

Cocoa Horizons Progress Report

2022-2023

Reshaping the future of
cocoa farming



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Welcome

It is with a greatest pleasure that we invite you to embark into the 2022/23 results of the Cocoa Horizons program.

Evolution is the word that best describes our sustainability journey this year.

- The program is expanding massively with 63% more farmers joining us and delivering their cocoa.
- The efforts to improve farmers' livelihoods are delivering results: the number of producers out of extreme poverty increased by 39% this year.
- The hectares covered by labor groups has tripled when compared to the last season.
- Our labor groups are more professional thanks to periodical trainings and the purchase of newer pruning tools.
- The mapping percentages increased with substantial efforts put into traceability activities.
- Most of the farmers graduated, which means that they are mastering good agricultural practices.
- Individualized coachings keep being deployed, ensuring farmers' needs are properly heard and addressed wherever possible.
- Almost all farmer groups we work with are covered by child labor monitoring and/or remediation activities.

The year also brought a shift as we are focusing our efforts and resources on strengthening community systems to better protect children. We have carefully listened to researchers and experts, and as a result, our approach is evolving to better address the root causes of child labor.

Yes, we do need to celebrate!

Even though there have been more challenges than our arms and legs are able to address, we used all of them as opportunities for learning and improvement.

And this is what we have learnt

- Yield increase is the best argument to overcome farmer resistance to pruning.
- Farmers are considerably more motivated to planting and maintaining tree species that provide an immediate income. Payment for ecosystem services plays a crucial role in increasing tree survival rates.
- VSLAs (Village Savings and Loan Associations) continue to represent an important source of savings and income to the community between off harvest periods.
- The farmers hired to be part of the labor groups are learning good agricultural practices, and are proudly applying these new skills on their own cocoa plots.

Together, we are on a journey to reshape the future of cocoa farming.

With gratitude for your partnership and support to the Cocoa Horizons Foundation, we wish you a rewarding reading journey ahead.

Your Cocoa Horizons Team

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The Cocoa Horizons program is unique as we listen to the real needs of farmers, and combine that with past learnings, research, and data to focus on the activities that have the biggest impact.

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John Kelly
Cocoa Horizons Managing Director



Caroline Costa
Reporting Manager



Alexandre Couesnon
Program manager



Adeline Paule
MEL governance lead



Lydia Gheraia
Marketing & Comms manager

About Cocoa Horizons

Putting hope on the horizon for cocoa communities

What is Cocoa Horizons?

Cocoa is typically produced by smallholder farmers in remote equatorial areas. The supply chain faces considerable challenges such as farmers with limited resources to invest on their land, high child labor prevalence, human rights abuses, aging trees, depleted soils, climate change effects, lack of basic community infrastructure such as schools, access to safe water or paved roads.

In 2015, Barry Callebaut established the Cocoa Horizons Foundation with the vision to **drive cocoa farmer prosperity by creating self-sustaining communities which protect nature and children.**

The program is implemented across 7 countries by Barry Callebaut entities. In Côte d'Ivoire, we also collaborate with Touton, Sucden and ETG to expand our activities.

Impact and transparency are at the core of our activities; that's why through our annual audited report, we share how the funds are spent to achieve tangible results for farming communities.

How do we drive change?

To drive change, we leverage collaboration and innovation by:

- Working with **experts and pioneering partners** to build on our collective strengths;
- Leveraging data and innovative solutions to **measure our impact and increase our efficiency**;
- Targeting the Foundation's expenditure towards the most needed and **impactful activities**;
- Leveraging our **boots on-the-ground** interacting directly with farmers to learn and promote necessary changes;
- Helping **drive demand** for sustainable cocoa by enabling our brand partners to engage with their consumers.

Cocoa Horizons currently accounts for 46.4% of Barry Callebaut's sustainably sourced cocoa.



Sharpening Cocoa Horizons & Looking beyond 2025

Since 2015, the Cocoa Horizons Foundation has been active 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.

Looking back, we can celebrate some major achievements

- Engaging farmers in the program: from 93,000 to more than 300,000 cocoa producers in 2023.
- Scaling across continents: today Cocoa Horizons supports cocoa farming communities in 7 countries.
- Answering the growing demand for sustainable cocoa: +345% tons of cocoa sold over the past 6 years.

With the support of its partners and customers, the program has achieved tremendous impact across its three areas of focus: Productivity, Community and Environment.

This year we sharpened the Cocoa Horizons ambitions and looked beyond our 2025 goals:

Human Rights

Scope extended to human rights due diligence and a community systems-strengthening approach to protect and promote child rights.

Alignment with the SBTi

The environmental protection approach was reinforced with a focus on inseting via agroforestry, generating co-benefits for farmers and helping customers achieve their Net Zero ambitions.

Looking beyond 2025

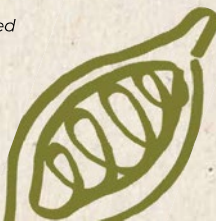
We added a new program ambition around basing Cocoa Horizons on a transformative cocoa farming model that will support living income by 2030.



By partnering with Cocoa Horizons, you support the UN Sustainable Development Goals:
<https://www.un.org/sustainabledevelopment>



Disclaimer related to the use of UN SDGs: 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.



Directors' statement

As the Directors of the Cocoa Horizons Foundation we are, and shall be, responsible for the preparation of the Cocoa Horizons key performance indicators (KPIs) located in the 'KPI title' column of the table in Appendix A, the reporting criteria located in the 'KPI methodology' column of the table in Appendix A and also this Directors' Statement.

We confirm, to the best of our knowledge and belief, that we have responsibility for:

- Designing, implementing and the maintenance of internal controls and processes over information relevant to the measurement, evaluation and preparation of the Cocoa Horizons table of key performance indicators that is free from material misstatement, whether due to fraud or error;
- Establishing objective reporting criteria for preparing and presenting the Cocoa Horizons KPIs located in the 'KPI title' column of the table in Appendix A, including clear definition of the entity's organisational boundaries, and applied them consistently;
- Presenting information, including the reporting criteria, in a manner that provides relevant, complete, reliable, unbiased/neutral, comparable and understandable information; and
- Reporting the Cocoa Horizons KPIs located in the 'KPI title' column of the table in Appendix A, in accordance with the reporting criteria.

Nicolas Mounard

Nicolas Mounard
Vice President Sustainability
and Farming, Barry Callebaut

Martin Oesch

Martin Oesch - General Counsel
& Corporate Secretary, Head of Legal,
Compliance and IP, Barry Callebaut

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

Date: 01/02/2024



Nicolas Mounard

Chairman of the Board
since June 2023.
Vice President
Sustainability and Farming
at Barry Callebaut Group.



Aarti Kapoor

Board member since October
2022.
Executive Director of
Embody, an international
consultancy focusing on
human rights and social
protection, responsible
business and organisational
analysis.



Dries Roekaerts

Board member since
May 2023.
Vice President Customer
Innovation & Technical
Services at Barry
Callebaut Group.



Martin Oesch

Board member since June
2023.
General Counsel & Corporate
Secretary, Head of Legal,
Compliance and IP at Barry
Callebaut Group.



Scott Poynton

Board member since
November 2023.
Founder of the Pond
Foundation and The Forest
Trust (now Earthworm
Foundation).



Cocoa Horizons table of key performance indicators

This table presents the program overview over the last 6 years. Select KPIs have been subject to independent limited assurance by PwC. For the results of this, please see PwC's independent limited assurance report on page 32.

KPI	Generic - Traceability	17/18	18/19	19/20	20/21	21/22	22/23	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	288,320	24%
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	28,055	184%
1.3	No. of Farmer Groups delivered Horizons Cocoa	92	151	181	224	263	314	19%
1.4	No. of COH registered farmers	93,370	135,115	150,693	235,301	223,235	304,050	36%
1.5	No. of metric tons of Horizons cocoa purchased	72,088	89,445	111,323	162,834	174,584	349,577 (1)	100%
1.6a	No. of COH registered farmers delivered Horizons cocoa	74,521	85,089	111,677	162,436	151,810	247,383	63%
1.6b	% of COH registered farmers delivering Horizons cocoa	80%	63%	74%	69%	68.0%	81.4%	20%
1.7a	No. of women farmers delivered Cocoa Horizons cocoa are members Farmer Groups	16,331	18,258	23,442	30,911	25,348	37,813	49%

(1) Including 38,091 MT of Cocoa Horizons' cocoa purchased in 21/22 and claimed in 22/23

Cocoa Horizons table of key performance indicators

KPI	Generic - Traceability	17/18	18/19	19/20	20/21	21/22	22/23	vs PY
1.7b	No. of women are registered members of Cocoa Horizons Farmer Groups	18,541	23,366	28,419	39,298	41,222	46,531	12%
1.8b	No. of delivered farmers with full data (all plots mapped)	-	-	-	99,067	115,978	195,364	68%
1.8d	No. of registered COH farmers with full data (all plots mapped)	-	-	-	139,710	158,588	232,799	47%
1.8f	% of farmers delivered Horizons cocoa with full data (all plots mapped)	-	-	-	61%	76%	79.0%	4%
1.9	% of farmers who delivered Horizons cocoa in the fiscal year and have received the Cocoa Horizons Premium	100%	100%	100%	100%	100%	99.9%	0%
1.10	No. farmers who received their premium digitally	-	-	-	-	-	49,349	-

Cocoa Horizons table of key performance indicators

KPI	Prospering Farmers	17/18	18/19	19/20	20/21	21/22	22/23	vs PY
2.1	No. of cocoa farmers above the World Bank's International Poverty Line of USD 2.15/day (2)	30,812	64,920	57,495	121,722	121,167	168,567	39%
2.2	No. of Farmer Group staff trained	-	260	746	3,955	1,126	-	-
2.3a	No. of farmers who graduated from COH Academy	-	16,952	60,870	154,378	214,305	296,258	38%
2.3b	% of farmers graduated from COH Academy as proportion of assessed	-	63%	75%	76%	75.7%	80.9%	7%
2.6a	No. of farmers who received a Farm Business Plan (FBP) annually	3,282	9,920	30,397	70,642	83,148	91,925	11%
2.6b	No. of farmers who have access to a productivity package	3,447	4,457	15,020	36,387	40,895	44,412	9%
2.7	No. of cocoa seedlings distributed	1,459,966	777,821	1,391,170	1,281,032	1,905,110	2,246,806	18%
2.8	No. of farmers who have received Farm Service activities (Farm Business Plans, coaching, inputs such as tools and seedlings, or pre-harvest support)	-	32,566	45,893	98,986	121,074	126,714	5%
2.10	# ha supported with pre-harvest interventions	-	-	-	-	5,744	16,707	191%

(2) World Bank International Poverty Line was updated in 22/23 from USD 1.90/day to USD 2.15/day.

