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Foreword

Marco Gonçalves

Chief Procurement & Hazelnut Company Officer at Ferrero



I am pleased to welcome you to Ferrero's latest Cocoa and Forest Initiative (CFI) annual report.

Protecting the world's forests is critical not only to ensure a steady and stable supply of cocoa, but to support those farmers, and their communities, whose livelihoods depend on healthy forest ecosystems. As a founding member of the CFI, we are exceptionally proud of the work we have delivered to-date to end deforestation and forest degradation in the cocoa sector, and to champion social and environmental sustainability across our entire cocoa supply chain.

Throughout 2021-22, we have made significant progress against our key goals for 2022. This includes assessing 420,000 hectares of land for deforestation risk – three times more than originally planned – and distributing 775,000 native trees across the Côte d'Ivoire over the past four years, surpassing our target by 40,000.

This approach has the potential to deliver environmental and climate benefits as well as improving cocoa production and promoting forest restoration. But, as we reach the end of our initial four-year plan, we know there is much more to be done. We are determined to take forward our successes, and everything we have learned, into the next phase of this important programme, CFI 2.0.

We know it is imperative to continue collaborating with key stakeholders to ensure that CFI 2.0 builds on the great progress we have collectively delivered to-date. Between us, we remain dedicated to prioritizing reforestation, protecting the environment through agroforestry, and supporting the work of cocoa farmers.

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COCOA PROVIDES AN INCOME AND A WAY OF LIFE FOR MANY FARMERS AND COMMUNITIES. HOWEVER, DEFORESTATION AND CLIMATE CHANGE THREATEN TO UNDERMINE THIS. ACCELERATING A TRANSITION TO SUSTAINABLE LIVELIHOODS IS ESSENTIAL TO PROTECT OUR FORESTS, PROVIDE ECONOMIC SECURITY FOR FARMERS AND SUSTAIN A HEALTHY PLANET.



FOREST PROTECTION AND RESTORATION

We are committed to playing our part in preserving the environments and ecosystems that nurture cocoa growth, and the farmers that cultivate it. Our approach combines boots-on-the-ground support, facilitating tree planting and delivering agroforestry training, with investment in technology to assess deforestation risk and enable our farmers to improve their operations.

153,000

Farmers polygon mapped

421,000

Hectares of land assessed for deforestation risk

5.4M

Non-cocoa trees distributed for on- and off-farm planting

77,000

Farmers adopted agroforestry practices

10,000

Farmers involved in payment for Ecosystem Services (PES)

68,000

Farmers trained in climate smart services

FERRERO'S RESULTS ON CFI ACTION PLAN 2018-2022



undamental to driving positive change is the visibility and traceability of the supply chain. In 2021-22 we continued to achieve a high level of traceability from farm to first-purchase point in Côte d'Ivoire and Ghana (89%) through our strong focus on sourcing from dedicated farmer groups, and via polygon mapping.

Over the same period, over 420,000 hectares of land was assessed for deforestation risk – three times the original target of 140,000 hectares.

We have also seen a steady increase of farmers adopting agroforestry as a result of our support. By 2021-22, 77,000 farmers were applying agroforestry across 143,000 hectares – almost ten times more hectares than in the first year of the CFI programme. For farmers, the benefits can include their crops becoming more resilient to climate change, diversifying their income, and ultimately protecting the environment.

To achieve success in agroforestry a combination of training, distribution of trees and access to finance is needed. In 2021-22 over 68,000 farmers were trained in Climate Smart Cocoa practices and 65,000 farmers were trained on the new forest code.

During the past four years we have facilitated the distribution of non-cocoa trees, for on- and off-farm planting, in key regions. Each year, we have increased the number of trees planted from 332,000 in the first year to 2.6 million trees in the fourth and final year. By 2021-22 our suppliers distributed a total of 5.4 million trees. This included over 950,000 trees for off-farm planting, helping to reforest almost 5,000 hectares, with 437 hectares of land in classified forests.

We are particularly proud of reaching the ambitious target we had set for the distribution of native trees for off-farm planting in Côte d'Ivoire. We invite you to read the results story on p.10 for more details.

Activities enabling farmers to implement sustainable farming practices also include the Payment for Ecosystem Services (PES). The PES initiative provides farmers with valuable resources and incentives such as financial payments, trainings, fertilizers and tools in return for their work. By 2021-22 over 10,000 farmers were involved in PES.

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WE CONTINUED TO ACHIEVE A HIGH LEVEL OF TRACEABILITY FROM FARM TO FIRST-PURCHASE POINT IN CÔTE D'IVOIRE AND GHANA (89%) THROUGH OUR STRONG FOCUS ON **SOURCING FROM DEDICATED FARMER** GROUPS, AND VIA POLYGON MAPPING.



^{1&}quot;Cocoa agroforestry" describes production systems that incorporate and maintain non-cocoa tree species on the same plot as cocoa production. There is no single model for how cocoa agroforestry systems can be implemented or designed, and the diversity of options enhances the potential to achieve a number of benefits. The design of cocoa agroforestry systems should reflect the broader landscape and enabling environment as well as the farmer preferences and capacities. Depending on the design features of the system, cocoa agroforestry has the potential to deliver a range of benefits to the environment, climate, cocoa production, and socio-economic systems. In doing so, cocoa agroforestry systems may address deforestation, farmers' livelihoods, and forest restoration.

SUSTAINABLE PRODUCTION AND FARMERS' LIVELIHOODS

We support farmers to increase their profitability by encouraging the diversification of crops and supporting people to establish additional income sources to help maintain year-round profits and improve food security. Implementing self-sufficient finance services has been at the forefront of our grass-roots support for farmers and their families with a strong focus on women empowerment.

36.000

Farmers supported through Farm Development Plans

26,000

People participating in additional Income Generating Activities

5.2M

Improved cocoa seedlings distributed

1,505

Active Village Savings & Loan Associations community groups

9.800

People enrolled in financial products and services

FERRERO'S RESULTS ON CFI ACTION PLAN 2018-2022



errero's sustainability programme aims to improve farmer livelihoods through a mix of proactive initiatives. A main area of focus is to help farmers improve their cocoa farming practices. Combined with diversifying crops and income sources, they can create year-round income and increase resilience.

