



SHARING **VALUES** TO CREATE **VALUE**

Corporate Social
Responsibility

Report 2012

FERRERO

Ferrero Group



TODAY

almost **30,000** employees

20 manufacturing units

46 commercial units

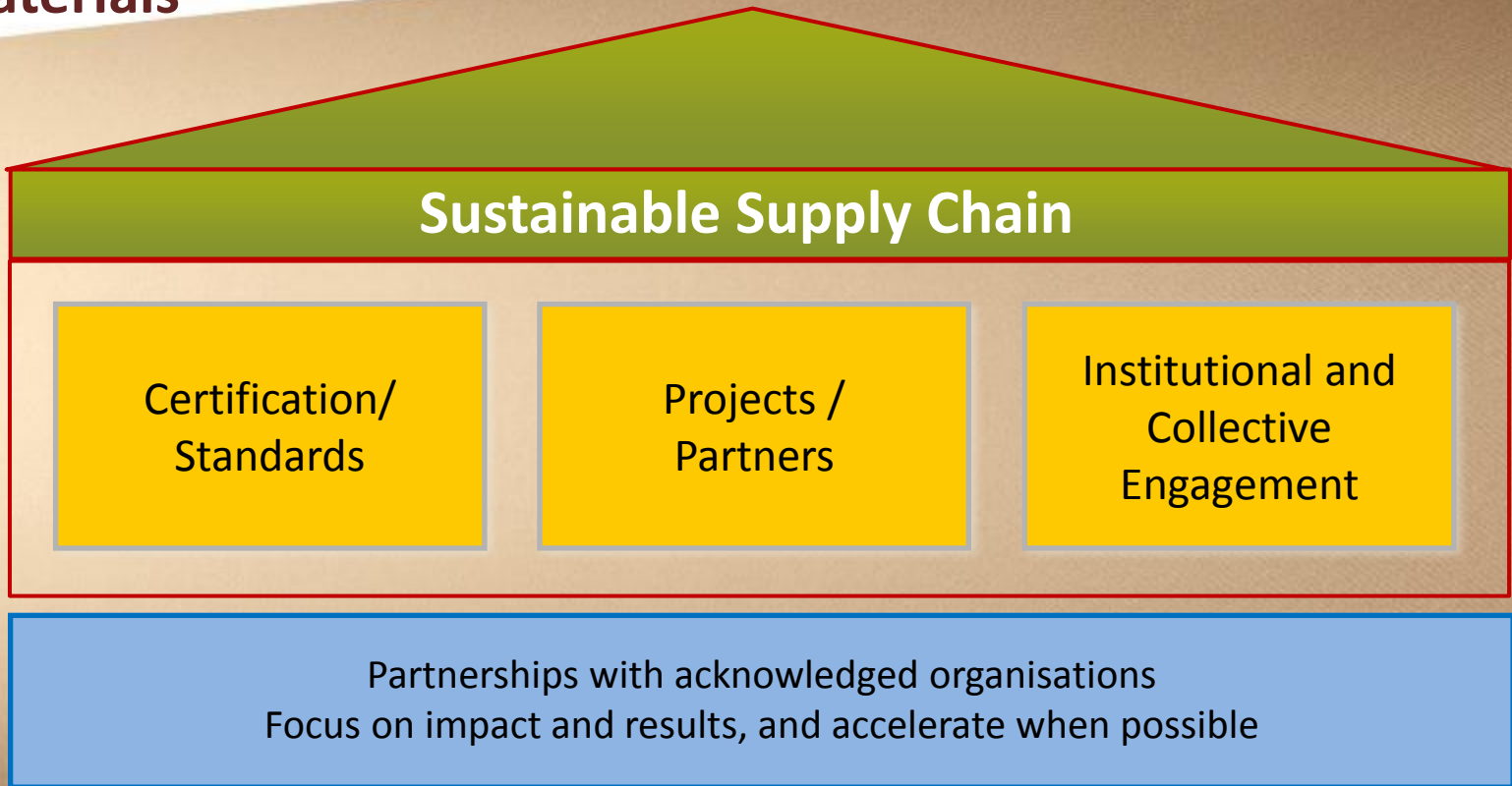
6 agricultural companies

50 products distributed worldwide











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Blueprint for Ferrero's Sustainability Approach in raw materials