Cocoa Horizons table of key performance indicators

KPI	Empowered Communities	17/18	18/19	19/20	20/21	21/22	22/23	vs PY
2.5	No. of farmers trained on gender and social issues since 2018	-	19,021	89,486	97,963	129,425	163,532	26%
3.1	No. of Village Savings and Loans Associations (VSLAs) established	-	-	800	1,240	1,113	1,249	12%
3.2	No. of child labor cases identified in our supply chain	3,096	3,867	22,519	18,529	19,388	44,724	131%
3.3	No. of child labor cases under remediation	-	2,333	4,786	25,186	36,789	55,674	51%
3.4	No. of identified child labor cases which are considered remediated	-	-	335	362	2,631	9,343	255%
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	281	29%
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%	99%	4%
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	105,039	92%

Cocoa Horizons table of key performance indicators

KPI	Empowered Communities	17/18	18/19	19/20	20/21	21/22	22/23	vs PY
3.7	No. of children who participated in a child labor identification monitoring survey	15,223	29,050	81,892	66,974	104,395	158,553	52%
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	14,110	48%
3.9	No. of communities reached by the COH truck	65	56	38	-	21	34	62%

Cocoa Horizons table of key performance indicators

KPI	Thriving Nature	17/18	18/19	19/20	20/21	21/22	22/23	vs PY
2.4	No. of farmers trained on environmental protection since 2018	-	74,571	116,157	124,754	163,136	198,164	21%
4.1a	No. of shade tree seedlings distributed to farmers	372,468	602,948	1,204,223	1,598,772	4,043,224	2,746,684	-32%
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) (3)	-	70%	76%	74%	88%	59.4%	-33%
4.5	Total amount of CO2 sequestered through all Cocoa Horizons activities (4)	16,500	72,500	132,52	160,000	140,929	168,348	19%
5.5	No. of ha of agroforestry established	-	-	-	-	8,938	14,099	85%
5.6	# ha of agroforestry maintained	-	-	-	-	-	3,019	-
5.6b	Total amount of Payment for Ecosystem Services paid in CHF	-	-	-	-	-	130,395	-
5.7	# tree seedlings distributed off-farm for restoration purposes	-	-	-	28,837	50,798	99,400	96%

(3) In 22/23, we expanded our forest scope to reflect the upcoming regulations (EUDR).

(4) KPI audited by SustainCert in 22/23, it excludes a 20% withholding buffer.

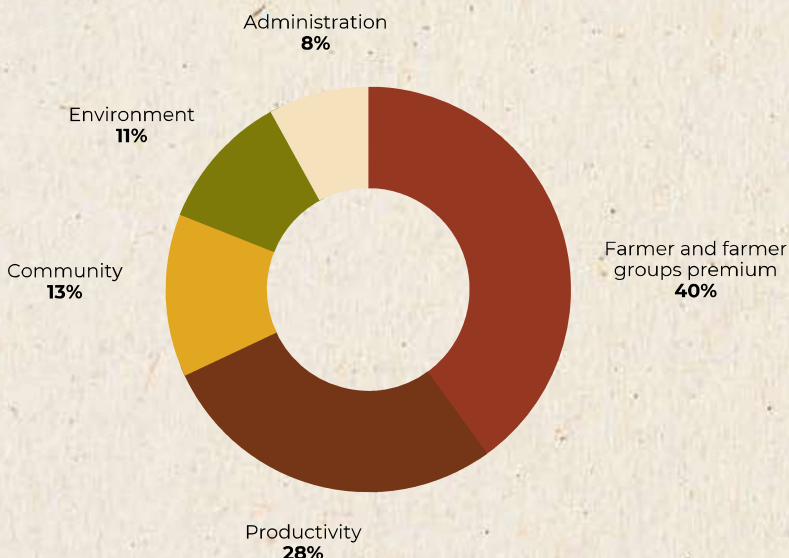
Our 2022/23 financial journey

(in CHF)

+34%

income vs prior year
representing 13 millions CHF
to support our activities.

Income allocations*



Cocoa Horizons Program income

50,053,345

Cocoa Horizons Income expenses

52,541,228

Farmer and farmer
groups premium

22,804,936

Productivity expenses

14,638,331

Community expenses

5,220,950

Environment expenses

4,836,169

Administrative expenses

5,040,841

We only fund activities that support the Foundation's purpose, that's why we invest in the areas of productivity, community, and environment in addition to farmer premiums.

For transparency purpose, this section provides details on the amount of income and expenses for 2022/23.

Our activities were funded by a combination of:

- Funds received from customers who pay a premium when purchasing Horizons cocoa and chocolate products;
- A CHF 4 millions donation from Barry Callebaut;
- Unspent balances brought forward from the 2021/22 fiscal year.

The activities are implemented by Barry Callebaut employees and other partners.

Disclaimer: Premiums paid to farmers and farmer groups are based upon the volume of beans sourced, whilst expenditure in relation to the other areas is performed at the discretion of the Cocoa Horizons Foundation.

*Actual allocations may vary by +/- 5-10% based on local conditions and situational specifics.

Key Highlights: Global

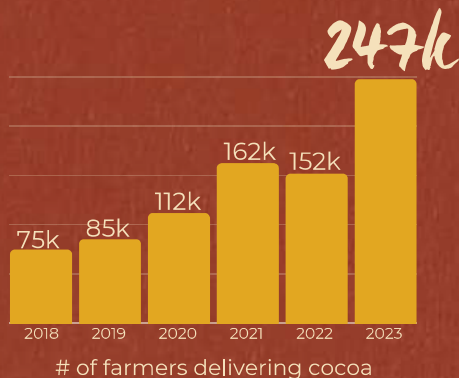
We kept expanding the program to new farmers and recruiting new farmer groups.

+63%

+96k
farmers delivering
cocoa vs 2022

314

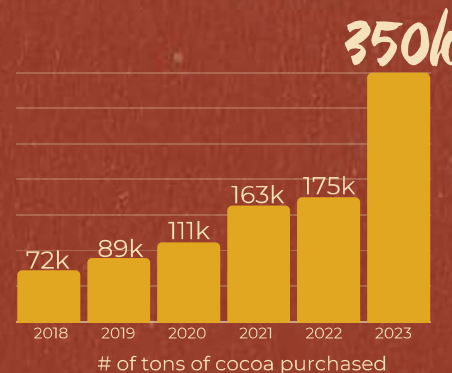
farmer groups
(+19% vs 2022)



We answered the growing demand for sustainable cocoa.

+100%

+175k
tons of cocoa
purchased vs 2022



The 350k tons include 38k tons from 2022 that were validated after the end of last year's audit.

We attracted new funds.

+34%

+13 millions CHF to
support the Foundation
activities vs 2022

TRACEABILITY

79%

of farmers delivering
with full data

→ 100% by 2025

PROSPERING FARMERS

50%

of cocoa farmers above the
World Bank International
Poverty Line of USD 2.15/day

→ 100% by 2025

EMPOWERED COMMUNITIES

99%

of farmer groups in our direct supply
chain covered by child labor monitoring
and/or remediation activities

→ 100% by 2025

THRIVING NATURE

59%

of cocoa demonstrated
not to be contributing to
deforestation

→ 100% by 2025

168k

tons of carbon removals
achieved (in CO2e)

Where we work & the team leads



Ecuador
Maylin Yoong



Brazil
Thiago Santos



**Côte
d'Ivoire**
Ghislaine Ada



Ghana
Fred Frimpong



Nigeria
Blaise
Kengne Kouokam



Cameroon
Bettina Ebandji



Indonesia
Maria Benedikta

The farmers we support

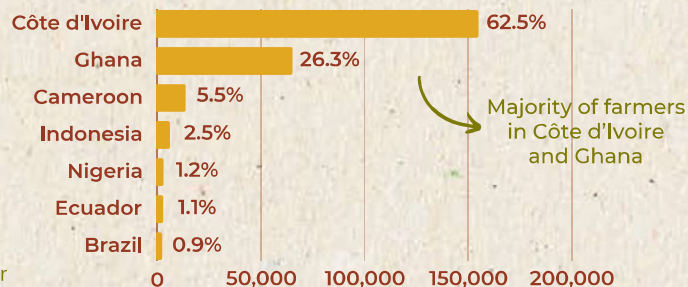
To better understand the farmers we work with and their daily challenges, we collect information through census. This way, we ensure that our activities address the complex issues affecting communities and are tailored to their needs.

KEY DATA AND FACTS

247,383

farmers delivering cocoa

+63% vs prior year



15%

of women

51

average age

7.4

average size of household

79%

of farmers delivering with full data

99.9%

farmers receiving the premium*

49,349

farmers receiving the premium digitally



*At the time of publication of this report. Any remaining farmer premium payments are in process and the aim is to close the gap to 100% by the end of this fiscal year.

Our areas of focus

Cocoa Horizons is a **holistic approach** to sustainable cocoa. It is built on three pillars with ambitious and timebound commitments.

Productivity

We focus on the key enablers - **yield, price and size of the farm** - allowing higher investment on farm and increased income.

In practice, this means:

- Providing access to **planting materials** and **soil management**;
- Deploying **labor services** to support pre-harvest field work;
- Ensuring farmer's knowledge on good agricultural practices through **graduation and personalized coaching**;
- Providing **additional premium** to farmers;
- Supporting **income diversification**;
- Securing **land rights** allowing higher investment on farm.

By 2025, all Cocoa Horizons farmers will be above the poverty line.*

By 2030, Cocoa Horizons will be based on a **transformative cocoa farming model** that will support living income.

*World Bank's International extreme poverty line.

Community

We focus on empowering communities to enable a **systemic and lasting change** on **child protection** and **human rights**.

In practice, this means:

- Implementing **human rights committees** and **grievance mechanisms**;
- Strengthening **child protection systems**;
- Assessing **communities' needs** and enabling them to get the necessary investments;
- Providing **income diversification** opportunities, including granting women access to microfinance.

By 2025, all Cocoa Horizons communities will be covered by **Human Rights Due Diligence**, remediating all **child labor cases** identified.

By 2030, Cocoa Horizons will be based on a **systems-strengthening model** to **protect and promote child rights**.