Through Farmer Field Schools, in 2021-22 over 136,000 farmers participated in Good Agricultural Practices training. To complement this, we continued to provide targeted support. In 2021-22 over 57,000 farmers received one-to-one coaching, and by 2021-22, 36,000 farmers have been supported with individual, multiple-year Farm Development Plans (FDPs). The FDP methodology aims to support farmers to develop long-term plans, between three to seven years, tailored specifically to their needs, and includes a focus on agroforestry, the adoption of sustainable practices and the roll out of cost-efficient infrastructure. Farmers' progress is then monitored, with ongoing one-to-one support provided where relevant.

To help improve the performance of cocoa farms, we also continued our distribution of cocoa seedlings to farmers in Ghana. Supplying almost 1.6 million in 2021-22, we brought the total number of improved cocoa seedlings distributed since 2018-19 to 5.4 million – 3 million more than the original target.

In Côte d'Ivoire it's not feasible to provide improved cocoa seedlings to farmers due to the ban imposed by the government a few years ago.

By 2021-22 over 26,000 people, 60% of them women, were participating in Income Generating Activities (IGA) on- and off-farm, including the production of vegetables and fruit, soap making, beekeeping and chicken farming.

Important to note is that the majority of the IGAs have been established through the Village Savings & Loan Associations (VSLAs), which have proved to be very effective platforms for IGAs and many other initiatives. VSLAs are community-based groups that provide members with vital micro-loans to invest in their farms or additional income-practices. Members, particularly women, often use these loans also to pay for school fees or other needs for their children. By 2021-22 we had over 1,500 active VSLA groups made up of 36,000 members (78% women), that together had saved no less than 3.6 million euros, of which the members loaned 2.3 million euro for various purposes.

Another important achievement was that 9,800 people were enrolled in financial products and services and 20% of the farmers received their sustainability premium (paid on top of the commercial price) digitally, meaning transparent and safer payments.

In our collaboration with suppliers, we always strive to continuously improve and innovate ways of working to drive further impact for farmers and communities. In particular, we highlight to our suppliers the importance of adopting a holistic, integrated approach that addresses economic, social and environmental challenges, and which operates at a minimum at individual and community level, and if possible and relevant, at regional and/or national level.

A great example of this is the Accessible Soils and Sustainable Environments (ASASE) project in Ghana, which involves multiple stakeholders and is led by our supplier ETG/Beyond Beans. To find out more, read our story on p.14.



THE VILLAGE SAVINGS & LOAN ASSOCIATIONS HAVE PROVEN TO BE VERY EFFECTIVE PLATFORMS FOR INCOME GENERATING ACTIVITIES AND MANY OTHER INITIATIVES.

COMMUNITY ENGAGEMENT AND SOCIAL INCLUSION

Supporting farming communities – particularly women and young people – is fundamental to establishing sustainable practices that extend beyond cocoa farming. We are focused on delivering training and supporting development to promote female empowerment, and to mobilize and empower youth to provide farm services and enable them to earn an income.

161

Communities with active forest restoration and protection programmes

53,000

Hectares under Community Based Natural Resource Management (CBNRM)

4,700

Youth engaged through community service groups

7,900

'Clean cookstoves' distributed to families across several communities

FERRERO'S RESULTS ON CFI ACTION PLAN 2018-2022



In 2021-22, we continued to work closely with selected communities to establish and support Community Resource Management Committees (CRMCs), a group of democratically elected peers including village chiefs and local farmers. In total, 161 communities, mainly in Ghana, are involved in managing almost 53,000 hectares of land.

As part of our long-term goals, we're focused on engaging with young people through community service groups or 'pruning groups'. These groups provide farming services to farmers like pruning. The scheme, which aims to provide employment to youth as well as showcase the benefits of farming as a career path, engaged with 4,700 youths throughout 2021-22, more than doubling the total reached in the previous year.

To help mitigate deforestation and establish sustainable practices outside of farming, in 2021-22 Ferrero distributed 3,100 'clean cookstoves', bringing the total to 7,900 in the past four years.

The stoves are designed to reduce wood consumption and create a cleaner form of daily cooking for households. Taking sustainability measures into the wider community has been crucial to driving change through practical support and education.

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AS PART OF OUR
LONG-TERM GOALS,
WE'RE FOCUSED ON
ENGAGING WITH YOUNG
PEOPLE THROUGH
COMMUNITY SERVICE
GROUPS OR 'PRUNING
GROUPS'.



LOOKING FORWARD TO 2025:

CFI 2.0

The past four years have seen us make significant progress. We have directly supported thousands of farmers with training, helping them implement agroforestry practices and applied advanced technology to accelerate our efforts and increase transparency. We have worked alongside farming communities, to empower women and educate young people, and to roll out targeted initiatives to tackle deforestation and boost sustainability. But there is always more to be done. The last four years have also been an important learning process. In developing our renewed Cocoa and Forest Initiative Action Plan with targets for 2025, we have taken these learnings to heart, to support our continuous journey.

Over the past year we have been working closely

with the other CFI stakeholders to clearly define which actions can be done individually and which should be delivered through Collective Action, such as the protection of existing forest and reforestation.

Through our work and strong relationships with farmers and suppliers, we will continue to engage with farming communities and work collectively and collaboratively to end deforestation and improve their livelihoods.

A key priority in the next phase of CFI will be the further development and strengthening of National Traceability systems led by national governments with strong involvement from the wider industry. These systems are essential to ensure the cocoa produced in Côte d'Ivoire and Ghana meets due

diligence requirements and for the success of CFI to contribute effectively to end deforestation in these countries.

We strongly believe in the CFI model as a blueprint for collective action and with the introduction of **CFI 2.0** we are convinced that we are moving in the right direction to achieve our common goals. We remain strongly committed therefore to collaborate with other companies and Côte d'Ivoire and Ghana governments, to drive positive impact at scale for farmers, communities and forests.

WHAT IS THE COCOA & FORESTS INITIATIVE?

COLLECTIVE ACTION TO END COCOA-RELATED DEFORESTATION

The governments of Côte d'Ivoire and Ghana and 36 leading cocoa and chocolate companies, representing 85% of global cocoa usage, joined together in the Cocoa & Forests Initiative to end deforestation and restore forest areas. Their combined actions play a crucial role in protecting and restoring biodiversity, sequestering carbon stocks in West African forests, and addressing climate change in line with the Paris Climate Agreement. The Cocoa & Forests Initiative delivers on Sustainable Development Goal 13 (Climate Action) and 15 (Life on Land).