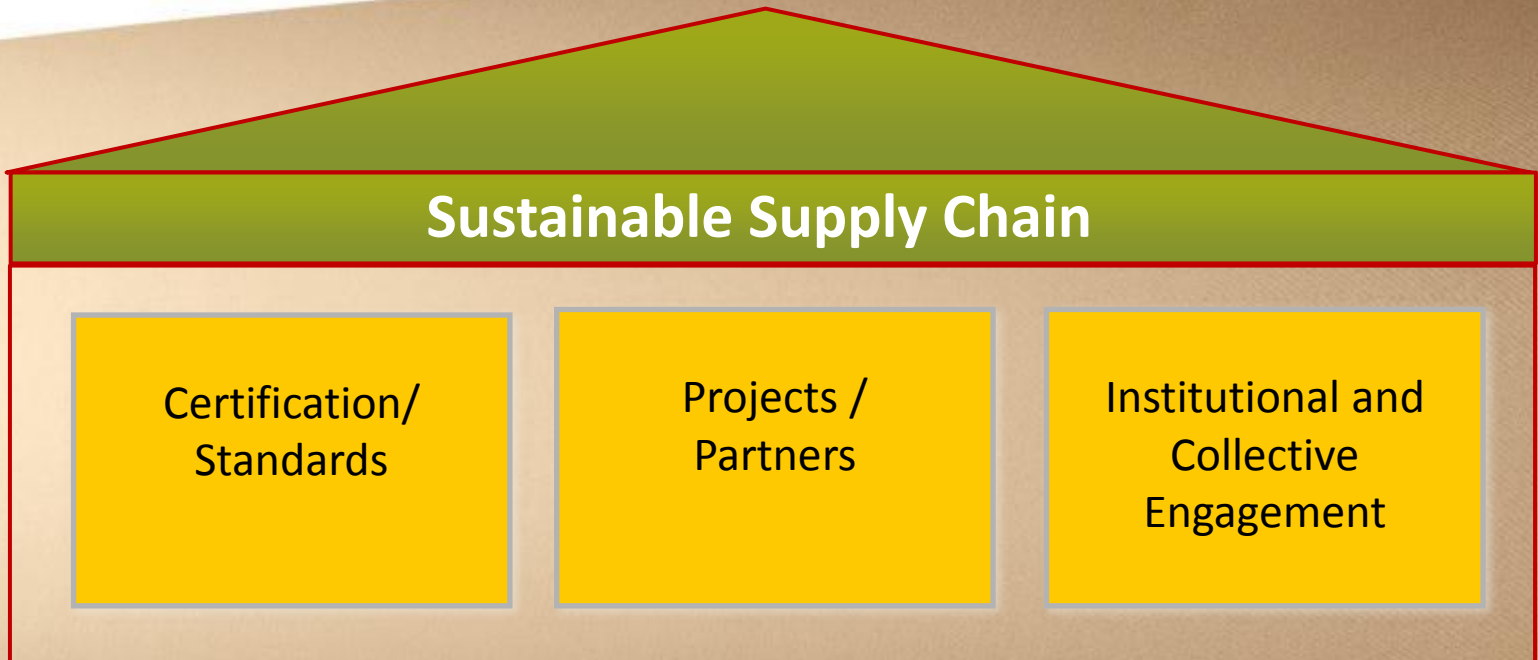
Raw Materials – Objectives and Results

	Objectives	Timeframe	Status	
Coffee	100% certified as sustainable	2013		Achieved 2 years ahead of plan
Eggs	100% eggs from barn hens in respect of animal welfare	2014		
Palm oil	100% certified as sustainable and segregated	2014		To be achieved 1 year ahead of plan
Cocoa	100% certified as sustainable	2020		
Hazelnuts	Implementation of the traceability plan for 100% of hazelnuts	2020		
Cane sugar	100% from sustainable sources	2020	new	

