

Roadmap: Ferrero

Background

At the 2022 General Meeting of the German Initiative on Sustainable Cocoa (GISCO), it was decided that the preparation of individual roadmaps by each GISCO member and annual public reporting on commitments and milestones included in these roadmaps is a valuable and mandatory contribution to achieve <u>GISCO's objectives</u>.

In addition to the monitoring and based on the <u>GISCO roadmap</u> which lists the goals, targeted indicators and recommendations for action of the German Initiative on Sustainable Cocoa on the focus topics of certified/independently verified cocoa, traceability, deforestation/agroforestry, child labor and living income, the members of GISCO draw up individual roadmaps on these focus topics, which are published on the GISCO website.

More information on the individual roadmaps can be found in the background document.

Commitments

- Traceability
- Certification and independent verification
- Entwaldung/Agroforstwirtschaft
- Child Labour
- Living Income



Traceability

Commitment::

96% cocoa traceable to farm gate if minimum GPS waypoint available or polygon mapped by end of 2023.

Milestone:

94% by end of 2022.

Challenge:

Reaching 100% is a challenge every year because of the change of farmers within a dedicated farmer group. For this reason, a yearly reporting will be done.

Certification and independent verification

Commitment:

Since January 2021 Ferrero is sourcing 100% of its cocoa through certification and independently managed standards. Ferrero commits to maintain this status.

Milestone:

Continue to source through certification and independently managed standards.

Deforestation/Agroforestry

Commitment:

By 2025, Ferrero aims to have 96% of sourced cocoa deforestation-free and 40% of its supplying farms to have received support to convert to category 1 (as defined by CFI) with an ambition to increase the diversity and impact of agroforestry over time.

Milestone:

By 2024, 96% GPS or polygon mapped.

Milestone:

By 2024, 30% of farms in our cocoa supply chain have received support to convert to category 1 agroforestry.

Challenge:

Challenges from CFI report



Child Labour

Commitment:

By 2025, Ferrero aims to have 100% of its cocoa bean sourcing covered by CLMRS and to have a holistic children's rights and community development approach across 30% of its sourcing communities implemented.

Milestone:

By 2023, 80% of cocoa bean sourcing covered by CLMRS and holistic children's rights and community development approach across 25% of its sourcing communities implemented.

Milestone:

By 2024, 90% of cocoa bean sourcing covered by CLMRS and holistic children's rights and community development approach across 30% of its sourcing communities implemented.

Challenge:

Reaching both numbers is challenging due to changing cooperatives. New cooperatives might not have a CLMRS implemented from the beginning (time for adjustment needed).



Living Income

Note: 2023, an examination under German cartel law took place on the question of whether individual roadmaps on living income bay be drawn up and published. The Bundeskartellamt did not see the need for a detailed examination under cartel law on this issue. Based on the Bundeskartellamt's feedback, it was decided at the special General meeting on 17 June that members of member groups B and C would submit a roadmap on the topic of living income by 31 December 2024. Until then, commitments on living income can be submitted voluntarily.

Milestone:

Milestone:

Challenge: