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We support the Sustainable Development Goals

THE COCOA HORIZONS FOUNDATION

2021-2022 Progress Report



Contents

1. Directors' Statement	2
2. Program Activities and Performance	8
3. A 5 year overview of the Program	9
4. Progress Update for 2021/22	12
General	12
Farmer Group and Group Member requirements	13
Documented traceability of cocoa beans to the first buyer	15
Targeted productivity interventions	19
Targeted community interventions	23
Environmental Protection and Deforestation	26
Transparency of premium flows	28
5. Our Partners	30
Appendix A – Reporting Criteria	31
Metric assured by Sustaincert	56
Appendix B - Unassured Reporting Criteria	57

1. Directors' Statement

The Cocoa Horizons Foundation (the "Foundation"), an independent, non-profit organisation, was formally established by Barry Callebaut in February 2015 in Zurich, Switzerland and launched on 17 September 2015. It is supervised by the Swiss Federal Foundation Supervisory Authority and is independently audited annually to demonstrate compliance with Swiss federal regulations. The Foundation's Board of Directors includes five directors, one appointed by Barry Callebaut, and four independent directors.

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.

The Cocoa Horizons Foundation, through its mission and activities, supports 7 out of the 17 Sustainable Development Goals established by the United Nations in 2015 with the aim to end all forms of poverty, fight inequalities and tackle climate change while ensuring that no one is left behind (<https://www.un.org/sustainabledevelopment>)¹.



In 2021/2022, the Foundation has continued its operations in Nigeria, which is now covered within the scope of PricewaterhouseCoopers LLP (PwC)'s assurance for the key performance indicators (as stated in Appendix A). Most activities previously hindered by the COVID pandemic could restart, including the Cocoa Horizons truck, our community sensitization vehicle, which had to be reconditioned after almost 2 years of inactivity. The Foundation has also pursued its program expansion in Côte d'Ivoire and two new experienced implementers have been onboarded. This results in four partners implementing our sustainability program and creating a positive change in the country. The Foundation will keep expanding to new implementers to continue scaling impact and answer the growing demand for sustainably sourced cocoa. In Côte d'Ivoire, Ghana, Cameroon, Nigeria, Brazil, Ecuador and Indonesia, the Cocoa Horizons program's implementation is organized around three pillars – Productivity, Community and Environment - and covers the following focus areas:

- Farmer Group and Group Member requirements;
- Traceability of cocoa from farmers to the partnering exporter's 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 child protection;
- Environmental activities; and
- Transparency of premium flows.

The Foundation has reviewed the program methodology to integrate the latest developments in the sustainable cocoa industry and continuously focus on strengthening the program and accelerating the impact of activities on the ground. This review is also considering the latest and upcoming developments in the international legislations (EU regulation), the major initiatives (Cocoa & Forests Initiative) and national requirements (African Regional Standard). The revised methodology has

¹ The content of this publication has not been approved by the United Nations and does not reflect the views of the United Nations or its officials or Member States.

been implemented in 2021/2022, with notably the strengthening of our Human Rights approach, the integration of regenerative agriculture on top of agroforestry, and the deepening of our Farmer Groups capacity building.

In order to address a critical gap in helping lift farmers out of poverty, the Foundation continues to enable the scale up of innovative farm services offered to farmers, via the Farm Business Plans, to improve their old and unproductive cocoa farms with more productive and diversified ones. On top of a personalised coaching, as a follow up of the Farm Business Plan, our Farm Services model has been strengthened with an innovative pre-harvest approach. It started from the observation that farmers spend the majority of their time in post-harvest activities while only 30% in pre-harvest activities. Pre-harvest investments, especially pruning and soil inputs, are critical to improve cocoa yields and income. For farmers, assuming the financial cost of pre-harvest work and soil inputs remains a challenge. Therefore, through the funds of the program, we are supporting farmers with access to professional labor teams and with soil input subsidies. This additional service, tailored to the country specificities, has been implemented in Côte d'Ivoire and Ghana where it has been welcomed by farmers. These positive results build confidence for the scale up and the expansion of this activity for the next fiscal year.

The Foundation continued scaling up child labor monitoring and remediation activities, whilst at the same time undertaking remediation activities for cases identified in the prior year. This individual approach is complemented by a community-centric approach, which is essential to create empowered communities and make lasting change for the future. This includes activities at the Farmer Group and community level to further sustain the remediation, but also to prevent further incidents. It aims to increase the Farmer Groups and communities engagement in child protection, their ownership of the monitoring and remediation process and their ability to prevent child labor. Such activities consist of the establishment of Community Action Plans, Village Savings and Loan Associations and Income Generating Activities with a focus on empowering women. The community-centric approach is taking more and more importance in the child protection strategy as a systemic solution to a systemic problem.

When it comes to protection of the environment and forests, Cocoa Horizons embeds the commitments of the Cocoa and Forests Initiative (CFI), which aims to bring the cocoa industry to zero deforestation in Côte d'Ivoire and Ghana, and apply it to all countries where it is implemented. The first step, and therefore the program's focus, is to collect full data from all the farmers in the program, including the precise polygon mapping of farmers' plantations. Despite great progress and an impressive number of farms mapped, the full coverage of our quickly growing supply chain remains challenging. This is mainly due to the inherent loss of data due to quality when managing such large databases consolidated over several years and across multiple overlapping actors. This process increases the number of field visits to verify, correct or update the information. Nevertheless, the information gathered provides us with an accurate understanding of our farmers, key for the targeting of our activities. It also enabled us to identify and consolidate farmers in Côte d'Ivoire that delivered to multiple cooperatives and were therefore registered multiple times. In addition to the efforts put in place to fight deforestation, the Foundation expanded the implementation of robust agroforestry systems. In this new approach, farmers are supported with a clear diagnosis of their farm, a strong coaching and payments for ecosystem services. Implementing intense agroforestry systems enables to promote biodiversity, improve cocoa yield, reduce pest and diseases, provide an additional source of income for farmers and sequester carbon.

This report presents a summary of the program activities implemented during the year 2021/22, 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 with the actual results and impact of the activities described in the Foundation's communications. It is based on the work performed by the Foundation and the KPIs are independently assured by PwC in cocoa communities in the countries where the program is implemented.

This report, covering the financial year ending 31 August 2022, presents the results of a limited assurance level engagement under the ISAE 3000 (revised) assurance standard, providing the buyers of Cocoa Horizons products via Barry Callebaut 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 independent assurance are highlighted in the Independent Assurance Report of PricewaterhouseCoopers LLP on pages 5-6.

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 is suitable for the purpose of measuring and evaluating the KPIs presented in the 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 to this document.

Christoph Fahrni

Date 21-11-2022

Christoph Fahrni, Board member of the Cocoa Horizons Foundation

Pablo Perversi

Date 21-11-2022

Pablo Perversi, Chairman of the Cocoa Horizons Foundation

For and on behalf of the Directors of the Cocoa Horizons Foundation.



Independent Limited Assurance Report to the Directors of the Cocoa Horizons Foundation on key performance indicators in the Cocoa Horizons Progress Report for the year ended 31 August 2022

The Board of Directors of the Cocoa Horizons Foundation engaged us to obtain limited assurance on the key performance indicators (together the “Subject Matter Information”) as defined below and set out in the “Metrics assured by PwC” table of key performance indicators in Appendix A on pages 32 to 55 in the Cocoa Horizons Foundation Progress Report for the year ended 31 August 2022 (the “Report”).

Our assurance conclusion does not extend to information in respect of earlier periods or to any other information included in, or linked from, the Report including any images.

Our limited assurance conclusion

Based on the procedures we have performed, as described under the ‘Summary of work performed as the basis for our assurance conclusion’ and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information set out in the “Metrics assured by PwC” table of key performance indicators in Appendix A in the Cocoa Horizons Foundation Progress Report for the year ended 31 August 2022, has not been prepared, in all material respects, in accordance with the Reporting Criteria set out adjacent to the table of key performance indicators and referenced in the ‘Subject Matter Information and Reporting Criteria’ section below.

Subject Matter Information and Reporting Criteria

The Subject Matter 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 Subject Matter Information and the Reporting Criteria are as set out in the table below:

Subject Matter Information¹	Reporting Criteria	Materiality
<i>All key performance indicators (‘KPIs’) included in the “Metrics assured by PwC” table of KPIs, located in Appendix A, from KPI 1.1 through to KPI 5.7</i>	<i>Reporting criteria outlined in Appendix A adjacent to each related KPI in the “Metrics assured by PwC” table, from KPI 1.1 through to KPI 5.7.</i>	<i>Materiality has been set at 5% of the reported number for each KPI</i>

Inherent limitations

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, evaluation and measurement techniques that can affect comparability between entities and over time.

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the underlying subject matter and the methods used for determining such information. The precision of different measurement techniques may also vary.

In particular, some source data used to calculate KPIs associated with child labour and farmer graduation is based on farmer responses inputted directly into the digital data collection systems used by the Cocoa Horizons Foundation as well as their third-party implementer in Côte d’Ivoire only.

Responsibilities of the Cocoa Horizons Foundation’s directors

As explained in the Directors’ Statement on pages 2 to 4 of the Report, the Directors of the Cocoa Horizons Foundation are responsible for:

¹ The maintenance and integrity of the Cocoa Horizons Foundation’s website is the responsibility of the Directors; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Subject Matter Information or Reporting Criteria when presented on the Cocoa Horizons Foundation’s website.

- determining appropriate reporting topics and selecting or establishing suitable criteria for measuring or evaluating the underlying subject matter;
- ensuring that those criteria are relevant and appropriate to the Cocoa Horizons Foundation and the intended users of the Report;
- the preparation of the Subject Matter Information in accordance with the Reporting Criteria including designing, implementing and maintaining systems, processes and internal controls over information relevant to the evaluation or measurement of the Subject Matter Information, which is free from material misstatement, whether due to fraud or error, against the Reporting Criteria; and
- producing the Report, including underlying information and a statement of Directors' responsibility, which provides accurate, balanced reflection of the Cocoa Horizons Foundation's performance in this area and discloses, with supporting rationale, matters relevant to the intended users of the Report.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Subject Matter 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 the Cocoa Horizons Foundation.

Professional standards applied

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board.

Our independence and quality control

We have complied with the Institute of Chartered Accountants in England and Wales 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, that are at least as demanding as the applicable provisions of the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards).

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.

Materiality

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Subject Matter Information is likely to arise.

Based on our professional judgment, we determined materiality for the Subject Matter Information as follows:

Materiality has been set at 5% for every in-scope reported key performance indicator. This threshold means that a misstatement of 5% of the reported figure either as an individual misstatement, or as an aggregate of smaller misstatements, would lead us to conclude that the key performance indicator had not been prepared in all material respects in accordance with the Reporting Criteria. For qualitative information, materiality considerations consider qualitative matters, including balance, understandability, and lack of bias.

Summary of work performed as the basis for our assurance conclusion

In carrying out our limited assurance engagement we:

- considered the suitability in the circumstances of the Cocoa Horizons Foundation's use of the Reporting Criteria, as the basis for preparing the Subject Matter Information;
- through inquiries with the Cocoa Horizons Foundation's management, obtained an understanding of the Cocoa Horizons Foundation's control environment, processes and systems relevant to the preparation of the Subject Matter Information;
- evaluated whether the Cocoa Horizons Foundation's methods for developing estimates are appropriate and had been consistently applied;
- undertook site visits at Farmer Groups and cocoa farms in Côte d'Ivoire, Ghana, and Cameroon 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 Subject Matter Information at corporate head office and in relation to sites in Côte d'Ivoire, Ghana, Cameroon, Nigeria, Indonesia, Brazil, and Ecuador to check that underlying information had been appropriately evaluated or measured, recorded, collated and reported. This included in-person interviews with farmers in Côte d'Ivoire, Ghana, Cameroon, and virtual interviews with farmers in Nigeria, Indonesia, Brazil, and Ecuador; and
- considered the disclosure and presentation of the Subject Matter Information.

Our procedures did not include evaluating the suitability of design or operating effectiveness of control activities, testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the Cocoa Horizons Foundation's estimates.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Other information

The other information comprises all of the information in the Report other than the Subject Matter Information and our assurance report. The directors are responsible for the other information. As explained above, our assurance conclusion does not extend to the other information and, accordingly, we do not express any form of assurance thereon. In connection with our assurance of the Subject Matter Information, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Subject Matter Information or our knowledge obtained during the assurance engagement, or otherwise appears to contain a material misstatement of fact. If we identify an apparent material inconsistency or material misstatement of fact, we are required to perform procedures to conclude whether there is a material misstatement of the Subject Matter Information or a material misstatement of the other information, and to take appropriate actions in the circumstances.

Use and distribution of our report

This report, including our conclusion, has been prepared solely for the Board of Directors of the Cocoa Horizons Foundation in accordance with the agreement between us dated 9 May 2022, as amended on 7 October 2022 (the "agreement"). Our report must not be made available to any other party save as set out in the agreement. To the fullest extent permitted by law, we do not accept or assume responsibility or liability to anyone other than the Board of Directors and the 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
London
21 November 2022

2. Program Activities and Performance

COCOA HORIZONS IN FIGURES – 2021/22



3. A 5 year overview of the Program

This table presents the program overview over the last 5 years, including KPIs which have not been subject to independent assurance. The full list of KPIs subject to independent assurance is available in Appendix A.

KPI	Farmer Groups and Group Members	17/18	18/19	19/20	20/21	21/22	vs PY
1.1	No. of metric tons of Horizons cocoa sold in bean equivalent	64,808	86,748	104,863	175,000	233,216	33%
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	28,426	30,081	37,556	25,100	-33,531	-234%
1.3	No. of Farmer Groups delivered Horizons Cocoa	92	151	181	224	263	17%
1.4	No. of COH registered farmers	93,370	135,115	150,693	235,301	223,235	-5%
1.5	No. of metric tons of Horizons cocoa purchased	72,088	89,445	111,323	162,834	174,584	7%
1.6a	No. of COH registered farmers delivered Horizons cocoa	74,521	85,089	111,677	162,436	151,810	-7%
1.6b	% of COH registered farmers delivering Horizons cocoa	80%	63%	74%	69%	68.0%	-1%
1.7a	No. of women farmers delivered Cocoa Horizons cocoa are members Farmer Groups	16,331	18,258	23,442	30,911	25,348	-18%
1.7b	No. of women are registered members of Cocoa Horizons Farmer Groups	18,541	23,366	28,419	39,298	41,222	5%
1.8b	No. of delivered farmers with full data (all plots mapped)	-	-	-	99,067	115,978	17%
1.8d	No. of registered COH farmers with full data (all plots mapped)	-	-	-	139,710	158,588	14%
1.8f	% of farmers delivered Horizons cocoa with full data (all plots mapped)	-	-	-	61%	76%	25%
1.9	% of farmers who delivered Horizons cocoa in the fiscal year and have received the Cocoa Horizons Premium	100%	100%	100%	100%	100%	0%
Farmer Households Lifted Out of Poverty Line		17/18	18/19	19/20	20/21	21/22	vs PY
2.1	No. of cocoa farmers above the World Bank's International Poverty Line of USD 1.90/day**	30,812	64,920	57,495	121,722	121,167	0%
2.2	No. of Farmer Group staff trained	-	260	746	3,955	1,126	-72%
2.3a	No. of farmers who graduated from COH Academy	-	16,952	60,870	154,378	214,305	39%
2.3b	% of farmers graduated from COH academy as proportion of those assessed	-	63%	75%	76%	75.7%	0%