The Cocoa & Forests Initiative is a public private partnership based on frameworks for action (Côte d'Ivoire and Ghana) and action plans for the private sector (Côte d'Ivoire and Ghana) and public sector (Côte d'Ivoire and Ghana) that spell out commitments to:

- protect and restore forests,
- promote sustainable cocoa production and farmers' livelihoods.
- engage communities and boost social inclusion.

To learn more, follow #CocoaAndForests on social media, or visit <u>CocoaAndForests.org</u> and <u>WorldCocoa.org</u>.

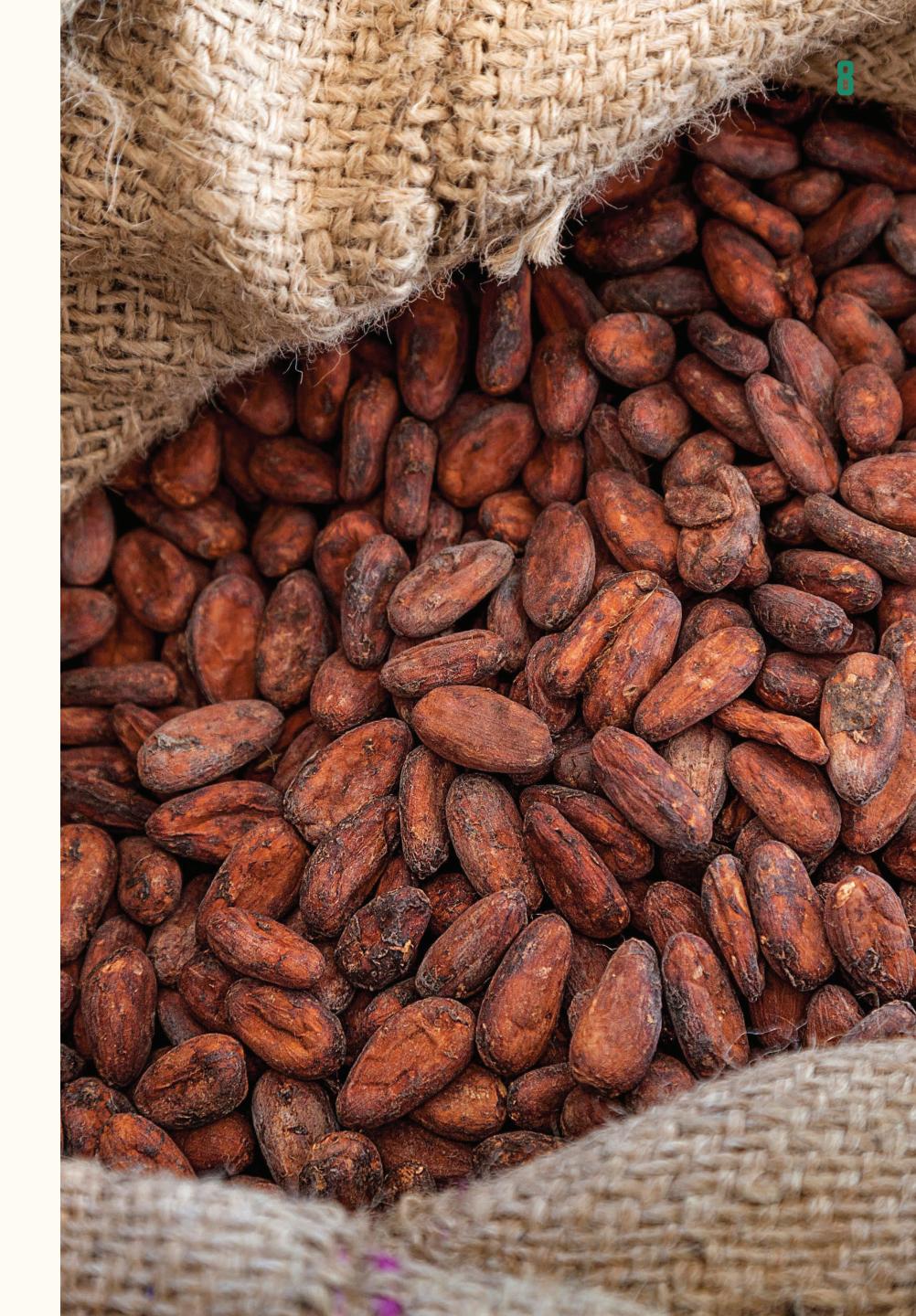
The <u>World Cocoa Foundation</u> (WCF), <u>IDH</u>, <u>the</u>
<u>Sustainable Trade Initiative</u>, and the Governments of
Côte d'Ivoire and Ghana drive the Cocoa & Forests
Initiative. King Charles III, then the Prince of Wales,
launched the Initiative in March 2017 and reviewed
implementation progress in November 2018.

Deforestation of tropical rainforests is a major issue in Côte d'Ivoire and Ghana, which together produce nearly two-thirds of the world's supply of cocoa, the main ingredient in chocolate. <u>Côte d'Ivoire</u> and <u>Ghana</u> respectively lost 26% and 9.3% of their humid primary forest between 2002 and 2020, with a significant portion of deforestation attributable to cocoa farming expansion.

Cocoa provides crucial income to communities in rural West Africa, but farmers are too often faced with poverty. Poverty is one of the principal causes of deforestation. Accelerating a transition to sustainable livelihoods is essential for farmers' economic security and a healthy planet.







WHAT ARE THE KEY COMMITMENTS IN THE COCOA & FORESTS INITIATIVE?

The first priority is the protection and restoration of forests that have been degraded. To this end, the governments and companies have pledged no further conversion of forest land for cocoa production and have committed to the phased elimination of illegal cocoa production and sourcing in protected areas.

Both countries are introducing a differentiated approach for improved management of forest reserves, based on the level of degradation of forests. In 2019, the government of Côte d'Ivoire adopted and published a new forest code which, among other things, put forth policies for the promotion of cocoa agroforestry to restore degraded land, improve forest cover, and promote sustainable livelihoods and agriculture in the classified forests and rural zones. Both governments have shared maps on forest cover and land use, and continue to update the maps, including socio-economic data on cocoa farmers, to inform private sector investments.

To ensure effective implementation and monitoring of these commitments, companies have pledged to develop traceability from farm to the first purchase point for their own purchases of cocoa. They also work with governments to ensure an effective national framework for traceability encompassing all traders in the supply chain and to anticipate forthcoming due diligence legislation. The companies will similarly share information with the national satellite monitoring platforms (in development) to effectively monitor progress on CFI, as well as proactively address threats of new deforestation.

