



# **COCOA HORIZONS FOUNDATION**

## ***2018-19 Progress Report***



<b>1. Management Statement</b>	<b>2</b>
<b>2. Independent Limited Assurance Report to the Board of Directors of Cocoa Horizons Foundation</b>	<b>4</b>
<b>3. Program Activity and Performance</b>	<b>6</b>
Cocoa Horizons in Figures 2018-19	6
A 4 year Overview of the Program	7
Farmer Group and Group Member requirements	10
Documented traceability of cocoa beans to the first buyer	12
Targeted productivity interventions	14
Targeted community interventions	17
Environmental Protection and Deforestation	19
Transparency of premium flows	20
<b>Appendix A – Reporting Criteria</b>	<b>22</b>
<b>Appendix B – Unassured Reporting Criteria</b>	<b>37</b>

# **1. Management Statement**

The Cocoa Horizons Foundation (the “Foundation”), an independent, non-profit organization, was formally established by Barry Callebaut in February 2015 in Zurich, Switzerland and launched September 17, 2015. It is supervised by the Swiss Federal Foundation Supervisory Authority and is audited annually to demonstrate compliance with Swiss federal regulations. The Foundation’s Board of Directors includes five directors, one appointed by Barry Callebaut, three independent and one external director with a focus on foundation law.

The purpose of the Foundation is to improve the livelihoods of cocoa farmers and their communities through the promotion of sustainable, entrepreneurial farming, improved productivity and community development, which protect nature and children.

The Cocoa Horizons Foundation works together with partners to build on collective strengths, scale impact and drive on-the-ground change in cocoa growing communities. The Foundation does this in three ways: by targeting funds toward those activities that will have the biggest impact in addressing challenges and needs of smallholder cocoa farmers; by pooling the resources from its funding sources in order to achieve economies of scale; and by helping to drive the demand for sustainable cocoa.

In FY 2018/19, the Foundation started operations in Brazil, and therefore added it among the Cocoa Horizons program origins. In Côte d'Ivoire, Ghana and Cameroon, implementation of the Cocoa Horizons program is organized in three pillars – productivity, community and environment- and covers the following focus areas:

- Farmer Group and Group Member requirements;
- Traceability of cocoa from farmers to Barry Callebaut buying site;
- Farmer Group Capacity building and Farmer Coaching
- Activities that target the cocoa productivity and income to create self-driven farmers;
- Activities that target self-sustaining communities with a focus on children protection;
- Environmental activities; and
- Transparency of premium flows.

In FY 2018/19, the Foundation concentrated its efforts on implementing pilot projects in different countries, with the purpose of obtaining learnings on how to accelerate scalable impact. These pilots started in 2018 and are on-going. The Foundation scaled up farmer data collection to better understand both individual as well as community needs and thereafter develop targeted farmer interventions.

In order to address a critical gap in helping lift farmers out of poverty, the Foundation enabled the scale up of innovative farm services offering to farmers, via the Farm Business Plans and more personalized coaching, to improve their old and unproductive cocoa farms with more productive and diversified ones. The service offers cocoa and shade tree seedlings, inputs, and seeds for food crops, in order to improve cocoa productivity and diversify farmers’ income. While good progress was made in Ghana and Cameroon, the productivity ban in Côte d'Ivoire limited further expansion of the program.

The Foundation continued scaling up child labor monitoring and remediation activities, while at the same time undertaking remediation activities for cases identified in the prior year. The Foundation is closely following and implementing the latest developments in the sustainable cocoa industry. In FY 2018/19 the Foundation concentrated on GPS polygon mapping of cocoa farms across all Cocoa Horizons program countries. The goal is to comply with the Cocoa and Forests Initiative (CFI) in Côte d'Ivoire and similar forthcoming initiatives which aim to bring the cocoa industry to zero deforestation.

# 1. Management Statement

The Foundation finalized its new methodology in August 2018, which is aligned with the CEN ISO guidelines, as well as NGO recommendations and industry commitments, such as seen in the Cocoa and Forests Initiative. The goal is to implement higher standards of governance and transparency, as well as provide greater levels of assurance for stakeholders, while still maintaining the ambition of the Foundation to scale impact through an activities based approach. A full implementation of the new methodology will follow in the season 2019/20.

This report presents a summary of the program activities implemented during FY 2018/19, as well as the outcomes from some of those activities, in the form of key performance indicators (KPIs) and performance metrics. It is aimed at providing the Foundation's stakeholders with the assurance that premiums have been collected and distributed according to the program guidelines, and that the activities described in the Foundation's communications are happening and performing. It is based on the work performed by the Foundation and reviewed by PricewaterhouseCoopers LLP (PwC) at Barry Callebaut's offices as well as in cocoa communities in the countries where the program is implemented.

This report, covering the financial year ended 31 August 2019, presents the results of a limited assurance level verification following the ISAE 3000 (revised) assurance standard, providing the buyers of Barry Callebaut's Horizons products with an enhanced level of confidence in relation to the use of the premium and the activities conducted. The exact scope, nature and conclusion of assurance are highlighted in the Independent Assurance Report of PricewaterhouseCoopers LLP on pages 4 - 5.

The Cocoa Horizons Foundation selected and applied appropriate policies and processes in preparing the data in this report. The Foundation believes that the KPIs presented are complete and accurate. At the same time the Foundation believes that the assessment criteria are suitable for the purpose of measuring and evaluating the KPIs presented in the report. We have been unable to report a figure for Ghana in KPI 2.10 due to data quality issues as reflected in the 'Emphasis of Matter' paragraph in the assurance report.

The Directors of the Cocoa Horizons Foundation are and shall be responsible for the information presented in this document being complete and accurate, and prepared in accordance with the Reporting Criteria in Appendix A and B to this document.



Date 10/12/2019

Nicko Debenham, Chairman of the Foundation Board



Date 10/12/2019

Evelyn Nassar, General Manager of the Foundation



## Independent Limited Assurance Report to the Directors of Cocoa Horizons Foundation

The Board of Directors of Cocoa Horizons Foundation engaged us to provide limited assurance on the information described below and set out in Cocoa Horizons Progress Report 2018/19 ("Progress Report") for the year ended 31 August 2019.

### *Our conclusion*

**Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information for the year ended 31 August 2019 has not been prepared, in all material respects, in accordance with the Reporting Criteria.**

This conclusion is to be read in the context of what we say in the remainder of our report.

### *Emphasis of Matter*

We draw attention to the description of KPI 2.10 in the management statement, which describes data quality issues in Ghana surrounding the recording of the number of farmers who have been trained on gender and social issues. Our conclusion is not modified in respect of this matter.

### *Selected Information*

The scope of our work was limited to assurance over the KPIs contained in the Cocoa Horizons Foundation Progress Report 2018/19 (the "Selected Information").

The Selected Information is presented in the "Performance Indicators" columns of the tables on pages 10 - 21 of the Progress Report (except for the KPIs marked with "\*" on pages 13, 15, 16, 18 and 19, and the extract from the Foundation's financial annual regulatory return, on page 21). The Reporting Criteria against which it was assessed, is presented in Appendix A.

Our assurance does not extend to information in respect of earlier periods or to any other information included in the Cocoa Horizons Foundation Progress Report for the year ended 31 August 2019.

### *Professional standards applied and level of assurance*

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits and Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

### *Our Independence and Quality Control*

We applied the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We apply International Standard on Quality Control (UK) 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our work was carried out by an independent team with experience in sustainability reporting and assurance.

### *Understanding reporting and measurement methodologies*

The Selected Information needs to be read and understood together with the Reporting Criteria, which the Cocoa Horizons Foundation is solely responsible for selecting and applying. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time. The Reporting Criteria used for the reporting of the Selected Information are as at 31 August 2019.

### *Work done*

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information. In doing so, we:

- made enquiries of Cocoa Horizons Foundation's management at Foundation and Barry Callebaut offices in Zurich, Côte d'Ivoire, Ghana, Cameroon and Brazil;
- made enquiries of operational staff, Farmer Group management teams and cocoa farmers aligned with the Cocoa Horizons program;
- evaluated the design of the key structures, systems, processes and controls for managing, recording and reporting the Selected Information. This included analysing and visiting a number of Farmer Groups and cocoa farms in Côte d'Ivoire, Ghana, Cameroon and Brazil, selected on the basis of their inherent risk and materiality to the group, to understand the key processes and controls for reporting site performance data to the local and group reporting teams;
- performed limited substantive testing on a selective basis of the Selected Information at the following locations to check that data has been appropriately measured, recorded,

collated and reported:

- Cocoa Horizons Foundation Head Office in Zurich;
  - SACO Head Office in Côte d'Ivoire;
  - Nyonkopa Head Office in Ghana;
  - SIC Head Office in Cameroon;
  - Barry Callebaut Brazil Head Office in Brazil;
  - Farmer Groups in Côte d'Ivoire, Ghana, Cameroon and Brazil; and
  - Cocoa farms in Côte d'Ivoire, Ghana, Cameroon and Brazil;
- considered the disclosure and presentation of the Selected Information;
  - made enquiries of the Cocoa Horizons Foundation's management, including those with responsibility for Sustainability activities and reporting.

Our testing procedures included but were not limited to:

- re-performing calculations performed by management based on central records;
- reconciling locally-maintained paper documents to central records;
- inspecting the four governing charters signed by Farmer Groups or Farmers (in Brazil);
- interviewing Farmer Group management and cocoa farmers;
- inspecting contractual documents and delivery documentation to support delivery of cocoa from farmers to Farmer Groups and to SACO, Nyonkopa, SIC and Barry Callebaut Brazil;
- performing a walkthrough of GPS mapping exercise in Ghana, Côte d'Ivoire and Cameroon;
- inspecting source data to agree to a sample of farms mapped;
- performing a reasonableness test on areas mapped as 'protected' and cross referencing to third party evidence;
- inspecting training records and exam results to support farmer trainer accreditation;
- inspecting training attendance records for farmers, farmer trainers and farmer group staffs participating in training sessions;
- inspecting training records and exam results to support farmer accreditation;
- inspecting records of farmers participating in the Farm Business Plan, Productivity Package and Income Diversification Package;
- inspecting records held at the local farmer groups of farmers having received cocoa and shade tree seedlings;
- physical inspection of areas of farmland replanted and prepared for replantation;
- inspecting agreed contracts financially supporting replanting of farmland;
- inspecting interview records and results with farmers regarding instances of child labour;
- inspecting records of identified child labour cases;
- inspecting interview records and results with farmers having received child labour remediation activities;
- inspecting evidence of farmer/children receiving child labour remediation activities;
- re-performing CLMRS and Census surveys on the Katchilé application alongside Barry Callebaut's enumerators;
- re-performing the poverty KPI calculation and performing a reasonableness test on the assumptions used by management to ensure that these are appropriate;

- inspecting Premium contracts and payment to Farmer Groups;
- reconciling cocoa volumes purchased from Farmer Groups to Premiums paid; and
- reconciling Cocoa Horizons cocoa sourced to Cocoa Horizons cocoa sold and recalculating the mass balance surplus volume.

### *Cocoa Horizons Foundation's responsibilities*

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As explained in Section 1, the Management Statement to the Progress Report, the Directors of Cocoa Horizons Foundation are responsible for:

- designing, implementing and maintaining internal controls over information relevant to the preparation of the Selected Information that is free from material misstatement, whether due to fraud or error;
- establishing objective Reporting Criteria for preparing the Selected Information;
- measuring and reporting the Selected Information based on the Reporting Criteria; and
- the content of the Progress report.

### *Our responsibilities*

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We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Selected Information is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Directors of Cocoa Horizons Foundation.

