



cocoa
commitment

COMMITTED TO MORE

The 2022/2023 **Annual Report** of the cocoa commitment program



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Economy

For more growing success

1,199

cocoa farmers trained in Good Agricultural Practice (GAP), agroforestry, and climate-friendly practices

1,187

farmers provided with farm improvement plans

18

Farmer Field Schools established



cocoa commitment



Social issues

For the community

1,376

farmers educated about child labor and children's rights

4

child protection officers trained

1,966

children accompanied

298

cases of child labor identified

14

Village Savings and Loan Associations (VSLAs) established

375

VSLA members

323

VSLA members are female

126

women supported by VSLAs through income-generating activities (IGAs)



Ecology

For the environment

4,396

hectares charted using polygon mapping

3

multipurpose tree nurseries established

17,282

multipurpose tree seedlings distributed for planting on farms

11,080

multipurpose trees distributed for planting as part of the reforestation of fallow acreage

0

0 % deforested acreage and 0 farms in nature conservation areas or buffer zones

6

recipients of "training of trainers" (ToT)

596*

farmers supported in the use of agroforestry methods and techniques

16

hectares of forest restored in rural areas

* The ongoing analysis is ultimately expected to determine that a total of 721 farmers are practicing agroforestry. The number of farmers thus far found to be doing so is 596 (83 %).



Management:
Marc Krüger (left), Dr. Guido Colsman (right).

“BY 2030, THE KRÜGER GROUP AIMS TO PURCHASE ALL THE COCOA FOR ITS BRAND-NAME PRODUCTS THROUGH COCOA COMMITMENT.”

Committed to more – that is our promise.

We are pleased to present to you our first cocoa commitment Annual Report, for the harvest year of October 2022 to September 2023.

We are aware of the pervasive challenges around the cultivation and sourcing of cocoa, an essential commodity for the KRÜGER GROUP. To openly address these challenges and to be able to continue purchasing this raw material in a responsible manner, we launched the KRÜGER GROUP cocoa commitment program in 2022. Through cocoa commitment, we are working to solve problems concerning cocoa farming and its related environmental and social issues, including the living conditions of the farmers. The program takes the common certifications in the sector as a basis, but expands on these through fine-tuned measures, for example, the promotion of Good Agricultural Practice (GAP) and training in sustainable agroforestry, the reforestation of croplands,

and the protection of primeval forests. To secure the income and living situation of the families, especially the women, as well as prevent exploitative child labor, cocoa commitment works to establish, for example, Village Savings and Loan Associations (VSLAs) as well as Child Labor Monitoring and Remediation Systems (CLMRSs).

This report looks back at the first year of the cocoa commitment program and provides insight into its measures, which have positively impacted the environmental, financial, and social living conditions on the farms and in the local village communities in Côte d'Ivoire.

We are proud of the early progress we and our partners have made in increasing the sustainability of cocoa farming. Nonetheless, it is clear to us that we still have a long way to go—because with our cocoa commitment program, we want to achieve more.





Together we are making the future of cocoa more sustainable.

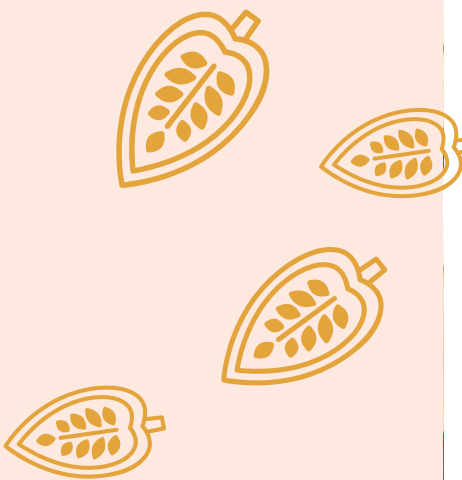
Through long-term partnerships with cocoa farmers, cocoa commitment helps to ensure a more sustainable cocoa supply chain. We work jointly in diversified cocoa cultivation with the objective of establishing sustainable agricultural practices and strengthening communities. These efforts bring lasting improvement in the income and living situation of farmers and their families, with positive impacts on both people and nature.





Challenges in cocoa farming

The diverse challenges in the cocoa sector vary greatly between individual growing regions. Because they are rarely one-dimensional and are usually interconnected, they can seldom be viewed separately. Most cocoa farmers live in poverty, and child labor is still common. In addition, cocoa-farming practices are frequently detrimental to the environment and biodiversity. To ensure that we make a contribution to a secure future for cocoa through the cocoa commitment program, we must understand the many complex and interrelated issues surrounding this commodity.



Meeting of the VSLA group in the SOCOOPAG cooperative.



GAP instruction at the Anader Center.

Exploitative child labor

Illegal child labor remains a widespread problem in the cocoa supply chain. In the two main cocoa-farming countries alone—Côte d'Ivoire and Ghana—around 1.5 million children continue to work on the plantations under exploitative conditions. In this context, there is a direct link between poverty and child labor, as the majority of cocoa famers can't afford to pay workers to help with the harvest. In the main harvest

period in particular, schoolchildren are put to work as full-time laborers, including for such dangerous activities as working with machetes or spreading chemical fertilizers and pesticides on crops. As this practice prevents the children from going to school, it strongly impinges on not only their physical but also their educational development.

Illegal deforestation for monoculture farming

In Ghana and Côte d’Ivoire, cocoa farming plays a major role in the destruction of the rainforest. Due to their low income, many cocoa farmers can’t afford to change over to more sustainable forms of cocoa cultivation. The soil becomes less and less fertile over time. In addition, old and diseased cocoa plants often can’t be replaced, with reduced harvests as a result. Low prices and diminishing yields thus force farmers to expand their cropland to be able to continue cultivating cocoa. Because many farms lack sufficient acreage to do so, the plantations are frequently expanded into illegally cleared forest lands.