The next critical priority is sustainable agricultural production and increased farmer incomes. These are essential pre-requisites for reducing pressure for agricultural encroachment into forests and strengthening the resilience of cocoa farmers to climate change.

The governments and companies are accelerating investment in long-term productivity of cocoa in order to grow "more cocoa on less land." Key actions include provision of planting materials for the promotion of cocoa agroforestry, training in good agricultural practices, soil fertility, land tenure reform, and capacity building of farmers' organizations. Sustainable livelihoods and income diversification for cocoa farmers are being accelerated through food crop diversification, agricultural inter-cropping, and development of mixed agroforestry systems and shade-grown cocoa.

The final area of focus is strong community engagement and social inclusion, with a particular focus on women and youth. The governments and companies have committed to full and effective consultation and participation of cocoa farmers in the design and implementation of key actions, and promotion of community-based management models for forest protection and restoration. The governments have adopted social and environmental safeguards and are assessing and mitigating the social impacts and risks of any proposed land-use changes on affected communities.



Success stories

FOREST PROTECTION AND RESTORATION IN CÔTE D'IVOIRE:

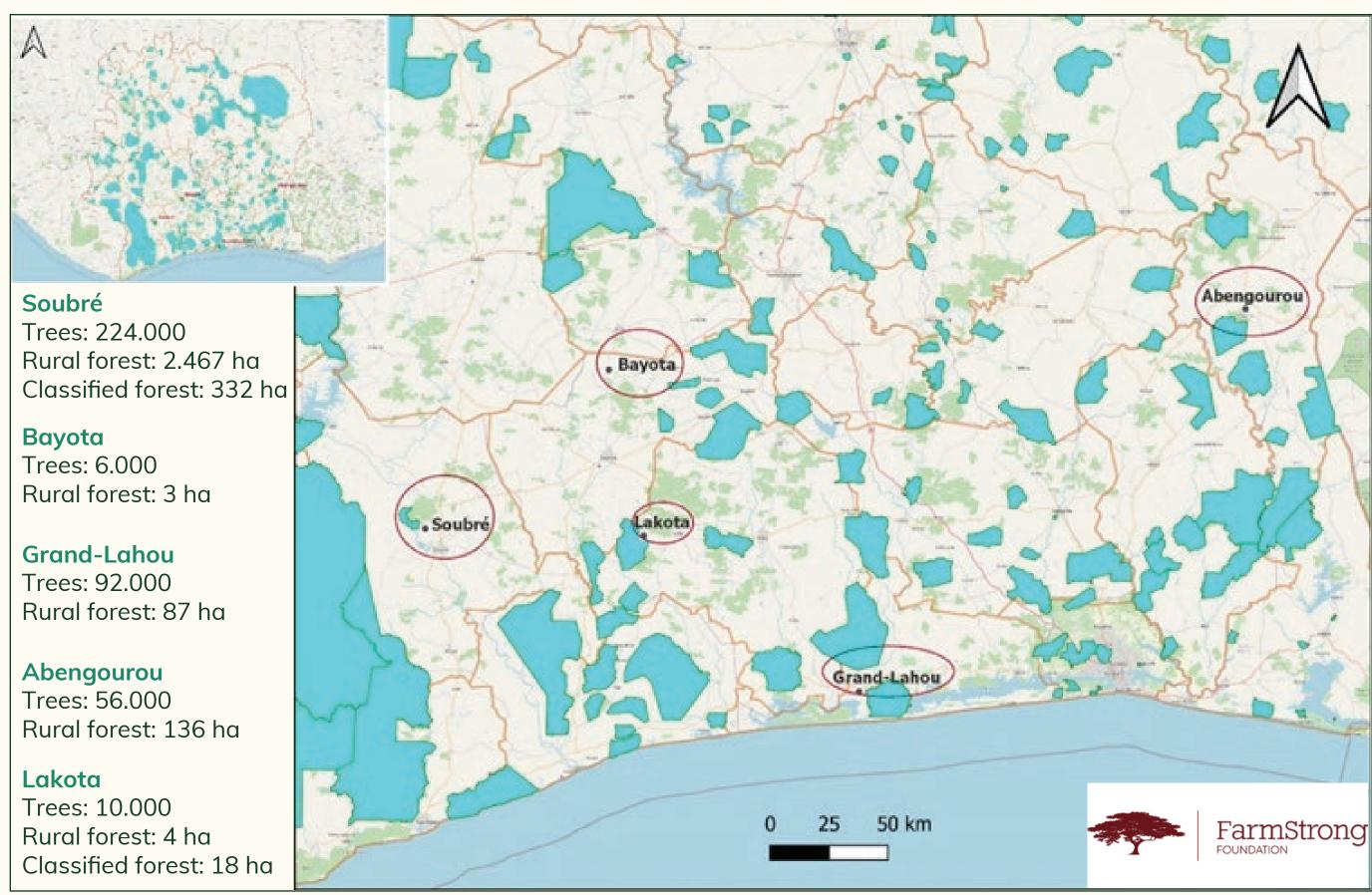
A MULTI-FACETED APPROACH INVOLVING ALL KEY STAKEHOLDERS

Ferrero set an ambitious target in its CFI Action Plan with the commitment to distribute in the period 2018-2022 no less than 732,000 native trees in Côte d'Ivoire for reforestation off-farm to restore forest cover and help increase biomass in the ecosystem. Particularly due to significant extra financial investments in the 20/21 season Ferrero managed to achieve its goal even surpassing it with more than 40,000 trees for a total distribution of 775,000 native trees.

Our main implementing partner has been the NGO FarmStrong that distributed and planted on Ferrero behalf almost 390,000 native trees of 17 different species² in different parts of our cocoa supply chain in Côte d'Ivoire covering a total area of 3,025 ha: 2,693 ha of forest restored in rural areas³ and 332 ha restored in classified forests.

FarmStrong applied an innovative, multi-faceted approach involving key stakeholders which is illustrated through the following five examples.

PLANTING OF NATIVE TREES FOR REFORESTATION



1. NAWA REGIONAL DIRECTOR OF MINEF: COLONEL KOTCHI

Forest protection and restoration in Côte d'Ivoire can only be done through collaboration with the Ministry of Water and Forests (MinEF) and SODEFOR. These governmental bodies have the knowledge and expertise and are essential in assigning areas for forest restoration and implementation of activities. With their support, mass sensitizations were carried out in the communities to involve and mobilize the traditional chiefs and community members.