2.4	No. of farmers trained on environmental protection since 2018	-	74,571	116,157	124,754	163,136	31%
2.5	No. of farmers trained on gender and social issues since 2018	-	19,021	89,486	97,963	109,910	32%
2.6a	No. of farmers who received a Farm Business Plan (FBP)	3,282	9,920	36,324	86,609	136,460	58%
2.6b	No. of farmers who have access to a productivity package	3,447	4,457	15,020	36,387	40,895	12%
2.6c	% of farmers who adopted a productivity package after FBP	-	-	49%	49%	47.9%	-2%
2.7	No. of cocoa seedlings distributed	1,459,966	777,821	1,391,170	1,281,032	1,905,110	49%
2.8	No. of farmers who have received Farm Service activities (FBP, coaching, inputs such as tools and seedlings, or income diversification)	-	32,566	45,893	98,986	121,074	22%
2.9	No. of community members who have received support for income diversification and/or IGAs since the start of activities in 2016	-	164	526	2,286	5,867	157%
	Zero Child Labor in Our Supply Chain	17/18	18/19	19/20	20/21	21/22	vs PY
3.1	No. of Village Savings and Loans Associations (VSLAs) established	-	-	800	1,240	1,113	-10%
3.2	No. of child labor cases identified in our supply chain	3,096	3,867	22,519	18,529	19,388	5%
3.3	No. of child labor cases under remediation**	-	2,333	4,786	25,186	36,789	46%
3.4	No. of identified child labor cases which are considered remediated	-	-	335	362	2,631	627%
3.5a	No. of Farmer Groups in our direct supply chain with systems in place to prevent, monitor, and remediate child labor	20	42	110	184	217	18%
3.5b	% of Farmer Groups in our direct supply chain with systems in place to prevent, monitor, and remediate child labor	22%	28%	67%	81%	95%	17%
3.6	No. of farming households who have participated in a child labor identification monitoring survey	13,256	16,710	39,173	39,843	54,601	37%
3.7	No. of children who participated in a child labor identification monitoring survey	15,223	29,050	81,892	66,974	104,395	56%
3.8	No. of community members attending the sensitisation events on child labor via the COH truck	20,748	27,247	17,451	-	9,543	-
3.9	No. of communities reached by the COH truck	65	56	38	-	21	-

	Environmental Protection	17/18	18/19	19/20	20/21	21/22	vs PY
4.1a	No. of shade tree seedlings distributed to farmers	372,468	602,948	1,204,223	1,598,772	4,043,224	153%
4.3	% of Horizons cocoa which is proven to be free from deforestation (ie. cocoa is not sourced from National Protected Areas as defined by the National Governments)	-	70%	76%	74%	88%	19%
4.4a	No. of cookstoves distributed to farmers	-	-	2,610	5,020*	331	-93%
4.5	Total amount of CO ₂ sequestered through all Cocoa Horizons activities	16,500	72,500	132,523 ²	160,000	140,929 ⁵	-12%
5.7	# tree seedlings distributed off-farm for restoration purposes	-	-	-	28,837	50,798	76%

² For 21/22, this KPI was audited by Sustaincert. Link to the Assurance documents [here](#).

* 20/21 number of cookstoves distributed has been restated (adding 442 cookstoves).

4. Progress Update for 2021/22

General

The demand for Cocoa Horizons volume keeps increasing at a fast pace, with new customers interested in the program, and also a larger share from existing customers. In order to respond to this growth of 31% in sales volume, the program had to continue scaling up its operations consistently, reaching over 200,000 metric tons of purchased cocoa and having registered activities with around 220,000 farmers. For this fiscal year, the Foundation has decided to claim only 174,585 metric tons, which is around 80% of the purchased volume, while the remaining volume will be claimed next fiscal year. This is due to bringing forward our reporting deadline over the last 2 years, which provides less time for the operations to consolidate, verify and pay the premium to farmers and farmer groups. In order to guarantee the correct execution of this critical benefit to the farming communities, we have decided to take the necessary time to complete and assure this process. The volume coming from farmers who will receive the premium a few extra weeks after the PwC limited assurance engagement will be reported next year. This concerns around 38,000 metric tons from Côte d'Ivoire, Ghana and Indonesia. To prevent this issue in the future and speed up the assurance process, the program has begun to register farmers for digital payments.

Partnerships

In order to match the growth in volume and activities as smoothly as possible, the Foundation continued to expand its network of partners to support the implementation of the program. Two additional third parties outside of Barry Callebaut have been onboarded for next season. We will continue the onboarding of more third parties in the future. In Nigeria, the implementation started last year with three third parties. Our partners keep gaining experience and adapt the program according to the farmer's reality on the ground.

Program implementation

The expansion of the program to a new third party in 2020/2021 has been successful and further contributed to the program achievements in 2021/2022. This first experience has generated key learnings which have greatly facilitated the onboarding of the two new third parties during 2021/2022. The latter have already started implementing key activities, such as the collection of farmer's information and mapping, to prepare for the season 2022/2023. Building on this experience and forecasting additional needs and growth, the Foundation will further expand the program implementation to new countries and third parties.

The Foundation has also engaged several partnerships with actors in sustainable activities to further broaden its support to cocoa farming communities and keep focusing on impact.

Land documentation

The Foundation continues to promote land documentation as an enabler across all three pillars. By securing their land, farmers are more comfortable in making the necessary investment to increase productivity. They anchor their cocoa activity in a declared and appropriate location, and they can use their land as an asset for bank services, capital transmission or even trade. Therefore, the Foundation has been engaged with the Côte d'Ivoire Land Partnership (CLAP) as a founding member together with a social venture specialized in land documentation, and with major industry players like Hershey's and Unilever, as well as the Rural Land Agency of Côte d'Ivoire (AFOR). The partnership is already gathering valuable experience through the delivery of hundreds of documents which will be instrumental to roll out land documentation at large scale. Thanks to this learning, the partnership is revising its approach to deliver 9,000 land documents by 2023. In parallel, the Foundation is supporting a land tenure project in 3 districts in Ghana with the same third party expert.

Labor teams

Improving productivity of cocoa farms is a key area of focus. The Farm Business Plan is the cornerstone of the process to improve the livelihoods of farmers and their communities. Since the past year, our Farm Services model has been reinforced with an innovative pre-harvest approach. It started from the observation that farmers only spend 70% of the time in post-harvest and only 30% in pre-harvest. Pre-harvest investments, especially pruning and soil inputs, are critical to improve cocoa yields and income. For farmers, assuming the financial cost of pre-harvest work and soil inputs remains a challenge. Therefore, as of this year, through the funds of the program, we are supporting farmers with professional labor teams and soil input subsidies.

Agroforestry

As the need for the implementation of the agroforestry system is more and more urgent, the Foundation started in 2020 a 3 year project in 3 communities in Ghana with a third party expert. The objective of this collaboration, on top of increasing the program's impact, is to develop more partnerships with field actors and increase the capacity of the Foundation to scale and adjust the activities quickly and smoothly. In this project, the Foundation piloted a landscape approach for agroforestry, targeting whole communities instead of a set of farmers selected by their supply chain affiliation, which should lead to a more efficient, holistic and lasting change. This approach enabled the Foundation to join efforts with one of its customers, General Mills, to support 5 additional neighbouring communities. To date, 68,000 trees have been planted in 8 communities with 421 farmers.

In this new approach, farmers are supported with a clear diagnosis of their farm, strong coaching and payments for ecosystem services. Implementing intense agroforestry systems enables the promotion of biodiversity, improved cocoa yields, reduced pests and diseases, additional sources of income for farmers and sequestration of carbon.

Forest restoration

To complement the on-farm approach of agroforestry, the Foundation started in 2021 a multi year project to restore the Agbo forest in Côte d'Ivoire with an expert in nature based climate projects. So far, more than 100,000 trees have been planted across the project area of 300 ha, overachieving against the initial objective. More than 25 different native species, including endangered species, were planted to promote and safeguard biodiversity. This project will serve as a foundation to attract additional fundings and initiatives.

Farmer Group and Group Member requirements

Overview

The Cocoa Horizons program operates with Farmer Groups in Côte d'Ivoire, Ghana, Cameroon, Nigeria, Indonesia and Ecuador and directly with farmers in Brazil. In Côte d'Ivoire, these are agricultural cooperatives who deliver cocoa to Barry Callebaut's own sourcing company or Barry Callebaut's sourcing partner. In Ghana, this is Barry Callebaut's own direct sourcing licensed buying company, Nyonkopa Ltd. Due to its size, Nyonkopa is organized by districts in their respective counties of operation. In Cameroon and Nigeria, these are supply chain partners who deliver cocoa to Barry Callebaut's sourcing company. In Ecuador and Indonesia, it is through supply chain partners. In Brazil it is directly with individual farmers who deliver cocoa to Barry Callebaut buying stations.


In order to increase our confidence that the wider aims of the Cocoa Horizons Foundation have been understood, Farmer Groups and their Group Members, or individual farmers in the case of Brazil, Indonesia and Ecuador, are required to heed and sign documents which reflect the ambition of the Cocoa Horizons Foundation, and 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 procedures.

The representatives of all new Farmer Groups are required to sign the Supplier Code, the Cocoa Horizons Convention which includes a commitment to protect human rights, fight child labor and combat cocoa production in 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, Ecuador and Indonesia these are signed by farmers directly.

Key achievements:

- The number of Farmer Groups 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.
- By making use of mapping and farmer data, the Cocoa Horizons Foundation has identified farmers in Côte d'Ivoire that delivered to multiple cooperatives and were therefore registered multiple times. These farmers are now consolidated under a unique identification number.
- The Cocoa Horizons Foundation is working on improved traceability within the supply chain. Through a strong data cleansing process performed in 2021/22, the Foundation now has a better view on which farmers are registered in the Cocoa Horizons program.

Targets and Performance Indicators

Target	Performance Indicators																								
<p>All Farmer Groups respect and sign the Cocoa Horizons governing documents, which cover (1) Supplier Code, (2) the Cocoa Horizons Conventions, including a commitment to protect human rights, fight Child Labor, and combat cocoa production in protected forests</p> 	<p>Total</p> <ul style="list-style-type: none">223,235 COH registered farmers, which is a decrease of 5% versus prior year27% registered members who are women <table><tr><th></th><th>Côte d'Ivoire</th><th>Ghana</th><th>Cameroon</th><th>Brazil</th><th>Indonesia</th><th>Ecuador</th><th>Nigeria</th></tr><tr><td># members</td><td>112,611</td><td>88,811</td><td>15,387</td><td>1,332</td><td>2,273</td><td>1,547</td><td>1,274</td></tr><tr><td>% women</td><td>8%</td><td>33%</td><td>13%</td><td>31%</td><td>22%</td><td>21%</td><td>19%</td></tr></table>		Côte d'Ivoire	Ghana	Cameroon	Brazil	Indonesia	Ecuador	Nigeria	# members	112,611	88,811	15,387	1,332	2,273	1,547	1,274	% women	8%	33%	13%	31%	22%	21%	19%
	Côte d'Ivoire	Ghana	Cameroon	Brazil	Indonesia	Ecuador	Nigeria																		
# members	112,611	88,811	15,387	1,332	2,273	1,547	1,274																		
% women	8%	33%	13%	31%	22%	21%	19%																		

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 or third party implementer warehouse. From this point onwards (downstream), the majority of the Horizons cocoa follows the principle of mass balance, where sales volumes shall not exceed sourced volumes by more than 50%, and such shortfalls must be compensated in the following fiscal year. Using mass balance principles for Horizons' sales minimizes logistical costs compared to physical segregation, so that more resources go directly towards the sustainability program activities to benefit farmers. Since 2020/2021, a fully segregated liquor flow has been introduced, where a specific group of Cocoa Horizons farmers deliver beans that are then fully segregated up to the chocolate production.

Traceability is a key aspect of Horizons cocoa. Traceability manuals and training are provided to all Farmer Groups' staff. 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 or third party implementer warehouse.

In Côte d'Ivoire, Cameroon, Ecuador, Nigeria and Indonesia, Cocoa Horizons sourcing partners sign 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 consolidates the information received from various data management systems used by its partners. A strong focus is put on data management and alignment with the Foundation requirements during the onboarding of new partners. 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, continuous improvement and reporting.


Traceability ends when farmers receive the Cocoa Horizons premium. Over the last 2 years, we have been shortening our reporting deadline, leaving less and less time for the implementing partners to execute and verify the premium payment. In order to guarantee the correct execution of this critical benefit to the farming community, we have decided to take the necessary time to complete and assure this process. As a consequence, the volume for which farmers will receive the premium a few extra weeks after the verification audit will be reported next year. This concerns around 38,000 metric tons of cocoa from Côte d'Ivoire, Ghana and Indonesia. For this fiscal year, the Foundation will claim 174,585 metric tons, which is around 80% of the purchased volume. To prevent this issue in the future and speed up the verification process, the program has begun to register farmers for digital payments.

Major achievements:

- Continued focus on data collection: 115,978 farmers delivering cocoa to the program have a census and all their farms have GPS polygons. This represents 76% of the farmers delivering cocoa to the program, reflecting our increasing requirements regarding data quality and the inherent loss of data due to the consolidation of such large databases. The information gathered, including the one which is still under consolidation, is extremely valuable to understand our farmers, control our supply chain and target our activities.
- Based on the mapping and full data, systems are being built to raise automatic red flags, either from farmers that are in protected areas or that may have delivered volumes that do not relate to the size of their mapped farm. In these cases, the volume and the farmers are excluded from Cocoa Horizons.
- Overall the volume has increased versus prior year, based on customers' demand and supported by the increased productivity and loyalty from the farmers.

- Progressive increase in tonnage delivered per farmer and Farmer Groups, with an increase of 7% compared to the prior year. This percentage excludes the 38,000 metric tons which will be claimed in next year's figures and would have increased the effective volume sourced from farmers by 31%.

Targets and Performance Indicators

Target	Performance Indicators
<p>All Horizons cocoa is traced from the individual Group Member (i.e. registered with a unique code) to the first buying site of the Cocoa Horizons sourcing partner.</p> 	<p>Total</p> <ul style="list-style-type: none"> 68% of total COH registered farmers delivering Horizons cocoa 174,584 metric tons of Horizons cocoa purchased during the year ended 31 August 2022; 263 Farmer Groups delivered Horizons cocoa (+17%) 115,978 farmers who delivered Horizons cocoa who have both a census survey and farm mapping (76.4% delivered farmers) <p>Côte d'Ivoire</p> <ul style="list-style-type: none"> 75% COH registered farmers delivering Horizons cocoa 102,973 metric tons of Horizons cocoa purchased during the year ended 31 August 2022 (+28 %) <p>Ghana</p> <ul style="list-style-type: none"> 58% COH registered farmers delivering Horizons cocoa 33,404 metric tons of Horizons cocoa purchased during the year ended 31 August 2022 (-43 %) <p>Cameroon</p> <ul style="list-style-type: none"> 75% COH registered farmers delivering Horizons cocoa 26,275 metric tons of Horizons cocoa purchased during the year ended 31 August 2022 (+60 %) <p>Brazil</p> <ul style="list-style-type: none"> 89% COH registered farmers delivering Horizons cocoa 4,041 metric tons of Horizons cocoa purchased during the year ended 31 August 2022 (+103 %) <p>Indonesia</p> <ul style="list-style-type: none"> 24% COH registered farmers delivering Horizons cocoa 382 metric tons of Horizons cocoa purchased during the year ended 31 August 2022 (-68 %) <p>Ecuador</p> <ul style="list-style-type: none"> 81% COH registered farmers delivering Horizons cocoa 6,583 metric tons of Horizons cocoa purchased during the year ended 31 August 2022 (+59 %) <p>Nigeria</p> <ul style="list-style-type: none"> 77% COH registered farmers delivering Horizons cocoa 927 metric tons of Horizons cocoa purchased during the year ended 31 August 2022
<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>Côte d'Ivoire, Ghana, Cameroon, Brazil, Ecuador and Indonesia</p> <ul style="list-style-type: none"> All Horizons cocoa sales are documented and balanced against sourced volumes 2021/22 closed with cumulative shortfall of 33,531 metric tons of volumes sourced against volumes sold (as per the stipulations related to mass balance described in the overview).