Moreover, the development of intensive cocoa farming as a monoculture contributes to a decline in biodiversity. Once destroyed, the primeval forest can’t be restored in its original form. Plant and animal species are displaced. This single-crop farming increases the dependence of farmers on exactly this monoculture, making them even more vulnerable to fluctuating cocoa prices.

Pesticides in cocoa farming

In cocoa cultivation, a clear focus is placed on perpetually raising crop yields and utilizing agricultural land ever more intensively. A simple means of increasing yields in the short term is the use of pesticides, as cocoa plants are especially susceptible to pests and disease. However, the benefits of this practice are countered by serious long-term costs: damage to cocoa farmers’ health and dramatically reduced biodiversity. And these are just some of the negative consequences of the increasing use of pesticides in cocoa cultivation.

sources: Kakaoforum; Cocoa Platform

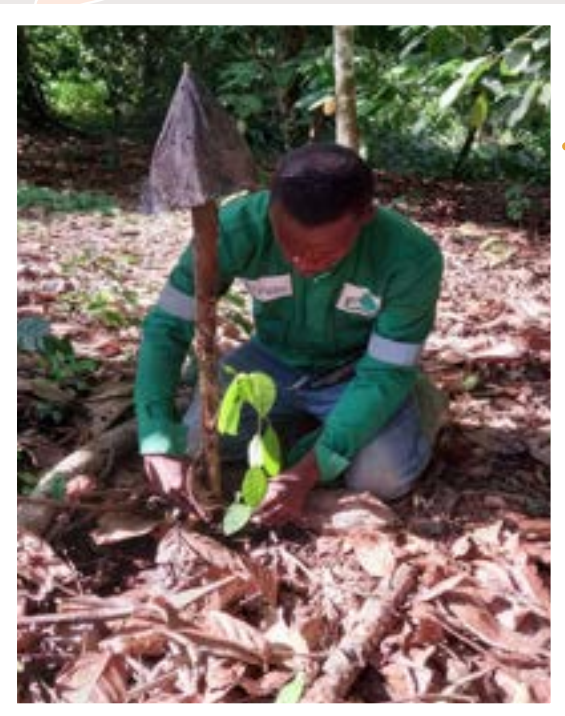
Economic dependence of women due to lacking financial knowledge

Limited financial knowledge and the unavailability of financial services make it all the harder for farmers to escape poverty. Without access to investment systems, loans, or microfinancing, they may have no resources with which to improve their plantations, pay school fees, or invest in other income-generating activities. Women are disproportionately subject to these circumstances. They have very limited educational opportunity and are often economically dependent on their husbands.

This lack of financial resources also makes basic and continuing training unattainable, thus depriving the farmers of the chance to improve the agricultural methods they employ.



Grassroots survey with a woman from the SCOOCI cooperative, as part of the VSLA implementation.



Our cocoa commitment sustainability program began in Côte d’Ivoire

In Côte d’Ivoire, all of the described challenges of cocoa cultivation are present.

The cocoa is grown predominantly by small farmers. They are dependent on cocoa cultivation and have little access to education or financing. Their plantations are mostly monocultural enterprises, and they use pesticides and fertilizers to generate higher yields in the short term.

In addition, compared to men, women rarely have equal social standing, and they have even less access to financial capital.

With our cocoa commitment program, we are taking on these challenges. We are beginning these efforts in Côte d’Ivoire—the country where the KRÜGER GROUP currently sources its largest volumes of raw cocoa, and where the initial activities of the program can therefore have the greatest impact in increasing the sustainability of cocoa farming.

Côte d’Ivoire
Ivory Coast



In the first year of the program, we collaborated with three cooperatives. All three have strong, long-term relationships with their farmers.

Cooperative 1
SCOOCI COOP-CA
in the Sassandra region

Cooperative 2
SOCOOPAG
in the Guémon region

Cooperative 3
SCOOPAG
in the Guémon region

This is Côte d’Ivoire

Côte d’Ivoire is by far the largest cocoa-producing country in the world, accounting for around 1/3 of global cocoa cultivation.



Location
West Africa



Capital
Yamoussoukro



Population
29.4 Mio.



Area
322.463 km²



Official language
French

Our program structure

Our measures to counter the challenges in the cocoa sector can be divided into three focus areas:

For the community

A fair income for farmers, the prevention of exploitative child labor, the promotion of women's equality, and better living conditions—these are all central components of cocoa commitment.

For more growing success

We actively support sustainable, high-yield, environmentally friendly agroforestry. This form of cultivation allows farmers to earn higher incomes while at the same time protecting the environment.

For the environment

We are committed to cocoa farming that protects forests and prevents the clearing of land. In addition, reducing the use of pesticides and fertilizers is important to us—in the interest of a healthier natural environment, biodiversity, and climate protection.





Our approach in Côte d'Ivoire

We have developed an approach that pursues effective measures and solutions precisely tailored to the respective growing regions. We launched our program and its measures in October 2022 in Côte d'Ivoire.

Cocoa commitment cooperates with a number of **implementing partners** in Côte d'Ivoire to realize the various measures. Given the systemic and multifaceted challenges faced by the cocoa sector, these partners, with their range of focuses, are decisive for the implementation and success of the program. We work hand in hand with Foncier-Foresterie-Agriculture (FOA), our operating partner for the proper implementation of **Farmer Field Schools, coaching, and improvement plans** for the cocoa farmers. At the same time, we also cooperate with FOA in the framework of **agroforestry and reforestation initiatives** for Cotê d'Ivoire.

Cocoa commitment additionally cooperates with AgroExpertises, an organization specializing in sustainable agriculture, to provide instruction in **Good Agricultural Practice (GAP)** and in promoting principles of climate justice in agriculture. AgroExpertises is entrusted specifically with the training and coaching of instructors in GAP and agroforestry.

Espoir+ is the program's competent partner organization for Village **Savings and Loan Associations (VSLAs)** and activities for the advancement of women. Espoir+ is charged with



implementing comprehensive projects to strengthen the role of women and their financial integration. These projects are aimed at both women and men, and serve as preventive and corrective measures with regard to child labor in the cooperatives. Transversal Expertise Company Côte d'Ivoire (TECCI) is responsible for the initial **polygon mapping** of the cocoa farms prior to their joining cocoa commitment.



All measures within our three focus areas are realized jointly with our implementation partners according to the following principles:

Establishing effective practices and monitoring success

All of the farms in our program are Rainforest Alliance–certified. The cocoa commitment program builds on this standard, expanding and deepening its measures.

Preventing deforestation and ensuring traceability

The central elements of cocoa commitment include the prevention of deforestation and the **complete traceability** of the raw cocoa produced. In addition to the recording of crop data,

this includes the gathering of data for mapping farms.

The initial measuring of the site and the size of the farmland is done using **polygon mapping**. By comparison with satellite images, it can be determined whether this information is correct or if the farmers have illegally expanded their farming area over the years, e.g., by clearing land belonging to adjacent conservation areas, or if their farming area lies too close to conservation areas. Farms are additionally compared in size on the basis of harvest yields.

To ensure traceability, the farmers register their yields and link these to their own **farmer IDs**. This data is passed on with the cocoa on each step of its journey to Europe, allowing us to identify which farms the delivered cocoa beans come from.

The data in this repor was gathered in the period from October 2022 to September 2023.

The cocoa-growing regions of **GUÉMON UND SASSANDRA** in Côte d’Ivoire are supported by the cocoa commitment program

The raw cocoa volumes purchased through cocoa commitment are certified by the Rainforest Alliance and is completely traceable—from the farms to the KRÜGER GROUP’s own cocoa-processing factory in Germany, where cocoa powder, cocoa butter, and cocoa mass are made from the cocoa beans.

RAINFOREST-ALLIANCE-CERTIFIED

3 cooperatives join cocoa commitment

1,376 cocoa-farming families join cocoa commitment





Basic certification of the cooperatives

Cocoa commitment supports three cooperatives that were selected from the growing regions of GUÉMON and SASSANDRA in Côte d’Ivoire in 2022/2023. All of the farmers in the program as well as the cocoa purchased through cocoa commitment are certified in accordance with Rainforest Alliance standards.



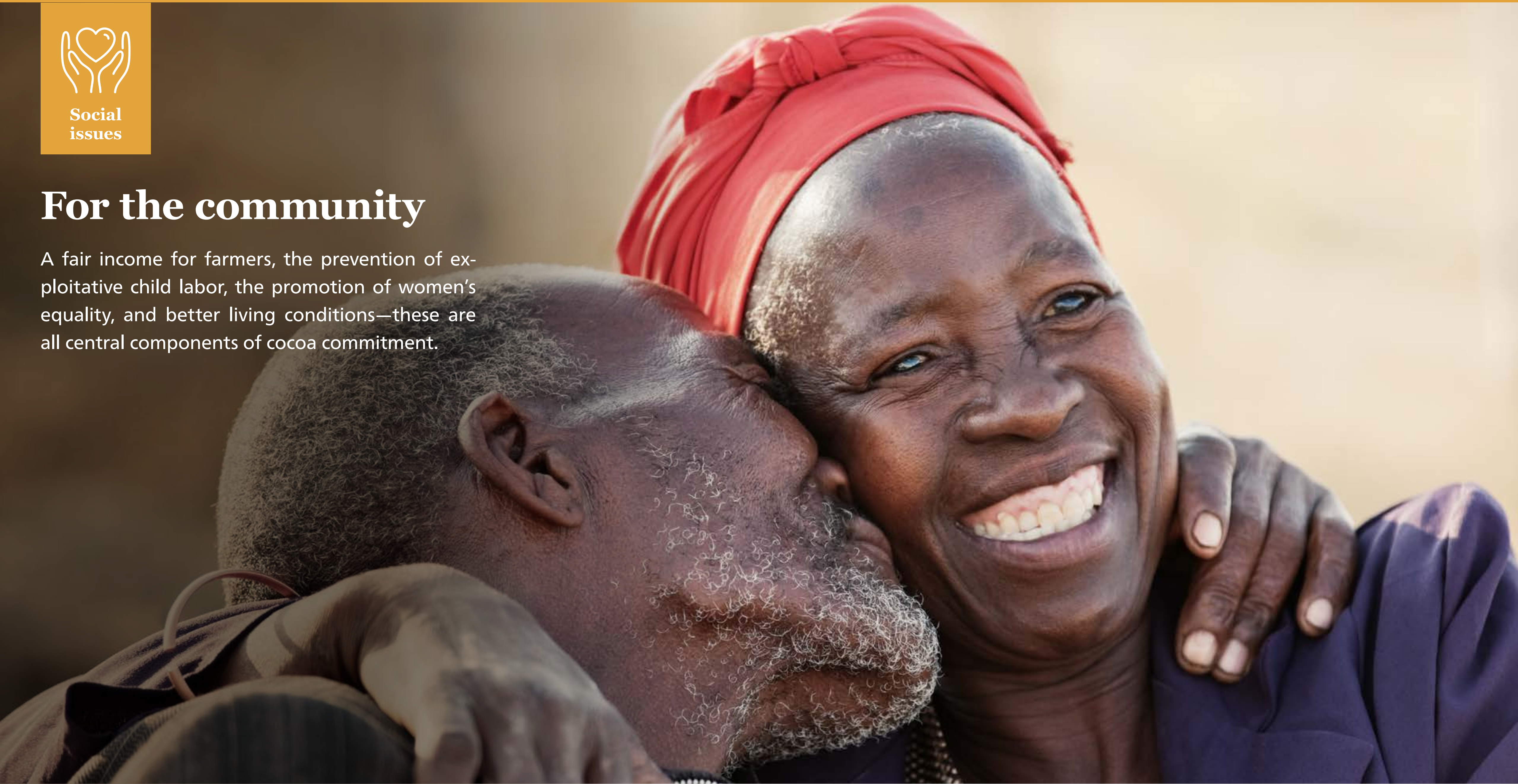
COOPERATIVE	PERIOD	RA ID	CERTIFICATION BODY
SCOOCI	UNTIL 30 SEPT. 2023	RA_00003982104	SGS
SCOOPAG	UNTIL 30 SEPT. 2023	RA_00004562101	SCS
SOCOOPAG	UNTIL 30 SEPT. 2023	RA_00012302105	BV



