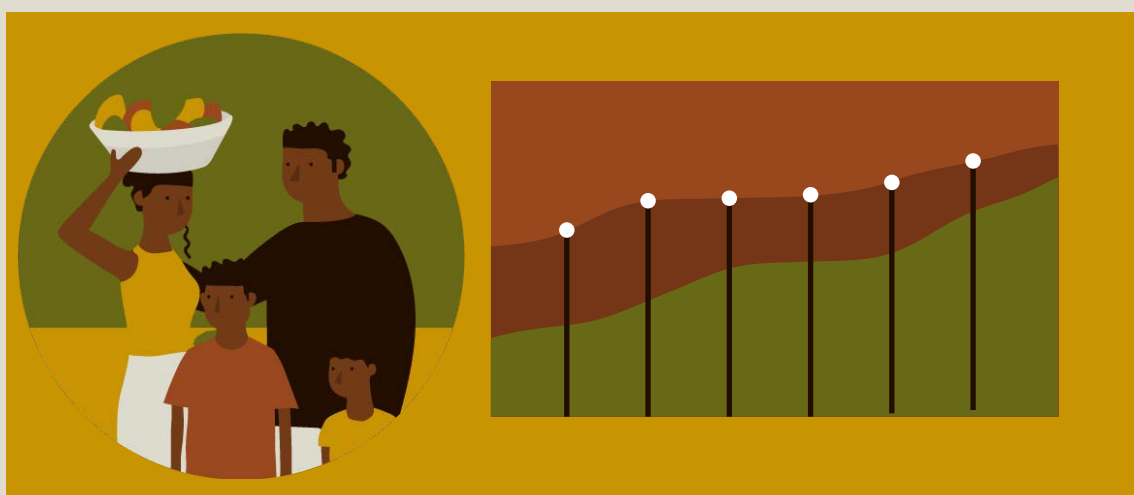




COCOA HORIZONS METHODOLOGY

In order to grow impact and drive change, we have developed a revised methodology 2.0 with the vision to create self-sustaining farming communities with prospering farmers, no deforestation and zero child labor. You can find a quick summary below.

We have different methodologies tailored to meet the demands of our partner countries, but they all contain the following core elements.



BEST PRACTICE

STARTING OUT RIGHT

As well as ensuring every Farmer Group has an effective internal management system, we ask all new partners to commit to several key documents. These include:

FARMER GROUPS

- ☒ Supplier Code
- ☒ The Cocoa Horizons Convention
- ☒ The Child Labor Charter
- ☒ A Declaration on Protected Forests

FARMERS

- ☒ Cocoa Horizons Contract (which outlines farmer obligations in line with our methodology)

TRACEABILITY

BUILDING TRACEABILITY INTO THE CORE OF OUR PROGRAM

We assign all farmers a unique code and train them in traceability issues, so that we can trace all of our cocoa from the warehouse back to the farmer who grew it.



VERIFICATION

WE'RE CONFIDENT IT'S WORKING , SO YOU CAN BE TOO

We have an independent verification system in place to make sure everything is operating as it should be – from our productivity and community interventions, to our data collection and traceability.

DATA

TARGET INTERVENTIONS BASED ON SPECIFIC FARMER DATA

Based on a powerful database, we can tailor the activities, and provide more personalized coaching to the farmers. We are also able to do risk assessment and target remediation activities based on such data.

TRANSPARENCY

100% VISIBILITY ON THE ALLOCATION OF PREMIUMS

We want all our customers to know exactly how we spend the premiums they pay. Here's how we distribute customer premiums - this will be reviewed periodically and always communicated. You can find out more about our [activities by looking online](#).

COCOA HORIZONS PREMIUM SPLIT

● Farmer/Farmer Group Cash Premium	20%
● Productivity	37%
● Community	20%
● Environment	10%
● Administration	13%
● TOTAL	100%

PRODUCTIVITY

Our productivity interventions target farmer coaching, support and financing. This means providing access to everything from tools, inputs and planting material, to credit schemes and farm services. Farmer Business Plans are initiated based on the farmer's current situation. We incorporate needs to improve productivity, including financial support, and make an action plan together with farmers in order to reach their profitability targets.

● Farmer Coaching

PRODUCTIVITY

Through our Farmer Coaches, we are able to collect data and register new farmers, and provide coaching in topics such as cocoa quality, traceability, sustainability, health & safety, and child protection.

The Coach is able based on observations and specific data from the farmer and farm to provide with a tailor made Farmer Business Plan for several years and based on that recommend the most convenient Productivity Packages for the Farmer to improve its productivity and income.

● Income Diversification

PRODUCTIVITY

A key element under Prospering Farmers is to provide cocoa farming communities with sources of alternative income, such as non-cocoa trees, but also with some support for off-farm activities.



● Access to Finance and Farm Services

PRODUCTIVITY

In order to implement a Farmer Business Plan, the farmer needs finance and services. Through Cocoa Horizons, we enable them with access to:

- Coaching support from accredited Farmer Trainers;
- Tools, inputs and/or planting material to aid in adoption of Good Agricultural Practices, soil fertility management, and rehabilitation through Farm Services;
- Access to micro-credit, including savings accounts and credit schemes, as well as offering pre-financing opportunities to farmers in our program.

COMMUNITY

Our new child-centered community approach aims to create community ownership and structures, whereby we can act as a catalizer to tackle, together with other stakeholders, the key issues that result in child labor.



THRIVING NATURE

ENVIRONMENT

We provide training on environmental protection and waste management, we sequester carbon through carbon-positive practices on farm, and reduce off-farm emissions in farmer households.

Through mapping we are making sure that the cocoa we source is not coming from protected or deforested areas.



● Child Protection

COMMUNITY

Our Child Protection Campaign is working with Farmer Groups and cocoa communities to raise awareness around child labor issues and children's rights. Structures are in place and we are implementing monitoring and remediation programs in our efforts to eradicate child labor in the cocoa supply chain.

● Health

COMMUNITY

Our health awareness work is aimed at improving the knowledge of cocoa farmers and their families on how to avoid certain diseases, as well as safety aspects. A healthy farmer is likely to work productively on its farm and provide for its family.

● Women's Empowerment

COMMUNITY

We provide training in women's rights and empowerment, and gender sensitivity. Our aim is to increase the participation of women in Farmer Groups and community governance structures, giving them the opportunity to generate income.

In select communities, we are also offering women the chance to train in agroforestry, so they have the skills and knowledge to run their own, sustainable agricultural plots.