Colonel Kotchi (in the brown uniform)

A critical factor in the success of FarmStrong in the Nawa region has been Colonel Kotchi, the Regional Director of MinEF, who demonstrated a very strong personal engagement. "Our long-term partnership with FarmStrong has enabled us to create biodiversity enclosures and to start the restoration project for Mount Kourabahi, which is degraded to more than 80% of its initial coverage. We encourage these private initiatives to support us in improving the living environment through the restoration of forests and the creation of forests with communities."

2. CREATION OF "GREEN JOBS"



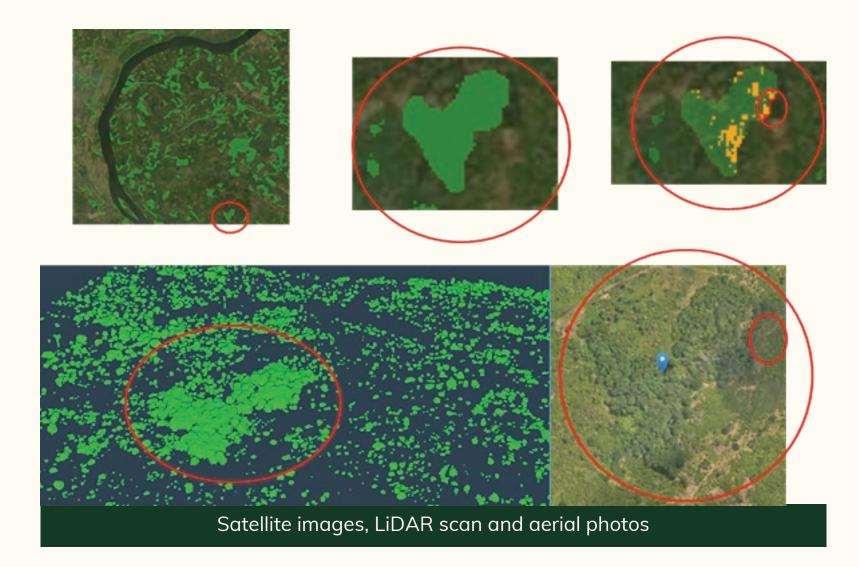
A total of 56 "Green jobs" were established amongst women, youth and farmers to create and manage the tree seedling nurseries thereby contributing in a meaningful way to women and youth empowerment and provide them with additional income.

3. THE RESTORATION OF THE CLASSIFIED FOREST OF MOUNT KOURABAHI

In 2020, an in-depth analysis of the situation of the Classified Forest of Mount Kourabahi forest, located in Nawa region, was carried out with the most sophisticated Earth Observation technologies. Satellite images were used based on 14 bandwidths and airborne LiDAR on a helicopter.



Artificial intelligence was used for the analysis of these images showing the state of the forest and the level of degradation. The vertical forest structure showed the trees above and below 7m (max height of a cocoa tree).

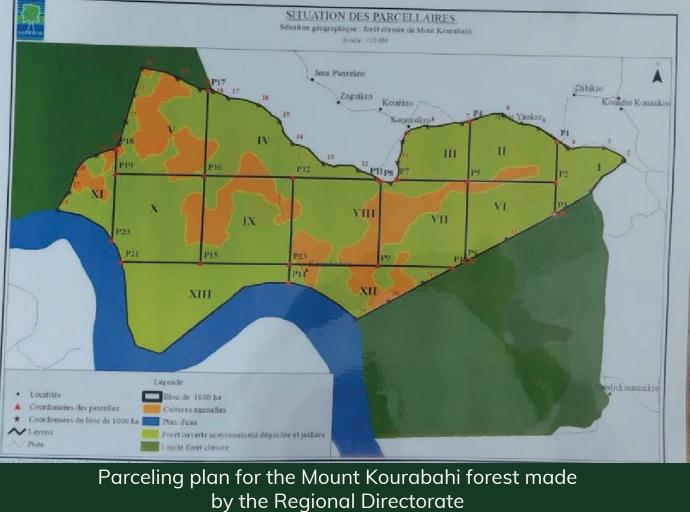


After these analyses, including the ground truthing of the findings, a MinEF partnership in the Nawa region, accompanied by SODEFOR and the local populations that were actively involved in the project, started in 2021 for the restoration and preservation of the forest.



The area to be reforested was parceled out by MinEF and SODEFOR and showed also the heavily degraded area.





Ferrero is one of the partners of this multi-stakeholder project. To date, overall more than 200,000 seedlings have been planted covering 670 ha, about 20% of the total Mount Kourabahi forest.

4. MR. DAGNOBO DABA, FARMER



He has been a witness of the changes of weather in his region and the impact it has on the environment. "The periods of rains are no longer marked, the rains are more violent with very strong winds, the temperature has gotten increasingly higher during the day and night. I had noticed that our forests were disappearing".

Mr. Daba decided to devote 7 ha of his farm to reforestation. "It is important, and I want to participate actively in the restoration of our forest cover. Also, to maintain the fauna and flora which is in danger of disappearing in the region."

Since 2020 5,800 trees have been planted in collaboration with MinEF and FarmStrong.



5. ENVIRONMENTAL AWARENESS WITH SCHOOL CHILDREN

As the saying goes, prevention is better than cure. For this reason an important element of FarmStrong's multi-faceted approach is environmental awareness training with pupils and planting trees on schoolyards in the Nawa region. One of the schools involved is the K.A.W. College in the community Touih.





Environmental awareness training for the pupils and planting trees in schoolyards

Success stories

ACCESSIBLE SOILS AND SUSTAINABLE ENVIRONMENTS (ASASE) 4:

AN INNOVATIVE AND HOLISTIC APPROACH TO HELP GHANAIAN FARMERS BUILD CLIMATE RESILIENCE

Obed is a cocoa farmer from Tebeso, Konongo District, in central Ghana. He comes from a family of cocoa farmers and has worked on the family farm since he was a child. At that time, Tebeso was surrounded by forest, but now almost all the forest cover has been lost through farming and commercial logging. This has had a dramatic effect on the local climate and led to erratic rainfall patterns, high temperatures, unusually prolonged dry seasons, and land degradation.

Despite his hard work, Obed found it difficult to make a decent living from cocoa farming, and he struggled to feed his family of nine children. To improve his farming practices and productivity, he joined the Tebeso farmers' group and is now part of the Accessible Soils and Sustainable Environments (ASASE) project.