Environment

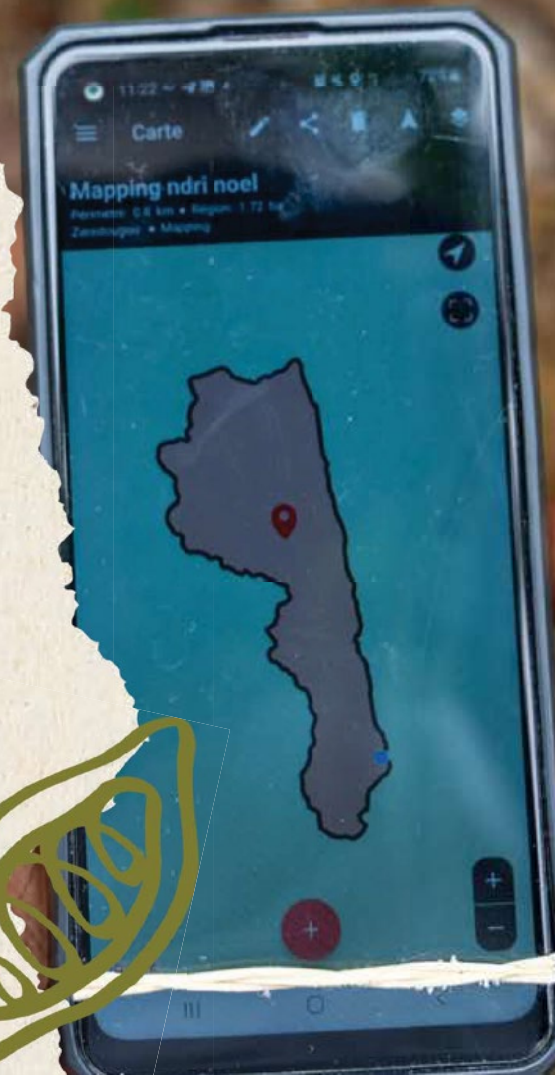
We ensure due diligence against **deforestation** and implement **low carbon farming practices**.

In practice, this means:

- **Mapping farms** to make sure cocoa production is not contributing to deforestation;
- Training farmers on **environmental protection**;
- Implementing **robust agroforestry systems** generating carbon removals and additional income for farmers while enhancing biodiversity;
- Engaging in **landscape initiatives** for forest protection and restoration;
- Supporting our partners to achieve their **Science Based Targets** related to cocoa in line with the Paris Climate Agreement.

By 2025, Cocoa Horizons will be **deforestation free** and **forest positive**.

Cocoa Horizons through **low carbon farming practices** will support its partners to reach **Net Zero by 2050**.



Prospering farmers

We are progressing on our journey to help lift farmers out of poverty and we are halfway there with 50% of farmers delivering Cocoa Horizons above the World Bank's International extreme poverty line.

Less training, more doing.

This year, the Cocoa Horizons program continued to shift from a predominantly training approach to a pre-harvest "doing" approach.

Through the pre-harvest approach, we support farmers with labor for pruning and spraying activities.

This win-win activity is very well received as it allows:

- An increased yield for beneficiary farmers;
- An additional and diversified source of income for labor group members during off harvesting periods. Most of the time, the members are young farmers or farmers with a small farm;
- New skills acquisition for members;
- A replication on member farms and for community members of the pre-harvest practices.

Alongside the pre-harvest labor approach, individual coaching is deployed to address the breadth of each individual farmer's needs.

We deploy Farm Business Plans as the cornerstone of our farmer journey:

- A diagnosis is made together with the farmer to identify specific needs.
- The farmer receives coaching and recommendations.
- A productivity package is proposed to the farmer (e.g. fertilizers).

These inputs are proven to increase yields, and as a result, farmers' overall income.

Coming up in 2024

To transform the way cocoa is produced, our Farm services offer will be tailored further. This will come with a better understanding of farmers' profiles and adapted activities.

We will also continue to increase digitalisation of farmers' cash premium payments. By continuously improving our farming model, we keep working towards an enabling environment that will support on the long term a living income for farmers.

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In the past, my farm was dense with many trees. Such density caused my pods to be rot. Thanks to the pruning services that I received, my trees now have adequate light, and I can see the difference. I am harvesting additional four bags per season. These extra bags help me to continue financing higher education for my children. Just like my cocoa pods, they are also turning out great.

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Peace Owusu, cocoa farmer since 23 years, Juaso Community, Ashanti Region, Ghana.



Prospering farmers



168,567

cocoa farmers above the World Bank's
International Poverty Line of USD 2.15/day

↪ +39% vs prior year



84,692 +39% vs prior year
farmers who have graduated



126,714 +5% vs prior year
farmers who received Farm
Service activities



44,412 +9% vs prior year
farmers receiving a
Productivity Package



49,349 n/a
farmers with digital premium



16,707 +191% vs prior year
hectares supported with
pre-harvest interventions



2,246,806 +18% vs prior year
cocoa seedlings distributed



Empowered Communities

Child protection through community empowerment

This year, we reached almost full coverage (99%) of farmer groups with child labor monitoring and remediation activities. As a result, we identified 44,724 cases of child labor. While the total number of child labor cases identified has risen due to our increased coverage, we have been impactful in remediating cases during the past fiscal year, with 55,674 (+51%) of the reported cases from this and previous years now under remediation.

To remediate cases, we keep working with our partners on:

- the provision of birth certificates;
- the access to bridging classes;
- the delivery of school kits;
- the sensitization on child protection.

In parallel, community members are sensitized on gender and social issues to help empower women. We know women play a critical role in child protection as they are more willing to invest in their children's well-being.

Our approach comes also with helping community members secure and diversify their income.

VSLAs (Village Savings and Loan Associations) allow members to pool savings together and raise resources to create a business or to fund household needs (e.g. medical care, schooling fees). This year, CHF 1.2 million worth of savings was collected and half was invested at community level with more than a third on education for children. Majority of VSLA members are made out of entrepreneurial women, providing them with access to financial opportunities.

Coming up in 2024

We are shifting our model to strengthen our community systems approach. It means that we will allocate more resources on child protection at different levels:

- Working with governments to reinforce national child protection systems;
- Collaborating with communities to improve infrastructures;
- Ensuring access to quality education;
- Improving access to livelihood resources for community members.

Finally, we will implement Human Rights due diligence covering child labor and forced labor following the 6 steps of the OECD framework to assess and address all adverse human rights impacts in our supply chain.

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Being part of a community development committee brought us together to address our needs. First, we got a water pump. Our wives used to walk many kilometers every day to fetch water in neighboring villages. Our second achievement as community development members was a school. The committee made us visible and thanks to that, we could get funds from the government to have a school in our community. Then we mobilized our village to build the school.

The committee brought a sense of ownership and pride at Akakro. Dreaming for things that we need is not enough. We need to roll out our sleeves to get things done. The committee is a good place for that.

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Cyprien Kouassi Kouadio,
cocoa farmer since 20 years in
Akakro, Côte d'Ivoire



Empowered Communities



99% +4% vs prior year

of farmer groups in our direct supply chain covered by child labor monitoring and remediation activities



163,532 +26% vs prior year

farmers trained on gender and social issues



44,724 +131% vs prior year

child labor cases identified



1,249 +12% vs prior year

VSLAs established or functioning



55,674 +51% vs prior year

child labor cases under remediation



69% -3% vs prior year

of VSLA members are women



9,343 +255% vs prior year

child labor cases remediated



CHF 1,2 million n/a

total amount saved through VSLAs



CHF 0,7 million n/a

total amount loaned through VSLAs



Thriving Nature

We keep progressing on our journey towards deforestation free cocoa and adapting to the quickly evolving legislative landscape.

We continued working on the mapping of farm plots aligned with efforts towards a transparent and traceable supply chain, while catching up with the growth of our farmer base.

We kept working on implementing low carbon farming practices and landscape initiatives.

This year, we expanded our robust agroforestry approach with now more than 14,000 hectares established. The interest for farmers is growing thanks to the payment for ecosystem services (PES), helping them diversify their income. PES means that farmers get paid on a yearly basis for the survival of the planted trees as a reward for carbon removals. PES were already provided for more than 3,000 hectares.

To ensure a high survival rate and carbon removals on the long term, we are balancing our efforts. That's why, we slightly reduced the distribution of tree seedlings to invest more into tree maintenance.

Off farm reforestation continued as we doubled the number of tree seedlings distributed to farmers for this purpose.

Adapting to the evolving legislation landscape

By 2025, all cocoa entering Europe will have to comply with the new EU Deforestation Free regulation. To adapt to this upcoming change, we have reviewed our methodology. It is currently very conservative and may further evolve to match EUDR implementation practices.

This year, through our agroforestry activities, we managed to achieve a 19% growth of carbon removals. This contributes to our customers' Scope 3 reduction ambitions.

Coming up in 2024

We will pursue our efforts on farm mapping to strengthen our deforestation free due diligence.

The scale up of agroforestry and large landscape initiatives to reach our forest positive ambition will continue.

We will support our partners to comply with EUDR through a risk assessment framework and risk mitigation tools.

66

Our ambition goes beyond deforestation-free. Moving forward, we want also to invest in large-scale initiatives on forest conservation. At the same time, our aim is to empower communities, helping farmers prosper by increasing the long-term productivity of cocoa farming in environmentally suitable areas while mitigating the impact of climate change, preserving ecosystems and restoring natural biodiversity on existing farmland.

99



Tilmann Silber,
Global Forest and Carbon
Program Lead,
Barry Callebaut



Thriving Nature



59% *n/a*

cocoa demonstrated not to be contributing to deforestation



79% *n/a*

of plots with a polygon map



168,348 *+19%* vs prior year

tons of carbon removals achieved through agroforestry



2,746,684 *-32%* vs prior year

shade tree seedlings distributed to farmers



14,099 *+77%* vs prior year

hectares of agroforestry established



3,019 *n/a*

hectares of agroforestry maintained



CHF 130k *n/a*

Payment for Ecosystem Services to farmers



198,164 *+21%* vs prior year

farmers trained on environmental protection



99,400 *+96%* vs prior year

tree seedlings distributed off-farm for restoration purposes

Country Key Highlights

Côte d'Ivoire

We accomplished outstanding results in Côte d'Ivoire.

Key achievements

- Our traceability efforts were translated into 73% full mapping.
- The distribution of seedlings exceeded our targets. Farmers are increasingly interested in planting seedlings from native varieties such as avocado, fraké, and acajou which are slowly becoming reliable sources of extra income.
- Pruning using labor groups continues to be a great success among farmers. The resistance to pruning falls every day thanks to sensitization, innovative training modules and individualized coaching visits.

- Newly designed learning sessions for farmers cover best practices on climate smart agriculture.
- Coaches are being engaged in the planting of seedlings to ensure farmers adhere to the benefits of agroforestry.

Learnings

- In order to ensure that seedlings were systematically planted by farmers, coaches came on board. Their engagement in the process was crucial for the success.
- Pole pruners were used to test efficiency in pruning. The test group has easily pruned one hectare per day. Depending on the distance from the plot to be pruned, and depending on its density, they could reach up to two hectares.
- The roll out of digitalization via mobile banking accounts to farmers and cooperatives is a challenging task but proved itself as the decade's most fundamental initiative towards transparency. Digitization has been shown as a highly intensive activity in terms of resource allocation and will require time to be fully achieved in a secured way.

KEY DATA AND FACTS

154,901 ^{+83%}
vs prior year

farmers delivering cocoa*

95,274 ^{+67%}
vs prior year

cocoa farmers above the
WB International Poverty
Line of USD 2.15/day

76% ^{-8%}
vs prior year

of delivering farmers
with full data

65,319 ^{+15%}
vs prior year

farmers who received
Farm Services activities

577 ^{+15%}
vs prior year

VSLAs established or
functioning

1,376 ^{n/a}

hectares of agroforestry
maintained



66 The mechanization of our pruning activities brought not only efficiency, but also pruning accessibility for new farmers. There is less fatigue from the workers; they could prune up to 2 hectares a day and most importantly: farmers are happy and proudly spreading the word about the benefits of pruning.

Ghislaine Ada, Sustainability Manager Côte d'Ivoire



Country Key Highlights

Ghana

The program in Ghana proudly presents quite a few achievements and learnings generated throughout the year.

Key achievements

- Farmers received agronomic advice on farm management via individualized coaching visits.
- The focus on farm rejuvenation continued, reaching 1.4 million cocoa seedlings distributed in due time.
- The pruning services through labor teams were extended to additional districts.
- Payment for ecosystem services started being rolled out to farmers involved in agroforestry activities.

- The expansion of agroforestry is ongoing as we moved from 5 to 17 districts involved. Agroforestry related initiatives will continue to scale up massively in the coming years.
- We also introduced school clubs to drive awareness on child protection.

Learnings

- More farmers are willing to invest in pre-harvest support services, especially pruning as they have seen the added value on the farms.
- The payment for ecosystem services and the nurseries being closed to farmers facilitating the logistics are driving farmers interest to subscribe into the agroforestry program.

Ghana governmental trends

The low coverage of national identity documentation limits the scale up of premium digital payment. Due to a recent governmental regulation, mobile numbers not linked to a national identity cannot benefit from money transactions. This prevented us to offer digital payments to a certain number of farmers who were originally scoped for it.



KEY DATA AND FACTS

65,231 ^{+26%}
vs prior year

farmers delivering cocoa

48,218 ^{-12%}
vs prior year

cocoa farmers above the WB International Poverty Line of USD 2.15/day

83% ^{+30%}
vs prior year

of delivering farmers with full data

48,645 ^{-12%}
vs prior year

farmers who received Farm Services activities

629 ^{+8%}
vs prior year

VSLAs established or functioning

1,643 ^{n/a}

hectares of agroforestry maintained

66 In the past, even though I worked hard, I couldn't see improvement in my cocoa plots. There was no movement in my life but now I see a lot of progress. Currently, all my children go to school. I have also built a 6 bedroom house in Dominase. It seems that there is future now playing out for me".

Inusah Ndego, cocoa farmer, Ashanti Bekwai, Ghana

Country Key Highlights

Cameroon



Cameroon is one of our most promising countries in terms of volume potential, as well as, vitality, willingness to test and pivot new initiatives.

Key achievements

- Majority of delivering farmers with full data.
- Outstanding achievements for Farm Business Plans leading to a very high adoption of 72% to Productivity Packages.
- New agroforestry training modules introduced to farmers covering the topics of climate smart agriculture and farming as a profitable business.



66

The coaching that I receive is slowly turning into savings in my fungicide package. I finally feel that I am doing things right. The close technical support that I receive makes me confident about the success of my harvest.

Letono Martin, cocoa farmer, Center region, Cameroon

Learnings

- Farmers have been praising the individual coaching that follow their subscriptions to Productivity Packages.
- When being asked which seedlings and training modules they find more suitable to their needs, farmers feel a sense of respect and empowerment.
- In the regions where the pruning pilot was implemented, cocoa pods were bigger and productivity was higher. First, farmers were skeptical though only eight refused the pruning. Few months later, they already saw the benefits. There is a consistent spill-over effect on pruning advantages so that adoption rates can only increase from now on.
- Through labor groups, new jobs were generated. Most labor groups did both the pruning and then the fertilizers applications. This provides income during off season, which is when the communities struggle the most.

KEY DATA AND FACTS

13,650 ^{+14%}
vs prior year

farmers delivering cocoa

14,847 ^{+119%}
vs prior year

cocoa farmers above the WB International Poverty Line of USD 2.15/day

88% ^{+0%}
vs prior year

of delivering farmers with full data

5,964 ^{-1%}
vs prior year

farmers who received Farm Services activities

39 ^{+39%}
vs prior year

VSLAs established or functioning

52,419 ^{+82%}
vs prior year

shade trees distributed

99

Country Key Highlights

Nigeria

We tripled the number of farmers demonstrating the added value of the program. At the light of expansion, more cooperatives have been prepared to join the program.

Key achievements

- The launch of labor groups services is a landmark development. Farmers are now perceiving pruners as a reward for their loyalty.
- The successful outcome of 84% mapping translating our efforts towards a traceable supply chain.

- Though the nursery agreement started very late, seedlings did reach the survival rate threshold. Farmers seem to show a common interest to have their own nurseries.

Learnings

- The introduction of digital premium payments was not well received by cooperatives and farmers in general due to recent national cash crunch and many of the farmers not having national means of identification.
- Awareness on the benefits of digitalization will be intensified in 2024 together with the enrollment of farmers on the Nigerian national identification platform.
- Several agroforestry activities, as well as, more awareness raising sessions are ready to be rolled out in the coming months such as carbon sequestration activities with local implementing partners.

KEY DATA AND FACTS

3,003 +206%
vs prior year

farmers delivering cocoa

2,136 n/a

cocoa farmers above the WB International Poverty Line of USD 2.15/day

84% +114%
vs prior year

of delivering farmers with full data

247 n/a

farmers who received Farm Services activities

4,732 n/a

shade trees distributed



66

The labor team visited my farm and carried out some activities which includes removal of mistotles, cutting of chupons, removal of defected pods, dried leaves and branches. This gave my cocoa farm a completely new shape and it also increased my farm yield overall.

Olukayode Idowu, cocoa farmer, Ondo State, Nigeria

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Country Key Highlights

Ecuador



Ecuador is for us still a small sourcing country. With a large farm type setup like Brazil, Ecuador has proven that it has enough potential to surpass the heritage of some West African countries in the near future. We already see considerable achievements and in record time.

Key achievements

- Mapping was done by high class GPS equipments using satellite drones.
- More than half of the farmers successfully graduated.
- Digital premium payments has been rolled out.
- Training modules were designed and customized taking into consideration producer needs and large farm size in collaboration with local cocoa experts, covering the learning gaps.



- Research on drought resistant varieties was conducted partnering with the National Research Institute.
- Systematic use of soil analysis was used to define the productivity packages offer.
- The production, delivery and planting of seedlings via a monitoring application made data entry possible in real time.

Learnings

- Premium payments are fundamental in keeping us competitive in the long run.
- The monitoring of premium payments ought to be done via traceability internal controls and reporting.
- Trainings must be as customized as possible and based on real farmer needs. In fact, partnerships with governmental agencies and cocoa experts have proved to be highly successful to maintain the interest in joining learning sessions.

66

Trainings must be based on concrete needs from farmers, but also on upcoming challenges they will face. For example, in the future, drought and excessive rain patterns will hit us hard. Frequently refreshed, and well tailored trainings are a guaranteed "success formula" in having high attendance rates in our learning events".

Italo Zambrano - Brazil Sustainability Implementation Coordinator

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KEY DATA AND FACTS

2,841 ^{+128%}
vs prior year
farmers delivering cocoa

80% ^{-12%}
vs prior year
of delivering farmers
with full data

2,163 ^{+125%}
vs prior year
farmers who received
Farm Services activities

51,228 ^{+123%}
vs prior year
shade trees distributed

Country Key Highlights

Brazil

We doubled the Brazilian cocoa farmers pool this year. The ramp up is expected to continue in the near future.

Key achievements

- Overachievement of the volume targets with the integration of 17 new farmer groups.
- Progress was made on deforestation control with the design of a new protocol in partnership with local experts.
- The implementation team receives now alerts to monitor deforestation with the configuration of the Swift system.

- Farmers benefited from subsidized products and services such as soil and leaf analysis, fertilizers, soil correctives, organic and biological pest and disease controls, together with personalized coaching.
- More than half of the farmers (53%) received a soil and leaf analysis. This enables us to effectively diagnose the soil conditions and recommend the exact fertilizers needed to achieve optimal productivity.
- We have been testing the Child Labor Remediation service protocol moving now to the consolidation phase.

Innovations

The coaches are now supported with geographical data. It helps them achieve better planning and reduce the travel costs by 69%. Such an eye on efficiency is translated into more time and support for coaches to be able to provide a wider-range of services to their dedicated farmers.

KEY DATA AND FACTS

2,251 ^{+91%}
vs prior year
farmers delivering cocoa

2,397 ^{+104%}
vs prior year
cocoa farmers above the
WB International Poverty
Line of USD 2.15/day

72% ^{-11%}
vs prior year
of delivering farmers
with full data

2,087 ^{+175%}
vs prior year
farmers who received
Farm Services activities



66

I have a great relationship with Isaac my Cocoa Horizons coach. He knows my plot as much as I do. He is patient and explains things in detail. He tells me stories so that I can better relate to plant dynamics and most importantly, he empowers me so that I can learn and proactively spot problems in my cocoa trees. Having a personal coach is to me one of the greatest added value from the Cocoa Horizons program.

Aidil Freitas, cocoa farmer, Bahia, Brazil

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Country Key Highlights

Indonesia

We have plenty to celebrate this year for Indonesia.

Key achievements

- Indonesian farmers continue to invest in replanting and in farm rejuvenation thanks to the program subsidy of 50%. In exchange, local government provided free cocoa seedlings as an attempt to promote agroforestry and push forward climate smart agriculture. This engagement with governments represents a milestone in terms of Public-Private collaboration. Such willingness to navigate across sectors is a case study for other areas.
- 1,738 farmers benefited from Farm Business Plans increasing the accessibility to additional Farm Services.



Learnings

- Once farmers understood that the main factor for their yield decrease was due to ageing trees, they were more willing to invest in their farms buying and planting new seedlings.
- Shade trees present multiple extra benefits including temperature control on the farm and a potential economic value for farmers.

Innovations

- This year, the team showcased different Good Agricultural Practices methodologies to farmers enabling them to choose what fits best to their needs. This way, we aim to increase the motivation of farmers to experiment and enrich their knowledge.
- We introduced a new design for agroforestry via model farms including new species to be integrated in the cocoa plot. The gliricidia will be cut down when the cocoa is in production while the coconut, durian, and mango will become an additional source of income. This strategy will be the main focus of the next Model Farm and replanting strategy.

