUIRIA LÓPEZ BALDIZÓN
Head of Human Resources, El Cacao

“ The greatest success in ten years at El Cacao is that it has managed to combine Nicaraguan cocoa knowledge with German expertise, to create something completely new: a plantation that is good for cocoa, people and nature. When we say that El Cacao should set new standards in cocoa cultivation, it sounds very theoretical. But it has very practical implications. We are also building up knowledge here that will benefit farmers in other regions of the world, knowledge that makes us a competent partner on an equal footing.”



HAUKE WILL
Head of Agricultural Production

“ I really like El Cacao’s cocoa. It gives me scope for new chocolate ideas. Our home-grown cocoa has a wonderful balance: a mild, rounded cocoa note accompanied by a subtle citrus nuance. It’s exactly what I need to develop chocolate compounds with an elegant, modern flavour profile.”

UTA BOAS
Chocolatier





REFERENCES

STATEMENT OF PRINCIPLES

CODE OF CONDUCT

COCOA COMMITMENT

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