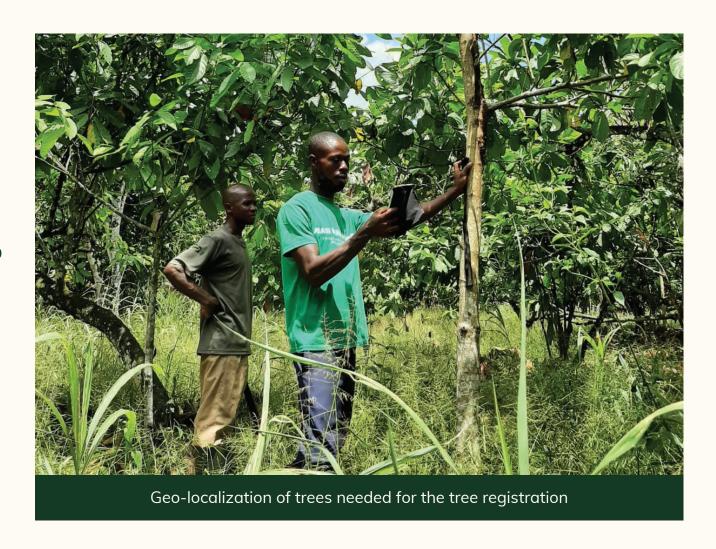
ASASE is an innovative model with six strongly interconnected interventions that reinforce each other. It moves away from the traditional focus on the direct (farm-level) supply chain. Instead, it intervenes on three levels with a landscape approach: collaborating with cocoa farmers, their rural communities, and local forest remnants beyond the cocoa farms.

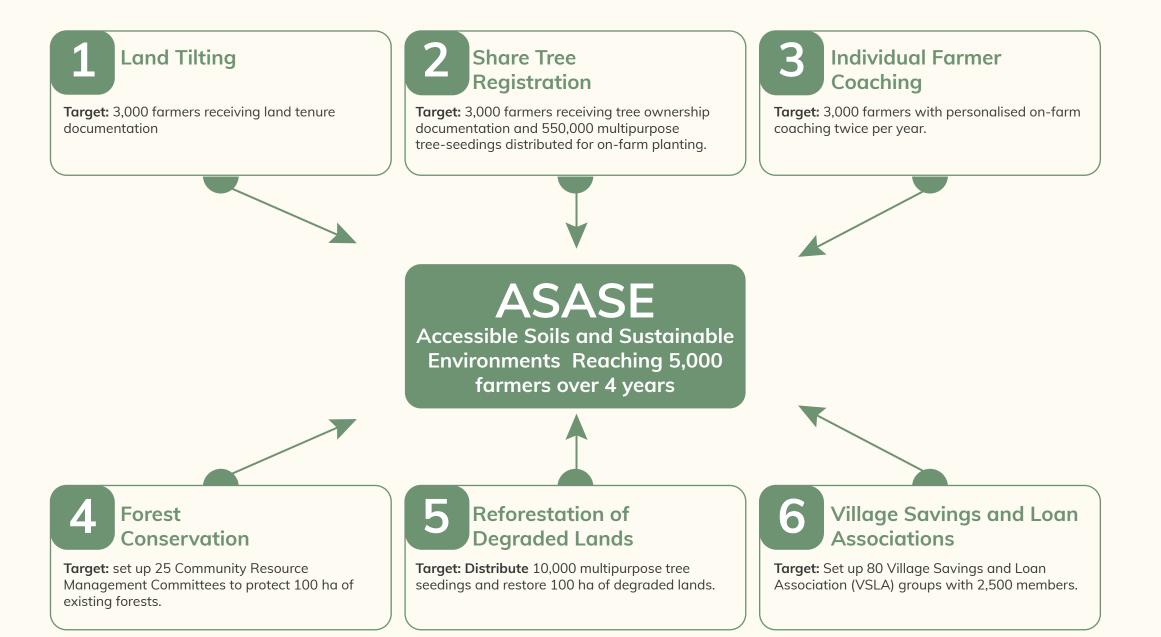
Through the ASASE project, Obed receives training in Climate Smart Cocoa and individual coaching to make a long-term development plan for his farm. He now understands the importance of practising cocoa agroforestry and also receives shade trees, which are helping him to protect his cocoa trees from harsh sunlight and reduce the impact of climate change. In the long term, this will also help him to improve the quality and yield of his cocoa beans. He has planted 55 native shade trees, which were provided to him under the ASASE project and is taking care of the 8 other trees that were already on the farm.

But the benefits of the project don't stop there. Obed also received support to register his land and trees and will soon receive his land and tree registration titles. With this tenure security, he can stop worrying about losing his land or trees, which had been a constant concern in the past.

Furthermore, it will enable him to plan for the long term and make investments in his farm without fear of losing everything. It will also help him improve his farming practices even further, which can increase his income and protect the environment and preserve the land for future generations of his family.

By providing farmers like Obed with training and land tenure, the ASASE project aims for a bottom-up approach with tangible direct benefits for farmers and the environment.





IN THE PAST I HAVE CUT DOWN MOST OF THE SHADE TREES ON MY COCOA PLOTS, BUT AFTER THE TRAINING I RECEIVED, I REALISED HOW VALUABLE THEY ARE AND NOW I'M PLANTING MORE WITH THE SUPPORT OF THE PROJECT.

Obed Ahoto

Detailed tracking table for Côte d'Ivoire

Commitment	Actions	Indicator	2022 Target (through direct investment)	# through direct investment (Oct 2021-Sept 2022)	# Total through direct investment (since 2018)
Forest Protection and Restoration					
1. No further conversion of any forest land (as defined under national regulations, and using HCS and HCV	1.1 Conduct farm mapping within direct supply chain to identify and collect cocoa farm boundaries to ensure cocoa	# of cocoa plots mapped in direct supply chain	No Target	109,486	
methodologies) for cocoa production.	is not being sourced from forest lands, National Parks and Reserves, and Classified Forests	# and % of farms mapped in direct supply chain	60,608	92,735	
	1.2 Conduct deforestation risk assessments in all direct sourcing areas	# of hectares in the direct supply chain with deforestation risk assessments completed	112,351	277,284	
2. No sourcing of cocoa from National Parks and Reserves through companies' traceable direct sourcing programmes.	2.1 Implement traceability tools/technology to ensure no cocoa purchases originate from National Parks or Reserves (all forest areas)	% of directly sourced cocoa traceable from the farm to the first purchase point	100%	93%	
3. A differentiated approach based on the level of degradation of forests for classified Forests will be developed and translated into a national forest restoration strategy	3.1 Support the restoration of Classified Forests by working with cocoa farmers, the government and the forestry industry to implement contracts for mixed agroforestry as a restoration and livelihoods intervention	# hectares restored in Classified Forests	No Target	197	397
4. Legal protection and management	4.1 Support farmers with tree registration	# trees registered	No Target	20,217	800
status for the remaining forests of Côte d'Ivoire in the Rural Domain.	4.2 Support cocoa farmers to acquire land (tenure) documentation	# and % of farmers with land tenure agreements/documentation etc. obtained via company suppor	No Target	8	59

When we published our CFI Action Plan in 2018 there were certain indicators on which no target was set for 2022 but we did deploy activities on which we reported progress.