This report, including our conclusions, has been prepared solely for the Board of Directors of Cocoa Horizons Foundation in accordance with the agreement between us, to assist the Directors in reporting Cocoa Horizons Foundation's Selected Information. We permit this report to be disclosed in the Progress Report for the year ended 31 August 2019, to assist the Directors in responding to their governance responsibilities by obtaining an independent assurance report in connection with the Selected Information. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors and Cocoa Horizons Foundation for our work or this report except where terms are expressly agreed between us in writing.

*PricewaterhouseCoopers LLP*

**PricewaterhouseCoopers LLP**  
**Chartered Accountants**  
**Leeds**

**10 December 2019**

### 3. Program Activities and Performance

## COCOA HORIZONS IN FIGURES - 2018-19

#### KNOW YOUR FARMER



**21%** OF FARMERS  
ARE WOMEN



**98,747**  
FARMERS COVERED  
WITH CENSUS



**48** AVERAGE AGE OF  
COCOA FARMERS\*



**77%** ARE PROUD  
TO BE A FARMER\*

#### PROSPERING FARMERS



**+14%** FARMERS  
DELIVERING COCOA



**48%** OF FARMERS IN  
THE PROGRAM ARE ABOVE  
POVERTY LINE\*



**81%** ARE PRUNING\*



**63%** ARE USING  
FERTILIZERS\*



**8,726**  
PRODUCTIVITY PACKAGES  
WERE DISTRIBUTED



**475**  
KG/HA IS THEIR AVERAGE  
YIELD\*

#### COMMUNITY



**87%**  
OF CHILDREN BETWEEN 5-  
17 ATTENDING SCHOOL\*



**28%**  
OF FARMER GROUPS  
SOURCED FROM HAVE  
SYSTEMS IN PLACE FOR  
CHILD LABOUR



**2,333**  
CHILDREN IN THE PROCESS  
OF BEING REMEDIATED  
FROM CHILD LABOUR

#### ENVIRONMENT



**138,468**  
FARMS MAPPED



**1,380,769**  
COCOA AND NON-COCOA  
SEEDLINGS DISTRIBUTED

Source: \* These figures come from findings from the census and are not third party verified

## A 4 year overview of the Program

KPI	Farmer Groups and Group Members	15/16	16/17	17/18	18/19	vs PY
1.1	No. of tonnes of Horizons cocoa sold in bean equivalent	42,714	54,054	64,808	86,748	34%
1.2	All Horizons cocoa sales are documented and balanced against sourced volumes in a given financial year and closed with cumulative surplus / (shortfall) of volumes sourced against volumes sold	(2,534)	21,146	28,426	30,081	6%
1.3	No. of new Farmer Groups delivering cocoa	66	20	19	24	26%
1.4	No. of Farmer Groups delivered Horizons Cocoa	66	83	92	151 <sup>1</sup>	64%
1.5	No. of Tonnes of Horizons cocoa delivered	42,590	78,546	72,088	89,445	24%
1.6	No. of Group Members delivered Horizons Cocoa	35,500	60,489	74,521	85,089	14%
1.7	No. of farmers are registered Cocoa Horizons Group Members	35,720	73,468	93,370	135,115	45%
1.8	No. of women farmers delivered Cocoa Horizons cocoa are members Farmer Groups	4,858	10,638	16,331	18,258	12%
1.9	No. of women are registered members of Cocoa Horizons Farmer Groups	4,858	11,534	18,541	23,366	26%
1.10	No. of farmers who completed a census interview	-	-	53,317	98,747	85%
1.11	% farmers who delivered Horizons cocoa considered to be full data	-	-	NA	95%	
1.12	% of Farmers who delivered Horizons cocoa in the fiscal year have received the Cocoa Horizons Premium	100%	100%	100%	100%	
1.13	% of farmer groups who have signed all 4 governing charters	100%	100%	100%	100%	
	<b>Farmer Households Lifted Out of Poverty</b>	<b>15/16</b>	<b>16/17</b>	<b>17/18</b>	<b>18/19</b>	<b>vs PY</b>
2.1	No. of cocoa farmers out of poverty, measured against the WB USD 1.90/day threshold for extreme poverty	-	-	30,812	64,920	111%
2.2	No. of farmer trainers accredited	71	163	141	185	31%
2.3	No. of farmer trainers accredited since 15/16 (cumulative)	71	234	375	306 <sup>2</sup>	-23%
2.4	No. of farmer group staff trained	-	-	-	260	
2.5	No. of farmers trained	39,557	58,828	85,652	88,495	3%
2.6a	No. of farmers who graduated from COH Academy	-	-	-	16,952	
2.6b	% farmers graduated from COH Academy*				63%	
2.7	No. of farmers trained on GAP	21,499	22,462	66,565	39,296	-41%
2.8	No. of farmers trained on child labor	22,701	23,850	66,077	27,448	-58%

<sup>1</sup> This KPI has increased significantly in FY 2018/19 due to a change in the "Farmer Group" definition in Ghana. See criteria.

<sup>2</sup> A reduction is seen here from the last year due to the departure of some trainers from the cooperatives

<sup>3</sup> Last year these KPIs were combined as "% found to have applied soil fertility management" (45%). This split more accurately reflects the specific activities undertaken by farmers

\* KPI's currently not in scope for assurance by PwC



	Farmer Households Lifted Out of Poverty	15/16	16/17	17/18	18/19	vs PY
2.9	No. of farmers trained on environmental protection	-	-	-	74,571	
2.10	No. of farmers trained on gender and social issues	-	-	-	19,021	
2.11	No. of ha cocoa and other species replanted	-	175.5	160	184	15%
2.12	No. of farmers who have access to replanting packages	-	309	217	136	-37%
2.13	No. of farmers who have access to Farm Development Plan	-	1,684	3,282	9,920	202%
2.14	No. of farmers who have access to a productivity package	1,032	1,012	3,447	4,457	29%
2.15	No. of productivity packages that have been distributed to Purchasing Clerks	-	-	-	4,269	
2.16	No. of cocoa seedlings distributed	324,109	395,990	1,459,966	777,821	-47%
2.17	No. of farmers benefiting from cocoa seedling distribution	-	-	-	1,671	
2.18	No. of farmers who have access to farm services (coaching, inputs such as tools and seedlings, or finance)	-	-	-	32,566	
2.19	No. of accredited community professionals (sprayers, pruners, nurserists etc.)	-	560	591	2,210	274%
2.20	No. of farmers who have access to income diversification activities	-	-	-	164	
2.21a	% found to have access to planting materials	-	-	33%	32%	-3%
2.21b	% found to have access to fertiliser	-	-	31%	61%	97%
2.21c	% found adopting soil replenishment <sup>3</sup>	-	-	-	23%	
2.21d	% found adopting soil health management <sup>3</sup>	-	-	-	43%	
2.21e	% found to have rehabilitated their cocoa farms	-	-	7%	11%	57%
2.21f	% found to be adopting pruning and more than 3 GAPs	-	-	19%	3.5%	-533%
	<b>Zero Child Labor in Our Supply Chain</b>	<b>15/16</b>	<b>16/17</b>	<b>17/18</b>	<b>18/19</b>	<b>vs PY</b>
3.1	No. of child labor cases identified in our supply chain	-	38	3,096	3,867	25%
3.2	No. of child labor cases in the process of being remediated	-	-	-	2,333	
3.3	No. of farmer groups covered by CLMRS activities	2	2	20	42	
3.4	% farmer groups we directly source from that have systems in place to prevent, monitor, and remediate child labor	-	-	22%	28%	

<sup>1</sup> This KPI has increased significantly in FY 2018/19 due to a change in the "Farmer Group" definition in Ghana. See criteria.

<sup>2</sup> A reduction is seen here from the last year due to the departure of some trainers from the cooperatives

<sup>3</sup> Last year these KPIs were combined as "% found to have applied soil fertility management" (45%). This split more accurately reflects the specific activities undertaken by farmers

\* KPI's currently not in scope for assurance by PwC

	Zero Child Labor in Our Supply Chain	15/16	1617	17/18	18/19	vs PY
3.5a	No. farmers participated in the interviews and surveys as part of the CLMRS	579	494	13,256	16,710	26%
3.5b	No. of children who participated in the interviews and surveys as part of the CLMRS*	-	647	15,223	29,050	91%
3.6	No. of Cocoa Horizons Group Members who received a farm visit by CLMRS trained BC staff*	-	90	12,513	10,062	-20%
3.7a	No. of community members attending the sensitisation events on CL via COH truck	-	2,073	20,748	27,247	31%
3.7b	No. of child community members attending the sensitisation events on CL via the COH truck *	-	803	8,259	10,648	29%
3.7c	No. of female community members attending the sensitisation events on CL via the COH truck *	-	442	3,866	5,266	36%
3.7d	No. of male community members attending the sensitisation events on CL via the COH truck *	-	828	8,623	11,333	31%
3.8	No of communities reached by the COH truck	-	6	65	56	-14%
3.9	No of women in governance positions within Cocoa Horizons Farmer Groups	98	132	208	205	-1%
3.10	No of women who participated in agroforestry training	44	384	306	137	-55%
	<b>Environmental Protection</b>	<b>15/16</b>	<b>1617</b>	<b>17/18</b>	<b>18/19</b>	<b>vs PY</b>
4.1	No. of shade trees distributed	-	7,000	372,468	602,948	62%
4.2	No. of farmers benefiting from shade tree seedling distribution				23,301	
4.3	No. of farms with a GPS map	-	-	55,561	138,468	149%
4.4	No. of Cocoa Horizons Group members with at least one farm mapped with a GPS (polygon)	-	-	35,618	88,351	148%
4.5	% of Horizons cocoa which is demonstrated to be free from deforestation (ie. cocoa is not sourced from National Protected Areas as defined by the National Governments)	-	-	-	70%	-
4.6	tCO <sub>2</sub> e sequestration by cocoa & non-cocoa trees* (cumulative)	-	-	16,500	72,500	

<sup>1</sup> This KPI has increased significantly in FY 2018/19 due to a change in the “Farmer Group” definition in Ghana. See criteria.

<sup>2</sup> A reduction is seen here from the last year due to the departure of some trainers from the cooperatives

<sup>3</sup> Last year these KPIs were combined as “% found to have applied soil fertility management” (45%). This split more accurately reflects the specific activities undertaken by farmers

\* KPI’s currently not in scope for assurance by PwC

## *Farmer Group and Group Member requirements*

### **Overview**

The Cocoa Horizons program operates with Farmer Groups in Côte d'Ivoire, Ghana, Cameroon and initiated activities in Brazil in FY 2018/19. In Côte d'Ivoire, these are agricultural cooperatives. In Ghana, this is Barry Callebaut's own direct sourcing licensed buying company, Nyonkopa Ltd., which due to its size is organised by districts. In Cameroon, this is agricultural cooperatives and groups who deliver cocoa to Barry Callebaut's sourcing company. In Brazil, we work directly with individual farmers who deliver cocoa to Buying Stations.

In order to increase our confidence that the wider aims of the Cocoa Horizons Foundation have been understood, we require Farmer Groups and their Group Members, or individual farmers in the case of Brazil, to heed and sign documents which reflect the ambition of the Cocoa Horizons Foundation, ensure their engagement and assert that they will comply with the rules therein. This includes the need for Farmer Groups to have a management structure and registered group members. The governance principles of Cocoa Horizons are integrated in their internal management procedure.

The executives of all new Farmer Groups are required to sign the Supplier Code, the Cocoa Horizons Convention, the Child Labor Charter, and the Declaration on Protected Forests. The Foundation provides support to Farmer Groups to design and set up an internal management system in order to register farmers and to achieve the requirements of the Cocoa Horizons program, including a Cocoa Horizons contract signature for each registered farmer within the farm households. In Brazil, these are signed by farmers directly.