Social
issues

For the community

A fair income for farmers, the prevention of exploitative child labor, the promotion of women's equality, and better living conditions—these are all central components of cocoa commitment.



Promotion of equal rights for women

A woman’s income and educational level have a direct impact on her children’s health and education. Promoting women’s entrepreneurial skills and creating income-generating opportunities for women are therefore of central importance in supporting their children’s education, furthering local development, and preventing child labor.

With our local partners, we utilize **Village Savings and Loan Associations (VSLAs)** to strengthen the role of women in cocoa-farming communities. VSLA members make small, regular financial contributions to a pool from which they are all eligible to borrow money at low interest rates.

The VSLAs aim to strengthen women’s financial and entrepreneurial skills, improve their financial integration, and support the establishment of supplementary **income-generating activities** (IGAs) for them.

In 2022/23, the first year of our program measures, the 14 established VSLAs fully achieved their targets. In total, the VSLAs have 375 regularly participating members—86 % of whom are women. During group meetings, 14 specially trained promoters convey important financial knowledge for the **promotion of entrepreneurship, women’s equality**, and, with that, the **improvement of living standards**. Working with a local

partner, we identified at the beginning of the program the communities VSLAs were to be established in. A basic study was used to determine the respective communities’ need for VSLAs and IGAs. The first-year measures resulted in a total of 162 IGAs (81 IGAs in SCOOCI, 33 in SOCOOPAG, 48 in SCOOPAG) being initiated or strengthened using loans from the newly introduced VSLAs. These IGAs included the production and sales of agricultural products (e.g., rice, pepper, peanuts, okra) as well as other activities (e.g., selling fish, shoes and clothes).

VSLA in the SCOOPAG cooperative in Klingambo.



14

VSLAs established

14

VSLA promoters trained using the VSLA method

375

VSLA members

323

female VSLA members

€ 20,176

total deposits in the 14 VSLAs

€ 11,914

total loans

162

IGAs for women and men

126

women supported by VSLAs through IGAs

Success Stories

Daple Nalo Chimene, a member of the SCOCCI cooperative, took out a loan of € 68.67 to open a fish-selling business in June 2023. The loan enabled her to expand her stock, secure a constant fish supply, and meet the needs of her family.



Daple Nalo Chimene selling fish.



Yao Amenan Odette, a member of the SCOCCI cooperative, borrowed € 45.73 for the processing of cassava into attiéké. From the profits of the two attiéké baskets, she was able to produce more attiéké to support her family and pay for schooling for her children.



Yao Amenan Odette making attiéké.