Targeted productivity interventions

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 of best farming practices and reverse the decreasing productivity due to ageing cocoa trees, the following key activities are being implemented:

- 1) An accreditation process for Cocoa Horizons Farmer trainers that comprises of a qualification and evaluation step;
- 2) A graduation system for farmers to ensure the knowledge absorption of training material;
- 3) The provision of robust Farm Services, via Farm Business Plans, personalized farmer coaching, and access to professional labor teams, facilitating access to tools, inputs for selected farmers;
- 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 continued to roll-out the graduation system across the different countries, in order to assess the knowledge of the farmers in all relevant topics around sustainable cocoa farming, and including social and environmental aspects. This process is on-going in Côte d'Ivoire, Ghana, Cameroon, Nigeria, Brazil, Ecuador and Indonesia. This is an important step to move from previous group training into individual coaching. By having a graduation system in place, there is an assurance that farmers have the basic knowledge and skills to improve their farm and get access to Farm Services. In Ecuador and Nigeria, the graduation process has been successfully adapted to the local reality, ensuring an efficient and accurate assessment of farmer's knowledge. It is very useful from a programmatic point of view to establish a baseline and focus our training on knowledge gaps. We have also witnessed enthusiasm from farmers who are eager to test their own knowledge and get feedback on their mistakes. This will be further reinforced next year to continue building the relationship with farmers and drive adoption of best practices.

Throughout the agronomic calendar, farmers are visited by a coach on their 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 productivity packages. 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.


Major achievements in this area were:

- Continued roll-out of a farmer graduation system which places increased value on the outcome of the training delivered and the knowledge retention by farmers; helping us to evaluate the effectiveness of our training and be more efficient in the use of resources.
- 80,360 farmers have been assessed across the different countries and on average 76% have graduated, meaning that they had a minimum score of 60% in the test.
- Continued emphasis on accrediting farmer trainers to ensure high levels of expertise and professionalism.
- Full implementation of the Farm Business Plan's mobile application, in order to use available data and an algorithm to make recommendations based on the specific needs of each farmer.
- Scaling up of Farm Services, focusing on more hectares per farmer, rather than just on more farmers.
- While the productivity ban from the Conseil du Cacao prevented the program from providing farmers with improved cocoa seedlings in Côte d'Ivoire, 1,905,110 cocoa seedlings were distributed to 10,287 farmers in Ghana, Cameroon, Indonesia, Ecuador and Brazil.
- A 3 year project on Land Documentation has been launched under the Côte d'Ivoire Land Partnership (CLAP), a consortium gathering a social venture specializing in land documentation, major industry players, the German cooperation (implemented by GIZ GmbH) and the Rural Land Agency of Côte d'Ivoire (AFOR). The final objective is to develop a faster and more efficient methodology using the latest technologies to facilitate land documentation at large scale. The partnership is already gathering valuable experience through the delivery of

hundreds of documents which will be instrumental to roll out land documentation at large scale. Thanks to this learning, the partnership is revising its approach to deliver 9,000 land documents by 2023.

- In parallel, a land tenure project with the same partners has reached 500 farmers who received their land documents in June 2022 in 3 districts in Ghana.

Targets and Performance Indicators

Target	Performance Indicators
<p>Farmers accredited from COH Academy</p> 	<p>Total</p> <ul style="list-style-type: none"> 214,305 farmers graduated 76% graduated from total number of farmers assessed in 21/22 <p>Côte d'Ivoire</p> <ul style="list-style-type: none"> 111,454 farmers graduated 75% graduated from total number of farmers assessed in 21/22 <p>Ghana</p> <ul style="list-style-type: none"> 86,794 farmers graduated 75% graduated from total number of farmers assessed in 21/22 <p>Cameroon</p> <ul style="list-style-type: none"> 12,479 farmers graduated 87% graduated from total number of farmers assessed in 21/22 <p>Brazil</p> <ul style="list-style-type: none"> 318 farmers graduated 73% graduated from total number of farmers assessed in 21/22 <p>Indonesia</p> <ul style="list-style-type: none"> 2,459 farmers graduated 99% graduated from total number of farmers assessed in 21/22 <p>Ecuador</p> <ul style="list-style-type: none"> 429 farmers graduated 64% graduated from total number of farmers assessed in 21/22 <p>Nigeria</p> <ul style="list-style-type: none"> 372 farmers graduated 38% graduated from total number of farmers assessed in 21/22
<p>Farmer support through Farm Services</p> <p>The Productivity Package consists of:</p> <ul style="list-style-type: none"> Access to coaching support from accredited Farmer Trainers to facilitate the execution of the Farm Business Plan. Access to tools, inputs and/or planting material to facilitate adoption of Good Agricultural Practices, Soil Fertility Management Practices and Rehabilitation Techniques – where required. Access to finance (e.g. via a savings and credit scheme) - where required. 	<p>Total</p> <ul style="list-style-type: none"> 121,074 farmers received farm service activities (coaching, inputs such as tools and seedlings, or finance) 136,460 farmers have received a Farm Business Plan (FBP) since 2018 <p>In FY 21/22, 83,148 farmers received a Farm Business Plan and 40,895 farmers had access to productivity packages.</p> <ul style="list-style-type: none"> 48% of farmers adopted a productivity package after an FBP <p>Côte d'Ivoire</p> <ul style="list-style-type: none"> 57,025 farmers received farm service activities 41,435 farmers received a Farm Business Plan (non-cumulative) 26,920 farmers had a productivity package 62% of farmers adopted a productivity package after an FBP <p>Ghana</p> <ul style="list-style-type: none"> 55,103 farmers received farm service activities 34,873 farmers received a Farm Business Plan (non-cumulative)



- 9,633 farmers had a productivity package
- 28% of farmers adopted a productivity package after an FBP

Cameroon

- 6,052 farmers received farm service activities
- 5,139 farmers received a Farm Business Plan (non-cumulative)
- 3,500 farmers had a productivity package
- 68% of farmers adopted a productivity package after an FBP

Brazil

- 759 farmers received farm service activities
- 646 farmers received a Farm Business Plan (non-cumulative)
- 167 farmers had a productivity package

Indonesia

- 1,173 farmers received farm service activities
- 815 farmers received a Farm Business Plan (non-cumulative)
- 675 farmers had a productivity package
- 83% of farmers adopted a productivity package after an FBP

Ecuador

- 962 farmers received farm service activities
- 240 farmers received a Farm Business Plan (non-cumulative)

Targeted community interventions

Overview

The Foundation works with farmers to improve cocoa production practices whilst 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 three key areas:

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

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 2021/22 the Foundation continued the implementation of its Child Labor Monitoring and Remediation System (CLMRS) activities in Côte d'Ivoire, Ghana and Cameroon. The risk assessment of human rights, including child labor, is being finalized in Ecuador and Brazil to clearly assess the risk of any infringement and define the appropriate activities to implement. In Indonesia, the assessment confirmed our way of working with a focus on community activities. As a result, the program covers 95% of Farmer Groups with CLMRS activities whilst supporting communities to further prevent and remediate child labor.

In 2019/20, the Cocoa Horizons Foundation piloted a child centric approach enhancing and supporting community-driven programs and accountability, focusing more on prevention, rather than remediation. Following the continuous improvement process as per the OECD Due Diligence Guidelines, we implement this approach first in the communities where the highest risk or incidence of child labor has been identified, scaling up the approach until all communities are covered by 2025.

For instance, one incremental activity is the set up of Village Savings and Loan Associations (VSLAs) to support Cocoa Horizons communities with acute social challenges, as these help to:


- Provide a safe way and, typically, a relatively low cost manner for farmers and community members to access financial services;
- Promote disciplined savings and financial knowledge;
- Increase strengths of social networks, connections and support systems especially towards the more vulnerable population;
- Promote self-confidence and women's empowerment;
- Promote a child-centred approach; and
- Increase household income through livelihood diversification.


As studies show, when women earn an income they tend to invest in their children's future and in their communities. Fostering women's empowerment through the registration of cocoa farmers continued, and was further supported by VSLAs (as mentioned above), community nurseries and income generating activities (IGAs) in different countries.

With the softening of the COVID-19 pandemic, group activities could finally restart at full scale, including child protection sensitization events, VSLAs and IGAs associations. Despite the discontinuity of some VSLAs previously established during this difficult period, we have witnessed a solid establishment of the new VLSAs and their potential to foster IGAs within the

group. In Côte d'Ivoire, we also restarted the Cocoa Horizons truck for community sensitization after maintenance and repair work due to prolonged inactivity.

Targets and Performance Indicators

Target	Performance Indicators
<p>Implement Community interventions within focus area Child Protection:</p> <ul style="list-style-type: none"> ● Raise awareness of Farmer Groups and Group Members on child labor. ● Increase the coverage of a CLMRS system or equivalent across all farmers and Farmer Groups ● Identify and remediate Child labor cases in the supply chain. 	<p>Total</p> <ul style="list-style-type: none"> ● 217 Farmer Groups with child labor systems in place, equivalent to 94.8% out of the total. This compared to the coverage of 80.7% in prior year ● 54,601 farming households participated in a child labor identification monitoring survey (+37% more than in prior year) ● 104,395 children have participated in a child labor identification monitoring survey. ● 19,388 children in child labor were identified, meaning that in 81% of the cases no child labor cases were found. ● 36,789 child labor cases are under remediation ● 2,631 child labor cases were remediated <p>Côte d'Ivoire</p> <ul style="list-style-type: none"> ● 135 Farmer Groups covered by child labor monitoring and remediation activities ● For the year ending 31 August 2022: <ul style="list-style-type: none"> ○ 39,629 farming households participated in a child labor identification and monitoring survey ○ 85,035 children participated in a child labor identification and monitoring survey ● 10,073 children in child labor were identified (12% out of the total children surveyed) ● 12,136 child labor cases under remediation ● 1,186 child labor cases remediated <p>Ghana</p> <ul style="list-style-type: none"> ● 56 farmer groups covered by child labor monitoring and remediation activities ● For the year ending 31 August 2022: <ul style="list-style-type: none"> ○ 9,976 farming households participated in a child labor identification and monitoring survey ○ 10,810 children participated in a child labor identification and monitoring survey ● 4,320 children in child labor were identified (40% out of the total children surveyed) ● 14,350 child labor cases under remediation ● 138 child labor cases remediated <p>Cameroon</p> <ul style="list-style-type: none"> ● 26 Farmer Groups covered by child labor monitoring and remediation activities ● For the year ending 31 August 2022: <ul style="list-style-type: none"> ○ 4,996 farming households participated in a child labor identification and monitoring survey ○ 8,550 children participated in a child labor identification and monitoring survey ● 4,995 children in child labor were identified (58% out of the total children surveyed)

	<ul style="list-style-type: none"> • 10,303 child labor cases under remediation • 1,307 child labor cases remediated
<p>Implement Community interventions with focus on income diversification</p> <ul style="list-style-type: none"> • Village Savings and Loan Associations (VSLAs) created/supported. • Support Income Generating Activities (IGA) as requested by women in targeted communities. 	<p>Total</p> <ul style="list-style-type: none"> • 1,113 VSLAs • 71% of VSLA members are women <p>Côte d'Ivoire</p> <ul style="list-style-type: none"> • 503 VSLAs • 87% of VSLA members are women <p>Ghana</p> <ul style="list-style-type: none"> • 581 VSLAs • 53% of VSLA members are women <p>Cameroon</p> <ul style="list-style-type: none"> • 28 VSLAs • 100% of VSLA members are women <p>Indonesia</p> <ul style="list-style-type: none"> • 1 VSLAs • 100% of VSLA members are women

Environmental Protection and Deforestation

Overview


The mapping of all the farms is a key area of focus in the program implementation and starts once farmers have been recruited. Nevertheless, this task remains challenging for various reasons. The sheer quantity of information we have been collecting over the past years is tremendous, creating an inherent burden of data quality cleaning. This is furthermore heightened by the exceptional program growth, the supply chain fluidity, with farmers changing cooperatives on a regular basis, and the consolidation of information which has been captured and updated across several years. By making use of mapping and farmer data, the Cocoa Horizons Foundation has identified farmers in Côte d'Ivoire that delivered to multiple cooperatives. Through a strong data cleansing process performed this year, we now have a better view on which farmers are registered in the program. Nevertheless, we successfully managed to consolidate the full data information on 76% of our farmers while the remaining are still being processed for quality and accuracy. As understanding our farmers and supply chain is critical for our program, resources will keep increasing for this activity to ensure faster data processing. To further prevent this challenge with new partners, the census and mapping of new groups has already started in 2021/22 for the next season (2022/23).




The distribution of non-cocoa tree seedlings continued as they 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.

As the need for the implementation of the agroforestry system is more and more urgent, the Foundation started a 3 year landscape project in 2020 supporting Ghanaian farmers to establish sound agroforestry systems in their cocoa farms. This project also aims to pilot a supply shed approach where the whole community is supported instead of targeting only Cocoa Horizons farmers. The ambition is to shift from the traditional supply chain approach and generate a more efficient, holistic and lasting change. This approach enabled the Foundation to join efforts with one of its customers, General Mills, to support 5 additional neighbouring communities. To date, over 68,000 trees have been planted in 8 communities with 421 farmers

To complement the on-farm approach of agroforestry, the Foundation started in 2021 a multiyear project to restore the Agbo forest in Côte d'Ivoire with an expert in nature based climate projects. To date, over 100,000 seedlings were planted and are frequently monitored by local workers through firewatching and patrolling. Most of the 300 ha have been restored and remaining areas will be monitored for natural regeneration.

Targets and Performance Indicators

<p>Trees distributed that result in sequestration of carbon</p> 	<p>Total</p> <ul style="list-style-type: none"> • 4,043,224 shade trees distributed to farmers • 1,905,110 cocoa seedlings distributed <p>Côte d'Ivoire</p> <ul style="list-style-type: none"> • 2,556,074 shade trees distributed to farmers <p>Ghana</p> <ul style="list-style-type: none"> • 1,422,843 shade trees distributed to farmers • 1,439,147 cocoa seedlings distributed <p>Cameroon</p> <ul style="list-style-type: none"> • 28,803 shade trees distributed to farmers
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	<ul style="list-style-type: none"> 290,267 cocoa seedlings distributed <p>Indonesia</p> <ul style="list-style-type: none"> 12,500 shade trees distributed to farmers 28,870 cocoa seedlings distributed <p>Brazil</p> <ul style="list-style-type: none"> 25,020 cocoa seedlings distributed to farmers <p>Ecuador</p> <ul style="list-style-type: none"> 23,004 shade trees distributed to farmers 121,806 cocoa seedlings distributed
<p>Cookstoves</p> 	<p>Total</p> <ul style="list-style-type: none"> 331 cookstoves distributed to farmers <p>Côte d'Ivoire</p> <ul style="list-style-type: none"> 331 cookstoves distributed to farmers
<p>Carbon sequestration</p> 	<p>Global</p> <ul style="list-style-type: none"> Total amount of 140,929 metric tons of CO₂ sequestered through COH activities (KPI audited by Sustaincert. Link to the Assurance documents here.)
<p>Mapping to improve understanding of the risk of sourcing from protected areas</p> 	<p>Total</p> <ul style="list-style-type: none"> 76% of delivering farmers with full data 88% Horizons cocoa was demonstrated to be free from deforestation

Transparency of premium flows

Overview

The Cocoa Horizons Foundation only funds activities that support its purpose to drive cocoa farmer prosperity by creating self-driven 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, environment, 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 2021/22.

Activities by the Foundation in the 2021/22 fiscal year were funded by a combination of:

- Funds received from customers who pay a premium when purchasing Horizons products;
- Contributions made by third party donors;
- A CHF 4 million donation from Barry Callebaut; and
- Unspent balances brought forward from the 2020/21 fiscal year.

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

- 20% Farmers & Farmer Groups premium;
- 37% Productivity;
- 20% Community;
- 10% Environment; and
- 13% Program administration.



From 2022/23 onwards, the Foundation has decided to increase the cash premium paid to farmers to support farmers' incomes and to further bridge the gap with living income. This results in an increase of customer premium and a revised allocation of funds:

- 40% Farmers & Farmer Groups premium;
- 28% Productivity;
- 13% Community;
- 11% Environment; and
- 8% 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 the 2021/22 fiscal year 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> 	Cocoa Horizons Foundation, Zurich			
	<i>(in CHF)</i>			
		<u>2021/22</u>	<u>2020/21</u>	<u>2019/20</u>
	Cocoa Horizons Program Income	37,366,256	28,478,891	17,664,267
	Horizons Program contributions			
	Cocoa Horizons Program expenses			
	Farmers and Farmer Groups premium	(8,122,224)	(6,690,083)	(4,367,172)
	Productivity expenses	(11,921,700)	(8,370,249)	(6,026,921)
	Community expenses	(4,541,555)	(4,430,626)	(3,013,551)
	Environmental expenses	(2,943,346)	(3,799,089)	(1,777,429)
	Administrative expenses	(4,890,614)	(3,731,871)	(2,254,608)
	<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> 	Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil, Ecuador and Nigeria <ul style="list-style-type: none"> 100% of the farmers who delivered Horizons cocoa in the fiscal year have received the Cocoa Horizons Premium. 			

5. Our Partners

Thanks to the contributors of this program, such as customers, implementing partners and third party donors, the Cocoa Horizons Foundation is able to drive further impact with more cocoa farmers and communities on the ground.



Ministry of Foreign Affairs



Rabo Partnerships

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** is defined as any person owning or managing a cocoa farm. It can be the actual operator of the farm (ex: a sharecropper, farmer's worker, tenant or farm manager) or the land owner.

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 the Cocoa Horizons Charter:

- **Côte d'Ivoire:** These are partnered agricultural cooperatives working with Barry Callebaut owned direct sourcing company, SACO and partnered agricultural cooperatives working with Cocoa Horizons' third party implementer.
- **Cameroon:** These are partnered agricultural cooperatives working with Barry Callebaut owned direct sourcing company, SIC CACAO.
- **Ghana:** These are districts/branches working with Barry Callebaut's direct sourcing licensed buying company in Ghana, Nyonkopa Ltd.
- **Indonesia:** These are suppliers of cocoa beans to Barry Callebaut. They can be either buying stations or supplier warehouses.
- **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.
- **Ecuador:** These are suppliers of cocoa beans to Barry Callebaut.
- **Nigeria:** These are suppliers of cocoa beans to Barry Callebaut.
- **Brazil:** These are suppliers of cocoa beans to Barry Callebaut.

A **Group Member** is classified as a Cocoa Horizons farmer if they are registered within a Cocoa Horizons Farmer Group and have either delivered Cocoa Horizons cocoa or participated in a Cocoa Horizons activity in the year ending 31 August 2022.. A Farmer Group is a Cocoa Horizons Farmer Group if they a) are an officially targeted Farmer Group by the Cocoa Horizons Foundation in the fiscal year, and b) have signed the relevant governing documents. Not all farmers within a Cocoa Horizons Farmer Group are allocated as Cocoa Horizons farmers. Cocoa Horizons activities include:

- Delivered Cocoa Horizons cocoa
- Received farm service activities within the fiscal year (Farm Business Plans, Productivity Packages, cocoa seedlings, shade tree seedlings, income diversification)
- Received cookstoves within the fiscal year
- Attended training or sat the Cocoa Horizons graduation assessment within the fiscal year
- Participated in a child labor survey, identified cases of child labor, or a child labor remediation activity within the fiscal year
- Had a farm mapped within the fiscal year
- Participated in a census survey within the fiscal year
- Was part of a VSLA that was functioning within the fiscal year

The Cocoa Horizons premium is a cash or bank payment to Farmer Groups and Group Members calculated as a proportion of their delivery of Cocoa Horizons cocoa to a Barry Callebaut or third party implementer buying site.

The Cocoa Horizons Foundation is working on improved traceability of their supply chain. Through a strong data cleansing process performed in 2021/22, The Cocoa Horizons Foundation now has a better view on which farmers are registered in the Cocoa Horizons' program. This KPI (1.4) reflects the actual farmers we are working with on the ground. Additional impacted KPIs are 1.6b, 1.7b, 1.8e and 2.1

By making use of mapping and farmer data, The Cocoa Horizons Foundation has identified farmers in **Côte d'Ivoire** that delivered to multiple cooperatives. In 2021/22, the reporting happens on unique farmers. When reporting on cumulative KPIs, no changes were made on prior reported numbers.

Metrics subject to independent assurance by PwC

Part 1 Farmer Groups and Group Members

KPI no.	KPI description	Assessment criteria
1.1	233,216 metric tons of Horizons cocoa sold in bean equivalent	This KPI refers to the 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).
1.2	All Horizons cocoa sales are documented and balanced against sourced volumes. 2021/22 closed short by 33,531 metric tons of volumes sourced against volumes sold (as per the stipulations related to mass balance described in the overview)	From the first Barry Callebaut buying point onwards down-stream, Horizons products follow the principle of mass balance, where sales volumes shall not exceed sourced volumes by more than 50% in any given year, and such shortfalls must be compensated in the following fiscal year. 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.
1.3	263 Farmer Groups delivered Horizons Cocoa in the year ended 31 August 2021	<p><i>Globally assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil, Ecuador, Nigeria.</i></p> <p>This indicator refers to the total number of Cocoa Horizons Farmer Groups (districts in Ghana) that have delivered at least 1 kg of Cocoa Horizons cocoa to a Cocoa Horizons Sourcing Partner buying site within the fiscal year, and for which a Cocoa Horizons premium has been paid.</p> <p>A Farmer Group is considered to be a Cocoa Horizons Farmer Group as per KPI 1.4. Only those that have delivered within the fiscal year are included in this KPI.</p> <p>A Cocoa Horizons sourcing partner buying site is:</p> <ul style="list-style-type: none"> • In Côte d'Ivoire, SACO, Cocoa Horizons' third party implementer; • In Ghana, Nyonkopa; • In Cameroon, SIC CACAO; • In Indonesia, PT. Papandayan Cocoa Industries; • In Ecuador, Barry Callebaut Ecuador, Barry Callebaut Sourcing. • In Nigeria, Barry Callebaut Cocoa and Chocolate; and • In Brazil, Barry Callebaut Brasil Ltda
1.4	<p>No. of farmers who are registered Cocoa Horizons Group Members in the year ended 31 August 2022</p> <ul style="list-style-type: none"> • Côte d'Ivoire: 112,611 • Ghana: 88,811 • Cameroon: 15,387 • Brazil: 1,332 • Indonesia: 2,273 • Ecuador: 1,547 • Nigeria: 1,274 	<p><i>Individually assured KPIs. Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil, Ecuador, Nigeria.</i></p> <p>This indicator relates to the number of registered farmers who are classified as Cocoa Horizons Group Members within the fiscal year.</p> <p>A farmer is classified as a Cocoa Horizons farmer if they are registered within a Cocoa Horizons Farmer Group and have either delivered Cocoa Horizons cocoa or participated in a Cocoa Horizons activity within the fiscal year. A Farmer Group is a Cocoa Horizons Farmer Group if they a) are an officially targeted Farmer Group by the Cocoa Horizons Foundation in the fiscal year, and b) have signed the relevant governing documents. Not all farmers within a Cocoa Horizons Farmer Group are allocated as Cocoa Horizons farmers.</p> <p>Cocoa Horizons activities include:</p> <ol style="list-style-type: none"> 1. Delivered Cocoa Horizons cocoa

		<p>2. Received farm service activities within the fiscal year (Farm Business Plans, Productivity Packages, cocoa seedlings, shade tree seedlings, income diversification)</p> <p>3. Received cookstoves within the fiscal year</p> <p>4. Attended training or sat the Cocoa Horizons graduation assessment within the fiscal year</p> <p>5. Participated in a child labor survey, identified cases of child labor, or a child labor remediation activity within the fiscal year</p> <p>6. Had a farm mapped within the fiscal year</p> <p>7. Participated in a census survey within the fiscal year</p> <p>8. Was part of a VSLA that was functioning within the fiscal year</p> <p>There are slight differences in some origins:</p> <p>In Ghana, a Farmer Group is called a society and is managed by a Purchasing Clerk (PC). The COH Convention and Barry Callebaut Supplier Code is signed once by Nyonkopa, not by each society.</p> <p>In Brazil, farmers either are registered directly with Barry Callebaut or with farmer groups. In both cases, they sign the Barry Callebaut Supplier Code and COH convention themselves individually</p> <p>In Ecuador, Farmer Groups are represented by the suppliers that Barry Callebaut buys from, and who act as implementing partners for Cocoa Horizons. Farmers themselves sign the COH convention individually. Therefore, not all farmers who sell to the farmer group (the supplier) are COH farmers, but only the ones who have signed the COH convention.</p> <p>In Nigeria, Farmer Groups are known as Local Buying Agents (LBA).</p>
1.5	<p>No. metric tons of Horizons cocoa purchased during the year ended 31 August 2022</p> <ul style="list-style-type: none"> • Côte d'Ivoire: 102,973 • Ghana: 33,404 • Cameroon: 26,275 • Brazil: 4,041 • Indonesia: 382 • Ecuador: 6,583 • Nigeria: 927 	<p><i>Individually assured KPIs. Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil, Ecuador, Nigeria.</i></p> <p>This indicator reports the total number of metric tons of Cocoa Horizons' cocoa purchased by a Cocoa Horizons sourcing partner buying site within the fiscal year grown by COH registered farmers for which a COH premium has been paid up to the 7th of October 2022* and verified.</p> <p>A Cocoa Horizons sourcing partner buying site is:</p> <ul style="list-style-type: none"> • In Côte d'Ivoire, SACO, Cocoa Horizons' third party implementer; • In Ghana, Nyonkopa; • In Cameroon, SIC CACAO; • In Brazil, Barry Callebaut Brazil Ltda; • In Indonesia, PT. Papandayan Cocoa Industries; • In Ecuador, Barry Callebaut Ecuador, Barry Callebaut Sourcing; and • In Nigeria, Barry Callebaut Cocoa and Chocolate. <p>* Any volume on which premium is paid after the 7th of October 2022 will be claimed as Cocoa Horizons in fiscal year 22/23.</p>
1.6b	<p>% COH registered farmers delivering Horizons cocoa in the year ended 31 August 2022</p> <ul style="list-style-type: none"> • Côte d'Ivoire: 75% • Ghana: 58% • Cameroon: 75% • Brazil: 89% • Indonesia: 24% • Ecuador: 81% • Nigeria: 77% 	<p><i>Individually assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil, Ecuador, Nigeria.</i></p> <p>This indicator is calculated by dividing the number of Cocoa Horizons Group Members who have delivered at least 1 kg of Cocoa Horizons cocoa within the fiscal year by the total number of Cocoa Horizons registered farmers as per KPI 1.4.</p>

1.6a	151,810 COH registered farmers delivered Horizons cocoa	<p><i>Individually assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil, Ecuador, Nigeria.</i></p> <p>This indicator is calculated by adding all the Cocoa Horizons Group Members who have delivered at least 1 kg of Cocoa Horizons cocoa within the fiscal year.</p>
1.8b	115,978 of delivered farmers with full data	<p><i>Globally assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil, Ecuador, Nigeria.</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 who meet the following criteria within the fiscal year.</p> <p>To be included in this calculation, a farmer must have met all of the following criteria:</p> <ul style="list-style-type: none"> • Be a registered Cocoa Horizons Group Member as per criteria in KPI 1.4. • Have had a census survey conducted at any point in the past, up to the end of the fiscal year. • Had the same number or more plots mapped than declared in the census (the declared number of plots may not always align with the number of all the plots owned by the farmer). • Have delivered at least 1 kg of Cocoa Horizons cocoa within the fiscal year. <p>Our census activities started in the following origins in the following years: Côte d'Ivoire - 2016 Ghana - 2017 Cameroon - 2018 Indonesia - 2017 Brazil - 2019 Ecuador - 2020 Cocoa Horizons' third party implementer in Côte d'Ivoire - 2017 Nigeria - 2021</p> <p>Our mapping activities started in the following origins in the following year: Côte d'Ivoire - 2018 Ghana - 2018 Cameroon - 2018 Indonesia - 2018 Brazil - 2019 Ecuador - 2020 Cocoa Horizons' third party implementer in Côte d'Ivoire - 2017 Nigeria - 2021</p> <p>A census survey is conducted with farmers by field staff who are trained on a) using the corresponding survey tool and b) on the specific questions included in the survey. Each year, as many yet to be surveyed farmers as possible are surveyed.</p> <p>The survey includes questions about:</p> <ul style="list-style-type: none"> • the farmers themselves (such as date of birth, preferred language, education level). • the farmer's family. • the facilities at home. • the farm, farming and agriculture. • sources of income (including cocoa, non-cocoa agricultural and non-agricultural income). • additional information such as attitude towards farming, and household wealth indicators. <p>In Brazil, Cocoa Horizons' suppliers can have a direct cocoa sourcing relationship with several persons that occupy the same farm, thus the same polygon can be used for different persons or households that have a sharecropping, family or partnership relationship with each other. Buffer zones are created for farmers that do not have their</p>

		properties registered in the Public Databases (Environmental & Land Tenure System). Thus overlaps in the polygons are accepted.
1.8c	76% farmers delivering Horizons cocoa with full data (census and GPS map)	<p><i>Globally assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil, Ecuador, Nigeria</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 who meet the following criteria within the fiscal year, as a proportion of the total number of Cocoa Horizons farmers who delivered Cocoa Horizons cocoa within the fiscal year (related to KPI 1.6).</p> <p>To be included in this calculation, a farmer must have met all of the following criteria:</p> <ul style="list-style-type: none"> ● Be a registered Cocoa Horizons Group Member as per criteria in KPI 1.4. ● Have had a census survey conducted at any point in the past, up to the end of the fiscal year. ● Had the same number or more plots mapped than declared in the census (the declared number of plots may not always align with the number of all the plots owned by the farmer). ● Have delivered at least 1 kg of Cocoa Horizons cocoa within the fiscal year. <p>Our census activities started in the following origins in the following years: Côte d'Ivoire - 2016 Ghana - 2017 Cameroon - 2018 Indonesia - 2017 Brazil - 2019 Ecuador - 2020 Cocoa Horizons' third party implementer in Côte d'Ivoire - 2017 Nigeria - 2021</p> <p>Our mapping activities started in the following origins in the following year: Côte d'Ivoire - 2018 Ghana - 2018 Cameroon - 2018 Indonesia - 2018 Brazil - 2019 Ecuador - 2020 Cocoa Horizons' third party implementer in Côte d'Ivoire - 2017 Nigeria - 2021</p> <p>A census survey is conducted with farmers by field staff who are trained on a) using the corresponding survey tool and b) on the specific questions included in the survey. Each year, as many yet to be surveyed farmers as possible are surveyed.</p> <p>The survey includes questions about:</p> <ul style="list-style-type: none"> ● the farmers themselves (such as date of birth, preferred language, education level); ● the farmer's family; ● the facilities at home; ● the farm, farming and agriculture; ● sources of income (including cocoa, non-cocoa agricultural and non-agricultural income); ● additional information such as attitude towards farming, and household wealth indicators.