Major achievements:

- The number of Farmer Groups and farmers registered in the program continues to increase, due on the one hand to interest from farmers, but on the other hand driven by demand from customers and therefore expansion of the existing operation in the different origins, as well as initiating activities in new countries.
- Increased farmer membership by 45%, mostly via enhanced marketing and enrolment efforts in each country. In order to cope with the fast growth, we have registered more farmers in the program, while the ramp up of the different activities will depend upon the income from premiums related to volume sold to customers.

### **Targets and Performance Indicators**

Target	Performance Indicators
All Farmer Groups respect and sign the (1) Supplier Code, (2) the Cocoa Horizons Conventions, (3) the Child Labor Charter, and (4) a Declaration that cocoa is not and will not be sourced from protected forests	<b>Côte d'Ivoire</b> <ul style="list-style-type: none"><li>• 100% of the Farmer Groups signed all 4 governing charters</li><li>• 14 new Farmer Groups joined Cocoa Horizons, bringing our total to 77(+7%)</li><li>• 21,579 new farmers became Cocoa Horizons members, bringing our total number of group members to 62,108 (+53%)</li></ul> <b>Ghana</b> <ul style="list-style-type: none"><li>• The licenced buying company Nyonkopa Ltd., delivered Horizons cocoa and has signed the 4 Governing Charters</li></ul>



- 16,370 new farmers became Cocoa Horizons members, bringing our total number of group members to 63,398 (+35%)

**Cameroon**

- 100% of all Farmer Groups signed all 4 Governing Charters
- 4 new Farmer Groups joined Cocoa Horizons, including some rotation of existing Groups, brought our total to 18 (-5%)
- 3,592 new farmers became Cocoa Horizons members, bringing our total number of group members to 9,407 (+62%)

**Brazil – New Country**

- 100% of all Cocoa Horizons members signed all 4 Governing Charters
- 204 farmers are registered Cocoa Horizons Group Members

## Documented traceability of cocoa beans to the first buyer

### Overview

Horizons cocoa is traceable from the individual group members of participating farmer groups to the first Barry Callebaut warehouse. From this point onwards down-stream, Horizons products follow the principle of mass balance, where sales volumes shall not exceed source volumes by more than 50%, and such shortfalls must be compensated in the following fiscal year. Using mass balance principles for Horizons sales minimizes logistics costs compared to physical segregation, so that more resources go directly to sustainability program activities to benefit farmers.

Traceability is a key aspect of Horizons cocoa. Traceability manuals are available for all farmer groups in Cameroon, Côte d'Ivoire and Ghana and more recently in Brazil, and representatives from all farmer groups receive training in traceability. This includes all group administrators, warehouse keepers, and technical officers where appropriate. These trained representatives perform and enforce procedures to maintain the traceability of all Horizons cocoa from the individual Cocoa Horizons group member to the first Barry Callebaut warehouse.

In Côte d'Ivoire and Cameroon, Barry Callebaut signs sourcing contracts with Farmer Groups to confirm cocoa volumes and premiums that are intended to be sourced from them. In Ghana, forecast sourcing volumes are communicated with the Farmer Group in advance of the fiscal year. In Brazil, contracts are agreed with individual farmers.


The Foundation is continuously expanding the implementation of the Katchilè online data management platform for traceability and farmer data. Katchilè means “change” in the local language of the Baoulé. Complete and accurate data is needed to effectively trace the origin of the cocoa, monitor our activities and measure the impact of the Cocoa Horizons program on farmers and their communities. The management of this data (including collection, storage and accessibility) plays a critical role in ensuring access to digital data for analysis and reporting.

#### Major achievements:

- Significant effort on data collection - currently 60% of all farmers registered have full data, or 95% of farmers who delivered cocoa in FY 2018/19. This includes farmer census and GPS polygons. Through this data, we are able to increasingly tailor our interventions to best suit farmer needs and optimize the use of resources.
- Progressive increase in tonnage delivered per farmer, where we see an increase of 8.7% compared to the prior year.

### Targets and Performance Indicators

Target	Performance Indicators
All Horizons cocoa is traced from the individual Group Member (i.e. registered with a unique code) to the first buying site of Barry Callebaut.	<b>Côte d'Ivoire, Ghana, Cameroon, and Brazil</b> <ul style="list-style-type: none"><li>• 89,445 Tonnes of Horizons cocoa delivered during the year ended 31 August 2019;</li><li>• 82,907 farms mapped with a GPS.</li></ul> <b>Côte d'Ivoire</b> <ul style="list-style-type: none"><li>• 40,078 tonnes of Horizons cocoa delivered during the year ended 31 August 2019 (+21%)</li><li>• 77 Farmer Groups delivered Horizons cocoa (+7%)</li></ul>

	<ul style="list-style-type: none"> <li>• 28,345 Group Members delivered Horizons cocoa in the year ended 31 August 2019 (+12%)</li> <li>• 31,965 full data group members - both a census survey and farm mapping (52% membership)</li> </ul> <p><b>Ghana</b></p> <ul style="list-style-type: none"> <li>• 39,814 tonnes of Horizons cocoa delivered during the year ended 31 August 2019 (+20%)</li> <li>• 52,646 Group Members delivered Horizons cocoa in the year ended 31 August 2019 (+16%)</li> <li>• 42,410 full data group members - both a census survey and farm mapping (67% membership)</li> </ul> <p><b>Cameroon</b></p> <ul style="list-style-type: none"> <li>• 8,516 tonnes of Horizons cocoa delivered during the year ended 31 August 2019 (+48%)</li> <li>• 18 Farmer Groups delivered Horizons cocoa (-5%)</li> <li>• 3,940 Group Members delivered Horizons cocoa in the year ended 31 August 2019</li> <li>• 6,203 full data group members - both a census survey and farm mapping (66% membership)</li> </ul> <p><b>Brazil</b></p> <ul style="list-style-type: none"> <li>• 1,037 tonnes of Horizons cocoa delivered during the year ended 31 August 2019</li> <li>• 158 Group Members delivered Horizons cocoa in the year ended 31 August 2019</li> <li>• Mapping to begin in FY 19/20*</li> </ul>
<p>A documented traceability system following mass balance principles from the first buying site of Barry Callebaut onwards for all Horizons cocoa is established.</p>	<p><b>Côte d'Ivoire, Ghana, Cameroon</b></p> <ul style="list-style-type: none"> <li>• All Horizons cocoa sales are documented and balanced against sourced volumes 2018/19 closed with cumulative surplus of 30,081 Tonnes of volumes sourced against volumes sold (as per the stipulations related to mass balance described in the overview).</li> </ul>

## Targeted productivity interventions

### Overview

The Cocoa Horizons Foundation has the goal to improve the productivity on cocoa farms and therefore the livelihoods of farmers and their communities. In an effort to increase adoption rates on best farming practices and reverse decreasing productivity due to aging cocoa trees the following key activities are being implemented:

- 1) An accreditation process for Cocoa Horizons farmer trainers that comprises a qualification and evaluation step;
- 2) An accreditation system for farmers to ensure the knowledge absorption of training material
- 3) The provision of robust Farmer Services, via Farm Business Plans and farmer coaching, facilitating access to tools and inputs for selected farmers, and access to seedlings and shade trees;
- 4) Accessibility to loans and savings accounts for selected cocoa farmers to catalyze the ability to increase their productivity; and
- 5) Enabling selected farmers to replant cocoa trees and other species to increase long-term productivity and to support income resilience of farmers.

Cocoa Horizons has started to implement in FY 2018/19 a graduation system, to assess the knowledge of the farmers in all relevant topics around Sustainable cocoa farming, but also including social and environmental aspects. This has been rolled-out in Côte d'Ivoire and will be extended to other countries next year.

Throughout the agronomic calendar, the farmer is visited by a coach on his/her farm, funded by the Cocoa Horizons program. The coach's role is also to make visits to establish a Farm Business Plan, and to sign the farmer up for the product. Additionally, the coach verifies whether the tools, training and inputs have been received and applied, and evaluates the needs of the cocoa farms to improve production.



Additionally, spraying equipment is provided to safely apply any necessary crop protection.

Major achievements in this area were:

- Introduction of a farmer graduation system in Côte d'Ivoire which places increased value on the outcome of the training delivered and the knowledge retention by the farmers; helping us to evaluate the effectiveness of our training and be more efficient in the use of resources.
  - In order to evaluate the value of our trainings, we have introduced a farmer graduation system, at the end of the modules or when a farmer has already been trained (even by other companies).
  - Our farmers sit an examination which tests the knowledge they gained through the training. To graduate, a farmer must score over 60% on each test.
  - This enables us to not only evaluate the effectiveness of our training and improve the material and training skills accordingly, but it also allows us to concentrate our focus and resources on those farmers who need the training the most and identify gaps per farmer.
  - Once farmers graduate, they are ready to move to the next step which is the Farm Business Plan and they no longer need to continue to attend trainings.
  - We plan to roll this program out across all our countries and Farmer Groups over the next couple of years.
  - Overall, we trained 88,495 farmers on key topics to improve their productivity which is an increase of 3% from last year.
  - Of these farmers in Côte d'Ivoire, 26,908 farmers were assessed through the Graduation system and 63% have graduated.
- Continued emphasis on accrediting farmer trainers to ensure high levels of expertise and professionalism.
- Successful development of the Farm Business Plan app, in order to use available data to make recommendations based on specific needs of each farmer.



- Further enhancing Farm Services - differs slightly per origin to account for specific needs and context, but overall focused on improving quality and reach in FY 2018/19.
  - While we have continued to emphasise our farm service activities across all our countries of operation, we have been unable to directly carry out any cocoa seedling or productivity activities in Côte d'Ivoire due to a decision by the Conseil de Cacao.
  - We have therefore pivoted our emphasis towards the graduation system, plus training the farmers in other topics beyond productivity. At the same time, we continue to focus on productivity in countries like Ghana and Cameroon.
- Overall trained 2,210 community professionals with technical skills such as spraying and pruning, increasing the support and resources available to our farmers to improve the productivity of their cocoa farms.