KEY DATA AND FACTS

5,506 ^{+407%}
vs prior year

farmers delivering cocoa

5,645 ^{+395%}
vs prior year

cocoa farmers above the WB International Poverty Line of USD 2.15/day

96% ^{-4%}
vs prior year

of delivering farmers with full data

2,289 ^{+95%}
vs prior year

farmers who received Farm Services activities

4 ^{+300%}
vs prior year

VSLAs established or functioning

24,930 ^{+99%}
vs prior year

shade trees distributed



66

The model farm concept attracts farmers and shows them the techniques being used, alongside with their direct benefits. It is a way to motivate them not only to adopt, but also to replicate what is proved to work.

Arif Kartifa - Area Program Manager, Sumatera, Indonesia

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Collaboration is key

We cannot achieve impact alone. Our contributors help us pool resources to fund our sustainable activities. Our expert partners support us in leveraging efficient and relevant solutions. And, our third-party implementers allow us to extend our impact to reach more cocoa farming communities.

Partnering with diverse customers across geographies and categories to answer consumers demand for sustainable cocoa



Engaging with expert partners to leverage relevant solutions



Teaming up with implementers to extend our impact



66

At Purdy's Chocolatier, we're proud to make our chocolates by supporting sustainable cocoa. Through partnering with Cocoa Horizons, we've invested over \$1 million since 2016 to support cocoa growing communities. These premiums help empower our farmer partners and their families, invest in their communities, and protect our planet. We're passionate about making quality chocolates that people feel good about sharing with loved ones, and it all starts with sustainable cocoa.

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Kriston Dean
VP of Sales & Marketing at Purdy's
Chocolatier

Be part of the
story, join
Cocoa Horizons

[CONTACT US](#)

And before we say goodbye...



We hope that the progress towards our mission this year has inspired you to embrace your own sustainability journey, wherever you are.

Evolution was the word we used to describe the 2022/23 year. Evolution not only describes our sustainability journey so far, but it also relates to our commitment to continuously improve the program - for a more prosperous and brighter horizon for farmers around the world.

Looking ahead to the 2023/24 cocoa season, we will continue strengthening the program in existing countries and across all implementing partners.

For example, we aim to roll out COOP Elite, our cooperative strengthening program, across more Cocoa Horizons cooperatives.

There will also be an intensified focus on supply traceability given the upcoming EUDR regulation applicable as of January 1st, 2025, and with other regulations such as ARS and CSRD on the horizon.

We wave you goodbye, wishing you a rewarding and impactful journey ahead.

Thank you for being with us along this path.

Your Cocoa Horizons Team

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PwC's Independent Limited Assurance Report



Independent Limited Assurance Report to the Directors of the Cocoa Horizons Foundation on the key performance indicators in the Cocoa Horizons Progress Report for the year ended 31 August 2023

The Board of Directors of the Cocoa Horizons Foundation engaged us to obtain limited assurance on the 'Cocoa Horizons Foundation key performance indicators' (together the "Subject Matter Information") as defined below and set out in the 'KPI title' column of the table within Appendix A on pages 40 to 70, in the Cocoa Horizons Progress Report for the year ended 31 August 2023 (the "Report").

Disclaimer of Conclusion in respect of the number of hectares of agroforestry maintained

Because of the significance of the matters described in the 'Basis for Disclaimer of Conclusion' section below, we have not been able to obtain sufficient appropriate evidence to form a conclusion on the 'number of hectares of agroforestry maintained' (reference #5.6) key performance indicator located on page 70 of the Report. Accordingly, we do not express a conclusion on that key performance indicator within the Subject Matter Information.

Our limited assurance conclusion in respect to the remaining key performance indicators within the Subject Matter Information

Based on the procedures we have performed, as described under the "Summary of work performed" and the "Key Assurance Matters" sections below, and the evidence we have obtained, nothing has come to our attention that causes us to believe that the remaining key performance indicators within the 'Subject Matter Information' have not been prepared, in all material respects, in accordance with Cocoa Horizons Foundation's Reporting Criteria (the 'Reporting Criteria') set out in the 'KPI methodology' column of the table within Appendix A on pages 40 to 70 of the Cocoa Horizons Progress Report.

Basis for Disclaimer of Conclusion – number of hectares of agroforestry maintained

We were unable to obtain sufficient appropriate evidence to support the calculation of a 'number of hectares of agroforestry maintained' key performance indicator. This was due to (i) the Reporting Criteria not being consistently applied across the countries within the scope of the indicator and (ii) where deviations from the Reporting Criteria were made and included the introduction of a number of subjective judgments, those could not be corroborated to appropriate source information.

What we were engaged to assure



The Subject Matter Information needs to be read and understood together with the Reporting Criteria which the Cocoa Horizons Foundation's Directors are solely responsible for selecting and applying. The Subject Matter Information and the Reporting Criteria are as set out in the table below:

Subject Matter Information	Location of Subject Matter Information	Reporting Criteria
All key performance indicators ('KPIs') included in the 'KPI title' column of the table within Appendix A on pages 40 to 70. For the avoidance of doubt, this does not include any information or data outside of this column	'KPI title' column of the table within Appendix A on pages 40 to 70	Reporting criteria outlined in the 'KPI methodology' column of the table within Appendix A on pages 40 to 70

The scope of our work did 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 work

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 Management (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.

(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.



Summary of work performed

We performed a limited assurance engagement. Because the level of assurance in a limited assurance engagement can vary , we give more detail about the procedures performed, so that the intended users can understand the nature, timing and extent of procedures we performed as context for our conclusion. These procedures performed 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.

In performing our assurance procedures, which were based on our professional judgement, we performed the following:

- 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, including reporting boundaries;
- obtained an understanding of the Cocoa Horizons Foundation's control environment, processes and systems relevant to the preparation of the Subject Matter Information. Our procedures did not include evaluating the suitability of design or operating effectiveness of control activities;
- evaluated the appropriateness of measurement and evaluation methods, reporting policies used and estimates made by the Cocoa Horizons Foundation, noting that our procedures did not involve 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;
- compared year on year movements and obtained explanations from management for significant differences we identified;
- performed limited substantive testing on a selective basis of the Subject Matter Information, which is aggregated from information submitted by the Cocoa Horizons Foundation's operational sites. Testing involved: agreeing arithmetical accuracy and agreeing data points to or from source information to check that the underlying subject matter had been appropriately evaluated or measured, recorded, collated and reported;
- undertook site visits at thirteen Farmer Groups across Côte d'Ivoire, Ghana and Cameroon to understand the key processes and controls for reporting site performance data to the local and group reporting teams ; we selected these sites based on their inherent risk and materiality to the Cocoa Horizons Foundation, unexpected fluctuations in the site Subject Matter Information since the prior period, and sites not visited in the prior period; and
- evaluated the disclosures in, and overall presentation of the Subject Matter Information.

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. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our procedures in support of our conclusion. We believe that it is important that the intended users understand the scope and the concept of materiality in order to understand the assurance that our conclusion provides.

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

<p>Overall materiality</p>	<p>Materiality differs depending upon the nature of the Subject Matter Information. We apply professional judgement to consider the most appropriate materiality benchmark for each aspect of the Subject Matter Information, having considered how the intended users may use the information. Materiality has been set at 5% for every in-scope reported key performance indicator.</p>
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We also agreed to report to the Directors misstatements ('reportable misstatements') identified during our work at a level below overall materiality, as well as misstatements below that lower level that in our view warranted reporting for qualitative reasons. The Directors are responsible for deciding whether adjustments should be made to the Subject Matter Information in respect of those items.

Key assurance matters

Key Assurance Matters are those areas of our work that in our professional judgement required particular focus and attention, including those which had the greatest effect on the overall assurance strategy, the allocation of resources, and directing the efforts of the engagement team.

We considered the following areas to be Key assurance matters and discussed these with the Cocoa Horizon Foundation's management.

Accuracy of farmer data

<p>Nature of the issue</p>	<p>A number of key performance indicators reported by the Cocoa Horizons Foundation are stated in terms of the 'number of farmers'. In each country, the Cocoa Horizons Foundation keeps records to identify each farmer, and then subsequently assigns each farmer a unique number.</p> <p>In many sourcing regions, formal identification documents are not required to be able to register as a farmer supplying the Cocoa Horizons Foundation, which increases the risk that the same farmer may register more than once with different local sourcing organisations, and therefore appear as two separate farmers on the consolidated database.</p> <p>This particular issue is most prevalent in Côte d'Ivoire, where local sourcing organisations (referred to as warehouses) are in closer proximity, with a relatively high overlap of cocoa farms within the same region delivering to different warehouses.</p>
<p>How our work addressed the key assurance matter</p>	<p>To address the risk that cocoa farmers are double-counted, we have performed the following procedures:</p> <ul style="list-style-type: none"> - Obtained a detailed understanding of which sourcing regions are at risk of instances of cocoa farmers being duplicated and of the procedures undertaken by the Cocoa Horizons Foundation to identify duplicates; - Assessed the content of a sample of computer programming scripts ('scripts') used by the Cocoa Horizons Foundation to identify and remove duplicates from the underlying datasets for Côte d'Ivoire to test whether the script is performing the steps as designed; and - Independently re-ran a sample of scripts on the underlying data to obtain a clean dataset without duplicates.



Element(s) of the Subject Matter Information most significantly impacted	<p>The following key performance indicators would be most significantly impacted by any potential double-counting of farmers:</p> <ul style="list-style-type: none"> • Number of farmers in our sustainability programmes • % full data farmers • Number of farmers with full data • Number of farmers who have received Farm Service activities • Number of cocoa farmers above the WB International Poverty Line of US\$2.15/day • Number of farmers who received an Farm Business Plan in 22/23 • Number of farmers with a productivity package • Number of hectares supported with pre-harvest interventions
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Classification of Cocoa Horizons cocoa

Nature of the issue	<p>For cocoa to be classed as Cocoa Horizons within the year-ended 31 August 2023, the cocoa must have been delivered during the fiscal year and the Cocoa Horizons premium must have either already been paid to the farmer that delivered the cocoa, or the premium payment is under progress and due to be paid.</p> <p>Due to the technical constraints and cultural preference towards cash payments in some countries that supplies Cocoa Horizons cocoa, paying the premium in cash is required for a proportion of farmers. If farmers do not receive the premium, the cocoa they have delivered cannot be classed as Cocoa Horizons.</p>
How our work addressed the key assurance matter	<p>To address the risk of volumes of cocoa being incorrectly classed as Cocoa Horizons, we have performed the following procedures:</p> <ul style="list-style-type: none"> • Recalculated the total premium to be paid based on the total deliveries in the year; • Where the premium has been distributed to farmers, traced a sample of individual premium payment receipts to the farmer and agreed to local and central records as well as interviewing farmers to ask how much premium they received in the year; • Where the premium has not yet been distributed to farmers, agreed receipts of the total payment distributed from head office to local countries; and • Where farmers delivered cocoa in the previous financial year (year-ended 31 August 2022), but received the premium in the current financial year, traced a sample of individual premium payment receipts to the farmer and agreed to local and central records as well as interviewing farmers to ask how much premium they received.
Element(s) of the Subject Matter Information most significantly impacted	<p>The following KPIs would be most significantly impacted by a misstatement in the total percentage of premium paid;</p> <ul style="list-style-type: none"> • # tonnes of Cocoa Horizons cocoa purchased in fiscal year • # farmers in our sustainability programs



Challenges of non-financial information

The absence of a significant body of established practice upon 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 information is subject to more inherent limitations than financial information, given the characteristics of the underlying subject matter and the methods used for measuring or evaluating it. The precision of different measurement techniques may also vary. In particular, the calculation of key performance indicators that rely on farmer responses from census and child labour surveys carried out by, or on behalf of Cocoa Horizons Foundation, rely on farmers providing accurate responses to questions asked during these surveys.