		<p>In Brazil, Cocoa Horizons' suppliers can have a direct cocoa sourcing relationship with several persons that occupy the same farm, thus the same polygon can be used for different persons or households that have a sharecropping, family or partnership relationship with each other. Buffer zones are created for farmers that do not have their properties registered in the Public Databases (Environmental & Land Tenure System). Thus overlaps in the polygons are accepted.</p>
1.9	<p>% of farmers who delivered Horizons cocoa in the fiscal year who have received the Cocoa Horizons Premium</p> <ul style="list-style-type: none"> ● Côte d'Ivoire: 100% ● Ghana: 100% ● Cameroon: 100% ● Indonesia: 100% ● Brazil: 100% ● Ecuador: 100% ● Nigeria: 100% 	<p><i>Individually assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil, Ecuador, Nigeria.</i></p> <p>This indicator reports the percentage of the Cocoa Horizons Group Members who delivered Cocoa Horizons cocoa within the fiscal year and who have subsequently received the Cocoa Horizons premium on those deliveries.</p> <p>This is calculated in two steps: 1) confirming all farmers who delivered received the correct amount of premium for the quantity they delivered in the fiscal year; 2) calculating the % of those correctly paid from the total number of farmers who delivered within the year.</p> <p>The Cocoa Horizons premium is a fixed cash payment per kilogram of delivered Cocoa Horizons cocoa, and is paid to both the delivering farmers and their Farmer Groups.</p> <p>There are two different parts to the premium payment: 1) Cocoa Horizons pays a fixed amount to the Farmer Group based on the quantity of Cocoa Horizons cocoa purchased by Barry Callebaut; then 2) The Farmer Group pays the farmers based on the quantity of Cocoa Horizons cocoa sourced from Cocoa Horizons farmers.</p> <p>The amount purchased by Barry Callebaut is usually lower than the amount purchased by the Farmer Groups due to quality control procedures and damages in between. Any shortfall is made up by the Farmer Groups.</p> <p>There are differences in the details of the premium payment per origin:</p> <ul style="list-style-type: none"> ● In Côte d'Ivoire, the premium payment is equally split 50:50 between Cocoa Horizons registered farmers and the Farmer Group to which the Cocoa Horizons registered farmers belong. Our third party implementer calculates the premium paid to farmers in a slightly different manner. A ratio of the total volume of cocoa purchased from a farmer group by the third party implementer is divided by the total cocoa delivered by the farmer group and is applied to each individual farmer delivery. ● In Ghana, the premium is paid out in full to Cocoa Horizons registered farmers. ● In Cameroon, 62.5% of the premium is paid to the farmer, and the rest to the Farmer Group. The payments are split and both made to the Farmer Group - one payment for the total for the Farmer Group, and one payment for the total for all the delivered farmers in that Farmer Group to whom the Farmer Group then distributes to each farmer. The payments can be net of Productivity Package loans, which are overdue for some farmers that received farm service activities. This deduction is documented and signed by the Farmer Group. ● In Brazil, the premium is paid via traders fully to the farmers: the traders receive the total premium which they then pay further to the farmers. ● In Indonesia, the premium payment is agreed on a yearly basis, the farmer groups and farmers then receive the agreed amount as stated in the contract between Barry Callebaut and the farmers. ● In Ecuador, the premium payment is paid in full to the farmers via the farmer groups. ● In Nigeria, the premium payment is agreed on a yearly basis. The farmer groups and farmers then receive the agreed amount as stated in the contract between Barry Callebaut and the farmers. 60% of the premium is paid to the farmer and the rest to the farmer group

Part 2 Farmer Households Lifted Out of Poverty Line

KPI no.	KPI description	Assessment criteria
2.1	121,167 cocoa farmers above the World Bank International Poverty Line of US\$1.90/day	<p><i>Globally assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil.</i></p> <p>This indicator is a measure of how many Cocoa Horizons Group members are above the World Bank International Poverty line of US\$1.90/day, based on data collected from census survey interviews with farmers cumulatively up to the end of this fiscal year.</p> <p>Our census activities started in the following origins in the following years: Côte d'Ivoire - 2016 Ghana - 2017 Cameroon - 2018 Indonesia - 2017 Brazil - 2019</p> <p>This indicator is determined by:</p> <ul style="list-style-type: none"> • Obtaining survey information taken in the fiscal year under consideration from farmers in Côte d'Ivoire, Ghana, Cameroon, Indonesia, and Brazil regarding their household income generation from cocoa and other activities, as well as the size of their household. • Using in-country market prices for cocoa and other crops to determine an average income level for those farmers. • Comparing this average income level to the International Poverty Line threshold for extreme poverty of US\$1.90 per day set by the World Bank, adjusted for purchasing power and cost of living in Côte d'Ivoire, Ghana, Cameroon, Indonesia, and Brazil. • We have included production costs from external sources if available (Côte d'Ivoire - Agrilogic study, Ghana - KIT study), or internal studies or sources if not externally available (Cameroon and Indonesia - internal Barry Callebaut pilot studies, Brazil - local team estimates). Also, these costs are repartitioned to reflect the difference in costs depending on the cocoa yield. Farmers who have a higher yield have higher costs and farmers with smaller yields have smaller costs. <p>With this calculation we obtain a general percentage for the farmers that are above the poverty line. This percentage is then multiplied by the farmers that have been part of our sustainability program in one of the last two fiscal years. These farmer groups can be divided into the following:</p> <ul style="list-style-type: none"> • Farmers registered to farmer groups within our Cocoa Horizons program. These are farmers in our Cocoa Horizons sustainability program and participating in activities under this program. These farmer groups are considered to be delivering sustainable cocoa. • Farmers registered to farmer groups participating in our client programs and participating in activities in those programs. These farmer groups are also considered to be delivering sustainable cocoa. • Farmers registered to independent farmer groups and participating in sustainability activities, but are not part of a client program or our Cocoa Horizons program. These farmer groups are considered to be delivering sustainable and conventional (non-sustainable) cocoa. <p>Survey information</p>

		<p>Census surveys were undertaken with farmer households in Brazil, Côte d'Ivoire, Ghana, Cameroon and Indonesia up until 31 August 2022. The results from the surveys were subsequently 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"> • The average yield per farm • Income from cocoa farming • Other income-generating activities • Cocoa farm size • Production cost • The number of household members • The number of financially dependents on the farmer <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 accurate analysis of the results. The assumptions and data calibration were performed by Barry Callebaut and are summarized below.</p> <p>For all countries, the following assumptions have been applied:</p> <ul style="list-style-type: none"> • Census surveys where the farmers have declared 0 for cocoa yield and other income have been discarded. • The cocoa farm size declared by the farmers were replaced with the GPS farm size captured on the Barry Callebaut's digital platform if all plots of their farms have been GPS mapped. • Census surveys where the farmers did not answer/declare any cocoa harvested in the year have been discarded. • The commodity market price (cocoa and non-cocoa products) are based on local team knowledge of the market. • If a farmer declares more than 100 metric tons of rubber or 15 metric tons of palm oil, then it is assumed to be in kg and converted to metric tons. • We have added one to all declared household members and financial dependents (if asked in the countries), to amend that the farmer does not take himself into account. <p>For Côte d'Ivoire, the following assumptions have been applied:</p> <ul style="list-style-type: none"> • Census surveys where the farmers have declared equal or more than 30 household members have been discarded. • Census surveys where the farmers have declared more than 50 financial dependents have been discarded. • All self-declared plots over and equal to the determined hectare limit (157.02 ha) have been removed as deemed unrealistic. • All yields above 1,100 kg/ha and equal to or below 100 kg/ha have been excluded from the calculation. • Farmers who have non-agricultural income of equal to or more than 5,000,000 CFA have been excluded from the calculation. • 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. • If the farm size is unknown (after filling in values from mapping activities from general assumptions), we take the country average from mapping activities. • We divided the total household income by the number of declared financial dependents. <p>For Ghana, the following assumptions have been applied:</p> <ul style="list-style-type: none"> • Census surveys where the farmers have declared more than 30 financial dependents have been discarded. • All self-declared plots over and equal to the determined hectare limit (69.34 ha) have been removed as deemed unrealistic. • An adjustment factor of 0.404686 has been applied to adjust declared plot sizes from acres to hectares. • Estimated yields above 1,400 kg/ha and equal or below 100 kg/ha are considered abnormal and have been excluded from the calculations.
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		<ul style="list-style-type: none"> Where the 'number of household members' question was answered as the highest radio-button option of "8 or more", this has been converted to be 9. We divided the total household income by the number of declared financial dependents. <p>For Cameroon, the following assumptions have been applied:</p> <ul style="list-style-type: none"> Census surveys where the farmers have declared more than 30 household members have been discarded. Census surveys where the farmers have declared more than 30 financial dependents have been discarded. All self-declared plots over and equal to the determined hectare limit (67.69 ha) have been removed as deemed unrealistic. Estimated yields above 1,100 kg/ ha and lower limit to 100 kg/ha are considered abnormal and excluded from the calculation. We divided the total household income by the number of declared financial dependents. <p>For Indonesia, the following assumptions have been applied:</p> <ul style="list-style-type: none"> All self-declared plots over and equal to the determined hectare limit (14.00 ha) are removed as deemed unrealistic. Estimated yields above 1,500 kg/ha and equal to or below lower limit to 100 kg/ha are considered abnormal and excluded from the calculation. We divided the total household income by the number of declared household members. <p>For Brazil, the following assumptions have been applied:</p> <ul style="list-style-type: none"> Farmers that have declared partial income percentages that add up to less than 95% or more than 105% have been treated as data entry errors, and have been discarded. The small 5% buffer was retained to allow for some small data entry errors. If total income percentages were not equal to 100%, the percentages have been scaled to the total declared percentage amounts. Estimated yields above 2,200 kg/ha are considered abnormal and excluded from the calculation. If a farmer has declared to have more than 2000 trees/ha per cocoa farm, then this cocoa farm has been excluded as it is considered abnormal. Farmers who are sharecroppers are assumed to take 50% of the cocoa production. A temporary worker is estimated to work 90 days on average on a farm. All census surveys with zero declared household members have been removed. All census surveys with zero or more than 50 financial dependents have been removed. <p>Market prices</p> <p>Barry Callebaut relies on its knowledge of origin markets to determine prices of cocoa and other crops. This information comes from the local Monitoring & Evaluation teams, who gather the information on the prices from the local markets by the end of the Fiscal Year.</p> <p>International Poverty Line</p> <p>The US\$1.90 per day worldwide extreme poverty threshold, known as the International Poverty Line, 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, Cameroon, Indonesia and Brazil. This has been taken from the World Bank database.</p> <p>Purchasing Power</p> <p>The US\$1.90 per day worldwide extreme poverty line was determined in 2012, using 2011 prices. Using World Bank inflation data, we have adjusted the poverty line to 2021 levels (from 2011 levels, 2021 was the latest data available), and have converted the 2021 level extreme poverty line to the local currency using World Bank private consumption Purchasing Power Parity 2021 factors, to also account for difference in purchasing power.</p> <p>Ecuador is not included in this KPI because:</p>
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		<ol style="list-style-type: none"> 1. Current data collection scope does not yet cover a representative sample of the farmers in our supply chain; 2. Data collected is relatively different from elsewhere due to different context and so cannot be combined; and 3. The local context is different which still needs to be assessed and accounted for to enable aggregation and comparison with elsewhere. <p>Nigeria is not included in the KPI because current data collection scope does not yet cover a representative sample of the farmers in our supply chain.</p>
2.3a	<p>No. of farmers who graduated from COH academy</p> <ul style="list-style-type: none"> • Côte d'Ivoire: 111,454 • Ghana: 86,794 • Cameroon: 12,479 • Brazil: 318 • Indonesia: 2,459 • Ecuador: 429 • Nigeria: 372 	<p><i>Individually assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Brazil, Indonesia, Ecuador, Nigeria.</i></p> <p>This indicator is calculated by counting the total number of Cocoa Horizons Group Members who successfully graduated from the Cocoa Horizons academy and are currently still registered as a COH Farmer.</p> <p>Cocoa Horizons Group Members can sit the test at any time in order to evaluate their knowledge and measure the training need/impact. The program has developed 1 exam of 30 questions with 4 possible answers for each question, adjusted to country specifics (such as most common pests or disease in the country). This exam is taken by farmers either in a group following a ballot box methodology (each farmer voting for their answer) or each farmer completing the test directly with an evaluator, supported in both cases by coaches in case of literacy limitations. Farmers who fail to pass the test can take it again the following year. Based on the results, Cocoa Horizons will revise the questionnaire to improve the exam, avoid false negatives and develop new questions/alternative exams.</p> <p>A farmer graduates from the Cocoa Horizons academy if they score at least 60% on 30 questions (= 18 correct answers). After farmers have graduated, no other tests should be taken and they are considered to be graduated. If by accident or monitoring purpose farmers have taken the test twice or more, the best result will be taken into consideration.</p> <p>Our graduation activities started in each origin as follows: Côte d'Ivoire - 2018/19 Ghana - 2019/20 Cameroon - 2019/20 Indonesia - 2019/20 Ecuador - 2021/22 Nigeria - 2021/22</p> <p>In Côte d'Ivoire, the assessment is done on a 1-on-1 basis with the field coach asking the questions to the farmer and recording the answers digitally. After the farmer has graduated, no other tests should be taken and he or she is considered to be graduated.</p> <p>In Ghana, the assessment is done through a ballot box system, whereby farmers are given a number and put their number into the answer box they think is correct for each question. The correct answers are then recorded for each farmer on paper and then digitized.</p> <p>In Cameroon, the assessment is done on a 1-on-1 basis with the field coach asking the questions to the farmer and recording the answers on paper before digitization. After the farmer has graduated, no other tests should be taken and he or she is considered to be graduated.</p> <p>In Indonesia, the assessment is done on a 1-on-1 basis with the field coach asking the questions to the farmer and recording the answers digitally.</p> <p>In Brazil, the assessment is done on a 1-on-1 basis with the field coach asking the questions to the farmer and recording the answers on paper before digitization. After the farmer has graduated, no other tests should be taken and he or she is considered to be graduated.</p> <p>In Ecuador, the assessment is done on a 1-on-1 basis with the farmer completing the questions in writing. The answers are recorded by each farmer on paper or digitally on an</p>

		<p>online form and, when necessary, answers are then recorded by the Coaches digitally in Excel.</p> <p>In Nigeria, the assessment is done one on one, the questions are asked and translated to the farmer who supplies the right answer and this is recorded digitally as well.</p>
2.3b	<p>% of farmers who have graduated from COH academy as proportion of those assessed in 2021/22</p> <ul style="list-style-type: none"> ● Côte d'Ivoire: 75% ● Ghana: 75% ● Cameroon: 87% ● Brazil: 73% ● Indonesia: 99% ● Ecuador: 64% ● Nigeria: 38% 	<p><i>Individually assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Brazil, Indonesia, Ecuador, Nigeria.</i></p> <p>This indicator is calculated by dividing the total number of Cocoa Horizons Group Members who successfully graduated from the Cocoa Horizons assessment by the total number of Cocoa Horizons Group Members who took the assessment within the fiscal year.</p> <p>A farmer successfully graduates from the Cocoa Horizons assessment if they pass the test with at least 60% correct answers. A farmer will only pass the test once and so there is no duplication in the numerator of the calculation.</p> <p>The number of farmers who sat the test does not contain duplicates. If a farmer sat the test more than once, they are only included in the denominator once. If the farmer has taken the test more than once and has passed, the first passed test is taken into account. In case the farmer hasn't successfully passed any test, the test with the highest mark is taken into account.</p>
2.6a	<p>136,460 farmers have received a Farm Business Plan</p>	<p><i>Globally assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil, Ecuador.</i></p> <p>This indicator measures the number of Cocoa Horizons Group Members who have received a Farm Business Plan (FBP) up to the end of this fiscal year. This is a cumulative KPI.</p> <p>An FBP is conducted by our field staff, or external field staff in the case of an external implementing partner, with selected farmers on one of their cocoa plots. The field staff input relevant data directly into a digital system or the data is input on paper which is later digitized, on the state of the cocoa plot and cocoa trees, and farmer's maintenance activities and knowledge. A package is recommended (either via an algorithm or with the knowledge of the field staff) to the farmer to improve the productivity of their plot over the following season. The farmer then has a choice to sign a contract for the recommended package, take a different package, or to not take a package at all.</p> <p>In Ecuador, the FBP is still conducted on excel. The FBP in Ecuador consists of a recommended management plan, a soil analysis and fertilization plan, a map of their farm and a guide for use of pesticides. These different parts are not always delivered on the same date. The date all of these parts are delivered is considered the date the FBP is given to the farmer.</p> <p>Brazil also provides the farmers with an FBP that is done remotely based on a soil and leaf sample provided by the farmer, and including a fertilizer recommendation package and a financial plan for the plot.</p> <p>A farmer is considered to have received a FBP if a diagnostic was conducted on one of their cocoa plots, regardless of whether the farmer then signed up for a package or not.</p> <p>No FBPs are performed in Nigeria.</p>