#### **Targets and Performance Indicators**

Target	Performance Indicators
Farmers accredited from COH Academy  	<b>Côte d'Ivoire</b> <ul style="list-style-type: none"> <li>• 16,952 farmers graduated</li> <li>• 63%* graduated from total number of farmers assessed</li> <li>• 27% of total farmers</li> </ul>
Farmer trainer accreditation Trainers achieving pass mark or higher since 2015/2016  	<b>Côte d'Ivoire</b> <ul style="list-style-type: none"> <li>• 232 farmer trainers accredited</li> </ul> <b>Ghana</b> <ul style="list-style-type: none"> <li>• 42 farmer trainers accredited</li> </ul> <b>Cameroon</b> <ul style="list-style-type: none"> <li>• 32 farmer trainers accredited</li> </ul> <b>Brazil</b> <ul style="list-style-type: none"> <li>• To be started in year 2020*</li> </ul>

\* KPI's currently not in scope for assurance by PwC



<p>Farmer Group Training and community professionals</p> <ul style="list-style-type: none"> <li>• Ensure that all Farmer Trainers, Farmer Groups and Group Members receive training as described in the training methodology (reproduced within the Reporting Criteria in Appendix A).</li> <li>• Enhance the skills and practice of community professionals on key technical skills (eg. spraying, pruning)</li> </ul> 	<p><b>Côte d'Ivoire</b></p> <ul style="list-style-type: none"> <li>• All farmer trainers have been trained</li> <li>• 810 accredited community professionals</li> </ul> <p><b>Ghana</b></p> <ul style="list-style-type: none"> <li>• All farmer trainers have been trained</li> <li>• 1,373 accredited community professionals</li> </ul> <p><b>Cameroon</b></p> <ul style="list-style-type: none"> <li>• All farmer trainers have been trained</li> <li>• 27 accredited community professionals</li> </ul> <p><b>Brazil</b></p> <ul style="list-style-type: none"> <li>• To be started in 2020*</li> </ul>
<p>Farmer support and finance: Annual increase of minimum 10% of the total number of Group Members that have access to the Productivity Package for the adoption of the Farm Development Plan.</p> <p>The Productivity Package consists of:</p> <ul style="list-style-type: none"> <li>▪ Access to coaching support from accredited Farmer Trainers to facilitate the execution of the Farm Business Plan.</li> <li>▪ Access to tools, inputs and/or planting material to facilitate adoption of Good Agricultural Practices, Soil Fertility Management Practices and Rehabilitation Techniques – where required.</li> <li>▪ Access to finance (e.g. via a savings and credit scheme) - where required.</li> </ul> 	<p><b>Globally</b></p> <ul style="list-style-type: none"> <li>• 9,920 cocoa farmers had access to Farm Business Plans (+202%)</li> <li>• 8,726 productivity packages (including coaching, inputs such as tools and seedlings, or finance) were distributed</li> <li>• 32,566 cocoa farmers have access to farm services (coaching, inputs such as tools and seedlings, or finance)</li> </ul> <p><b>Côte d'Ivoire</b></p> <ul style="list-style-type: none"> <li>• A sample of <b>290</b> Farmer Group members were visited as part of an observation exercise performed by the Foundation relating to activities in FY 2018/19. It was identified that, of the <b>290</b> Farmer Group members visited: <ul style="list-style-type: none"> <li>○ <b>36%</b> had access to planting materials</li> <li>○ <b>78%</b> had access to fertiliser</li> <li>○ <b>27%</b> found adopting soil replenishment</li> <li>○ <b>47%</b> found adopting soil health management</li> <li>○ <b>8%</b> had rehabilitated at least 3% of their cocoa farms with improved planting materials</li> <li>○ <b>5%</b> had adopted pruning and more than 3 GAPs</li> </ul> </li> </ul> <p><b>Ghana</b></p> <ul style="list-style-type: none"> <li>• A sample of <b>292</b> Farmer Group members were visited as part of an observation exercise performed by the Foundation relating to activities in FY 2018/19. It was identified that, of the <b>292</b> Farmer Group members visited: <ul style="list-style-type: none"> <li>○ <b>28%</b> had access to planting materials</li> <li>○ <b>45%</b> had access to fertiliser</li> <li>○ <b>19%</b> found adopting soil replenishment</li> <li>○ <b>39%</b> found adopting soil health management</li> <li>○ <b>14%</b> had rehabilitated at least 3% of their cocoa farms with improved planting materials</li> <li>○ <b>2%</b> had adopted pruning and more than 3 GAPs</li> </ul> </li> </ul>

## *Targeted community interventions*

### **Overview**

The Foundation works with farmers to improve cocoa production practices while at the same time addressing critical social challenges in communities where Farmer Group Members and their families live. The Foundation believes this combined approach offers the best potential to increase farm productivity, increase household incomes, and improve family and community livelihoods.

The Foundation works with farmer groups and communities in the following four key areas:

- 1) Child protection;
- 2) Human rights and social issues
- 3) Women's empowerment
- 4) Health

Since 2014/15, efforts have been increased on the elimination of child labor, including activities to prevent, monitor, identify and remediate cases of child labor on cocoa farms, and to identify community-level risk factors which point to increased instances of child labor. In FY 2018/19 the Foundation continues to expand its Child Labor Monitoring and Remediation activities (CLMRS) in Côte d'Ivoire and newly implemented them in Ghana too.

As data capture is an integral component of the CLMRS, data capture capabilities were integrated into the aforementioned Katchilè data management system. With the support of the ICI, the Foundation interviewed farmer family members and children covering two cooperatives in Côte d'Ivoire and Ghana. In FY 2018/19, the Foundation further scaled these activities.



In FY 2018/19, the Cocoa Horizons Foundation started to drive a child centric approach to child protection enhancing and supporting community-driven programs and accountability, focusing more on prevention, rather than remediation. While the Foundation believes this is the way forward, there has and continues to be a need for sensitization, monitoring and remediation activities to complement those efforts. In our effort to eradicate child labor from our supply chain, we identified further cases and continue our effort to remediate the cases identified the prior year.

In FY 2018/19, a risk assessment and heat map was done in the main origin countries, to focus resources on the high risk areas first.

As studies show, when women earn an income they tend to invest in their children's future and in their communities. We continue to foster women's empowerment through the registration of cocoa farmers, but also through some Agroforestry activities, community nurseries, and the piloting of income generating activities in different countries, many of them focused on women.

In parallel, we continued to reach and sensitize farmers through the COH truck, especially on the issue of Child Labor, but also on the health and social aspects.

## Targets and Performance Indicators

Target	Performance Indicators
<p>Implement Community interventions within focus area <b>Child Protection</b>:</p> <ul style="list-style-type: none"> <li>● Raise awareness of Farmer Groups and Group Members on child labor.</li> <li>● Raise awareness in communities on child labor.</li> <li>● Build and operationalize child labor monitoring and remediation system capabilities (CLMRS).</li> </ul> 	<p><b>Côte d'Ivoire</b></p> <ul style="list-style-type: none"> <li>● 53% of farmer groups directly sourced from have systems in place for child labour monitoring and remediation</li> <li>● 56 communities reached with the Cocoa Horizons truck</li> <li>● 27,247 community members attending the sensitization events on Child Labor via the Cocoa Horizons truck</li> <li>● For the year ended 31 August 2019: <ul style="list-style-type: none"> <li>○ 25,384 farmers and children participated in interviews and surveys as part of the child labor monitoring and remediation system*</li> <li>○ 9,573 farmers received a farm visit by CLMRS trained Barry Callebaut staff *</li> <li>○ 1,443 children in child labor were identified (+42%)</li> </ul> </li> </ul> <p><b>Ghana</b></p> <ul style="list-style-type: none"> <li>● 20% of the Districts directly sourced from have systems in place for child labour monitoring and remediation</li> <li>● For the year ended 31 August 2019: <ul style="list-style-type: none"> <li>○ 20,376 farmers and children participated in interviews and surveys as part of the child labor monitoring and remediation system*</li> <li>○ 489 farmers received a farm visit by CLMRS trained Barry Callebaut staff *</li> <li>○ 2,424 children in child labor were identified (+381%)</li> </ul> </li> </ul>
<p>Implement Community interventions within focus area <b>Women's Empowerment</b>:</p> <ul style="list-style-type: none"> <li>● Train Farmer Groups and community members on gender sensitivity.</li> <li>● Support participation of women in Farmer Groups and Community governance structures.</li> <li>● Support Income Generating Activities (IGA) as requested by women in targeted communities.</li> </ul> 	<p><b>Côte d'Ivoire</b></p> <ul style="list-style-type: none"> <li>● 1,272 women delivered Horizons Cocoa in the year ended 31 August 2019 (-38%)</li> <li>● 3,072 women are registered Cocoa Horizons Group members (-13%)</li> <li>● 84 women are in governance positions within Cocoa Horizons Farmer Groups (-7%)</li> <li>● 137 women participated in the agroforestry training program (-55%) bringing the number of women who have completed the programme since its inception to 871.</li> </ul> <p><b>Ghana</b></p> <ul style="list-style-type: none"> <li>● 16,492 women delivered Horizons Cocoa in the year ended 31 August 2019 (+19%)</li> <li>● 19,185 women are registered Cocoa Horizons Group Members</li> <li>● 108 women are in governance positions within Farmer Groups</li> </ul> <p><b>Cameroon</b></p> <ul style="list-style-type: none"> <li>● 471 women delivered Horizons Cocoa in the year ended 31 August 2019</li> <li>● 1,087 women are registered Cocoa Horizons Group Members</li> <li>● 9 women are in governance positions within Farmer Groups</li> </ul> <p><b>Brazil</b></p> <ul style="list-style-type: none"> <li>● 19 women farmers delivered</li> <li>● 22 women registered</li> <li>● 4 women in governance positions</li> </ul>



\* KPI's currently not in scope for assurance by PwC

# Environmental Protection and Deforestation

## Overview

- This year we have increased our portfolio of work to include more on environmental protection and deforestation risk
- Trees planted
  - Shade trees - which are not only a great additional source of revenue and diversification for cocoa farmers with significant local environmental benefits (soil nutrients, water retention, etc), but also contribute significantly to carbon sequestration globally
  - Cocoa seedlings in certain countries, such as Ghana and Brazil
- Mapping means we can start to understand where our cocoa comes from in relation to protected areas or forests, and work with our farmers to reduce the risk of deforestation

## Targets and Performance Indicators

<p>Trees distributed that result in sequestration of carbon</p> 	<p>Côte d'Ivoire</p> <ul style="list-style-type: none"> <li>• 187,948 shade trees distributed</li> </ul> <p>Ghana</p> <ul style="list-style-type: none"> <li>• 415,000 shade trees distributed</li> <li>• 759,021 cocoa seedlings distributed</li> </ul> <p>Brazil</p> <ul style="list-style-type: none"> <li>• 18,800 cocoa seedlings distributed</li> </ul> <p>Overall CO2e sequestration (cumulative since FY 2017/18) - 72,474 tonnes*</p>
<p>Mapping to improve understanding of risk of sourcing from protected areas</p> 	<p>Côte d'Ivoire</p> <ul style="list-style-type: none"> <li>• 44,587 farms mapped</li> <li>• 36,096 farmers mapped</li> <li>• 74% of Horizons cocoa demonstrated to be free from deforestation</li> </ul> <p>Ghana</p> <ul style="list-style-type: none"> <li>• 85,210 farms mapped</li> <li>• 45,620 farmers mapped</li> <li>• 62% of Horizons cocoa demonstrated to be free from deforestation</li> </ul> <p>Cameroon</p> <ul style="list-style-type: none"> <li>• 8,671 farms mapped</li> <li>• 6,635 farmers mapped</li> <li>• 87% of Horizons cocoa demonstrated to be free from deforestation</li> </ul>

## *Transparency of premium flows*

### **Overview**

The Cocoa Horizons Foundation only funds activities that support its purpose to drive cocoa farmer prosperity by creating self-driving and self-sustaining farming communities that protect nature and children. In the framework of this mission, the Foundation commits to invest premiums from Horizons customers in the areas of productivity, community development, payment of farmer premiums and the administrative costs associated with running the program. This section provides details on the amount of income and expenditure in the Cocoa Horizons program for FY 2018/19.

Activities by the Foundation in FY 2018/19 were funded by a combination of:

- Funds received from customers who pay a premium when purchasing Horizons products;
- Charitable contributions made by international donors;
- A 4 million Swiss Francs donation from Barry Callebaut; and
- Unspent balances brought forward from FY 2017/18.



Horizons income from customer contributions was allocated into budgeted activity forecasts on the following basis:

- 20% Farmer & farmer organization premium;
- 37% Productivity;
- 20% Community development;
- 10% Environment; and
- 13% Program administration.

Premiums paid to farmers and Farmer Groups are based upon the volume of beans sourced from each, whilst expenditure in relation to the other areas is performed at the discretion of the Cocoa Horizons Foundation.

Further details as to the income and expenditure in FY 2018/19 can be found in the Targets and Performance Indicators section, below.