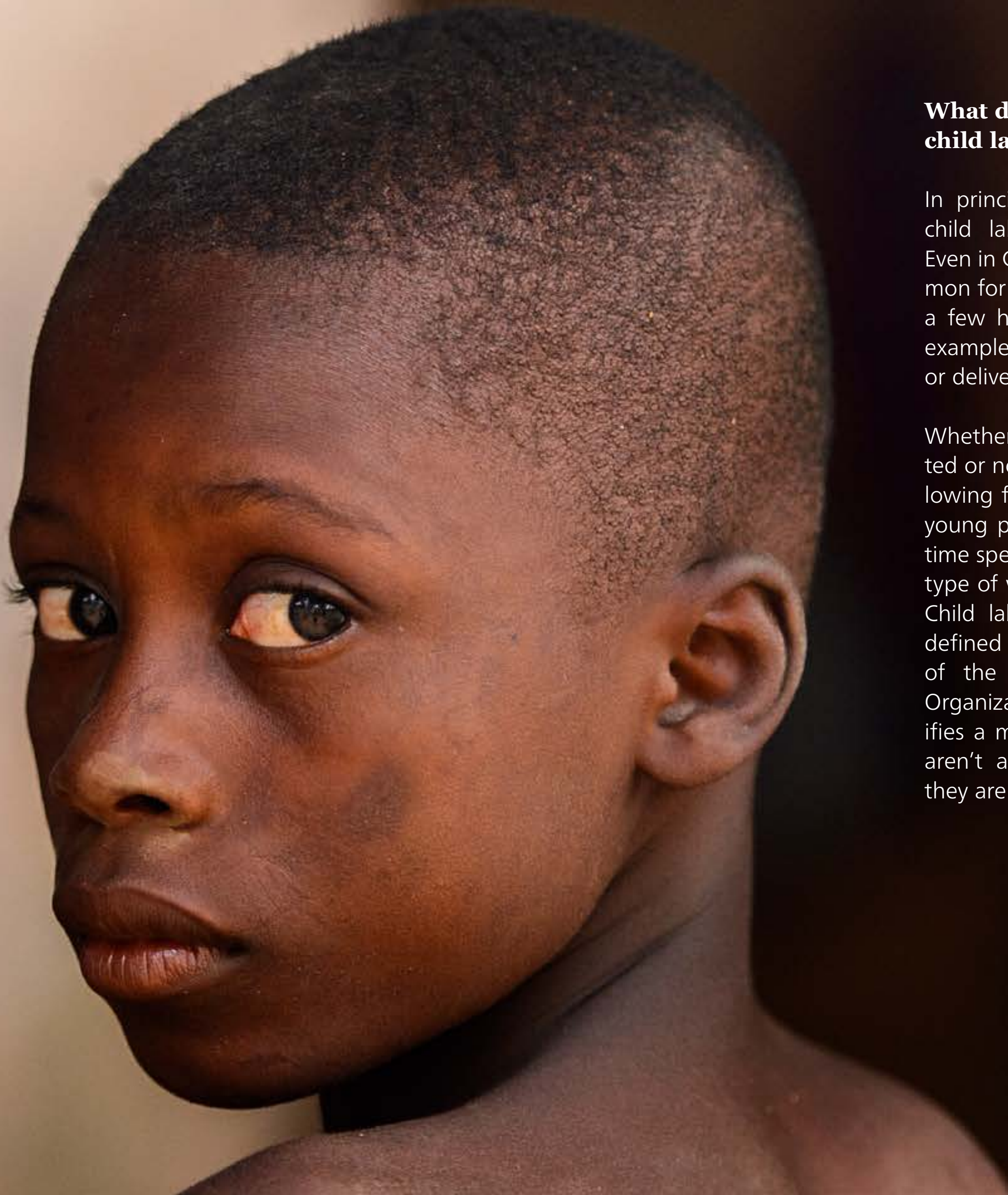


Prevention of exploitative child labor

Exploitative child labor is closely associated with the poverty of cocoa-farming families. Due to their low income, the farmers often can’t afford to pay adult workers. Instead, they have to rely on their own children to help with the harvest. To fight child labor over the long term, measures must therefore be taken to, above all, relieve the poverty of cocoa-farming families, improve the currently lacking access to educational facilities, and increase societal awareness of child labor as a problem.



source: INKOTA



What does child labor mean?

In principle, not all forms of child labor are problematic. Even in Germany, it is still common for teenagers to work for a few hours after school, for example on their parents’ farms or delivering newspapers.

Whether child labor is permitted or not depends on the following factors: the age of the young person, the amount of time spent on the job, and the type of work activity involved. Child labor is more precisely defined by Convention 138 of the International Labour Organization (ILO). This specifies a minimum age: children aren’t allowed to work until they are 15 years old, and only

in jobs that aren’t dangerous. Between the ages of 13 and 15, children are allowed to perform several hours of light work per week—as long as this doesn’t hinder them from attending school. The worst forms of child labor are defined by ILO Convention 182. In the cocoa sector, these include all forms of compulsory labor and child slavery, as well as all forms of work that can have a negative effect on the safety or the physical or mental health of the child. Working with dangerous tools like machetes, carrying excessively heavy loads, and spreading poisonous pesticides are examples of such tasks.

How does cocoa commitment work to prevent exploitative child labor?

Cocoa commitment invests in the **identification and prevention of exploitative child labor**, which is prohibited according to international law as well as national legislation in many countries. We use a **Child Labor Monitoring and Remediation System (CLMRS)** as an instrument to this end.

In implementing the CLMRS, cocoa commitment works in cooperation with the International Cocoa Initiative (ICI) to train child protection officers. This instruction takes place in the following modules:

- Concepts and definitions of child labor, including the worst forms of child labor in the cocoa supply chain; **information on the legal context** in Côte d'Ivoire; and negative impacts on children's development

- **Detection and monitoring** of child labor in the cocoa farming communities, including appropriate interviewing techniques and data collection methods

- Execution of **awareness-raising measures** at the household and farm levels, and in collective community meetings

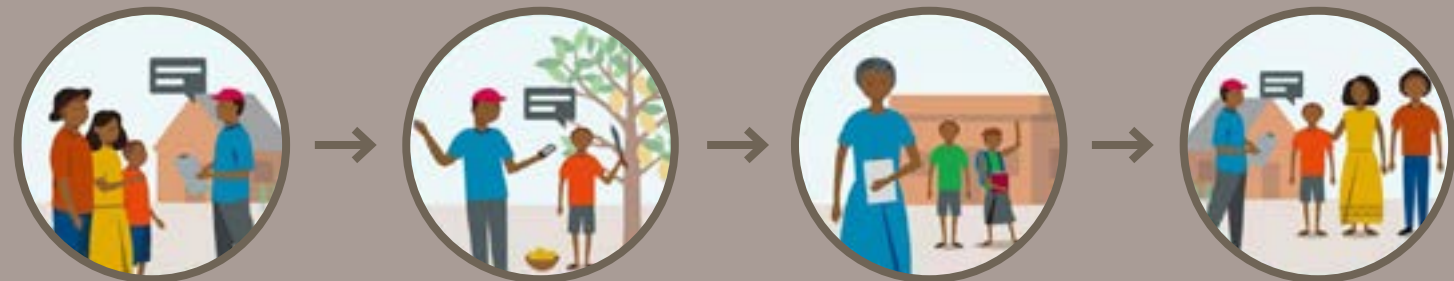
- Execution of effective **corrective measures** that utilize and complement existing **support systems** (e.g., child protection committees, women's associations), are in keeping with the needs of the community, and offer children and households tailor-made, lifelong solutions.