Reporting on 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 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.

Responsibilities of the Directors

As explained in the Directors' Statement on page 4 of the Report, the Directors of the Cocoa Horizons Foundation are responsible for:

- 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 the evaluation or measurement of the underlying subject matter to result in Subject Matter Information that is free from material misstatement, whether due to fraud or error;
- documenting and retaining underlying data and records to support the Subject Matter Information;
- producing the Report that provides a balanced reflection of the Cocoa Horizon Foundation's performance in this area and discloses, with supporting rationale, matters relevant to the intended users of the Report; and
- producing a statement of Directors' responsibility.



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.

Use of our report

Our report, including our conclusion, has been prepared solely for the Directors of the Cocoa Horizons Foundation in accordance with the agreement between us dated 4 July 2023, as varied on 30 October 2023 (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 our report except where terms are expressly agreed between us in writing.

A handwritten signature in black ink that reads 'PricewaterhouseCoopers LLP'.

PricewaterhouseCoopers LLP

Chartered Accountants

Leeds

2 February 2024

Appendices

A. KPIs subject to external independent limited assurance by PwC and Reporting Criteria

B. Reporting Criteria for KPIs assured by SustainCert

C. Reporting Criteria for KPIs not subject to assurance

Appendix A: KPIs subject to external independent limited assurance by PwC and 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:

- **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 implementers.
- **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.
- **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 **farmer part of our Cocoa Horizons program is defined as** a member of a farmer group that is allocated to Cocoa Horizon and who has taken at least one of the following sustainability activities between 1 September 2022 and 31 August 2023:

- Delivered Cocoa Horizons' cocoa within the fiscal year
- Received farm service activities within the fiscal year (Farm Business Plans, Productivity Packages, cocoa seedlings, shade tree seedlings, pre-harvest support)
- Attended training within the fiscal year
- Participated in a child labor survey, a child labor remediation activity or a follow-up visit 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
- Received a payment for environmental services within the fiscal year

The **Cocoa Horizons premium** is a cash 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.

By making use of mapping and farmer data, Barry Callebaut has identified farmers in **Côte d'Ivoire** that delivered to multiple cooperatives. In fiscal year 22/23, the reporting happens on unique farmers. When reporting on cumulative KPIs, no changes were made on prior reported numbers.

#	KPI title	KPI methodology
1.1	288,320 tonnes of Horizons cocoa sold in beans equivalent	This KPI refers to the total volume of Horizons cocoa ingredients in chocolate or Horizons cocoa products sold to customers, converted into cocoa bean equivalent (applying the conversion ratio of 1.22 for cocoa liquor, 2.44 for cocoa butter and 0 for powder) within the fiscal year.
1.2	All Horizons cocoa sales are documented and balanced against sourced volumes 22/23 closed with cumulative surplus of 28,055 tonnes of volumes sourced against volumes sold*	<p>From the first Barry Callebaut buying point onwards down-stream, Horizons products follow the principle of mass balance, where sales volumes shall not exceed 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.</p> <p>* Volumes sourced include 38,091 tonnes sourced in fiscal year 21/22 but claimed in fiscal year 22/23 after PwC's prior year independent limited assurance engagement was completed and 311,816 tonnes sourced and claimed in 22/23.</p>
1.4	<p>304,050 farmers in our sustainability programs</p> <ul style="list-style-type: none"> • Côte d'Ivoire: 190,457 • Ghana: 77,735 • Cameroon: 19,490 • Brazil: 2,804 • Indonesia: 6,467 • Ecuador: 3,487 • Nigeria: 3,610 	<p>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.</p> <p>A farmer is considered a Cocoa Horizons' farmer if they are registered as a member of a Cocoa Horizons' farmer group and has taken part in at least one of the following sustainability activities:</p> <ol style="list-style-type: none"> 1. Delivered Cocoa Horizons cocoa within the fiscal year 2. Received farm service activities within the fiscal year (Farm Business Plans, Productivity Packages, cocoa seedlings, shade tree seedlings, pre-harvest support) 3. Attended training within the fiscal year 4. Participated in a child labor survey, a child labor remediation activity or a follow-up visit within the fiscal year 5. Had a farm mapped within the fiscal year 6. Participated in a census survey within the fiscal year 7. Was part of a VSLA that was functioning within the fiscal year 8. Received a payment for environmental services within the fiscal year <p>These sustainability activities include all activities that contribute to our Cocoa Horizons' strategy and are supported by the Cocoa Horizons' Foundation.</p>

#	KPI title	KPI methodology
1.5	349,577 tonnes of Cocoa Horizons cocoa purchased* <ul style="list-style-type: none"> • Côte d'Ivoire: 190,320 • Ghana: 94,366 • Cameroon: 37,673 • Brazil: 6,212 • Indonesia: 4,805 • Ecuador: 13,447 • Nigeria: 2,754 	<p>This indicator reports the total number of metric tonnes of Horizons' cocoa purchased by a Cocoa Horizons sourcing partner buying site within the fiscal year grown by COH farmers for which a COH premium has been paid and verified. A Cocoa Horizons sourcing partner buying site is: In Côte d'Ivoire, SACO, Cocoa Horizons' partners; 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> <p>* Volumes sourced include 38,091 tonnes sourced in fiscal year 21/22 but claimed in fiscal year 22/23 after PwC's prior year independent limited assurance engagement was completed and 311,816 tonnes sourced and claimed in 22/23.</p>
1.6a	247,383 farmers delivering Cocoa Horizons cocoa	This indicator is calculated by adding all the Cocoa Horizons farmers who have delivered at least 1 kg of Horizons cocoa that was purchased by Barry Callebaut within the fiscal year.
1.6b	81.4% farmers delivering Cocoa Horizons cocoa: <ul style="list-style-type: none"> • Côte d'Ivoire: 81.3% • Ghana: 83.9% • Cameroon: 70.0% • Brazil: 80.3% • Indonesia: 85.1% • Ecuador: 81.5% • Nigeria: 83.2% 	This indicator is calculated by dividing the number of Cocoa Horizons farmers who have delivered at least 1 kg of Horizons cocoa that was purchased by Barry Callebaut within the fiscal year by the total number of Cocoa Horizons farmers as per KPI 1.4.
1.8b	195,364 farmers delivered Cocoa Horizons cocoa with full data	<p>This indicator relates to the number of farmers who are classified as Cocoa Horizons farmers in each of the Cocoa Horizons Farmer Groups who meet the below 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 Cocoa Horizons farmer 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 Horizons cocoa that was purchased by Barry Callebaut within the fiscal year.

#	KPI title	KPI methodology
		<p>Our census activities started in the following origins in the following years:</p> <ul style="list-style-type: none"> • Côte d'Ivoire - 2016 • Ghana - 2017 • Cameroon - 2018 • Indonesia - 2017 • Brazil - 2019 • Ecuador - 2020 • Nigeria - 2021 <p>Our mapping activities started in the following origins in the following year:</p> <ul style="list-style-type: none"> • Côte d'Ivoire - 2018 • Ghana - 2018 • Cameroon - 2018 • Indonesia - 2018 • Brazil - 2019 • Ecuador - 2020 • Nigeria - 2021 <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>A census survey is conducted with farmers by field staff who are trained on a) using the tool (historically paper survey, since 2018 on a digital platform) and b) on the specific questions included in the survey by the local Monitoring and Evaluation teams. Each year, as many yet to be surveyed farmers as possible are surveyed. Since 2018 these have been immediately captured in our digital database. Prior to this, the survey was taken on paper.</p>

#	KPI title	KPI methodology
		<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> <p>More information on mapping can be found in KPI 5.2.</p>
1.8c	78.9% farmers delivered Cocoa Horizons cocoa with full data	<p>This indicator relates to the number of farmers who are classified as Cocoa Horizons farmers in each of the Cocoa Horizons Farmer Groups who meet the below criteria within the fiscal year, as a proportion of the total number of Cocoa Horizons farmers who delivered Horizons cocoa that was purchased by Barry Callebaut 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 Cocoa Horizons farmer 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 Horizons cocoa that was purchased by Barry Callebaut within the fiscal year. <p>Our census activities started in the following origins in the following years:</p> <ul style="list-style-type: none"> • Côte d'Ivoire - 2016 • Ghana - 2017 • Cameroon - 2018 • Indonesia - 2017 • Brazil - 2019 • Ecuador - 2020 • Nigeria - 2021 <p>Our mapping activities started in the following origins in the following year:</p> <ul style="list-style-type: none"> • Côte d'Ivoire - 2018 • Ghana - 2018 • Cameroon - 2018 • Indonesia - 2018 • Brazil - 2019 • Ecuador - 2020 • Nigeria - 2021

#	KPI title	KPI methodology
		<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>A census survey is conducted with farmers by field staff who are trained on a) using the tool (historically paper survey, since 2018 on a digital platform) and b) on the specific questions included in the survey by the local Monitoring and Evaluation teams. Each year, as many yet to be surveyed farmers as possible are surveyed. Since 2018 these have been immediately captured in our digital database. Prior to this, the survey was taken on paper.</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> <p>More information on mapping can be found in KPI 5.2.</p>
1.8d	232,799 farmers with full data	<p>This indicator relates to the number of Cocoa Horizons' farmers, up to the end of the fiscal year, who had:</p> <ol style="list-style-type: none"> 1. Completed at least one census interview; and 2. 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>Our census activities started in the following origins in the following years:</p> <ul style="list-style-type: none"> • Côte d'Ivoire - 2016 • Ghana - 2017 • Indonesia - 2017 • Cameroon - 2018