## Targets and Performance Indicators

Target	Performance Indicators			
<p>Substantiating that the Horizons premiums are only used to achieve the Cocoa Horizons Foundation mission according to the premium breakdown as per Cocoa Horizons methodology.</p> 	<b>Cocoa Horizons Foundation, Zurich</b>			
	<i>(in CHF)</i>			
		<b><u>2018/19</u></b>	<b><u>2017/18</u></b>	<b><u>2016/17</u></b>
	<b>Cocoa Horizons Program Income</b>	14,749,812	10,538,368	7,533,430
	Horizons Program contributions			
	<b>Cocoa Horizons Program expenses</b>			
	Farmer and farmer organization premium	(2,950,492)	(2,687,050)	(2,501,952)
	Productivity expense	(5,349,839)	(3,264,170)	(2,944,546)
	Community expense	(1,655,666)	(2,114,846)	(1,142,521)
	Environment expense	(549,796)		
Administrative expense	(1,936,619)	(1,497,938)	(1,002,535)	
	<i>The above is an extract from the Foundation’s annual regulatory return. The Foundation’s financial audit is performed by PricewaterhouseCoopers AG, Switzerland.</i>			
<p>Ensuring that all Group Members receive the Horizons Premium for the Horizons cocoa delivered and accepted.</p> 	<b>Côte d'Ivoire, Ghana and Cameroon</b> <ul style="list-style-type: none"><li><b>100%</b> of the farmers who delivered Horizons cocoa in the fiscal year have received the Cocoa Horizons Premium</li></ul>			

## Appendix A – Reporting Criteria

This section summarizes the basis of preparation for the performance indicators within this report, presenting clarification and definition of the terminology used within the reported performance indicators.

A set of general definitions is first presented, as well as specific guidance in relation to each of the reported performance indicators, by section of the report.

### General definitions

- A **Farmer Group** is defined as an organized group of Farmers such as a cooperative or similar. A Farmer Group is considered to be a member of the Cocoa Horizons program if it has signed all Four Cocoa Horizons Charters;
  - Côte d'Ivoire: These are partnered agricultural cooperatives and Barry Callebaut owned direct sourcing company, SACO
  - Cameroon: These are partnered agricultural cooperatives and Barry Callebaut owned direct sourcing company, SIC CACAO
  - Ghana: These are districts/branches that form part of Barry Callebaut's direct sourcing licensed buying company in Ghana, Nyonkopa Ltd
  - Brazil: There are no Farmer Groups in Brazil. Farmers work individually and sell their cocoa to Buying Stations, which might be independent or part of Barry Callebaut.
- A **Group Member** refers to a cocoa farmer who is a member of a Cocoa Horizons Farmer Group in the year ended 31 August 2019;
- **The Cocoa Horizons premium** is a cash payment to Farmer Groups and Group Members in proportion to their delivery of Cocoa Horizons cocoa to a Barry Callebaut buying site. This excludes Technical Officers incentive payments made in Ghana to Farmers who assist in the facilitation of training courses. No Farmer Group payment is made to the licensed buying company Nyonkopa Ltd ("Nyonkopa"), a Barry Callebaut Group company. As the program in Brazil has only started this fiscal year, despite premiums have been distributed to farmers, this has not been part of the scope of PwC's assurance verification for this Fiscal Year.
- A **Farmer Trainer** is an individual who, as part of the Cocoa Horizons program, has been selected to provide training to Group Members on a variety of topics. Farmer Trainers attend a number of "training of trainers" courses per year to support their knowledge and understanding of the messages to be cascaded to Group Members. In Ghana the term Farmer Trainer is interchangeable with Technical Office.

KPI no.	KPI description	Assessment criteria
COH 1.1	No. of tonnes of Horizons cocoa sold in bean equivalent	Total volume of cocoa ingredients in chocolate or cocoa products sold to customers, converted into cocoa bean equivalent (applying the conversion ratio of 1.22 for cocoa liquor and powder and 2.44 for cocoa butter)
COH 1.2	All Horizons cocoa sales are documented and balanced against sourced volumes FY 2018/19 closed with cumulative surplus of No. Tonnes of volumes sourced against volumes sold (as per the stipulations related to mass balance described in the overview)	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon</i></p> <p>From the first Barry Callebaut buying point onwards down-stream, Horizons products follow the principle of mass balance, where sales volumes shall not exceed source volumes by more than 50% in any given year, and such shortfalls must be compensated in the following fiscal year.</p> <p>A mass balance system allows for the non-physical attributes and characteristics (such as country of origin or certification standard) of beans input into a system to be re-allocated to other beans in the system, as long as the number of beans output with each characteristic balances against those input at least once every three years.</p>

KPI no.	KPI description	Assessment criteria
COH 1.3	No. of new Farmer Groups delivering cocoa in the year ended 31 August 2019	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon</i></p> <p>This indicator reports any Farmer Groups who delivered at least 1kg of Horizons cocoa in the year ended 31 August 2019 but did not do so in the previous year ended 31 August 2018.</p> <p>This indicator reports the gross number of new Farmer Groups added to the scheme, and does not subtract any “leavers” from the gross total.</p> <p>Note that:</p> <ul style="list-style-type: none"> <li>• Nyonkopa is the sole Cocoa Horizons Farmer Group in Ghana</li> <li>• In Brazil, there are no Farmer Groups as all farmers work independently - therefore this KPI is not in scope for Brazil</li> </ul>
COH 1.4	No. Farmer Groups delivered Horizons cocoa in the year ended 31 August 2019	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon</i></p> <p>This indicator refers to the total number of Farmer Groups which delivered at least 1kg of Horizons cocoa to a Barry Callebaut buying site, for which a Cocoa Horizons premium payment is owed or has been paid, during the year ended 31 August 2019.</p> <p>Note that:</p> <ul style="list-style-type: none"> <li>• Nyonkopa is the sole Cocoa Horizons Farmer Group in Ghana</li> <li>• In Brazil, there are no Farmer Groups as all farmers work independently, therefore this KPI is not in scope for Brazil</li> </ul>
COH 1.5	No. Tonnes of Horizons cocoa delivered during the year ended 31 August 2019	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Brazil</i></p> <p>The total number of tonnes of Cocoa Horizons’ cocoa delivered to a Barry Callebaut buying site (in Côte d'Ivoire, SACO; in Ghana, Nyonkopa; in Cameroon, SIC CACAO; and in Brazil, Barry Callebaut Brazil) during the year ended 31 August 2019, grown by Horizons Group members, for which a Horizons premium payment is owed or has been paid.</p>
COH 1.6	No. Group Members delivered Horizons cocoa in the year ended 31 August 2019	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Brazil</i></p> <p>The total number of Group Members who delivered at least 1kg of Horizons cocoa to a Cocoa Horizons Farmer Group or Buying Stations during the year ended 31 August 2019, for which a Horizons premium is owed or has been paid.</p>
COH 1.7	No. of Farmers are registered Cocoa Horizons Group Members in the year ended 31 August 2019	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Brazil</i></p> <p>This indicator relates to the number of farmers who are classified as Cocoa Horizons Group Members in each of the Cocoa Horizons Farmer Groups for the year ended 31 August 2019, whether the Group Member delivered Horizons cocoa in the period or not.</p>
COH 1.8	No. of women farmers delivered Horizons cocoa in the year ended 31 August 2019	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Brazil</i></p> <p>This indicator states the number of female Group Members who have delivered at least 1kg of Horizons cocoa to a Horizons Farmer Group, for which a Horizons premium is owed or has been paid, during the year ended 31 August 2019.</p>



KPI no.	KPI description	Assessment criteria
COH 1.9	No. women are registered members of Cocoa Horizons Farmer Groups	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Brazil</i></p> <p>This indicator relates to the number of Female Group Members of each of the Cocoa Horizons Farmer Groups for the year ended 31 August 2019, regardless of whether the Group Member delivered Horizons cocoa in the period.</p>
COH 1.10	No. of Farmers who completed a census interview	<p><i>Counties in scope: Côte d'Ivoire, Ghana, Cameroon, Brazil</i></p> <p>Number of individual census answered by farmers or their household members up until the year ended 31 August 2019.</p> <p>This indicator relates to the number of Group Members, up until the year ended 31 August 2019, who took part in a census interview performed either by a member of Barry Callebaut staff or by external consultants appointed by Barry Callebaut. The census includes questions regarding, amongst other things:</p> <ul style="list-style-type: none"> <li>• Information about the farmer and farmer's household themselves (such as date of birth, preferred language, education level, household size);</li> <li>• Information about the farmer's family</li> <li>• Information about the facilities at home;</li> <li>• Information about the farm, farming and agriculture; and</li> <li>• Information about sources of income (including cocoa, non-cocoa agricultural and non-agricultural income).</li> </ul>
COH 1.11	No. of group members delivered Horizons cocoa considered to be full data; and %	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon</i></p> <p>This KPI indicates the number of farmers that are considered "full data" to Barry Callebaut. A farmer with a census and a map is a farmer who has at least:</p> <ol style="list-style-type: none"> <li>1) One plot mapped</li> <li>2) One census survey taken</li> </ol> <p>This indicator relates to the number of farmers who both completed at least one census interview and also had at least one of their farm(s) mapped via GPS up until the year ended 31 August 2019.</p> <p>More information surrounding both census interviews and mapping of farms is in the criteria for COH 1.10 and COH 1.11 respectively.</p> <p>% calculated by dividing the total number of full data farmers by total number of farmers who delivered.</p>
COH 1.12	% of Farmers who delivered Horizons cocoa in the fiscal year have received the Cocoa Horizons Premium.	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon</i></p> <p>This indicator reports the percentage of Group Members who delivered Horizons cocoa and received the Cocoa Horizons Premium as a result.</p> <p>The Cocoa Horizons Premium is a cash payment per each kilogram of delivered Cocoa Horizons cocoa to Group Members and Farmer Groups. In Côte d'Ivoire and Cameroon, the premium payment is equally split between a Group member and the Farmer Group to which the Group Member belongs; in Ghana the premium is paid out in full to Nyonkopa Group Members.</p> <p>This excludes Lead Farmer incentive payments made in Ghana to Farmers who assist in the facilitation of training courses.</p>

KPI no.	KPI description	Assessment criteria
COH 1.13	% of the Farmer Groups signed all 4 governing charters	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Brazil</i></p> <p><b>In Côte d'Ivoire and Cameroon:</b> This indicator refers to the proportion of Cocoa Horizons Farmer Groups which signed each of the four governing charters expected of a Farmer Group, as follows: (1) the Supplier Code; (2) the Cocoa Horizons Convention; (3) the Child Labor Charter; and (4) a declaration that cocoa is not and will not be sourced from protected forests.</p> <p><b>In Ghana:</b> The licenced buying company Nyankopla Ltd, delivered Horizons cocoa in the year ended 31 August 2019 and has signed the 4 governing charters</p> <p><b>In Brazil:</b> Each individual farmer who becomes a Cocoa Horizons member signs the 4 governing charters</p>
COH 2.1	No. of cocoa farmers out of poverty measured against the WB USD 1.90/day threshold for extreme poverty	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon</i></p> <p>This indicator has been determined by:</p> <ul style="list-style-type: none"> <li>Obtaining survey information from Farmers in Côte d'Ivoire, Ghana and Cameroon regarding their household income generation from cocoa and other activities, as well as the size of their household;</li> <li>Using in-country market prices for cocoa and other crops to determine an average income level for those Farmers; and</li> <li>Comparing this average income level to the US\$1.90 per day worldwide extreme poverty threshold set by the World Bank, adjusted for purchasing power and cost of living in Ghana, Côte d'Ivoire and Cameroon.</li> </ul> <p>More information on each of these bullet points is provided below:</p> <p><u>Survey information</u> Census surveys were undertaken with farmer households in Côte d'Ivoire, Ghana and Cameroon during the financial year ended 31 August 2019, as part of the Cocoa Horizons program. The results from the surveys were then sense checked against literature studies from an independent center of expertise and education for sustainable development, KIT Royal Tropical Institute. The census surveys and KIT study provided estimates over the following key metrics:</p> <ul style="list-style-type: none"> <li>the average yield per farm</li> <li>income from cocoa farming</li> <li>other income-generating activities</li> <li>cocoa farm size</li> <li>production cost</li> </ul> <p>Outliers from the census results have been removed and in some instances, the census results have been calibrated to match literature studies, in order to provide a more prudent analysis of the results. The assumptions and data calibration were performed by Barry Callebaut across the census results from Côte d'Ivoire, Ghana and Cameroon are summarised below:</p> <ul style="list-style-type: none"> <li>Census surveys where the farmers have declared 0 cocoa yield and other income have been discarded</li> <li>Census surveys where the farmers have declared more than 30 (40 in Cameroon) household members have been discarded</li> <li>Census surveys where the farmers have declared more than 50 (in Côte d'Ivoire), 40 (in Cameroon) and 30 (in Ghana) financially dependents have been discarded.</li> </ul>

		<ul style="list-style-type: none"> <li>• The cocoa farm size declared by the farmers were replaced with the GPS farm size captured on Katchilè if all plots of their farms have been GPS mapped.</li> <li>• If a farmer has declared more than 100 tonnes of either rubber or palm oil, it was deemed unrealistic and further assumed to be in kg.</li> <li>• If the cocoa weight declared by the farmers has an implied yield of more than 1,100 kg/ha (in Côte d'Ivoire), 1,400 kg/ha (in Ghana), or 32 bags of cocoa per hectare (in Cameroon), these were deemed to be a significant deviation from the KIT study and excluded from the analysis</li> <li>• In Ghana, the declared farm size (hectares) was adjusted by a factor of 1.35 to match the KIT study</li> <li>• In Côte d'Ivoire, farmers claiming to have non-cocoa agricultural income above 5 Million CFA have been removed from the census</li> <li>• In Côte d'Ivoire, the cocoa income declared by the farmer was deducted by the average production cost inferred from KIT studies. The average production cost was repartitioned such that a farmer having declared a higher cocoa yield would incur a higher production cost.</li> </ul> <p><u>Market prices</u> Barry Callebaut relies on its knowledge of origin markets to determine prices of cocoa and other crops.</p> <p><u>Worldwide extreme poverty threshold</u> The US\$1.90 per day worldwide extreme poverty threshold set by the World Bank has been used to determine the number of Farmers out of poverty. The US\$1.90 poverty line has been adjusted for each country to reflect the purchasing power and cost of living in Côte d'Ivoire, Ghana and Cameroon. This has been taken from the World Bank database.</p>
COH 2.2	No. of Farmer Trainers accredited	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon</i></p> <p>An accredited Farmer Trainer is a Farmer Trainer (i.e. Farmer Group employees who deliver training courses to Group Members) who has participated in a course to enhance their practice, obtained a passing mark (of at least 60%, except for Cameroon where the passing mark is 50%) in the test at the end of the course, and so subsequently received accreditation in their role as a Cocoa Horizons Farmer Trainer.</p> <p>In Côte d'Ivoire, this indicator refers to Farmer Trainers who gained such an accreditation in Côte d'Ivoire prior to the year ended 31 August 2019.</p> <p>In Ghana, the indicator refers to Nyonkopa "Technical Officers" (who facilitate the "training of trainers" courses), who have participated in the course and passed the test prior to 31 August 2019, in order to perform this role.</p> <p>In Cameroon, this indicator refers to Farmer Trainers who gained such an accreditation prior to the year ended 31 August 2019.</p>
COH 2.3	Total number of Farmer Trainers accredited since 2015	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon</i></p> <p>The total number of Farmer Trainers accredited since the accreditation programme began in 2015.</p> <p>This year the databases have been cleaned to:</p> <ol style="list-style-type: none"> <li>remove duplicates as some farmer trainers have been accredited more than once</li> <li>remove any farmer trainer who no longer belongs to Cocoa Horizons Farmer Group</li> </ol>

KPI no.	KPI description	Assessment criteria
COH 2.4	No. of Farmer Group staff trained	<p><i>Countries in scope: Côte d'Ivoire</i></p> <p>This indicator presents the number of Farmer Group staff who have participated in at least the minimum amount of Cocoa Horizons training commensurate to their role.</p> <p>In Côte d'Ivoire:</p> <ul style="list-style-type: none"> <li>• Warehouse Keepers complete Quality and Traceability module;</li> <li>• Directors, Treasurers, Presidents or Accountant must complete at least one Business skills module and the Farm General Brief module every year.</li> </ul>
COH 2.5	No. of farmers trained	<p><i>Counties in scope: Côte d'Ivoire, Ghana, Cameroon, Brazil</i></p> <p>The total number of farmers trained across all reported modules accounting for duplications of farmers attending more than one module training</p>
COH 2.6a	No. of farmers who have graduated from COH Academy	<p><i>Countries in scope: Côte d'Ivoire</i></p> <p>This indicator report on the farmers who have passed the farmer accreditation program for our Cocoa Horizons program. The program is designed to educate farmers on Good Agricultural Practices, Gender and Social Issues, and many more topics relevant to improve their livelihood as farmers.</p> <p>The Accreditation for each topic is awarded to all farmers who have passed a test designed to gauge their knowledge on the topics they have been trained on. The passing rate is 60%.</p>
COH 2.7	No. of farmers trained on Good Agricultural Practices	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon</i></p> <p>This indicator represents the number of Farmers who have attended at least one training session on Good Agricultural Practices (GAP).</p> <p><b>In Côte d'Ivoire</b>, there are specific GAP modules which are taught to Farmers as follows:</p> <ul style="list-style-type: none"> <li>• Harvest and post-harvest management;</li> <li>• Pests &amp; diseases (IPM);</li> <li>• Pruning, soil health and fertility; and</li> <li>• Crop calendar.</li> </ul> <p><b>In Ghana</b>, a farmer is considered to have been trained in GAP if they have attended at least one of the three relevant modules:</p> <ul style="list-style-type: none"> <li>• Crop calendar;</li> <li>• Pruning; or</li> <li>• Integrated pest management</li> </ul> <p><b>In Cameroon</b>, a farmer is considered to have been trained in GAP if they have attended at least one of the six relevant modules:</p> <ul style="list-style-type: none"> <li>• Good agricultural practices</li> <li>• Integrated management of soil fertility</li> <li>• Yield estimation and post harvest</li> <li>• Economic management of the cocoa farm</li> <li>• Code of conduct and certification requirement; or</li> <li>• Integrated pest management</li> </ul>

KPI no.	KPI description	Assessment criteria
COH 2.8	No. of farmers trained on environmental protection	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon</i></p> <p>This indicator represents the number of farmers who have attended at least one training session on environmental protection.</p>
COH 2.9	No. of farmers trained on Child Labor	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon</i></p> <p>This indicator represents the number of Farmers who have attended at least one training session on Child Labor in cocoa farming communities.</p>
COH 2.10	No. of farmers who were trained on gender and social issues	<p><i>Countries in scope: Côte d'Ivoire, Cameroon</i></p> <p>This indicator represents the number of farmers who have attended at least one training session on gender and social issues.</p>
COH 2.11	No. of ha replanted or prepared for replanting	<p><i>Countries in scope: Ghana</i></p> <p>This indicator measures the number of hectares owned by cocoa Farmers who have signed up for the Replanting Package and received cocoa seedlings and shade tree seedlings as a result.</p> <p>The hectares replanted includes both 'underplanting' and fully replanted plots.</p> <p>Full replanting refers to the removal of old cocoa trees and replacing them with young cocoa seedlings.</p> <p>'Underplanting' refers to the planting of young cocoa seedlings alongside old cocoa trees, which are removed only after new cocoa trees start to bear fruit. Furthermore, a number of shade trees are planted alongside the young cocoa seedlings.</p> <p>Note: In Côte d'Ivoire no activities took place in the year ended 31 August 2019 due to the government ban on the distribution of cocoa seedlings.</p>
COH 2.12	No. of farmers who have access to replanting packages	<p><i>Countries in scope: Ghana</i></p> <p>This indicator relates to the number of farmers who have signed a contract to participate in the Replanting Package during the year ended 31 August 2019.</p> <p>As part of the Replanting Package, farmers are provided with credit to finance the replantation of their farm. The credit is for a period of 5 years and covers at least one of the following:</p> <ul style="list-style-type: none"> <li>● Planting equipment</li> <li>● Lining and land clearing</li> <li>● Cocoa seedling distribution</li> <li>● Shade trees seedling distribution</li> <li>● Coaching and training</li> </ul>

KPI no.	KPI description	Assessment criteria
COH 2.13	No. of Farmers who have access to Farm Business Plan	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Brazil</i></p> <p>This indicator relates to the number of Farmers for whom a Farm Business Plan was calculated, offered and signed during the year ending 31 August 2019. The form of a Business Plan is either through a paper trail or via an FBP application which was developed by Barry Callebaut.</p>
COH 2.14	No. of farmers who have access to a Productivity package	<p><i>Countries in scope: Côte d'Ivoire, Cameroon</i></p> <p>This indicator represents the number of farmers who have signed up to a Productivity Package during the year ended 31 August 2019.</p> <p><b>In Côte d'Ivoire</b>, the Productivity Package refers to a package tailored for each farmer to aid in the productivity of their farm, depending on farm size and needs. The Productivity Package for each individual farmer is defined in the credit contract. The minimum package includes:</p> <ul style="list-style-type: none"> <li>• saws and pruning shears;</li> <li>• 5 individualised coaching visits (training) throughout the season; and</li> <li>• application of one, or a combination of, insecticides, pesticides, fertilizers and fungicides.</li> </ul> <p><b>In Cameroon</b>, the Productivity Package refers to a package tailored for each farmer to aid in the productivity of their farm, depending on farm size and needs. The Productivity Package for each individual farmer is defined in the credit contract. The package can include any of the following:</p> <ul style="list-style-type: none"> <li>• cocoa packages which includes fertiliser, fungicides, insecticides, and pruning tools</li> <li>• solar packages which includes lamps, power banks, and lighting equipment</li> <li>• vegetable packages</li> </ul>
COH 2.15	No. of productivity packages that have been distributed to Purchasing Clerks	<p><i>Counties in scope: Ghana</i></p> <p>This indicator represents the number of Productivity Packages distributed to Purchasing Clerks in Ghana during the year ended 31 August 2019 for further distribution to Farmers. This includes application of one or a combination of insecticides, fungicides, and/or distribution of a pole pruner.</p>
COH 2.16	No. of cocoa seedlings distributed	<p><i>Countries in scope: Ghana, Brazil</i></p> <p>This indicator relates to the number of cocoa seedlings distributed to farmers, or their communities through community distribution, or through the Replanting Packages or direct distribution or via suppliers during the year ended 31 August 2019.</p>
COH 2.17	No. of farmers benefiting from cocoa seedlings distribution	<p><i>Countries in scope: Ghana, Brazil</i></p> <p>This indicator also relates to the number of farmers who have received at least one cocoa seedling through the distribution methods listed in KPI reference COH 2.15</p>

