



THE COCOA SNAPSHOT

21/22 FULL-YEAR REVIEW

What is Cocoa Horizons?

An impact driven program with the vision to drive cocoa farmer prosperity by creating self-sustaining communities that protect nature and children.

Cocoa Horizons is:

- A non-profit organisation
- Third party verified
- Highly transparent on income and methodology
- Addressing cocoa challenges and beyond
- Focusing on impact

The program is active in Côte d'Ivoire, Ghana, Cameroon, Nigeria, Brazil, Ecuador and Indonesia.

By partnering with the Cocoa Horizons Foundation, you support the Sustainable Development Goals:

<https://www.un.org/sustainabledevelopment>

2021/22 HIGHLIGHTS

223,235 registered farmers **27%** of women

233,216 tons of Horizons cocoa sold in bean equivalent +33% vs prior year

37 Mio CHF income +31% vs prior year

100% of the farmers who delivered Horizons cocoa received the premium



Prospering Farmers

39% of farmers delivering cocoa had access to a Farm Business Plan

Deployment of labor teams to support farmers increasing their yields with pre-harvest work.



Community & Child Protection

95% of farmer groups with systems in place for child labor monitoring

Enhanced focus on community centric approach in addition to individual approach to enable lasting change on child protection.



Thriving Nature

76% of farmers delivering cocoa with all plots mapped

Acceleration of agroforestry to help farmers diversify their income while capturing carbon.

PROSPERING FARMERS

TRACEABILITY

76% of farmers with full data, +25% vs prior year.

100% of the farmers who delivered Horizons cocoa received the premium.

151,810 farmers delivering Horizons cocoa



84,697 in Côte d'Ivoire



1,180 in Brazil



51,644 in Ghana



547 in Indonesia



11,515 in Cameroon



1,246 in Ecuador



981 in Nigeria

The majority of Horizons cocoa follows the mass balance principle : it is traced from farmer to the first program implementer's warehouse. Horizons cocoa is also available as fully segregated cocoa mass: [Cocoa Horizons Inside](#).

Digital payments started to secure faster and more efficient premium payments to farmers.

FABIEN, cocoa farmer from Cameroon

"My premium was paid digitally this year. Receiving premium on time, especially when children have to resume the academic year is a wonderful idea. Thanks to digital premium payment, I received my payment while in my home. As a result, my money is more secure in my mobile account, making me the master of my operations."

COCOA HORIZONS ACADEMY

70% of the farmers delivering cocoa are graduated and moving to individual coaching and Farm Services.

Farmer graduation allows the evaluation of farmer knowledge, training outcomes and gaps to refocus resources from Farmer Field schools to coaching. Good Agricultural Practices, Social and Environmental aspects are covered in the graduation test. In total, 214,305 farmers are graduated, up 39% vs prior year.



FARM SERVICES

39% of the farmers delivering cocoa had access to a Farm Business Plan.

The Farm Business Plan is the cornerstone of the process to improve the livelihoods of farmers and their communities.

83,148 farmers had access to a Farm Business Plan and 40,895 farmers received productivity packages. It means 48% adoption of the Farm Business Plan.

43% of the farmers above the poverty line*.

To address the poverty challenge, in addition to innovative farm services, individual coaching and income diversification, we support farmers to obtain land documentation. By securing their land, farmers are willing to invest in their farms, leading to productivity and income increases. In Côte d'Ivoire the project keeps being rolled out to reach 9,000 farmers by 2023.

*as per the World Bank's definition for extreme poverty line

INNOVATIVE PRE-HARVEST APPROACH

6,000 farmers in Côte d'Ivoire and Ghana benefiting from pre-harvest labor.

Farmers spend 70% of their time in post-harvest activities and only 30% in pre-harvest, with little to no investment. Pre-harvest investment is critical to improve productivity. Therefore, we started supporting farmers with pre-harvest labor.



COMMUNITY & CHILD PROTECTION

CHILD PROTECTION: RISK BASED APPROACH



95% of farmer groups with systems in place for child labor monitoring, +17% vs prior year.

We apply a risk based approach: cocoa farming communities are categorized as low, medium or high risk based on socio-economic census data and an algorithm (leveraging knowledge from CLMRS activities) to determine priority of implementation. The interventions are then planned and prioritized in accordance with the risk identified and the needs of the child and community.

With this approach, the resources are deployed in the most efficient way in order to fight child labor.

- 54,601 households surveyed, up 37% vs prior year;
- 104,395 children surveyed identifying 19,388 cases. This means 81% of children interviewed were not involved in Child Labor.
- 36,789 cases identified from prior years are under remediation.

Remediation activities like school kit distribution helps providing children with access to quality education.

SANDRA, 11 years old pupil from Ghana

"I cannot believe I have brand new shoes, books and pencils. Mama will not need to struggle to buy a new school uniform for me! I'm so happy, all I want to do is just dance. I do not have to look different from my friends at school anymore because I did not have a school uniform."



COMMUNITY CENTRIC APPROACH

Community Action Plans, VSLAs, Income Generating Activities and Sensitization are enablers to create empowered communities to further sustain the remediation, prevent incidents and make lasting change in addition to the individual approach.



In Cameroon, sensitization of farmers and communities via radio programs has started.