#	KPI title	KPI methodology
		<ul style="list-style-type: none"> • Brazil - 2019 • Ecuador - 2020 • Nigeria - 2021 <p>Our mapping activities started in the following origins in the following year:</p> <ul style="list-style-type: none"> • Côte d'Ivoire - 2018 • Ghana - 2018 • Indonesia - 2018 • Cameroon - 2018 • Brazil - 2019 • Ecuador - 2020 • Nigeria - 2021 <p>A census survey is conducted with farmers by field staff who are trained on a) using the tool (historically paper survey, since 2018 on a digital platform) and b) on the specific questions included in the survey by the local Monitoring and Evaluation teams. Each year, as many yet to be surveyed farmers as possible are surveyed. Since 2018 these have been immediately captured in our digital database. Prior to this, the survey was taken on paper.</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> <p>More information about mapping can be found in KPI 5.2.</p>
1.8e	76.6% farmers with full data	<p>This indicator relates to the number of Cocoa Horizons' farmers, up to the end of the fiscal year, who had:</p> <ol style="list-style-type: none"> 1. Completed at least one census interview; and 2. 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>The KPI is calculated by dividing the number of full data farmers over the total number of Cocoa Horizons farmers.</p>

#	KPI title	KPI methodology
		<p>Our census activities started in the following origins in the following years:</p> <ul style="list-style-type: none">• Côte d'Ivoire - 2016• Ghana - 2017• Cameroon - 2018• Indonesia - 2017• Brazil - 2019• Ecuador - 2020• Nigeria - 2021 <p>Our mapping activities started in the following origins in the following year:</p> <ul style="list-style-type: none">• Côte d'Ivoire - 2018• Ghana - 2018• Cameroon - 2018• Indonesia - 2018• Brazil - 2019• Ecuador - 2020• Nigeria - 2021 <p>A census survey is conducted with farmers by field staff who are trained on a) using the tool (historically paper survey, since 2018 on a digital platform) and b) on the specific questions included in the survey by the local Monitoring and Evaluation teams. Each year, as many yet to be surveyed farmers as possible are surveyed. Since 2018 these have been immediately captured in our digital database. Prior to this, the survey was taken on paper.</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> <p>More information on mapping can be found in KPI 5.2.</p>

#	KPI title	KPI methodology
1.9	<p>% Cocoa Horizons farmers who delivered Cocoa Horizons cocoa and have received their Cocoa Horizons premium:</p> <ul style="list-style-type: none"> • Côte d'Ivoire: 100% • Ghana: 100% • Cameroon: 99.6% • Indonesia: 98.9% • Brazil: 96.7% • Ecuador: 100% • Nigeria: 100% 	<p>This indicator reports the percentage of the Cocoa Horizons farmers who delivered 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 and that was purchased by Barry Callebaut 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 amount per kilogram of delivered 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:</p> <ol style="list-style-type: none"> 1) Cocoa Horizons pays a fixed amount to the Farmer Group based on the quantity of Horizons cocoa purchased by Barry Callebaut; then 2) The Farmer Group pays the farmers based on the quantity of Horizons cocoa sourced from Cocoa Horizons farmers. <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 the farmers and the Farmer Group to which the farmers belong. This ratio can differ per partner or the premium paid to the farmers can also be calculated in a slightly different manner. In such a case, a ratio of the total volume of cocoa purchased from a farmer group by the partners 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 the 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.

#	KPI title	KPI methodology
2.1	168,567 cocoa farmers above the WB International Poverty Line of US\$2.15/day	<p>This indicator is a measure of how many Cocoa Horizons farmers are above the World Bank International Extreme Poverty line of US\$2.15/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:</p> <ul style="list-style-type: none"> • Côte d'Ivoire - 2016 • Ghana - 2017 • Cameroon - 2018 • Indonesia - 2017 • Brazil - 2019 • Nigeria - 2022 <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, Brazil and Nigeria 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\$2.15 per day set by the World Bank, adjusted for purchasing power and cost of living in Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil and Nigeria. • We have included production costs from external sources if available (Côte d'Ivoire - Agrilogic study, Ghana - Agrilogic 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. Cocoa yields differ per country based on a number of different input parameters. <p>With this calculation we obtain a general percentage for the farmers that are above the extreme 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 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.

#	KPI title	KPI methodology
		<p>Survey information</p> <p>Census surveys were undertaken with farmer households in Brazil, Côte d'Ivoire, Ghana, Cameroon, Nigeria and Indonesia up until 31 August 2023. 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 declared 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 40 household members have been discarded. • Census surveys where the farmers have declared more than 40 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. <p>Farmers who have non-agricultural income of equal to or more than 5,000,000 CFA have been excluded from the calculation.</p>

#	KPI title	KPI methodology
		<ul style="list-style-type: none"> • The cocoa income declared by the farmer was deducted by the average production cost inferred from the Agri-Logic report. 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 40 household members have been discarded. • Census surveys where the farmers have declared more than 40 financial dependents have been discarded. • All self-declared plots over and equal to the determined hectare limit (130.69 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. • 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 40 household members have been discarded. • Census surveys where the farmers have declared more than 40 financial dependents have been discarded. • All self-declared plots over and equal to the determined hectare limit (135.38 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 (140.81 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.

#	KPI title	KPI methodology
		<ul style="list-style-type: none"> • 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>For Nigeria, the following assumptions have been applied:</p> <ul style="list-style-type: none"> • Census surveys where the farmers have declared more than 40 household members have been discarded. • Census surveys where the farmers have declared more than 40 financial dependents have been discarded. • All self-declared plots over and equal to the determined hectare limit (44.16 ha) have been removed as deemed unrealistic. • Estimated yields above 1,500 kg/ha and equal or below 100 kg/ha are considered abnormal and have been excluded from the calculations. • 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>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\$2.15 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\$2.15 poverty line has been adjusted for each country to reflect the purchasing power and cost of living in Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil and Nigeria. This has been taken from the World Bank database.</p> <p>Purchasing Power</p> <p>The US\$2.15 per day worldwide extreme poverty line was determined in 2022, using 2017 prices. Using World Bank inflation data, we have adjusted the poverty line to 2022 levels (from 2017 levels), and have converted the 2022 level extreme poverty line to the local currency using World Bank private consumption Purchasing Power Parity 2022 factors, to also account for difference in purchasing power.</p>

#	KPI title	KPI methodology
		<p>OECD Equivalence Scale</p> <p>To ensure the people living in a household are represented in a realistic way, equivalisation is used. This is a technique in economics in which members of a household receive different weightings and used to adjust household income, taking into account household size and composition. The following values are applied to household members: 1.0 to the first adult, 0.7 to the second and each subsequent adult, 0.5 to each child (aged 17 or less). If there are more financial dependents than household members indicated, only the household members are calculated under the OECD Equivalence scale, the difference to the remaining financial dependents are counted as full persons (1.0). If there are more household members than financial dependents, only the financial dependents are taken into account, as the underlying assumption is that the financial dependents consist of the people living in the farmers' households and potential additional financial dependents. If this assumption does not hold, we use only the declared financial dependents, as full person equivalents (1.0)</p> <p>Ecuador is not included in this KPI because:</p> <ul style="list-style-type: none"> • Current data collection scope does not yet cover a representative sample of the farmers in our supply chain; • Data collected is relatively different from elsewhere due to different context and so cannot be combined; and • The local context is different which still needs to be assessed and accounted for to enable aggregation and comparison with elsewhere.
2.6a	91,925 farmers who received a Farm Business Plan	<p>This indicator measures the number of farmers who have received a Farm Business Plan (FBP) within the fiscal year.</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 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>

#	KPI title	KPI methodology
		<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 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>
2.6b	44,412 farmers with a Productivity Package	<p>This indicator measures the number of Cocoa Horizons farmers 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 2022/23 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> <ul style="list-style-type: none"> (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]

#	KPI title	KPI methodology
		<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>
2.7	2,246,806 cocoa seedlings distributed	<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.</p> <p>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 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. • In Nigeria, a seedling is considered to be distributed when a farmer has received and signed the discharge form/receipt. • 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.

#	KPI title	KPI methodology
2.8	126,714 farmers who have received Farm Service activities	<p>A Cocoa Horizons farmer 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 (as per KPI 2.6a) • signed a contract for a Productivity package (as per KPI 2.6b) • received cocoa seedlings (as per KPI 2.7) • received shade tree seedlings (as per KPI 4.1a) • received pre-harvest support (as per KPI 2.10).
2.10	16,707 ha supported with pre-harvest interventions	<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, Ghana, Cameroon and Nigeria. Pre-harvest interventions are provided by trained paid 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>
3.1	1,249 VSLAs established or functioning	<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 partners, within the fiscal year or are considered as functioning up to the end of the fiscal year.</p> <p>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 (Cote 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"> 1. 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

#	KPI title	KPI methodology
		<p>2. At least 3 criteria of points A. - G. stated below apply :</p> <ul 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>
3.1b	68.9% of VSLA members who are women	<p>This indicator refers to the percentage of members in the VSLAs (as per KPI 4.1) who are women. This is calculated by identifying the number of women and dividing that by the total number of members in the VSLAs.</p> <p>No VSLAs exist in Brazil, Ecuador and Nigeria.</p>
3.2	<p>44,724 child labor cases identified</p> <ul style="list-style-type: none"> • Côte d'Ivoire: 30,252 • Ghana: 6,398 • Cameroon: 8,074 	<p>This indicator refers to the number of children identified in child labor in Cocoa Horizons farming households based on Child Labor Monitoring and Remediation System (CLMRS) surveys performed during 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;

#	KPI title	KPI methodology
		<p>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</p> <p>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> <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 'Comparative analysis of child labor decrees in Cameroon, Côte d'Ivoire and Ghana'. 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 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 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. <ul style="list-style-type: none"> • 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 'Comparative analysis of child labor decrees in Cameroon, Côte d'Ivoire and Ghana'. 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>

#	KPI title	KPI methodology
		<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 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 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 <ul style="list-style-type: none"> • 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 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 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. <ul style="list-style-type: none"> • 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>

#	KPI title	KPI methodology
		<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. • 4-15 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 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. • 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.

#	KPI title	KPI methodology
		<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>
3.3	<p>55,674 child labor cases under remediation</p> <ul style="list-style-type: none"> • Côte d'Ivoire: 27,777 • Ghana: 14,251 • Cameroon: 13,646 	<p>This indicator relates to the child labor cases identified (KPI 3.2) which have received support (at least one support activity) but are not yet considered remediated (KPI 3.4), 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>

#	KPI title	KPI methodology
		<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). 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>9,343 remediated child labor cases</p> <ul style="list-style-type: none"> • Côte d'Ivoire: 4,525 • Ghana: 2,155 • Cameroon: 2,663 	<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: • 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 successful. • 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. • 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.