2.6b	40,895 farmers with a Productivity Package	<p><i>Globally assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil.</i></p> <p>This indicator measures the number of Cocoa Horizons Group Members with a Productivity Package within the fiscal year. A Productivity Package is a mix of a selection of high quality agricultural inputs and individualised coaching services provided by Cocoa Horizons field staff, or external companies that Cocoa Horizons has chosen to partner up with.</p> <p>A farmer is considered to have received a Productivity Package if they have received any of the following packages and coaching, within the fiscal year, and have either paid in full or paid a % downpayment where necessary. At this point they begin to receive the coaching services and inputs are delivered at the right seasonal interval for implementation.</p> <p>For Ghana and Côte d'Ivoire, the government subsidizes fertilizers and other inputs that come through our Productivity Package proposition. In these countries, we therefore facilitate the buying of these inputs through our Farm Services program instead of the farmers buying the inputs directly through us. An exception are our Cocoa Horizons implementing partners farmer groups, where the buying of the inputs is done by the groups themselves.</p> <p>The list of Productivity Packages on offer in 2021/22 in each origin were as follows. Different origins have different packages based on farmer demand and what has been found to agronomically be needed for each context.</p> <p>(1) Insecticide [Côte d'Ivoire, Ghana, Cameroon, Indonesia] (2) Fungicide [Côte d'Ivoire, Ghana, Cameroon, Indonesia] (3) Insecticide & Fungicide [Côte d'Ivoire, Ghana, Cameroon, Indonesia] (4) Fertilizer [Côte d'Ivoire, Cameroon, Indonesia] (5) Fertilizer & Insecticide [Côte d'Ivoire, Cameroon, Indonesia] (6) Fertilizer & Fungicide [Côte d'Ivoire, Cameroon, Indonesia] (7) Fertilizer, Insecticide & Fungicide [Côte d'Ivoire, Cameroon, Indonesia] (8) Pole pruner [Côte d'Ivoire (Cocoa Horizon implementing partner), Cameroon] (9) Extra spraying service with any package containing insecticide or fungicide [Cameroon] (10) Grafting [Indonesia]</p> <p>In Brazil, any combination of Fertilizer, Insecticide, Fungicide, Soil Correctives and Factory Ashes is possible as a package.</p> <p>Farmers must subscribe to one, or more, of the above packages with a different payment requirement depending on origin country:</p> <ul style="list-style-type: none"> ● Côte d'Ivoire - 25% down payment for Productivity Packages distributed by Barry Callebaut. No down payment is necessary for other Cocoa Horizons implementing partners. ● Ghana - 0% down payment ● Cameroon - 30% down payment ● Indonesia - farmers paid 100% outright through an agricultural input provider in the Farm Service channel. Alternatively, a farmer can decide to purchase the recommended products independently whilst receiving the support coaching services from Cocoa Horizons. These farmers are still considered to have a Productivity Package. ● Brazil - 100% down payment <p>In Ecuador and Nigeria, no Productivity Packages are distributed.</p>
2.6c	47.9% farmers adopted a Productivity Package after a Farm Business Plan	<p><i>Globally assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia.</i></p> <p>This KPI is a measure of effectiveness of the Farm Business Plan (FBP) process in converting the diagnostics into contracts for Productivity Packages. It is calculated by dividing the number of Group Members who signed a contract for any of the Productivity Packages after having received a FBP over the total Group Members who have received a FBP (as described in KPI 2.6a), both within the fiscal year.</p>

		<p>In Indonesia farmers do not buy a productivity package through Barry Callebaut channels, but purchase these by themselves after having received a recommendation from the Farm Business Plan. These packages are also being taken into account for this KPI.</p> <p>In Brazil, productivity packages are not all distributed to farmers that have finalised a FBP, hence is out of scope for this KPI.</p> <p>In Ecuador and Nigeria, no Productivity Packages are distributed.</p>
2.7	1,905,110 cocoa seedlings distributed	<p><i>Globally assured KPI. Countries in scope: Ghana, Cameroon, Indonesia, Brazil, Ecuador.</i></p> <p>This indicator measures the total number of cocoa seedlings distributed on behalf of Cocoa Horizons within the fiscal year. The cocoa seedlings come from either suppliers or community nurseries. The distribution model differs per country:</p> <ul style="list-style-type: none"> • In Ghana, a seedling is considered to be distributed when it reaches the farmer. The seedling is distributed from supplier to Purchasing Clerk and from Purchasing Clerk to the farmers. • In Indonesia, a seedling is considered to be distributed when it is sold from the nursery. This could be either directly to a farmer (Cocoa Horizons or non-Cocoa Horizons) or to a government body or other organization who goes on to give them to farmers. • In Cameroon, a seedling is considered to be distributed when a farmer has received and signed the discharge form/receipt. • In Brazil, the seedlings are considered to be distributed when the farmer collects them from the Nursery. These can be Cocoa Horizons farmers or non-Cocoa Horizons farmers. The evidence will be the invoice issued at this point. • In Ecuador, a seedling is considered to be distributed when a farmer has received the seedlings and signed the discharge form. Seedlings are distributed from supplier to Farmer Group and at the Farmer Group they are distributed to the farmers. <p>No cocoa seedlings have been distributed in Côte d'Ivoire since the government of Côte d'Ivoire banned the distribution of improved cocoa varieties in May 2018. Hence Côte d'Ivoire is not in scope for this KPI.</p> <p>No cocoa seedlings are distributed in Nigeria.</p>
2.8	121,074 farmers have received Farm Service activities	<p><i>Globally assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil, Ecuador.</i></p> <p>A Cocoa Horizons Group Member is considered to have received farm service activities if they have benefited from any of the following within the fiscal year:</p> <ul style="list-style-type: none"> • received a Farm Business Plan within the fiscal year • signed a contract for a Productivity package (as per KPI 2.6b) • received cocoa seedlings (as per KP 2.7) • received shade tree seedlings (as per KPI 4.1a) • received support for income diversification (as per KPI 2.9)
2.9	5,867 community members who have received support for income diversification and/or IGAs since the start of activities in 18/19	<p><i>Globally assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia, Ecuador.</i></p> <p>This indicator represents the number of Cocoa Horizons household members who have received support for income diversification either individually or in the form of a group (income generating group activities or IGAs). Household members may include farmers, their spouse or relatives. This KPI is cumulative year on year since it started in 2018. Income diversification activities and IGAs are non-cocoa packages and activities that diversify a farming household's income. However, if a household member receives support for more than one package, they are only included once.</p> <p>In Côte d'Ivoire, these activities refer to receiving support with at least one of the following:</p> <p>Activities that took place in 21/22:</p> <ul style="list-style-type: none"> • Production and transformation of agricultural and fishery products.

		<ul style="list-style-type: none"> • Goods and people transportation via tricycles. • Off ground cultivation. <p>Activities that took place in previous years included:</p> <ul style="list-style-type: none"> • Production of agricultural products. • Chicken breeding. • Cassava transformation activities. • Soap making <p>.</p> <p>In Ghana, these activities refer to receiving support with at least one of the following: Activities taking place in 2020/21 and in 2021/22:</p> <ul style="list-style-type: none"> • Poultry - community members receive either a) cockerels for breeding, or b) chickens for laying and meat. • Production of agricultural products. <p>Activities that took place in 2018/19:</p> <ul style="list-style-type: none"> • Soap making - household members receive training and support to form groups. <p>In Cameroon, these activities started in 2018/2019 and refer to receiving support with at least one of the following: Activities taking place in 2020/21, these were part of IGA so predominantly took place in groups</p> <ul style="list-style-type: none"> • Soap making - household members receive training and support to form groups. • Cassava transformation activities. <p>Activities that took place in 2018/19:</p> <ul style="list-style-type: none"> • Production of agricultural products. • Electricity generation (solar panels). <p>Indonesian household members learn to produce and sell some or all of the below since 2018/19:</p> <ul style="list-style-type: none"> • Instant red ginger. • Banana crispy. • Brown sugar powder. • Liquid sugar. • Compost fertilizer. • Coconut cooking oil. • Banana chips. <p>In Ecuador, farmers are being supported with coaching and capacity building on their existing income generating activities as well as market stalls to sell their own products. There are no income diversification activities in Brazil and Nigeria.</p>
2.10	5,744 ha supported with pre-harvest interventions	<p><i>Globally assured KPI. Countries in scope: Côte d'Ivoire, Ghana.</i></p> <p>This indicator measures the total number of hectares supported with pre-harvest interventions by Cocoa Horizons within the fiscal year in Côte d'Ivoire and Ghana. Pre-harvest interventions are limited to 1 hectare per farmer and are provided by trained labor teams. They include pruning, fertilizer or insecticide applications. If a farmer has received multiple activities on the same area, the area is counted only once.</p>

Part 3 Zero Child Labor in Our Supply Chain

While our 'Zero Child Labor' strategy focuses on Côte d'Ivoire, Ghana, Cameroon:

- In Brazil, we are working together with Cocoa Action to revise our child labor monitoring system and remediation protocols, with the ambition to leverage and support the existing official systems. This will be based on a Human Rights risk assessment of cocoa growing areas by InPacto which should be finalized in March 2023.

- In Ecuador and Indonesia, which are identified as having a medium-risk of child labor³, a different approach is being implemented in comparison to countries considered high risk, such as Côte d'Ivoire and Ghana. To determine what actions will best address the human rights and child rights risk in these contexts, we have been conducting an in-depth human rights risk assessment of our supply chains to effectively address the risk via our action plan, protocols and systems.
- In Ecuador, we are finalizing the risk assessment of human rights, including child labor. The goal is to clearly assess the risk of any infringement and define the appropriate activities to implement.
- In Indonesia, we performed a similar assessment which confirmed our way of working with a focus on community activities, actively supporting community child protection systems and women's groups.

3.1	1,113 Village Savings and Loans Associations	<p><i>Globally assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia.</i></p> <p>This indicator refers to the number of Village Savings and Loans Associations (VSLAs) that have been established, by or with support from Cocoa Horizons or its third party implementers, within the fiscal year or are considered as functioning up to the end of the fiscal year. The criteria for being considered established and/or functioning are listed below. VSLAs are used as an opportunity to implement activities that support farmers further under the three pillars. For example, a VSLA can be used for income diversification projects (growing vegetables, etc.), community seedling projects (Thriving Nature) or it can be linked to activities in communities more vulnerable to child labor. On average, VSLA membership ranges between 10-35 members.</p> <p>A VSLA is considered established when the following criteria have all been met:</p> <ol style="list-style-type: none"> 1. a) A Community Entry Meeting has been held with key members of the community (Côte d'Ivoire, Cameroon, Indonesia) b) An information/sensitization meeting between farmers and technical field staff has been held (Ghana). 2. A founding meeting is held with the potential VSLAs. 3. A member list is available and leadership has been democratically chosen and the roles have been clarified. 4. VSLA kits have been obtained and/or are in use. 5. Constitution of the group is available. 6. First savings meeting is held (i.e. the first money is brought in) or planned within the first 8 weeks after the founding meeting. <p>A VSLA is considered functioning if:</p> <ol style="list-style-type: none"> I. It has completed at least one cycle successfully (100% loan recovery is achieved prior to share-out) or has been functional for a 12 month period, and II. At least 3 criterions of points A. - G. stated below apply : <ol style="list-style-type: none"> A. It has a central register and the records in the passbook are clear, up to date and accurate. B. It has at least one meeting per month, whereby the last meeting has not been more than 4 weeks prior to visit, unless the constitution states less regular meetings (e.g. because of seasonality). C. At least 80% of the members regularly save since the start of the cycle, meaning they have bought at least one share per meeting they attended. D. At least 60% of the members have bought more than 1 share on average per meeting they attended. E. At least 80% of the members attend >80% of the meetings. F. At least 80% of the loans are repaid on time. G. Dropout of members is <10% of the cycle. <p>No VSLAs exist in Brazil, Ecuador and Nigeria.</p>
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³ Verisk Maplecroft <https://www.maplecroft.com/>