Child Labor Monitoring and Remediation System

Information on the legal context

The first step in the use of the CLMRS is a **risk analysis** in the communities. After this, in the framework of group training, the farmers in the communities are provided with information on child labor: what forms are permitted, what is prohibited, and what effects exploitative child labor has on the development of children, farmers, and the community. On the basis of this, **individual interviews** are then held, using standardized tools, with all households. If there is a suspected case, the children potentially affected are additionally questioned. If a case of exploitative child labor is identified, the remediation process is begun.



Detection and monitoring

In the first year of the program measures, all 1,376 of the farmers in all of the cooperatives took part in the CLMRS implementation. The implementation involved the training of four child protection officers, who are responsible for **awareness raising** and for **monitoring** and **eliminating** child labor. The four officers began their work in November 2022. Of 1,966 accompanied children in the three cocoa commitment cooperatives, 15 % (298) were found to be subject to conditions of child labor.

The most common forms of child labor identified were: **breaking cocoa pods with sharp tools, land clearing/weeding/other tasks using machetes, harvesting crops with machetes, carrying heavy loads, felling trees, and driving motorized vehicles**. Although the 15 % rate of child labor here is below the average found more broadly, it is no less serious. In order to reduce this rate as much as possible, the CLMRS is applied in all identified cases of exploitative child labor.

Awareness-raising measures

Within one week after the identification of a case, the child protection officer arranges a follow-up meeting with the child or their parents to initiate a **remediation plan**. In this meeting, the child's **family background, school situation, and working conditions** are discussed as a basis for determining tailor-made solutions and an appropriate timeline for their implementation. Depending on the specific situation of the child, the remediation measure can encompass individual solutions (e.g., provision of birth certificates or school supplies) or collective ones (e.g., helping women find new sources of income through IGAs).

Corrective measures and support systems

Following initiation of the agreed measures, two **compliance visits** are made within nine months after the identification of the case. The purpose of these visits is to assess whether the plan has in fact been implemented and the child has been removed from their conditions of labor. These measures have been successfully completed for 88 % of the 298 children found to be subjected to child labor conditions; in both of the unannounced compliance visits, no problems were registered. This development was made possible by the awareness-raising work around the issue of child labor and by the agreed remediation measures. In the remaining 12 % of identified cases of child labor, the prescribed nine-month period had not been completed by the time of this report and the remediation measures were still being implemented.

Our aim is to eliminate cases of child labor and dangerous child labor. We analyze cases of the worst forms of child labor on an individual basis and assess whether the local authorities should be called in to handle child trafficking or other similarly grave cases. These efforts toward the prevention of exploitative child labor by means of a CLMRS are a continuous process within cocoa commitment. In this way, we are contributing to a lasting solution to this challenge in the cocoa sector.

3

cooperatives in which a
CLMRS has been established

4

child protection
officers trained

1,376

farmers educated about child
labor and children's rights

1,376

households instructed
with regard to the CLMRS

88 %

of cases of child labor
successfully resolved

298

identified cases
of child labor

1,966

accompanied
children





Economy

For more growing success

We actively support sustainable, high-yield, environmentally friendly agroforestry. This form of cultivation allows farmers to earn higher incomes while at the same time protecting the environment.





Farmer Field School in the SCOOCI cooperative.

Management training

Cocoa commitment supports the farmers through various management training offerings, including **instruction in GAP** with respect to cocoa production and cocoa farm management. This instruction encompasses the pruning of the cocoa trees, weed-ing, and harvesting the fruit, as well as post-harvest processes such as fermentation and drying, to ensure the high quality of the cocoa.

In addition to GAP, the farmers are instructed in **Climate Smart Cocoa** (CSC) practices, which are concerned with agriculture’s role in address-ing climate change and with the effects of the changing climate on cocoa farming. CSC aims to promote effective adaptations to climate change in order to reduce short- and longer-term environmental risks and, at the same time, decrease production-related greenhouse gas emissions. CSC practices include, among others, integrated soil fertility

management and integrated disease and pest management, as well as agroforestry methods, intercropping, and shade management. The training measures are implemented with the help of the **Farmer Field Schools**, a collective program for training farmers in more sustainable agricultural practices.

We know that such training improves farmers’ knowledge of good agricultural practices. We are also aware, however, that the knowledge gained is not always directly put into practice. Accordingly, in order to ensure a continuous integration of the learned methods into the participants’ farming habits, many of our training measures take place directly on-site—from instruction and advising, to implementation and the inspection of the results on the farms themselves.



1,199 (101 %)

cocoa farmers trained in GAP, agroforestry, and climate-friendly practices

1,187 (100 %)

farmers provided with farm improvement plans, surpassing the goal of 80 %

18 (200 %)

Farmer Field Schools established, surpassing the goal of 9

Success Story

My name is Brou Konan. I'm a cocoa farmer and a supplier of the SCOOPAG cooperative in Duékoué. The chance to join cocoa commitment was a great opportunity for me. By participating in a Farmer Field School, I got training and support from a dedicated FOA coach.

To help me improve my cocoa growing business, my coach developed a farm improvement plan (FIP) that enhanced my tree stock and increased my harvest. In addition to that, I've actively taken part in agroforestry and reforestation initiatives.

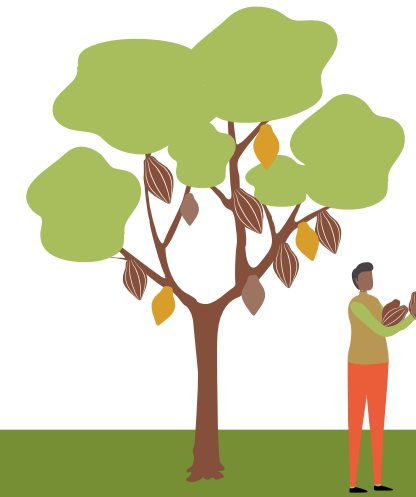


The FOA coach has taught all the famers in our community about the serious consequences of deforestation, soil degradation, climate change, irregular rainfall, and a lack of clean water.

With the support of FOA, I've already planted 25 trees and made four hectares available for reforestation.

I'm determined to keep working in this project, to help make other cocoa farmers aware of how essential agroforestry and reforestation are for a good, more sustainable future.

tion are for a good, more sustainable future.



In the GAP training, groups of approx. 30 farmers learned sustainable practices in areas including:

PRUNING OF COCOA PLANTS

ECOLOGICALLY SOUND PEST AND DISEASE CONTROL

ENVIRONMENTALLY FRIENDLY WEED CONTROL

SHADE AND HARVEST MANAGEMENT



Diagnostics work on a farm in the SOCOOPAG cooperative.



Ecology

For the environment

We are committed to cocoa farming that protects forests and prevents the clearing of land. A digital monitoring system provides the necessary control. In addition, reducing the use of pesticides and fertilizers is important to us—in the interest of a healthier natural environment, biodiversity, and climate protection.



One of three tree nurseries in the SOCOOPAG cooperative.



596*

(83 %)

farmers supported in the use of agroforestry methods and techniques

17,282

(122 %)

multipurpose tree seedlings distributed for planting on farms

692

(103 %)

hectares on which agroforestry is practiced

3

(100 %)

multipurpose tree nurseries established

Promotion of agroforestry

In the agroforestry approach, exist- ing—often monocultural—cocoa plantations are augmented by addi- tional tree species to provide shade, fruit, and timber. The shade trees afford the growing cocoa the shade conditions it needs to thrive and pro- duce higher yields. **Fruit and timber trees** enable farmers to **diversify their income**, while at the same time helping to preserve and improve the fertility of the soil by natural means. In implementing the agroforestry approach, our program uses seven kinds of trees (akpi, cedrela, fraké, framiré, kplé, mangium, and petit cola).

Three nurseries were established for the breeding of the different tree species to be used for the various purposes. In total, 18,657 seedlings were sown in germination chambers. After inspection of the chambers and removal of all empty contain- ers, 17,282 seedlings were planted on the cocoa farms, amounting to 122 % of the original goal (14,175).

Preliminary results show that 596 farmers have planted out seedlings of the **various tree types**, 74 fewer farmers than the target for the evalu- ation period. However, as of the time of this report, the analysis of the par- ticipants has not yet been completed. In the final assessment for this obser- vation period, this total is expected to rise to 721, exceeding the target of 670. A total area of 692 hectares

has been revitalized through the application of agroforestry. To ena- ble the seedlings and therefore the corresponding land areas to bene- fit sustainably from the agroforestry methods, the farmers are paid a pre- mium to protect the seedlings and promote their growth into trees. This payment for ecosystem services (PES) is €0.38 per surviving tree. No PESs have yet been paid out, as the tree audit has not been finished.

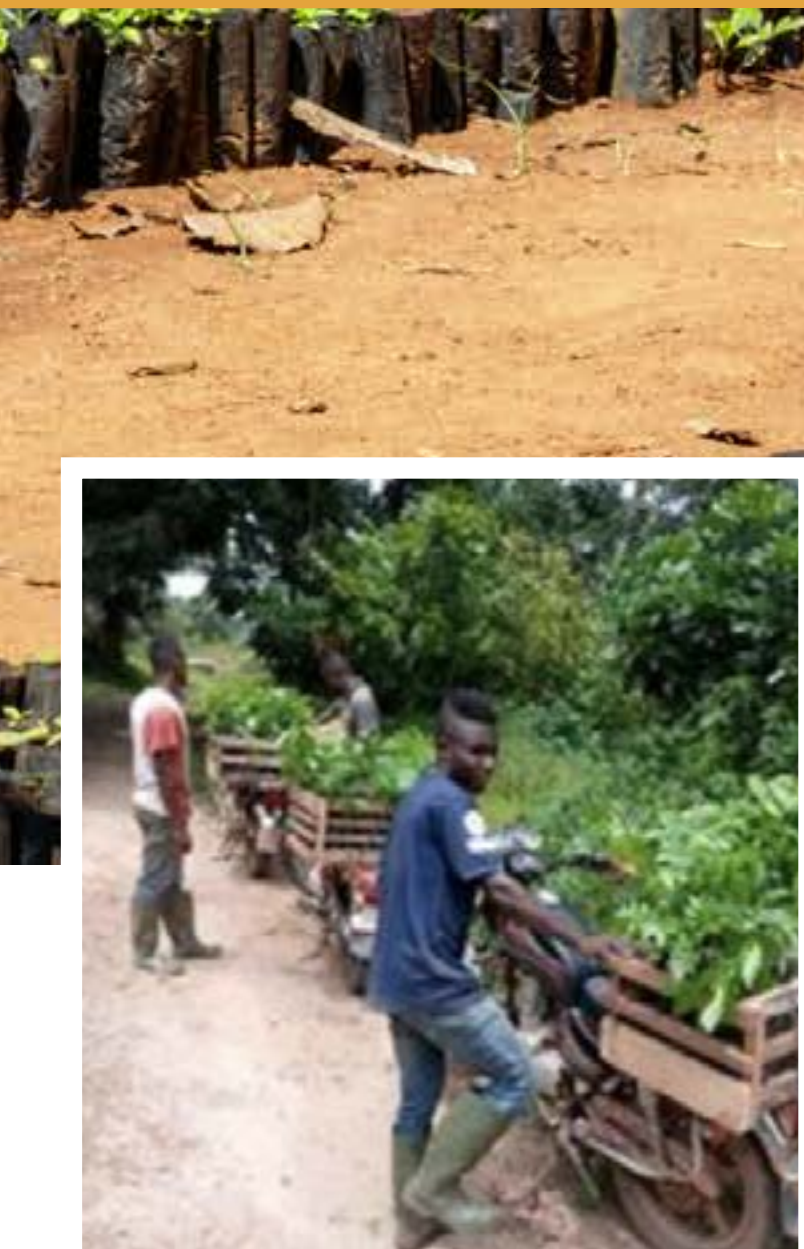
Through the **mixed cultivation** of cocoa plants and seven other tree species, farmers achieve yields of supplementary crops, making them less dependent on cocoa cultiva- tion alone. The additional income from these crops can be used to pay expenses such as school fees.