Commitment	Actions	Indicator	2022 Target (through direct investment)	# through direct investment (Oct 2021-Sept 2022)	# Total through direct investment (since 2018)
Forest Protection and Restoration					
5. Public enforcement of the new Forest Code and its subsequent guidelines, and public sector governance will be strengthened.	5.1 Promote and participate in awareness- raising campaigns to educate farmers on the new Forest Code	# farmers informed, trained, and / or consulted on the new Forest Code, law enforcement, forest protection, and restoration	39,073	47,954	
6. Public-private collaboration to mobilise resources for forest protection and restoration.	6. Public-private collaboration to mobilize resources for forest protection and restoration	# Individuals receiving PES: New		1,449	
		# Individuals receiving PES: Total Active	5,053	5,036	
7. Public-private collaboration to identify good practices, technical guidance and incentive mechanisms for forest	7.1 Support distribution and planting of multi- purpose trees for on-farm restoration via agroforestry	# farmers applying agroforestry	No Target	55,933	
restoration and agroforestry.		# multi-purpose trees distributed for on-farr planting	m 2,393,342	1,451,014	3,019,424
		# hectares cocoa agroforestry in development	34,686	22,510	103,715

on and planting of native oration (reforestation) - SC production including stems	# of trees distributed for off-farm planting # ha of forest area restored in rural zone # farmers trained in CSC best practices	732,100	255,808	775,334
oration (reforestation) - SC production including	# ha of forest area restored in rural zone	108	·	775,334
SC production including			127	
	# farmers trained in CSC best practices		137	2,975
		No Target	42,817	
on of the public-private nd rehabilitation fund	\$ contributed to fund	N/A		
ed cocoa planting material	# improved seedlings distributed to farmers	N/A		
ood Agriculture Practices	# of farmers reached by GAP training programs	48,114	81,314	
vel crop diversification	# individuals participating in additional Income Generating Activities (IGA's)	No Target	21,867	
ion and planting of on-farm restoration	# multi-purpose trees distributed for on-farm planting	Already reported		
_	# hectares of cocoa agroforestry	7.1		
i		# individuals participating in additional Income Generating Activities (IGA's) on and planting of # multi-purpose trees distributed for on-farm restoration on-farm planting	rel crop diversification # individuals participating in additional Income Generating Activities (IGA's) on and planting of # multi-purpose trees distributed for on-farm restoration Already reported	rel crop diversification # individuals participating in additional Income Generating Activities (IGA's) on and planting of ron-farm restoration # multi-purpose trees distributed for on-farm planting Already reported

Commitment	Actions	Indicator	2022 Target (through direct investment)	# through direct investment (Oct 2021-Sept 2022)	# Total through direct investment (since 2018)			
Sustainable Production and Farmers' Livelihoods								
11 Promote financial inclusion and innovation to deepen farmers' access to working capital and investment funds for production and farm renovation.	11.1 Offer financial products to farmers and promote farmer savings	# and % individuals in the current reporting year enrolled in a formal financial products and services (loans, insurance, digital payments, and savings [bank/mobile]) with support from companies (excluding cocoa bean pre-financing)	TBD	4,687				
		# of members of VSLA groups in the current year	3,000	23,870				
		# of VSLA groups in the current year	No Target	478	960			
12. Improve supply chain mapping, with the goal of 100% of cocoa sourcing traceable from farm to first purchase point. An action plan will be developed for traceability, which will be	12.1 Conduct farm mapping within direct supply chain to identify and collect cocoa farm boundaries to ensure cocoa is not being sourced from forest lands, National Parks and Reserves, and Classified Forests	# of cocoa plots mapped in direct supply chain	Already reported 1.1					
implemented step-by-step to achieve full traceability and verification, applicable to all by end-2019.	12.2 Implement traceability system to farm level in direct supply chain	% of direct sourced cocoa traceable from individual farms to first purchase point	Already reported 2.1					

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Commitment	Actions	Indicator	2022 Target (through direct investment)	# through direct investment (Oct 2021-Sept 2022)	# Total through direct investment (since 2018)	
Social Inclusion and Community Engagement						
13. Full and effective information sharing, consultation, and informed participation of cocoa farmers and their communities who are affected by proposed land-use changes.	13.1 Organize cocoa community consultations on the implementation of the Frameworks for Action	# farmers informed, trained, and / or consulted on the new Forest Code, law enforcement, forest protection, and restoration	Already reported 5.1			
14. Promote community-based management models for forest protection	14.1 Establish and/or support community- based natural resource management programs	# of cocoa communities with active forest restoration and protection program	140	0	40	
and restoration.	for forest restoration/protection	# hectares under CBNRM	154	108	175	
15. Development of action plans for forest protection and restoration, and sustainable agricultural intensification that are gender and youth sensitive.	15.1 Develop forest protection & restoration and agriculture intensification action plans that are gender and youth sensitive	# of individuals participating in women's empowerment projects and activities	No Target			
		# of individuals participating in youth focused projects and activities (age 15-35)	No Target	4,100		