3.2	<p>No. of child labor cases identified</p> <ul style="list-style-type: none"> • Côte d'Ivoire: 10,073 • Ghana: 4,320 • Cameroon: 4,995 	<p><i>Individually assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon.</i></p> <p>This indicator refers to the number of children identified in child labor in Cocoa Horizons farming households within the fiscal year.</p> <p>A child is considered to be in child labor if they undertake work that deprives them of their childhood, their potential, and their dignity, as per the International Labour Organization (ILO) definition. Child labor refers to work that is mentally, physically, socially and/or morally harmful to children. It interferes with their schooling by:</p> <ul style="list-style-type: none"> • depriving them of the opportunity to attend school; • obliging them to leave school prematurely; or • requiring them to attempt to combine school attendance with excessively long and heavy work. <p>Within the concept of child labor, there are 4 major categories of the most severe forms of child labor. These are:</p> <ol style="list-style-type: none"> 1. all forms of slavery or practices similar to slavery such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labor, including forced or compulsory recruitment of children for use in armed conflict; 2. the use, procuring or offering of a child for prostitution, for the production of pornography, or for pornographic performances; 3. the use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs as defined in the relevant international treaties; and 4. work which, by its nature or circumstances in which it is carried out, is likely to harm the health, safety or morals of children (known as hazardous work). <p>The specific criteria of child labor in each origin are outlined below.</p> <p>Child labor identification process per origin</p> <p>To identify cases of child labor, the process differs in each origin:</p> <p>In Côte d'Ivoire, child labor is defined according to ILO definition of child labor and hazardous child labor follows the Côte d'Ivoire CIV Decree N°2017-016 and 017 MEPS/CAB (2017), which is summarized in the ICI (International Cocoa Initiative) document '<i>Comparative analysis of child labor decrees in Cameroon, Côte d'Ivoire and Ghana</i>'. The data of the surveyed and observed children, from the Child Labor Monitoring and Remediation System (CLMRS) Child and CLMRS Farm surveys is analyzed following a semi-automated process, against the below criteria to determine if a child is in child labor or not:</p> <ul style="list-style-type: none"> • If the child has been involved in at least one task that has been designated as hazardous in the Côte d'Ivoire criteria, then the child is considered to be in child labor and as having participated in one of the worst forms of child labor. • If the type of work performed by the child is not listed on the hazardous activities as designated by the Côte d'Ivoire CIV Decree N°2017-016 and 017 MEPS/CAB (2017), the total amount of light work done by the child is calculated and compared against the maximum allowable hours for the age group of the child: <ul style="list-style-type: none"> o If the amount of hours work for 13-17 year olds is found to be exceeding this limit for the defined age group, the child is considered to be in child labor. o All children 5-12 years of age who carry out light tasks (+0hr/week) as part of an economic activity (paid or unpaid) are considered to be in child labor. o Children found below the age of 5 are removed from our CLMRS surveys, as these are believed to be input errors from the enumerator. • All other children who do not fall into these categories are considered to not be in child labor. <p>In Ghana, child labor is defined according to the ILO definition and hazardous child labor follows the Hazardous Child Labor Activity Framework for Ghana [HAF] (2016), which is summarized in the ICI document '<i>Comparative analysis of child labor decrees in Cameroon, Côte d'Ivoire and Ghana</i>'. The data of the surveyed and observed children, from the CLMRS Child and CLMRS Farm surveys is analyzed following a semi-automated process, against the below criteria to determine if a child is in child labor or not:</p> <ul style="list-style-type: none"> • If the child has been involved in at least one task that has been designated as hazardous by the Hazardous Child Labor Activity Framework for Ghana [HAF] (2016), then the child is
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		<p>considered to be in child labor and as having participated in one of the worst forms of child labor.</p> <ul style="list-style-type: none"> • If the type of work performed by the child is not listed on the hazardous activities as designated by the Ghana HAF (see also 4th category listed above), the total amount of light work done by the child is calculated and compared against the maximum allowable hours for the age group of the child: <ul style="list-style-type: none"> o If the amount of hours worked for 13-17 year olds is found to be exceeding this limit for the defined age group, the child is considered to be in child labor. o All 5-12 year olds who carry out light tasks (+0hr/week) as part of an economic activity (paid or unpaid) are considered to be in child labor. o Children found below the age of 5 are removed from our CLMRS surveys, as these are believed to be input errors from the enumerator • All other children who do not fall into these categories are considered to not be in child labor. <p>In Cameroon, Cocoa Horizons applies a combination of the Cameroon Decree N°17 (27 May 1969) and the Côte d'Ivoire CIV Decree N°2017-016 and 017 MEPS/CAB (2017) to make sure timely and sensible criteria are applied.</p> <p>The data of the surveyed and observed children, from the CLMRS Child and CLMRS Farm surveys is analyzed following a semi-automated process, against the below criteria based on the above definition to determine if a child is in child labor or not:</p> <ul style="list-style-type: none"> • If the child has been involved in at least one task that has been designated as hazardous in the Côte d'Ivoire criteria (as these are applied to Cameroon), then the child is considered to be in child labor and as having participated in one of the worst forms of child labor. • If the type of work performed by the child is not listed on the hazardous activities as designated by the Côte d'Ivoire CIV Decree N°2017-016 and 017 MEPS/CAB (2017), the total amount of light work done by the child is calculated and compared against the maximum allowable hours for the age group of the child: <ul style="list-style-type: none"> o If the amount of hours work for 13-17 year olds is found to be exceeding this limit for the defined age group, the child is considered to be in child labor. o All children 5-12 years of age who carry out light tasks (+1hr/week) as part of an economic activity (paid or unpaid) are considered to be in child labor. o Children found below the age of 5 are removed from our CLMRS surveys, as these are believed to be input errors from the enumerator. • All other children who do not fall into these categories are considered to not be in child labor. <p>Based on the nature of the causal factors of the incidence of the child labor in the individual households, a "remediation" plan is charted out. Once the household where such "cases" are spotted and a remediation plan is in play, the CLMRS "coach" will revisit the household and perform a check on the status of the child, to determine if the child is still in child labor or not. Usually a case is followed 3 times, inclusive of the support activity, with at least 3 months apart for up to the next 2-3 years before there is enough evidence that the child is out of child labor.</p> <p>Methodology for analysis</p> <p>In Côte d'Ivoire:</p> <ul style="list-style-type: none"> • <13 years old - no work allowed. • 13-15 years old - only light work can be undertaken for a maximum of 2 hours per day on a school day, and 4 hours per day on a non-school day to a maximum of 10 hours per week during school term and 14 hours per week during school holidays; children between 13-15 cannot be employed. • 14-15 years old - Boys can carry 15kg, transport by rail cart 500kg, transport by wheelbarrow 40kg, transport by vehicle with 3-4 wheels 60kg, transport by handcart 130kg, transport by tricycle carrier 50kg. Girls can carry 8kg, transport by rail cart 300kg, transport by wheelbarrow 30kg, transport by vehicle with 3-4 wheels 35kg, transport by handcart or tricycle is prohibited. • 16-17 years old - normal/non-hazardous work, and employment, can be undertaken (apprenticeships possible from 14) for a maximum of 8 hours per day or 40 hours per week. Boys can carry 20kg, transport by rail cart 500kg, transport by wheelbarrow 40kg, transport by vehicle with 3-4 wheels 60kg, transport by handcart 130kg, transport by tricycle carrier
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		<p>75kg. Girls can carry 10kg, transport by rail cart 300kg, transport by wheelbarrow 30kg, transport by vehicle with 3-4 wheels 35kg, transport by handcart or tricycle is prohibited.</p> <ul style="list-style-type: none"> • All: night work is prohibited for all children under the age of 18 between 7pm and 7am. • Over 18 years old is no longer considered a child. <p>Hazardous activities in cocoa are considered to be, according to the Côte d'Ivoire Decree #2017-016 and 017 MEPS/CAB (2017): Clearing of forest and felling of trees, removing tree stumps, digging holes, bush burning, manipulation of agrochemicals (sale, transportation, handling and application), using machetes/long cutlass for weeding or pruning, working with motorized farm machinery, harvesting overhead cocoa pods with sharp tools, breaking cocoa pods with sharp breaking knives, carrying heavy loads beyond permissible carrying weight, charcoal production, game hunting with a weapon, working long hours, night work.</p> <p>In Ghana:</p> <ul style="list-style-type: none"> • <13 years old - no work allowed. • 13-14 years old - only light work can be undertaken for a maximum of 2 hours a day and 14 hours a week; children between 13-14 cannot be employed. • 15-17 years old - normal/non-hazardous work, and employment, can be undertaken for a maximum of 8 hours per day and 42 hours per week. • All - night work is prohibited between 6pm and 6am. • All - can carry maximum 30% of body weight for walking distances up to 2 miles (3km); and up to 50% of body weight for short distances (i.e. less than 1km). • Over 18 years old is no longer considered a child. <p>Hazardous activities in cocoa are considered to be, according to the Ghana HAF (2016): Clearing of forest and felling of trees, removing tree stumps, bush burning, manipulation of agrochemicals (sale, transportation, handling and application), being present or working in the vicinity of farm during spraying of agrochemicals or re-entering a sprayed farm within less than 12 hours, using machetes/long cutlass for weeding or pruning, climbing trees higher than 2.5 meters to cut mistletoe or harvest or prune with sharp cutlass or implements, working with motorized farm machinery, harvesting overhead cocoa pods with sharp tools, breaking cocoa pods with sharp breaking knives, working without adequate basic foot and body protective clothing, carrying heavy loads beyond permissible carrying weight, working long hours, night work, working alone on the farm in isolation.</p> <p>In Cameroon:</p> <ul style="list-style-type: none"> - <14 years old: No work allowed. - 14-15 years: normal/non-hazardous work, and employment, can be undertaken (apprenticeships possible from 14) for a maximum of 8 hours per day or 40 hours per week. - 16-17 years: normal/non-hazardous work, and employment, can be undertaken (apprenticeships possible from 14) for a maximum of 8 hours per day or 48 hours per week. <p>Hazardous activities in cocoa are considered to be, according to the Côte d'Ivoire Decree #2017-016 and 017 MEPS/CAB (2017): Clearing of forest and felling of trees, removing tree stumps, digging holes, bush burning, manipulation of agrochemicals (sale, transportation, handling and application), using machetes/long cutlass for weeding or pruning, working with motorized farm machinery, harvesting overhead cocoa pods with sharp tools, breaking cocoa pods with sharp breaking knives, carrying heavy loads beyond permissible carrying weight, charcoal production, game hunting with a weapon, working long hours, night work.</p> <p>Brazil, Indonesia, Ecuador and Nigeria are not in scope for this KPI.</p>
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3.3	<p>No. of child labor cases under remediation</p> <ul style="list-style-type: none"> ● Côte d'Ivoire: 12,136 ● Ghana: 14,350 ● Cameroon: 10,303 	<p><i>Individually assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon.</i></p> <p>This indicator relates to the child labor cases identified (KPIs 4.5a) which have received support (at least one support activity) but are not yet considered remediated (KPI 4.8 a), up to the end of the fiscal year. Support includes the delivery of goods or services to prevent, mitigate and remediate child labor. It can be provided at child, household, or community level. The support activity can be in the form of direct intervention provided to the child or child's family, or intervention provided to the child's community.</p> <p>This is evidenced by either signed documentation from the child's parents that the support activity has been received or signed confirmation from the head of the community that a community intervention has been provided.</p> <p>Support activities contribute towards remediation of the case found, either directly or indirectly, depending on the severity of the case. Support activities include, but are not limited to awareness raising sessions, the distribution of shovels, wheelbarrows, school kits, provisioning of birth certificates and writing classes, in line with the ICI definition.</p> <p>The cases in this KPI are thus still in the process of remediation and not yet considered to have been successfully and completely remediated (KPI 3.4).</p> <p>A child labor case is considered to be under remediation if the case was identified in this or the previous years, and it has a remediation plan and at least one remediation activity undertaken in the current fiscal year.</p> <p>If the identified child turns 18 and is no longer considered to be a child, or if the child moves away permanently or deceases, the case is no longer considered.</p> <p>Brazil, Indonesia, Ecuador and Nigeria are not in scope for this KPI.</p>
3.4	<p>No. of child labor cases considered remediated on the ground the child has not been found performing child labor over 2 consecutive monitoring visits</p> <ul style="list-style-type: none"> ● Côte d'Ivoire: 1,186 ● Ghana: 138 ● Cameroon: 1,307 	<p><i>Individually assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon.</i></p> <p>This indicator relates to the child labor cases identified (KPI 3.2) which have received support and are considered to be remediated, up to the end of the fiscal year. This is a cumulative KPI and is calculated since 2020/21.</p> <p>A child labor case is considered to be remediated if the child has declared that he/she has not been involved in any hazardous activities over the last 12 months (since the child was found in child labor) and the last 2 consecutive follow up visits from the coaches according to the allowed time spans. In general, support activities are provided to the child within 3 months after the child was found in child labor. Afterwards, follow up visits are made at least 3 months after the child has received the first support activity.</p> <p>A case has thus been remediated, if all requirements listed below are met:</p> <ul style="list-style-type: none"> - The child found in child labor received at least one support activity. Support activities contribute towards the remediation of the case found, either personalized (direct) or community based (indirect). A child can receive more than one support activity, depending on the severity of the case. If the child receives more than one support activity, the time point of the first support activity is taken into account for the minimum duration of the full remediation period. ● The first support activity should happen within 3 months after the child was found in child labor. ● The child has received at least 2 follow up visits after the support activity, within the time spans defined: <ul style="list-style-type: none"> ○ The time span between the support activity and the first follow up visit needs to be at least 3 months, to ensure the activity is bearing fruit. ○ The time span between the first support activity and the last follow up visit needs to be at least 12 months. ○ The time between two follow up visits should be at least 3 months. If there are more than two follow up visits conducted, within a shorter time span, only those with a difference in time of at least 3 months will be considered, in line with the criteria listed above. This is in line with the NORC methodology and ICI recommendations of proving that the child is no longer in child labor.

		<ul style="list-style-type: none"> The child identified in child labor declared that he/she has not been involved in any hazardous activities over the last 12 months and the last 2 consecutive follow up visits since he/she was identified in child labor. <p>For the follow up visits the survey should include at least the following:</p> <ul style="list-style-type: none"> Basic household data to connect the child to the relevant household. Status of support activities. Schooling status. Difficulties encountered. Status of hazardous tasks conducted since last visit. Current needs of a child. <p>Brazil, Indonesia, Ecuador and Nigeria are not in scope for this KPI.</p>
3.6	<p>No. of farming households that have participated in a child labor identification monitoring survey</p> <ul style="list-style-type: none"> Côte d'Ivoire: 39,629 Ghana: 9,976 Cameroon: 4,996 	<p><i>Individually assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon.</i></p> <p>This indicator refers to the number of Cocoa Horizons households who participated in the following survey interviews, within the fiscal year, as part of the child labor monitoring activities.</p> <p>Monitoring is an active process of identifying child labor. A household can be considered monitored under a CLMRS if they have received an in-person visit and have conducted a child labor identification survey, ideally including an interview with children aged between 5 and 17. Households who participate in the surveys supply cocoa to Barry Callebaut or its third party implementers.</p> <p>For the Cocoa Horizons' third party implementer, children aged 5-9 are not interviewed directly but via their parents/tutors, whereas children aged 10-17 are interviewed directly.</p> <p>In Côte d'Ivoire, Ghana and Cameroon, child labor identification surveys are the CLMRS Child survey and the CLMRS Farm survey.</p> <p>A household can be considered for this KPI, if there are no children available for the interview (CLMRS Child) or when no children were observed on the farm (CLMRS Farm), as the farm visit took place to recognize the monitoring effort by the enumerator.</p> <p>The child survey and the follow up monitoring survey consist of the following questions of each child:</p> <ul style="list-style-type: none"> Child Name. Child Date of Birth. If the child has a birth certificate, is literate, their highest level of education, and other questions on characteristics. Whether the child was involved in any work or tasks deemed as non-hazardous by the local authorities. If the child was involved in any non-hazardous work or tasks, for how many days and for hours a day to estimate if the child is doing too much non-hazardous work. The working limits per country and age bracket is described in KPI 3.2. Whether the child was involved in any work or tasks deemed as hazardous by the local authorities. Please see indicator KPI 3.2 for the hazardous tasks per country. If the child was involved in any hazardous work or tasks, for how many days and for how many hours a day to estimate the severity of the work being done. <p>The objective of the farm visit is to observe and record any child labor incidences. The following information is collected:</p> <ul style="list-style-type: none"> Child Name. Consent guardian. # of children observed on the farm. # of children observed working on the farm. Per child found on the farm working: <ul style="list-style-type: none"> Year of Birth of the children working on the farm. Gender. Relationship to the farmer farming the plot. Names of guardians.

		<ul style="list-style-type: none"> ○ School status. ○ School name. ○ Location of natural parents if the child is currently not living with them. ○ Hazardous activities she/he has conducted over the last 12 months (excluding long working hours). For the full list per country see KPI 3.2.. ○ Hours worked over a 7 day reference period. <p>Brazil, Indonesia, Ecuador and Nigeria are not in scope for this KPI.</p>
3.7	<p>No. of children that have participated in a child labor identification monitoring survey</p> <ul style="list-style-type: none"> ● Côte d'Ivoire: 85,035 ● Ghana: 10,810 ● Cameroon: 8,550 	<p><i>Individually assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon.</i></p> <p>This indicator refers to the number of children in Cocoa Horizons households who participated in the following survey interviews, within the fiscal year, as part of the child labor monitoring activities.</p> <p>Monitoring is an active process of identifying child labor. A child can be considered monitored under a CLMRS if he / she has received an in-person visit, including a child labor identification monitoring survey. Children between 5 and 17 are interviewed. Children who participate in the surveys live in cocoa farmer households which supply cocoa to Barry Callebaut or its third party implementers. For the Cocoa Horizons' third party implementer, children aged 5-9 are not interviewed directly but via their parents/tutors, whereas children aged 10-17 are interviewed directly.</p> <p>For Côte d'Ivoire, Ghana and Cameroon, Barry Callebaut recognizes CLMRS Child survey and CLMRS Farm survey as child labor monitoring identification surveys:</p> <ul style="list-style-type: none"> - The child survey (CLMRS Child) is a survey used to interview the children between 5 and 17 part of the farmer household. - The farm survey (CLMRS Farm) is conducted in Côte d'Ivoire only and consists of a field visit to a farm belonging to a farmer supplying cocoa to Barry Callebaut. When a child is found present at that farm, his/her information will be entered and he/she will be observed regarding work tasks done. <p>-All visits to the farm are recorded, also when no children are found at the farm.</p> <p>The child survey consists of the following questions of each child:</p> <ul style="list-style-type: none"> ● Child Name ● Child Date of Birth ● If the child has a birth certificate, is literate, their highest level of education, and other questions on characteristics. ● Whether the child was involved in any work or tasks deemed as non-hazardous by the local authorities. ● If the child was involved in any non-hazardous work or tasks, for how many days and for how many hours a day to estimate if the child is doing too much non-hazardous work. The working limits per country and age bracket is described in KPI 3.2. ● Whether the child was involved in any work or tasks deemed as hazardous by the local authorities. Please see KPI 3.2 for the hazardous tasks per country. ● If the child was involved in any hazardous work or tasks, for how many days and for how many hours a day in order to estimate the severity of the work being done. <p>The objective of the farm visit is to observe and record any child labor incidences, which includes capturing the child's personal information and an observation of the child on the farm. The following information is collected:</p> <ul style="list-style-type: none"> ● Child Name. ● Consent guardian. ● # of children observed on the farm. ● # of children observed working on the farm. ● Per child found on the farm working: <ul style="list-style-type: none"> ○ Year of birth of the children working on the farm. ○ Gender. ○ Relationship to the farmer farming the plot.