#	KPI title	KPI methodology
		<ul style="list-style-type: none"> • 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>
3.5a	<p>281 farmer groups in our direct supply chain covered by child labor monitoring and remediation activities</p> <ul style="list-style-type: none"> • Côte d'Ivoire: • Ghana: • Cameroon: 	<p>This indicator relates to the number of Farmer Groups in Barry Callebaut's direct supply chain (or that of Cocoa Horizon's partners) 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 sustainability programs (see KPI 1.4) who are members of a given farmer group are monitored through a CLMRS Child survey or equivalent and / or CLMRS Farm survey or equivalent or • A minimum of 80% of cocoa farming households considered as being in our sustainability programs (see KPI 1.4) who are members of a given farmer group have a census survey. <p>Effective child labor monitoring and remediation systems fulfil the following criteria:</p> <ul style="list-style-type: none"> • A CLMRS or equivalent includes awareness-raising at community and household level; targeted to both adults and children. • CLMRS or equivalent 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 or equivalent are trained on child protection, child labor case management, child labor monitoring and remediation. • Equipment for individuals responsible for CLMRS or equivalent is available (e.g. awareness raising material). • Identified child labor cases are referred to institutions as needed. • CLMRS or equivalent 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>98.9% farmer groups in our direct supply chain covered by our child labor monitoring and/or remediation activities</p>	<p>This indicator relates to the proportion of Farmer Groups in Barry Callebaut's direct supply chain (or that of Cocoa Horizon's partners), that have systems in place to monitor or remediate child labor, within the fiscal year, in relation to the total number of Farmer Groups from which Barry Callebaut (or its sub-contractors/ partners) directly sources from.</p>

#	KPI title	KPI methodology
		<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 sustainability programs (see KPI 1.4) who are members of a given farmer group are monitored through a CLMRS Child survey or equivalent and / or CLMRS Farm survey or equivalent or • A minimum of 80% of cocoa farming households considered as being in our sustainability programs (see KPI 1.4) who are members of a given farmer group have a census survey. <p>Effective child labor monitoring and remediation systems fulfil the following criteria:</p> <ul style="list-style-type: none"> • A CLMRS or equivalent includes awareness-raising at community and household level; targeted to both adults and children. • CLMRS or equivalent 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 or equivalent 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 or equivalent 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>
3.6	<p>105,039 farming households who have participated in a child labor identification monitoring survey</p> <ul style="list-style-type: none"> • Côte d'Ivoire: 69,124 • Ghana: 27,270 • Cameroon: 8,645 	<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 partners.</p> <p>For the Cocoa Horizons' partners, 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. 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>

#	KPI title	KPI methodology
		<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: • Year of Birth of the children working on the farm. • Gender. • Relationship to the farmer farming the plot. • Names of guardians. • School status. • School name. • Location of natural parents if the child is currently not living with them. • Hazardous activities s/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>

#	KPI title	KPI methodology
3.7	<p>158,553 children that have participated in child labor identification monitoring survey</p> <ul style="list-style-type: none"> • Côte d'Ivoire: 120,582 • Ghana: 23,096 • Cameroon: 14,875 	<p>This indicator refers to the number of children in cocoa farmer 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 or equivalent 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 partners. For the partners Touton, 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 or equivalent and CLMRS Farm survey or equivalent as child labor monitoring identification surveys:</p> <ul style="list-style-type: none"> • The child survey (CLMRS Child or equivalent) is a survey used to interview the children between 5 and 17 part of the farmer household. • The farm survey (CLMRS Farm or equivalent) 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 or its partners. 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. • All visits to the farm are recorded, also when no children are found at the farm. <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.

#	KPI title	KPI methodology
		<ul style="list-style-type: none"> • Per child found on the farm working; • Year of birth of the children working on the farm. • Gender. • Relationship to the farmer farming the plot. • 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 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>
4.1a	2,746,684 shade trees distributed to farmers	<p>This indicator measures the total number of shade tree seedlings distributed by Barry Callebaut 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 Barry Callebaut's local team is tracked and digitized on a digital platform. Seedlings were also distributed on Barry Callebaut's behalf by external partners.</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 Barry Callebaut'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>

#	KPI title	KPI methodology
		<p>In Ecuador, a seedling is considered to be distributed when a farmer has received a receipt or signed the register.</p> <p>In Nigeria, a seedling is considered to be distributed when a farmer has received and signed the discharge form/receipt.</p> <p>No shade tree seedlings are distributed in Brazil since farms tend to already be in an agroforestry system.</p>
4.3	59.4% of cocoa demonstrated not to be contributing to deforestation	<p>Cocoa Horizons' cocoa demonstrated not to be contributing to deforestation refers to cocoa which:</p> <ol style="list-style-type: none"> 1. is traceable to farmer level 2. has been sourced outside of Protected Areas (as defined by the host government and/or the Cocoa and Forest Initiative guidelines) 3. has been sourced outside of 2020 forest as per EU-DR definition. <p>This indicator is calculated by dividing the directly sourced volume that adheres to above requirements by the total directly sourced volume. The following data is used to check traceable volumes against these requirements:</p> <ol style="list-style-type: none"> 1. delivery data for Cocoa Horizons' farmers 2. farm polygon data for Cocoa Horizons' farmers 3. protected Area data, which is compiled using data from a variety of sources, including the WDPA (World Database of Protected Areas) and aligned with local legislation* 4. 2020 forests as per EU-DR definition, for countries where a data layer is available** <p>If at least one polygon of a given farmer overlaps with a Protected Area or 2020 forest as per EU-DR definition, then the whole volume delivered by the given farmer is not considered as not contributing to deforestation. If a farmer is not fully mapped, then the volume can also not be considered as not contributing to deforestation.</p> <p>* Protected Areas are defined 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, 2 and 3 are considered as Protected Areas. • 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.

#	KPI title	KPI methodology
		<p>** According to the EU-DR definition: 'forest' means land spanning more than 0,5 hectares with trees higher than 5 metres and a canopy cover of more than 10 %, or trees able to reach those thresholds in situ, excluding land that is predominantly under agricultural or urban land use. As proxies for the 2020 forest as per EU-DR definition we use the following layers:</p> <ul style="list-style-type: none"> • Côte d'Ivoire: National Land Use Map published by CIGN (Centre d'Information Géographique et du Numérique de la République De Côte d'Ivoire) in collaboration with the EU and FAO. • Ghana: National Land Use Map published by GFC (The Ghana Forestry Commission) in collaboration with KNUST University and Ecometrica. • Cameroon: Tropical Moist Forest layers published by the EU - Joint Research Center • Indonesia: MapBiomass Project - Koleksi 1.0 Mapbiomas Indonesia of the Annual Series of Land Use and Land Cover Maps of Indonesia • Ecuador: Tropical Moist Forest layers published by the EU - Joint Research Center • Nigeria: Tropical Moist Forest layers published by the EU - Joint Research Center
5.2	79.2% plots with a polygon	<p>This indicator is calculated by dividing the total number of mapped cocoa plots polygons available for all Cocoa Horizons farmers within the fiscal year by the total number of cocoa plots.</p> <p>With the exception of Brazil, the actual total number of cocoa plots in our supply chain remains unknown until we have completed all mapping. Thus, to calculate the total number of active cocoa plots in our supply chain, an average number of cocoa plots is taken across two to three main data sources depending on origin (as below) and multiplied by the total number of active farmers in our sustainability programs. The percentage is calculated by dividing the total number of cocoa plots polygons already mapped (1 per plot) by the calculated total number of cocoa plots in our supply chain.</p> <p>In Côte d'Ivoire, Ghana and Brazil, the total number of cocoa plots is calculated by taking an average across three data points:</p> <ul style="list-style-type: none"> • Average number of cocoa plots already mapped per farmer up to the end of the fiscal year. • Average number of cocoa plots per farmer identified by the World Cocoa Foundation's Cocoa Action program (to which Barry Callebaut is a contributing member) in 2018 and 2019 combined. <p>In Cameroon, Ecuador, Indonesia and Nigeria the total number of cocoa plots is based only on point 1. above since Cocoa Action does not include these origins.</p>

#	KPI title	KPI methodology
5.6	3,019 ha of agroforestry maintained	<p>Advanced agroforestry systems are established by distributing a mix of shade tree seedlings to farmers in Ghana and Cote d'Ivoire. The program consists of diagnostic, shade tree distribution, post-planting visits as well as annual survival monitoring. The program aims at a shade tree density of 70 trees per hectare. Farmers receive Payment for Ecosystem Services (PES) based on the number of seedlings surviving on their plot up to 10 years after initial planting.</p> <p>The plots are considered as covered by agroforestry for as long as PES is being paid. Each farmer joins the program with a specific number of hectares that are planted and maintained. The number of hectares covered by agroforestry per farmer is the number of seedlings distributed to this farmer, divided by 70. The total number of hectares covered by agroforestry is the sum of all the hectares per farmer.</p>
5.7	99,400 tree seedlings distributed off-farm for restoration purposes	<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 plantation on a cocoa farm. In this fiscal year, tree seedlings were distributed off-farm in Côte d'Ivoire through our partnership with the Ministry of Water and Forests.</p>

Appendix B: Reporting Criteria for KPIs assured by SustainCert

#	KPI title	KPI methodology
4.5	168,348 tonnes of carbon removal achieved (tCO ₂ e)	This KPI is calculated in line with the SUSTAINCERT Verification Requirements for Value Chain Interventions. It follows the guidance on accounting for removals in Cocoa Horizons' supply shed. The number is estimated based on survival and usage rate monitoring.

Appendix C: Reporting Criteria for KPIs not subject to assurance

#	KPI title	KPI methodology
1.3	314 Farmer Groups delivered Horizons Cocoa	<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 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.
1.7a	37,813 women farmers delivered Cocoa Horizons cocoa are members Farmer Groups	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.
1.7b	46,531 women are registered members of Cocoa Horizons Farmer Groups	This indicator is calculated by adding all the Cocoa Horizons female Group Members who are included in our sustainability program within the fiscal year.
2.3a	296,258 farmers who graduated from COH academy	<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>

#	KPI title	KPI methodology
		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.
2.3b	80,9% of farmers who have graduated from COH academy as proportion of those assessed in 2022/23	<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>
2.7b	49,349 farmers receiving their premium digitally	This indicator represents the number of farmers who have received their Cocoa Horizons premium in a digital format.
2.4	198,164 farmers trained on environmental protection	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.
2.5	163,532 farmers trained on gender and social issues	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
3.1c	1,244,138 CHF saved through VSLAs	This indicator refers to the total amount in CHF saved by community members via their Village Saving and Loans Association.
3.1d	665,968 CHF loaned through VSLAs	This indicator refers to the total amount in CHF loaned to community members via their Village Saving and Loans Association.

#	KPI title	KPI methodology
3.8	14,110 community members attending the sensitization events on child labor via the COH truck	This indicator refers to the number of community members sensitized on child labor via the Cocoa Horizons truck within the fiscal year.
3.9	34 communities reached by the Cocoa Horizons truck	This indicator refers to the number of communities sensitized on child labor, environmental protection or good agricultural practices via the Cocoa Horizons truck within the fiscal year.