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Commitment	Actions	Indicator	2022 Target (through direct investment)	# through direct investment (Oct 2021-Sept 2022)	# Total through direct investment (since 2018)
Forest Protection and Restoration					
1. No further conversion of any forest land (as defined under national	1.1 Conduct farm mapping within supply chain to ensure cocoa is not being sourced from	# of cocoa plots mapped in direct supply chain	No Target	106,210	
regulations, and using HCS and HCV methodologies for cocoa production.	forest land	# of cocoa farms mapped in direct supply chain	40,264	59,929	
	1.2 Conduct deforestation risk assessments in all sourcing areas.	# of hectares in the direct supply chain with deforestation risk assessments completed	27,295	143,560	
2. No production and sourcing of cocoa from National Parks, Wildlife Sanctuaries, and Wildlife Resource Reserves, except from farms with existing legal status.	2.1 Implement traceability tools/technology to ensure no cocoa purchases originate from National Parks, Wildlife Sanctuaries, and Wildlife Resource Reserves (all forest areas)	% of directly sourced cocoa traceable from the farm to the first purchase point	100%	92%	
3. A differentiated approach for Forest Reserves will be adopted, based on level of degradation; with elimination of sourcing of cocoa in less degraded reserves (Cat.1) as of 31 December 2019; and production and sourcing for a period up to 25 years through MTS in more degraded reserves (Cat. 2).	3.1 Support farmers in Category 2 Forest Reserve areas in their restoration and reforestation programs	# hectares of Category 2 Forest Reserve areas restored:	No Target	40	40
4. In highly degraded off reserve forest lands, cocoa production and sourcing will continue, supported by climate smart	4.1 Train farmers in off-reserve forest lands in CSC production including cocoa agroforestry systems	# farmers trained in CSC best practices	12,231	25,196	
cocoa and MTS.	4.2 Train farmers in Modified Taungya System (MTS)	# farmers trained in MTS	No Target		

Commitment	Actions	Indicator	2022 Target (through direct investment)	# through direct investment (Oct 2021-Sept 2022)	# Total through direct investment (since 2018)
Forest Protection and Restoration					
5. Land and tree tenure reforms, and benefit sharing arrangement to incentivize land owners and users to retain naturally regenerated trees will be accelerated, including approval of CREMA mechanism.	5.1 Support farmers with tree registration	# trees registered	TBD		24,025
	5.2 Support cocoa farmers to acquire land (tenure) documentation	# and % of farmers with land tenure agreements/documentation etc. obtained vic company support	1,110		260
6. Public sector forest law enforcement and governance will be strengthened.	6.1 Promote awareness-raising campaigns to educate farmers on forest law enforcement and tree tenure provisions	# farmers informed, trained, and / or consulted on forest policy/law enforcement, forest protection, and restoration	11,290	16,952	
7 . Public-private collaboration to mobilize new sources of funding for forest protection and restoration, and to incentivise farmers adoption of environmentally sustainable cocoa production will be developed.	7.1 Mobilize finance for forest protection and restoration	# Individuals receiving PES: New		586	
		# Individuals receiving PES: Total Receiving	No Target	5,218	

Commitment	Actions	Indicator	2022 Target (through direct investment)	# through direct investment (Oct 2021-Sept 2022)	# Total through direct investment (since 2018)
Forest Protection and Restoration					
8. Public-private collaboration will be enhanced to identify good practices and technical guidance for forest conservation and restoration, shade grown cocoa, and MTS in Forest	8.1 Support distribution and planting of multi- purpose trees for on-farm restoration via agroforestry	# farmers applying agroforestry	TBD	20,278	
Reserves.		# multipurpose trees distributed for on-farm planting	537,500	709,078	1,535,035
		# hectares cocoa agroforestry in development	8,225	12,827	39,314
	8.2 Support distribution and planting of native trees for off-farm restoration (reforestation)	# of trees distributed for off-farm planting	No Target	172,071	177,374
		# hectares of forest area restored off-reserve	30	1,013	1,577
	8.3 Train farmers in Modified Taungya System (MTS)	# farmers trained in MTS	Already reported 4.2		
Sustainable Production and Farmer Livel	ihoods				
9.Promote investment in long-term productivity of high quality cocoa in	9.1 Distribute improved cocoa planting material	# improved cocoa seedlings distributed to farmers	2,163,798	1,580,932	5,212,949
environmentally sustainable manner and grow "more cocoa on less land".	9.2 Train farmers and producer organizations in the latest Good Agriculture Practices (GAPs)	# of farmers reached by GAP training programs	21,111	54,829	

Commitment	Actions	Indicator	2022 Target (through direct investment)	# through direct investment (Oct 2021-Sept 2022)	# Total through direct investment (since 2018)
Forest Protection and Restoration					
10. Promote sustainable livelihoods and income diversification for cocoa	10.1 Support distribution and planting of multi-purpose trees for on-farm restoration via	# multipurpose trees distributed for on-farm planting	Already reported 8.1		
farmers.	agroforestry	# hectares cocoa agroforestry in development			
	10.2 Promote farm-level crop diversification	# individuals participating in additional Income Generating Activities (IGA's)	No Target	4,332	
11. Promote financial inclusion and innovation to deepen farmers' access to working capital and investment funds required for production and cocoa farm rehabilitation and renovation.	11.1 Promote expansion of farmer savings	# and % individuals in the current reporting year enrolled in a formal financial products and services (loans, insurance, digital payments, and savings [bank/mobile]) with support from companies (excluding cocoa bean pre-financing)	No Target	5,093	
		# of members of VSLA groups in the current year	700	12,276	
		# of VSLA groups in the current year	No Target	188	545
12. Improve supply chain mapping, with 100% of cocoa sourcing traceable from farm to first purchase point. An action plan will be developed that maps out key principles, steps, and milestones to achieve this step, encompassing all national and international traders.	12.1 Conduct mapping to identify and collect cocoa farm boundaries polygon data	# farms mapped within direct supply chain	Already reported 1.1		
	12.2 Implement traceability system to farm level in 100% of supply chain by end-2019	% cocoa supply traceable from individual farms to first purchase point	Already reported 2.1		

Commitment	Actions	Indicator	2022 Target (through direct investment)	# through direct investment (Oct 2021-Sept 2022)	# Total through direct investment (since 2018)		
Social Inclusion and Community Engagement							
13. Full and effective information sharing, consultation, and informed participation of cocoa farmers and their communities who are affected by proposed land-use changes.	13.1 Organize cocoa community consultations on the implementation of the Frameworks for Action	# farmers informed, trained, and / or consulted on forest policy/law enforcement, forest protection, and restoration	Already reported 6.1				
14. Promote community-based management models for forest	14.1 Establish and/or support community- based natural resource management (CBNRM)	# of cocoa communities with active forest restoration and protection program	No Target		121		
protection and restoration.	programs for forest restoration/protection	# hectares under CBNRM	No Target		52,663		
15. Development of action plans for forest protection and restoration, and sustainable agricultural intensification that are gender and youth sensitive.	15.1 Develop forest protection & restoration and agriculture intensification action plans that are youth and gender sensitive	# of individuals participating in women's empowerment projects and activities	No Target				
		# of individuals participating in youth focused projects and activities (age 15-35)	No Target	570			

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