*The ongoing analysis is ultimately expected to determine that a total of 721 farmers are practicing agroforestry. The number of farmers thus far found to be doing so is 596 (83 %).





Distribution of plants at the SOCOOPAG cooperative.



Seedlings to be transported for planting.



11,080 (101 %)

multipurpose trees distributed for planting as part of the reforestation of fallow acreage

16 (97 %)

hectares of forest restored in rural areas (outside the agricultural operation)

5

farmers who have planted trees

Reforestation

In the past, especially, large areas of rainforest were cleared for cocoa cultivation. As we assume responsibility for this, in the framework of cocoa commitment, we are reforesting fallow acreage outside a national park and outside the program’s agricultural operations.

Finding landowners willing to participate in reforestation proved difficult due to the scarcity of farmland and the cooperatives’ dependency on agriculture. However, awareness-raising measures ultimately enabled us to secure degraded land for reforestation as well as sufficient areas for sustainable agriculture.

In the first year of the program, five landowners from the SOCOOPAG and SCOOPAG cooperatives were found who have made **acreage available for reforestation**. The land status and usage categories were clarified in advance in order to avoid disputes within the village community.

After being defined and surveyed, the sites were documented by means of polygon mapping. Fifteen different native trees and plants were selected for the reforestation effort (akpi, petit cola, gmelina, acajou, cedrela, niangon, iroko, ako, bété, fraké, framiré, makoré, corosolier, teak, and acacia). In total, **11,080 trees** were provided for the reforestation of the five areas, which together comprise 16 hectares, corresponding to 97 % of the total target area. The polygon mapping revealed that one of the areas was smaller than originally thought.

To discourage immediate renewed clearing of the reforested land, farmers receive € 0.45 per surviving tree. PES is distributed six months after planting. Part of that money is paid out to the farmers directly. The rest is deposited in a fund that is overseen by the cooperatives and designated for the support of income-generating activities of the women and for forest restoration and protection projects.



Polygon mapping

During the first year of the program, all participating farms have already been, or are being, charted using polygon mapping, independently of their size. Since October 2022, over 4,396 (100 %) hectares of cultivation area on participating farms has been mapped in this way. Once 1,376 (100 %) farms had been surveyed, a **deforestation risk assessment** was carried out. This involves layering various satellite photographs to determine whether illegal logging has taken place or farms have encroached on buffer zones or even nature reserves. Farms in conservation areas do not receive Rainforest Alliance certification and are thus excluded from participation in our program. Lands within a two-kilometer radius of protected areas are specified as buffer zones. We provide intensive support to farms within these areas. As it is critical that these farms not be allowed to further expand, their farmers receive **farm improvement plans** (FIPs) designed to help them earn a livelihood within their existing farm boundaries.

The polygon mapping clearly showed that none of the participating cocoa commitment farms are located on illegally deforested land or in a buffer zone.



the cocoa commitment sustainability program (e.g., with regard to the survival rate of newly planted trees).

Our goal: to prevent the destruction of forests and promote **biodiversity**.

Through polygon mapping and satellite photos, we created a basis on which to additionally assess the progress of



Mapping of multiple farms.



Polygon showing area of one cocoa farm.



4,396 (100 %)

hectares charted using polygon mapping

1,376 (100 %)

farms charted using polygon mapping

Participating companies and products

Cocoa commitment is the KRÜGER GROUP's own program for sourcing sustainably grown cocoa. We are in the process of changing our branded products over to cocoa from cocoa commitment step by step.

The transition was begun by Ludwig Schokolade, with its products Schogetten, Edle Tropfen in Nuss, Aero, and Belmandel/Nusspli bars. Cocoa commitment also supplies the cocoa for the nut nougat spreads and chocolate drops produced by Wilhelm Reuss under the Duo Penotti brand. These products bear the cocoa commitment logo.





The path to 2030

In 2022, we laid the foundation for cocoa commitment. We selected three cooperatives in Côte d'Ivoire and successfully implemented the program measures. In the second year of the program, we are already working with four additional cooperatives. We aim to continually increase cocoa commitment's cocoa bean yields in the future.

We will therefore expand cocoa commitment to further cocoa-producing countries in the coming years and bring increasing numbers of farmers into the program. This will enable us to steadily raise the amounts of program-sourced cocoa used in our products, so that, by 2030, our brand-name articles will contain cocoa exclusively derived through cocoa commitment.

2022

2023

2024

2025

2026

2027

2028

2029

2030



cocoa
commitment

SUSTAINABILITY IN ALL DIMENSIONS

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