KPI no.	KPI description	Assessment criteria
COH 2.18	Number of farmers who have access to farm services (coaching, inputs such as tools and seedlings, or finance)	<p><i>Origins in scope: Côte d'Ivoire, Ghana, Cameroon, Brazil</i></p> <p>This indicator relates to the number of farmers who, in the year ended 31 August 2019, had at least one of the following:</p> <ul style="list-style-type: none"> <li>signed a contract to participate in and gain access to the Productivity Package, as defined in FC 2.2.6 (excluding Ghana and Brazil);</li> <li>signed a contract to participate in and gain access to the Replanting Package, as defined in FC 2.2.7 (excluding Brazil);</li> <li>received cocoa seedlings (excluding Côte d'Ivoire);</li> <li>received shade trees (excluding Brazil);</li> <li>received tools such as pruners (excluding Brazil);</li> <li>received assistance in the form of finance or access to finance (excluding Brazil);</li> <li>received a calculated Farm Business Plan, as defined in FC 2.2.5; or</li> <li>signed a contract to participate in and gain access to Income Diversification activities (excluding Brazil), as defined in FC 2.2.8.</li> </ul>
COH 2.19	Total no. of accredited community professionals (sprayers, pruners, nurserists)	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon</i></p> <p>An accredited community professional is a sprayer, pruner or nurserist who has participated in a course to enhance their practice, obtained a passing mark (of at least 50%) in the test at the end of the course, and so subsequently received accreditation in their role as a Cocoa Horizons community professional.</p>
COH 2.20	No. of farmers who have access to income diversification	<p><i>Countries in scope: Ghana, Cameroon</i></p> <p>This indicator represents the number of farmers who have signed a contract to participate in a non-cocoa package or activity during the year ended 31 August 2019.</p> <p><b>In Ghana</b>, this refers to receiving support with one of the following:</p> <ul style="list-style-type: none"> <li>growing of vegetables</li> <li>keeping poultry</li> </ul> <p><b>In Cameroon</b>, this refers to receiving support with one of the following:</p> <ul style="list-style-type: none"> <li>growing of vegetables</li> <li>electricity generation</li> </ul>
COH 2.21	<p>A sample of No. Farmer Group Members were visited as part of a pilot observation exercise performed by the Foundation Month Year, and it was identified that, of the No. Farmer Group Members visited:</p> <ol style="list-style-type: none"> <li>% were found to have access to planting material;</li> <li>% were found to have access to fertilizer;</li> <li>% found adopting soil replenishment</li> <li>% found adopting soil health management</li> <li>% were found to have rehabilitated at least 3% of their cocoa farms with improved planting materials.</li> <li>% adopted pruning and more than 3 Good Agricultural Practices</li> </ol>	<p><i>Countries in scope: Côte d'Ivoire, Ghana</i></p> <p>Each of these KPIs are based upon the results of a survey performed with a sample of Group Members by Barry Callebaut field staff in October and November 2018.</p> <p>The KPIs are based upon responses given by the Group Members as to whether they:</p> <p>Have access to planting material - A Group Member with "access to planting material" is one who, when questioned at interview, responded that his or her plot had been regenerated in the last 12 months. This indicator aligns to CocoaAction Indicator 2.21a "Percentage of targeted Farmers with access to planting material";</p> <p>Have access to fertilizer – A Group Member with access to fertilizer is one who, when questioned at interview, responded that he or she was able to obtain fertilizer from a fertilizer distribution point (such as a Farmer Group) without encountering challenges related to cost, distance or timeliness. This indicator aligns to CocoaAction Indicator 2.21a "Percentage of targeted Farmers with access to fertilizer distribution points";</p>

		<p>Adopted soil replenishment - A Group Member was considered to have applied soil replenishment management if he/she owned fertilizer which covered at least 25% of trees in the plot.</p> <p>Adopted soil health management - This indicator aligns to CocoaAction Indicator 1.3a "Soil Fertility Management Practice 1: Soil Health Management". There were 3 areas of focus - soil health management, soil nutrient replenishment and soil erosion protection. A Group Member was considered to have applied soil fertility management if he/she scored more than 70% in the queries on soil health management.</p> <p>Rehabilitated their cocoa farm – A Group Member rehabilitating their cocoa farm is one who, when questioned at interview, responded that he or she had regenerated or rehabilitated part of their cocoa farm in the last 12 months. This indicator aligns to CocoaAction Indicator 2.21d "Percentage of Targeted Farmers found to have rehabilitated at least 3% of their cocoa farms with improved planting materials".</p> <p>A Group Member was considered to have regenerated or rehabilitated their cocoa farm if, based on their responses to the survey, (a) the number of hybrid seedlings planted in their farm covered at least 3% of their total plot, and (b) the planting material used was of improved quality as opposed to conventional.</p> <p>Adopted pruning and more than 3 Good Agricultural Practices - A Group Member was considered to have adopted pruning and 3 Good Agricultural Practice if ,based on their responses to the survey, the enumerator noted that (a) they have adopted good pruning management (b) they have adopted good agricultural practices on at least 4 of the following areas:</p> <ul style="list-style-type: none"> <li>• Harvest management</li> <li>• Shade management</li> <li>• Pest management</li> <li>• Weed management</li> <li>• Pruning management</li> </ul> <p>Where CocoaAction indicators are referred to above, further information can be found in the World Cocoa Foundation's CocoaAction Monitoring &amp; Evaluation guide, available at <a href="http://www.worldcocoafoundation.org/wp-content/uploads/20160427-HR_CocoaAction-MandE-Guide-1.pdf">http://www.worldcocoafoundation.org/wp-content/uploads/20160427-HR_CocoaAction-MandE-Guide-1.pdf</a>.</p>
COH 3.1	No. of child labor cases identified in our supply chain	<p><i>Countries in scope: Côte d'Ivoire, Ghana</i></p> <p>This indicator relates to the number of instances of child labor identified as part of the Child Labor Monitoring Remediation System ("CLMRS") interviews in the year ended 31 August 2019.</p> <p>In alignment with the International Labour Organization (ILO), child labor is defined as work that deprives children of their childhood, their potential and their dignity, interferes with their schooling and is harmful to physical and mental development. The CLMRS is a system consisting of a database supported by data collection and survey applications for use on tablets and mobile phones. This indicator explores the use of the data collection and survey functionality of the CLMRS with members of Farmer Groups in the year ended 31 August 2019.</p> <p>In using this functionality, farmers and members of their households were surveyed regarding the number of children aged between 5 and 17 residing in the household. Where such children were identified, they were individually surveyed regarding their role on the farm, and observation visits were subsequently performed at related farms.</p> <p>As part of these interviews with children and observations regarding their role on the farm, a number of children were identified as performing tasks considered to be dangerous. Such instances have been recorded within the "child labor cases identified".</p>



		<p><b>In Ghana</b>, the definitions of "child labor cases identified" in this indicator have been taken from the ILO. The different categories of child labor as described by ILO can be inferred below:</p> <ul style="list-style-type: none"> <li>● <b>'Heavy child labor'</b>: These are tasks considered to be dangerous, such as the handling of heavy equipment or use of farming chemicals. These are classed as a "child labor case identified" for children of all ages.</li> <li>● <b>'Light child labor'</b>: These are tasks which are less dangerous but can still be hazardous, such as weeding with a machete or removing beans from cocoa pods broken by adults. These are classed as a "child labor case identified" for all children under the age of 13 years old, and for children of ages from 13 to 17 years old depending on the number of hours they have been performing these tasks per week and day, which further depends on if it was a school day or not. For example: <ul style="list-style-type: none"> <li>● A 12 year old child that helps his parents during the harvest, such as sorting and picking beans (which is considered as a light task), is considered hazardous child labor as the child is younger than 13 years of age.</li> <li>● A 14 year old child that helps his parents with the same task (sorting and picking beans), for less than 2 hours on a school day, less than 4 hours on a non-school day, and less than 14 hours in total in the week, is not considered as hazardous child labor.</li> <li>● For a 14 year old performing the same tasks, but doing this for more than 2 hours during a school day, more than 4 hours during a non-school day, or more than 14 hours in total in the week, this is considered hazardous child labor.</li> </ul> </li> </ul> <p><b>In Côte d'Ivoire</b>, the definition of "child labor cases identified" in this indicator is in line with the Child labor Law passed by the Ivorian Minister of Employment and Social Protection. The labor Law only considers dangerous work (i.e. 'heavy child labor') performed by children to be a child labor case, such as (but not limited to):</p> <ul style="list-style-type: none"> <li>● use of farming chemicals</li> <li>● handling of sharp objects and heavy equipment</li> <li>● tree logging</li> <li>● handling of firewood</li> <li>● wood cutting</li> </ul>
COH 3.2	No. of child labor cases in progress of being remediated	<p><i>Countries in scope: Côte d'Ivoire</i></p> <p>This KPI relates to the number of child labour cases identified as per the definition of the KPI FC 1.1, which have received at least one remediation activity*. The remediation activities can be in the form of direct intervention provided to the child or child's family, or intervention provided to the child's community. This is evidenced by either signed documentation from the child's parents that the remediation activity has been received or signed confirmation from the head of the community if a community intervention has been provided. The cases in this KPI are thus still in this process and NOT yet considered to have been successfully and completely remediated.</p> <p><b>In Côte d'Ivoire</b>, remediation activities are underway but the resurveying process is not complete.</p> <p>*Remediation activities include, but are not limited to, the distribution of shovels, wheelbarrows, school kits, provisioning of birth certificates and writing classes, in line with <u>ICI definition</u>.</p> <p><b>In Ghana</b>, no remediation activities have taken place yet.</p>

KPI no.	KPI description	Assessment criteria
COH 3.3	No. of farmer groups covered by CL monitoring and remediation activities	<p><i>Countries in scope: Côte d'Ivoire, Ghana</i></p> <p>This indicator refers to the number of Farmer Groups covered by child labour monitoring and remediation activities implemented by Barry Callebaut, as described in KPI COH 3.1 and COH 3.2.</p> <p>Note that in Ghana there are no remediation activities in place.</p>
COH 3.4	% of the farmer groups we directly source from that have systems in place to prevent, monitor and remediate child labor	<p><i>Countries in scope: Côte d'Ivoire, Ghana</i></p> <p>This indicator relates to the proportion of Farmer Groups, from which Barry Callebaut directly source, that have systems in place (in at least one community [for Côte d'Ivoire] or one society [for Ghana] of a Farmer Group) to prevent, monitor or remediate child labour.</p> <p>This includes Farmer Groups which are part of the Cocoa Horizons CLMRS program as well as Farmer Groups which are not part of CLMRS but have been surveyed by Barry Callebaut's external surveyors to verify if they have systems in place to prevent, monitor and remediate child labor.</p> <p>'System' is defined as Child Protection Committee (CPC) or Child Labor Monitoring and Reporting System (CLMRS). The applicable definition of a robust and functioning system is in accordance with the CocoaAction methodology developed by the World Cocoa Foundation:</p> <p>Child Protection Committee (CPC)</p> <ul style="list-style-type: none"> <li>- CPC exists</li> <li>- CPC meetings are regular</li> <li>- Minimum of one CPC meeting in FY 2018/19</li> <li>- Members of CPC are trained on child protection, child labour case management, child labour monitoring and remediation</li> </ul> <p>Child Labour Monitoring and Remediation System (CLMRS)</p> <ul style="list-style-type: none"> <li>- CLMRS exists</li> <li>- Data is collected and children are surveyed about their involvement in light and hazardous work</li> <li>- Individuals responsible for CLMRS are trained on child protection, child labour case management, child labour monitoring and remediation</li> <li>- Equipment for individuals responsible for CLMRS is available (e.g. awareness raising material)</li> </ul> <p>Barry Callebaut collects information on the existence of CPC and CLMRS on a Farmer Group level through a declaratory survey tailored for leaders of Farmer Groups or sections of Farmer Groups.</p>
COH 3.5a	No. farmers participated in the interviews and surveys as part of the CLMRS	<p><i>Countries in scope: Côte d'Ivoire, Ghana</i></p> <p>This indicator refers to the number of cocoa farmer households which participated in survey interviews, in the year ended 31 August 2019, as part of the household surveys covered by child labour monitoring and remediation activities.</p> <p>This indicator was calculated using the data collected from Farmer Groups, which are part of Cocoa Horizon's CLMRS program.</p> <p>Note that in Ghana there are no remediation activities in place.</p>

KPI no.	KPI description	Assessment criteria
COH 3.7a	No. of community members attending the sensitization events on CL via the COH truck	<p><i>Countries in scope: Côte d'Ivoire</i></p> <p>The Cocoa Horizons truck is a media-enabled vehicle used to deliver training and sensitization sessions in the field.</p> <p>This indicator states the number of community members who attended child labor sensitization sessions in the year ended 31 August 2019, in which guidance is given on the types of work considered to be unsuitable for children.</p> <p>For the purposes of this indicator, the term “community member” is taken to mean an individual who resides in a distinct cluster of villages in close proximity to one another, in which Cocoa Horizons Group Members reside.</p>
COH 3.8	No. of communities reached by the Cocoa Horizons truck	<p><i>Countries in scope: Côte d'Ivoire</i></p> <p>The Cocoa Horizons truck is a media-enabled vehicle used to deliver training and sensitization sessions in the field.</p> <p>This indicator states the number of communities visited by the Cocoa Horizons truck in the year ended 31 August 2019. For the purposes of this indicator, the term “community” is defined as a group of individuals living in a cluster of villages in close proximity to one another, in which Cocoa Horizons Group Members reside.</p>
COH 3.9	No. of women in governance positions within Cocoa Horizons Farmer Groups	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Brazil</i></p> <p>This indicator states the number of Farmer Group governance positions held by women during the year ended 31 August 2019.</p> <p><b>In Côte d'Ivoire</b>, the term “governance position” includes the following roles: Director of a Farmer Group, Administrator of a Farmer Group, Village Coordinator of a Farmer Group, Trainer of a Farmer Group.</p> <p><b>In Ghana</b>, the term “governance position” includes the following roles: Director, Port Manager or District Manager of Nyankopa or Lead Farmer, Treasurer, Purchasing Clerk, Welfare Officer, Chairperson or Communications Coordinator of a society (a subsection of the Nyankopa Farmer Group, unique to Ghana).</p> <p><b>In Cameroon</b>, the term “governance position” includes the following roles: Director, Administrator (ADG), Cashier, Secretary, Warehouse Keeper of a Farmer Group, Farmer Trainer of a Farmer Group.</p> <p><b>In Brazil</b>, the term “governance positions” includes the following role: Buying Station Manager</p>
COH 3.10	<p>a) No. of women participated in the agroforestry training;</p> <p>b) Cumulative no. of women who have completed the program since its inception in FY 2013/14.</p>	<p><i>Countries in scope: Côte d'Ivoire</i></p> <p>The Women’s Agroforestry Training Program comprises interactive classroom training as well as land clearing and planting activities with a variety of crops, with the aim to support family consumption or income generation by sale.</p> <p>Due to the weather and climate conditions, finalisation of the agroforestry training was postponed until 30 September 2019. The reported number for the fiscal year ended 31 August 2019 therefore represents the number of women who participated and finalised the agroforestry training by 30 September 2019 as well as aggregating this figure to show the number of women who have completed this programme since it commenced in the year ended 31 August 2014.</p> <p>The total figure declared for this indicator includes both the women who participated in the full roll-out of the programme, as well as the women who were initially trained by external consultants, who then went on to tutor in the full roll-out.</p>

KPI no.	KPI description	Assessment criteria
COH 4.1	No. of shade trees distributed	<p><i>Countries in scope: Côte d'Ivoire, Ghana</i></p> <p>This indicator relates to the number of shade tree seedlings distributed to farmers, or their communities through community distribution, or through the Replanting Packages or direct distribution or via suppliers during the year ended 31 August 2019.</p>
COH 4.2	No. of farmers benefiting from shade tree seedlings distribution	<p><i>Countries in scope: Côte d'Ivoire, Ghana</i></p> <p>This indicator relates to the number of farmers who have received at least one shade tree through the distribution methods listed in KPI reference COH 4.1.</p>
COH 4.3	No. of farms that have been mapped with a GPS tracker	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon</i></p> <p>This indicator relates to the number of farm plots, owned by farmers who have sold their cocoa to Barry Callebaut (both directly or indirectly), which have been mapped up until the year ended 31 August 2019.</p> <p>Mapping is performed by Barry Callebaut staff, or by external consultants appointed by Barry Callebaut, using a GPS tracker and the data is entered onto Barry Callebaut's cloud-based solution, Katchilè. Analysis is then performed for Cocoa Horizons.</p> <p>Note that this KPI refers to the number of farm plots mapped, therefore where a farmer has three farms mapped, it is reported as three.</p>
COH 4.4	No. of Cocoa Horizons Group Members with at least one farm mapped with a GPS (polygon)	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon</i></p> <p>This indicator relates to the number of farmers, who have sold their cocoa to Barry Callebaut (both directly and indirectly), who have had at least one of their plots mapped up until the year ended 31 August 2019.</p> <p>Mapping is performed by Barry Callebaut staff, or by external consultants appointed by Barry Callebaut, using a GPS tracker and the data is uploaded to Barry Callebaut's cloud-based solution, Katchilè. Analysis is then performed for Cocoa Horizons.</p> <p>Note that this KPI refers to the number of farmers who have had at least one of their plots mapped, therefore where a farmer has three farms mapped, it is reported as one.</p>

KPI no.	KPI description	Assessment criteria
COH 4.5	% of Horizons cocoa which is demonstrated to be free from deforestation (ie. cocoa is not sourced from National Protected Areas as defined by the National Governments)	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon</i></p> <p>Deforestation free refers to Horizons cocoa which has not been sourced from a 'Protected Forest' (as defined by the host government). Cocoa Horizons identifies the location and area of these 'Protected Forests' by using data from a variety of sources, including the WDPA (World Database of Protected Areas). Cocoa Horizons has identified cocoa bean production sites via GPS mapping (farm polygons). It is calculated based on the proportion of Horizons cocoa sourced from high-risk countries which are not located in a 'Protected Forest', divided by the total volume of all Horizons cocoa sourced from high risk countries.</p> <p>Risk profiles of cocoa are obtained from the 'Maplecroft Index', where a score of 6 or higher is high risk and a score below 6 is low risk.</p> <p>The following assumptions have been made:</p> <ul style="list-style-type: none"> <li>• All cocoa sourced is considered to be from a 'high risk' country according to the 'Maplecroft Index'. Where the country-specific information is not available on Maplecroft, it is automatically determined to be 'high risk' by Cocoa Horizons.</li> <li>• Only cocoa sourced from an area which is not a 'Protected Forest' (as defined by the host government) is considered to be demonstrated free from deforestation.</li> </ul> <p>Note that where a farmer has more than one farm, if at least one of these farms is in a protected zone, then an assumption has been made that all cocoa supplied by that farmer is from a protected zone and therefore from an area of deforestation.</p>
COH 5.1	All Farmer Trainers have been trained	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon</i></p> <p>This indicator presents the proportion of Farmer Trainers in at least the minimum amount of Cocoa Horizons training commensurate with their role.</p> <p><b>In Côte d'Ivoire</b>, Farmer Trainers complete, on an annual basis, the minimum modules of: Quality, Traceability, Good Agricultural Practices, Protection of the Environment, Health &amp; Safety and Child Protection.</p> <p><b>In Ghana</b>, a Farmer Trainer refers to a Technical Officer and there are no farmer groups. These Technical Officers are trained and tested on the following modules:</p> <ol style="list-style-type: none"> <li>1. Communication/facilitation skills</li> <li>2. Training approaches and methodologies</li> <li>3. IPM</li> <li>4. Cropping calendar</li> <li>5. Quality and Traceability</li> <li>6. Child Labor/Gender issues</li> <li>7. Fertilizer Application/Composting</li> <li>8. Pruning</li> <li>9. Erosion control</li> <li>10. Health and safety/malaria</li> <li>11. Establishment of nursery and new farm</li> </ol> <p>They also complete a minimum of one Child Protection module once per three-year cycle.</p> <p><b>In Cameroon</b>, a Farmer Trainers are trained and tested on the following modules and their sub-modules GAP, Environment and Labor &amp; Health conditions (includes sub-module on Child Labor).</p>

## Appendix B - Unassured Reporting Criteria

KPI no.	KPI description	Assessment criteria
COH 2.6b	% farmers graduated from total farmers assessed	<p><i>Countries in scope: Côte d'Ivoire</i></p> <p>% is calculated by dividing the number of farmers who graduated from KPI 2.6a by the total number of farmers who took the assessment.</p>
COH 3.5b	No. children who participated in the interviews and surveys as part of the CLMRS	<p><i>Countries in scope: Côte d'Ivoire, Ghana</i></p> <p>This indicator relates to KPI 3.1 and refers to the number of children who participated in a survey interview in the year ended 31 August 2019 as part of the household surveys covered by child labour monitoring and remediation activities.</p> <p>This indicator was calculated using the data collected from Farmer Groups, which are part of Cocoa Horizont's CLMRS program.</p> <p>Note that in Ghana there are no remediation activities in place.</p>
COH 3.6	No. of Cocoa Horizons Group Members who received a farm visit by CLMRS trained BC staff	<p><i>Countries in scope: Côte d'Ivoire, Ghana</i></p> <p>This indicator refers to the number of Cocoa Horizons Group Members who received a farm visit observation by a CLMRS trained BC staff member in the year ended 31 August 2019.</p> <p>For the purposes of this indicator, a field visit is when a trained staff member visits a Group Member's farm and observes the role of any children on the farm. Dependent on the type of work observed as being carried out by children, the children are categorised based on the definitions of child labour in KPI 3.1. Those performing tasks considered to be dangerous are recorded as "child labour cases identified" as part of KPI 3.1.</p>
COH 3.7b	No. of: a) child community members b) female community members c) male community members attending the sensitization events on CL via the COH truck	<p><i>Countries in scope: Côte d'Ivoire</i></p> <p>The Cocoa Horizons truck is a media-enabled vehicle used to deliver training and sensitization sessions in the field.</p> <p>This indicator states the number of community members, broken down by gender and age, who attended child labor sensitization sessions in the year ended 31 August 2019, in which guidance is given on the types of work considered to be unsuitable for children.</p> <p>For the purposes of this indicator, the term "community member" is taken to mean an individual who resides in a distinct cluster of villages in close proximity to one another, in which Cocoa Horizons Group Members reside.</p>
COH 4.6	Tonnes CO2 equivalent sequestered by cocoa and non-cocoa trees	<p><i>Counties in scope: Cote d'Ivoire, Ghana, Cameroon, Brazil</i></p> <p>This indicator refers to the amount of CO2 equivalent sequestered through:</p> <ul style="list-style-type: none"> <li>• Replanting cocoa trees on-farm, replacing old or non-productive trees</li> <li>• Planting new cocoa trees on-farm, in-filling gaps</li> <li>• Planting of non-cocoa trees on-farm to increase crown cover, farmer income diversity and carbon sequestration;</li> <li>• Planting of non-cocoa trees within farming communities to increase climate resilience and carbon sequestration</li> </ul> <p>This has been independently verified by Gold Standard, and official methodology and verification statements can be found <a href="#">here</a>.</p>