In Côte d'Ivoire, the Cocoa Horizons truck was able to restart its community sensitization activities.

WOMEN EMPOWERMENT



1,113 VSLAs established and consolidated across Côte d'Ivoire, Ghana and Cameroon.

Women empowerment has a positive impact on preventing child labor and improving household income. This year 41,632 women are registered Cocoa Horizons farmers.

The creation and strengthening of the Village Savings and Loan Associations (VSLAs) helps, among other things, to promote a women's empowerment approach, build self-confidence and offer financing solutions for members. 71% of the VSLA members are women.

We will continue strengthening and expanding them in the years to come.



THRIVING NATURE

FOREST PROTECTION, RESTORATION, SENSITIZATION

88% of cocoa is demonstrated not to be contributing to deforestation.

ca. 6 Mio seedlings were distributed, +67% vs prior year.

In addition to farm mapping to ensure the cocoa is not coming from protected areas, multiple activities are implemented with the cocoa farming communities: environmental protection sensitization, agroforestry, restoration and shade tree distribution. For example, the Agbo project in Côte d'Ivoire, started in 2021, already contributed to the restoration of 300 ha of forest.



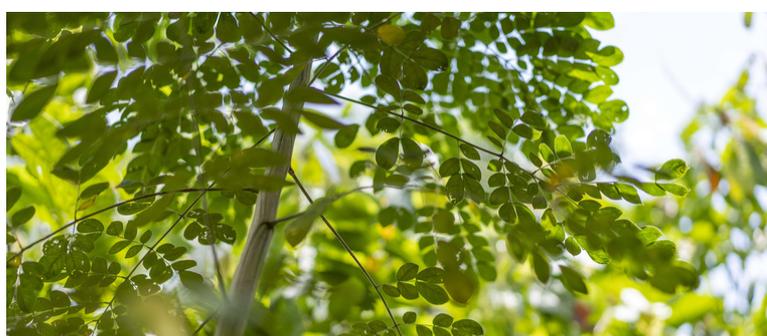
MIRANDA, cocoa farmer from Ecuador
"I received 50 native trees to start reforestation in my farm of 5 hectares. My biggest pride is to produce cocoa in contact with nature, as I consider myself a protector of our local flora and fauna. Receiving native trees and being able to start a process of reforestation was therefore a great moment for me."

ROBUST AGROFORESTRY SYSTEMS



In this new agroforestry approach, farmers are supported with a clear diagnosis of their farm, a strong coaching and receive payments for ecosystem services. Implementing intense agroforestry systems enables farmers to promote biodiversity, improve cocoa yield, reduce pest and diseases, provide an additional source of income and sequester carbon.

140,929 tons of CO₂ were sequestered through all the environmental activities.





OUTLOOK

We will continue to deploy our **pre-harvest approach**, **secure land documentation** and extend **agroforestry** systems which will improve the overall productivity and income of the farmers.

The Foundation's ambition will remain on:

- Achieving **100% full data** to promote higher efficiency and execution of activities;
- Strengthening **human rights due diligence** across countries;
- Focusing on a **strong community-centric approach** to address the systemic issue of child labor;
- Deploying **labor teams** to help farmers increase yields and income;
- Accelerating on **agroforestry** to advance towards our carbon reduction goals aligned with the Science-Based Targets Initiative;
- Expanding the program to third party implementers and strengthening in existing countries.

INCOME DISTRIBUTION



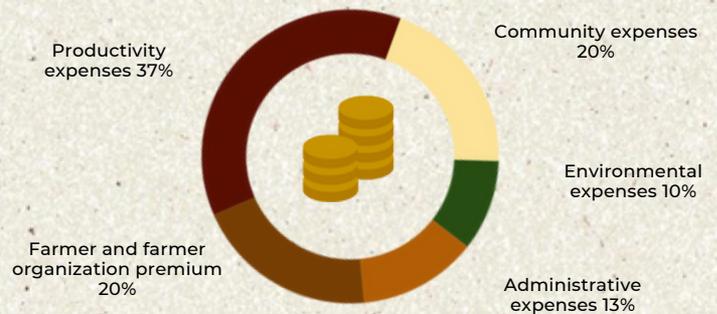
2021/2022 in CHF

COCOA HORIZONS PROGRAM INCOME **37,366,256**

COCOA HORIZONS PROGRAM EXPENSES

Farmer and farmer organization premium	8,122,224
Productivity expenses	11,921,700
Community expenses	4,541,555
Environmental expenses	2,943,346
Administrative expenses	4,890,614

2021/22 INCOME ALLOCATIONS*



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

The above is an extract from the Foundation's annual regulatory return. The Foundation's financial audit is performed by PricewaterhouseCoopers AG, Switzerland. Supplementary program income less expenses carried over to next Fiscal year.

All of the information contained above has been verified by PwC. The performance indicators in this Snapshot (except those marked with an *) represent extracts from the Cocoa Horizons Foundation Update Report for the year ended 31 August 2022, for which PricewaterhouseCoopers LLP (PwC) were appointed to provide independent assurance. PwC performed an assurance engagement in accordance with the International Standard on Assurance Engagements 3000 (Revised), the scope of which was to provide limited assurance over the KPIs contained within the Update Report. The Update Report, and PwC's Limited Assurance Report, can be found at cocoahorizons.org/reports.

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