		<ul style="list-style-type: none"> Names of guardians. School status. School name. Location of natural parents if the child is currently not living with them. Hazardous activities she/he has conducted over the last 12 months (excluding long working hours). For the full list per country see indicator #4.5a. Hours worked over a 7 day reference period. <p>Brazil, Indonesia, Ecuador and Nigeria are not in scope for this KPI.</p>
3.5a	<p>No. of Farmer Groups covered by Child Labor Monitoring and Remediation (CLMRS) activities</p> <ul style="list-style-type: none"> Côte d'Ivoire: 135 Ghana: 56 Cameroon: 26 	<p><i>Individually assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon.</i></p> <p>This indicator relates to the number of Farmer Groups in Cocoa Horizons' direct supply chain (or that of Cocoa Horizons' third party implementers), that have systems in place to monitor or remediate child labor, within the fiscal year.</p> <p>A farmer group is considered to be covered by child labor monitoring and remediation activities if:</p> <ul style="list-style-type: none"> A minimum of 10% of cocoa farming households considered as being in our Cocoa Horizons' program (see KPI 1.4) who are members of a given farmer group are monitored through a CLMRS Child survey and / or CLMRS Farm survey or A minimum of 80% of cocoa farming households considered as being in our Cocoa Horizons' program (see KPI 1.4) who are members of a given farmer group have a census survey. <p>Effective child labor monitoring and remediation systems fulfill the following criteria:</p> <ul style="list-style-type: none"> A CLMRS includes awareness-raising at community and household level; targeted to both adults and children. CLMRS exists - systematic child labor monitoring and remediation is taking place among the members of the farmer groups. Data is collected and children are surveyed about their involvement in light and hazardous work. Individuals responsible for CLMRS are trained on child protection, child labor case management, child labor monitoring and remediation. Equipment for individuals responsible for CLMRS is available (e.g. awareness raising material). Identified child labor cases are referred to institutions as needed. CLMRS provides support to children in and at-risk of child labor to mitigate, remediate and prevent future cases of child labor and improve their situation. <p>Brazil, Indonesia, Ecuador and Nigeria are not in scope for this KPI.</p>
3.5b	<p>% of farmer groups we directly source from that are covered by our child labor monitoring and/or remediation activities: 94.8%</p>	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon.</i></p> <p>This indicator relates to the proportion of Cocoa Horizons Farmer Groups in Cocoa Horizons' direct supply chain (or that of Cocoa Horizons' third party implementers) that have systems in place to monitor or remediate child labor, within the fiscal year, in relation to the total number of Cocoa Horizons Farmer Groups from which Barry Callebaut (or its sub-contractors/ third party implementers) directly sources from.</p> <p>A farmer group is considered to be covered by child labor monitoring and remediation activities if:</p> <ul style="list-style-type: none"> A minimum of 10% of cocoa farming households considered as being in our Cocoa Horizons' program (see KPI 1.4) who are members of a given farmer group are monitored through a CLMRS Child survey and / or CLMRS Farm survey or A minimum of 80% of cocoa farming households considered as being in our Cocoa Horizons' program (see KPI 1.4) who are members of a given farmer group have a census survey. <p>Effective child labor monitoring and remediation systems fulfill the following criteria:</p>

		<ul style="list-style-type: none"> • A CLMRS includes awareness-raising at community and household level; targeted to both adults and children. • CLMRS exists - systematic child labor monitoring and remediation is taking place among the members of the farmer groups. • Data is collected and children are surveyed about their involvement in light and hazardous work. • Individuals responsible for CLMRS are trained on child protection, child labor case management, child labor monitoring and remediation. • Equipment for individuals responsible for CLMRS is available (e.g. awareness raising material). • Identified child labor cases are referred to institutions as needed. • CLMRS provides support to children in and at-risk of child labor to mitigate, remediate and prevent future cases of child labor and improve their situation. <p>Brazil, Indonesia, Ecuador and Nigeria are not in scope for this KPI.</p>
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Part 4 Environmental Protection

4.1a	4,043,224 shade tree seedlings distributed to farmers	<p><i>Globally assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia, Ecuador.</i></p> <p>This indicator measures the total number of shade tree seedlings distributed by Cocoa Horizons within the fiscal year. The seedlings come from either suppliers or community nurseries.</p> <p>A shade tree is a tree whose primary purpose is to provide shade for other crops, especially cocoa. They are usually fast growing and planted at intervals on a cocoa plot to help protect cocoa trees from the sun and retain moisture. Usually the shade tree seedlings distributed are a mix of varieties, and some can have the secondary purpose of providing fruits e.g. plantain. These are distributed as young seedlings.</p> <p>In Côte d'Ivoire, a seedling is considered to be distributed when it reaches the farmer. The distribution process of seedlings distributed by implementers's local team is tracked and digitized on a digital platform. Seedlings were also distributed on Cocoa Horizons's behalf by an external implementer.</p> <p>In Ghana, a seedling is considered to be distributed when it reaches the farmer. The seedling is distributed from supplier to Purchasing Clerk and from Purchasing Clerk to the farmers. The distribution process of seedlings distributed by Barry Callebaut's local team is tracked and digitized on a digital platform. Seedlings were also distributed on Cocoa Horizons's behalf by an external implementer.</p> <p>In Indonesia, a seedling is considered to be distributed when it is sold from the supplier's nursery. This could be either directly to a farmer, to a government body or other organization, who then gives them to farmers.</p> <p>In Cameroon, a seedling is considered to be distributed when a farmer has received and signed the discharge form/receipt.</p> <p>In Ecuador, a seedling is considered to be distributed when a farmer has received a receipt or signed the register.</p> <p>No shade tree seedlings are distributed in Brazil since farms tend to already be in an agroforestry system. No shade tree seedlings are distributed in Nigeria.</p>
4.3	88% of Horizons cocoa which is proven to be free from deforestation (ie. cocoa is not sourced from National Protected Areas as defined by the National Governments)	<p><i>Globally assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil, Ecuador, Nigeria.</i></p> <p>Cocoa Horizons cocoa demonstrated not to be contributing to deforestation refers to Cocoa Horizons cocoa which has not been sourced from a Protected Area (as defined by the host government and/or the Cocoa and Forest Initiative guidelines). Cocoa Horizons identifies the location and area of the Protected Areas 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). The percentage of cocoa demonstrated not to be contributing to deforestation is calculated based on the proportion of Cocoa Horizons cocoa sourced from farm polygons which are not located in</p>

		<p>a Protected Area, divided by the total volume of all Cocoa Horizons cocoa sourced from high risk countries.</p> <p>Risk profiles of cocoa are obtained from the 'Maplecroft Index', where a score above 7.5 is low risk. All cocoa sourced is considered to be from a 'high risk' country according to the 'Maplecroft Index'.</p> <p>If there is at least one farm polygon map which is within a Protected Area, then the whole volume delivered by a given farmer is rejected as not demonstrated to be not contributing to deforestation. If polygons of cocoa farms are located outside of a Protected Area, then sourced cocoa volume from these farmers is demonstrated not to be contributing to deforestation.</p> <p>Cocoa Horizons is following the guidance by the respective national governments, forest ministries and the work in progress by the multi-stakeholder Cocoa and Forest Initiative (Côte d'Ivoire & Ghana) in relation to the Protected Areas:</p> <ul style="list-style-type: none"> ● Côte d'Ivoire: Following the World Cocoa Foundation (WCF) guidance, all National Parks, Reserves and Classified Forest 1 and 2 are considered as Protected Areas. As the Forest Ministry's decree on the Classified Forests has yet to be finalized and enforced, the situation, guidance and categorization of the different Classified Forests remains highly unclear. Nevertheless, as a prudent measure, Classified Forest 1 and 2 are considered Protected Areas as well, especially Classified Forest 1 as some forests from this category could be classified as parks or reserved in the future. Cocoa Horizons through local implementers is continuing to engage with the Ivorian government to gain more clarity on the boundaries of Classified Forests and agree on actions to be taken in our supply chain, which may result in updates to our methodology in the future. ● Ghana: National Parks, Resource Reserves, Wildlife Sanctuaries and Forest Reserves ● Cameroon: National Parks, Forest and Wildlife Reserves, and Sanctuaries of fauna and flora; ● Indonesia: National Parks ● Brazil: National Parks; and ● Ecuador: National Parks and Reserves. ● Nigeria: National Parks, Game Reserves, Wildlife Sanctuaries and Forest Reserves. <p>The actual calculation is as follows:</p> <p>(Certified COH cocoa from high risk countries traced to cocoa farms located outside of a Protected Area) / (all sourced COH cocoa)</p>
4.4a	331 cookstoves distributed to farmers	<p><i>Globally assured KPI. Country in scope: Côte d'Ivoire.</i></p> <p>This indicator measures the number of cookstoves distributed to Cocoa Horizons Group Members within the fiscal year.</p> <p>In Côte d'Ivoire, a cookstove is considered to be distributed when it reaches the Group Member. The distribution process of cookstoves managed by the Cocoa Horizons' local team is tracked and digitized on a digital platform.</p> <p>There was no cookstove distribution this year in Ghana, Cameroon, Indonesia, Brazil, Ecuador and Nigeria.</p>
5.6	58,678 ha of agroforestry enabled	<p><i>Globally assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia, Ecuador.</i></p> <p>For this indicator in Cameroon, Ecuador and Indonesia, we follow the definition of agroforestry from the Cocoa & Forests Initiative which sets a minimum of 16 shade trees per hectare to define an agroforestry system. However, to be more conservative, Cocoa Horizons distributes an average of 35 trees/ha. Therefore, this indicator is the sum of the number of shade tree seedlings distributed to farmers up to the end of the fiscal year divided by 35.</p>

		<p>For Côte d'Ivoire and Ghana, we are moving towards an advanced agroforestry system which requires the distribution of 70 trees per ha, therefore, this indicator is the sum of the number of shade tree seedlings distributed to farmers up to the end of the fiscal year divided by 70.</p> <p>This approach assumes that there were initially no shade trees planted on the farms and that the farmer distributed them evenly on their farm.</p> <p>Brazil and Nigeria are excluded in this KPI since no shade tree seedlings are distributed there.</p>
5.7	50,798 tree seedlings distributed off-farm for restoration purposes	<p><i>Globally assured KPI. Country in scope: Côte d'Ivoire.</i></p> <p>This indicator measures the total number of tree seedlings distributed off-farm on behalf of Cocoa Horizons within the fiscal year for restoration purposes. Off-farm here means that they were not distributed for planting on a cocoa farm.</p> <p>In this fiscal year, tree seedlings were distributed off-farm in Côte d'Ivoire through one project as part of the Agbo Forest Restoration Project where Cocoa Horizons's external partner, Forliance, directly planted tree seedlings on behalf of Cocoa Horizons. This is the second year of a 3-year project</p> <p>Cocoa Horizons started restoration projects in 2020 focusing on Côte d'Ivoire. Hence, all the other countries are out of scope.</p>

Metric assured by Sustaincert

4.5	140,929 tCO2e sequestered through all Cocoa Horizons activities	This KPI is calculated in line with the Gold Standard Value Chain accounting methodology. It follows the guidance on accounting for both emission reductions and removals in Cocoa Horizons' supply shed. The number is estimated based on survival and usage rate monitoring.
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Appendix B - Unassured Reporting Criteria

KPI no.	KPI description	Assessment criteria
1.7a	25,348 women farmers delivered Cocoa Horizons cocoa are members Farmer Groups	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil, Ecuador, Nigeria.</i></p> <p>This indicator is calculated by adding all the Cocoa Horizons female Group Members who have delivered at least 1 kg of Cocoa Horizons cocoa within the fiscal year.</p>
1.7b	41,632 women are registered members of Cocoa Horizons Farmer Groups	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil, Ecuador, Nigeria.</i></p> <p>This indicator is calculated by adding all the Cocoa Horizons female Group Members who have delivered at least 1 kg of Cocoa Horizons cocoa within the fiscal year.</p>
1.8d	158,588 farmers with full data	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil, Ecuador, Nigeria.</i></p> <p>This indicator relates to the number of registered Cocoa Horizons' Group Members, up to the end of the fiscal year, who had:</p> <ol style="list-style-type: none"> Completed at least one census interview; and Had the same number or more plots mapped than declared in the census (the declared number of plots may not always align with the number of all the plots owned by the farmer). <p>More information surrounding both census interviews and mapping of farms is in the criteria for KPIs 1.3a and 5.2 respectively.</p> <p>Our census activities started in the following origins in the following years: Côte d'Ivoire - 2016 Ghana - 2017 Cameroon - 2018 Indonesia - 2017 Brazil - 2019 Ecuador - 2020 Nigeria - 2021</p> <p>Our mapping activities started in the following origins in the following year: Côte d'Ivoire - 2018 Ghana - 2018 Cameroon - 2018 Indonesia - 2018 Brazil - 2019 Ecuador - 2020 Nigeria - 2021</p> <p>In Brazil, Cocoa Horizons' suppliers can have a direct cocoa sourcing relationship with several persons that occupy the same farm, thus the same polygon can be used for different persons or households that have a sharecropping, family or partnership relationship with each other. Buffer zones are created for farmers that do not have their properties registered in the Public Databases (Environmental & Land Tenure System). Thus overlaps in the polygons are accepted.</p>

2.2	1,126 Farmer Group staff trained	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon.</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 with their role within the fiscal year.</p> <p>In Côte d'Ivoire:</p> <ul style="list-style-type: none"> • Warehouse Keepers completed the Quality and Traceability modules; • Directors, Treasurers, Presidents or Accountants must complete at least one Business skills module and the Farm General Brief module every year. <p>In Ghana:</p> <ul style="list-style-type: none"> • Purchasing Clerks and Districts Managers completed the Quality and Traceability modules; and • Directors, Treasurers, Presidents or Accountants must complete at least one Business skills module and the Farm General Brief module every year. <p>In Cameroon:</p> <ul style="list-style-type: none"> • Cooperative leaders are trained on sustainability and traceability; • Application specialists are trained on using chemicals and spraying equipment; and • Field staff are trained on good agricultural practices and farm business plans.
2.4	163,136 farmers trained on environmental protection	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil, Ecuador, Nigeria.</i></p> <p>This indicator represents the number of farmers who have attended at least one training session on environmental protection up to the current fiscal year. These trainings are taught in a farmer field school approach by qualified coaches and cover issues such as soil erosion and deforestation.</p>
2.5	129,425 farmers trained on gender and social issues	<p><i>Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil, Ecuador, Nigeria.</i></p> <p>This indicator represents the number of farmers who have attended at least one training session on gender and social issues up to the current fiscal year. These trainings are taught in a farmer field school approach by qualified coaches and cover issues such as gender; human rights; employment & contractual relations</p>
3.1b	70.7% of Village Savings and Loans Association members are women	<p><i>Globally assured KPI. Countries in scope: Côte d'Ivoire, Ghana, Cameroon, Indonesia.</i></p> <p>This indicator refers to the percentage of members in the VSLAs (as per KPI 3.1) who are women. This is calculated by identifying the number of women and dividing that by the total number of members in the VSLAs. No VSLAs exist in Brazil, Ecuador and Nigeria.</p>