 Anticipated
  On track
  Achieved



Our Sustainability Approach in Cocoa



Our Roadmap towards sourcing 100% Sustainable Cocoa

> 25-30%

> 45-50%

> ... %

20%

40%

60%

80%

100%

2011/13

2013/15

2015/17

2017/19

2020

Origins: Ivory Coast, Ghana, Nigeria, Ecuador, Cameroon and others

FADU project in Nigeria

Objectives

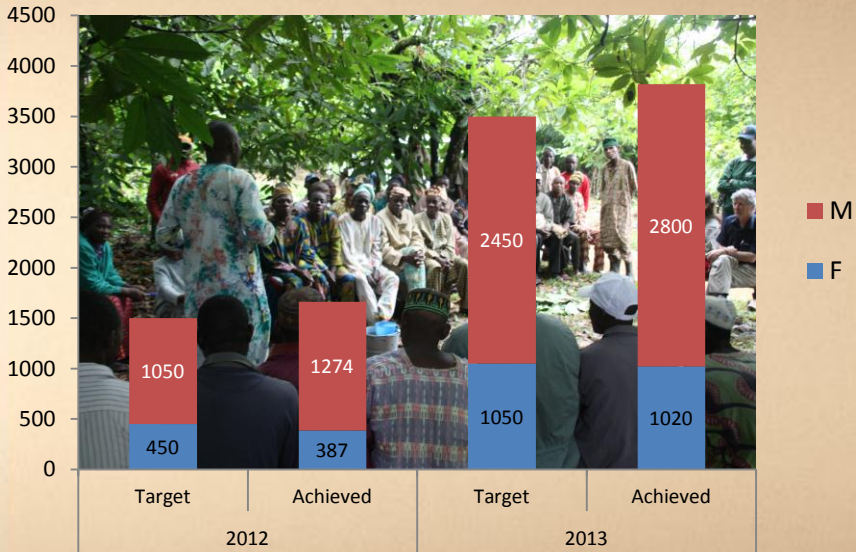
- Improved cocoa production and quality
- Improve access to finance & inputs
- Professionalization of the farmer groups
- Address social issues to empower vulnerable groups and improve livelihoods
- Set up/strengthen multi-stakeholder (or PPP) platforms at national and state levels



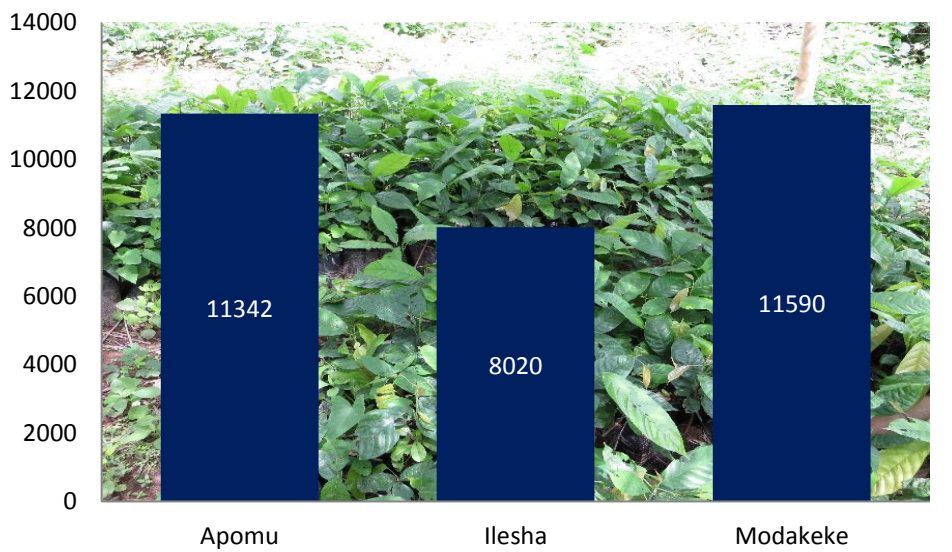
PLANNING 2012-2016	Year 1	Year 2	Year 3	Year 4
Outreach	1.500	3.500	5.500	7.500
Number of new Farmers	1.500	2.000	2.000	2.000
Average ha/farmer	1,5	1,5	1,5	1,5
Total Certified Cocoa volumes (MT)	900	2.400	4.400	7.200

FADU project in Nigeria – Preliminary results

Certified Farmers 2012 & 2013



Seedlings Planted (~40ha)



Yield increase/ha: 49%
Kg/ha (2013): 431

Mapping and Traceability

IT-based

- Data collection
- Analysis
- Towards customized support

No 1-size-fits-all approach

LANGUAGE -- FR | EN | ES

CLIENT LOGIN

COUNTRIES

Producers engaged	63,880
Mapped Area (ha)	96,838
Countries	8

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THE ABILITY TO KNOW

THE ABILITY TO UNDERSTAND

THE ABILITY TO TAKE ACTION

THE ABILITY TO MONITOR & EVALUATE

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Summary Report: Ferrero

Ashanti Region:

Ashanti Bekwai, New Edubiase A and Obuasi

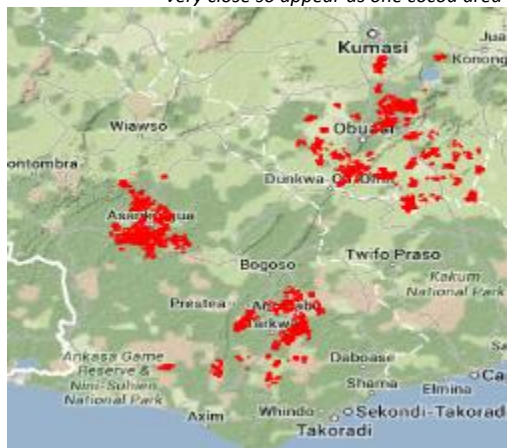
Western Region:

Asankragwa A and Tarkwa A



Number of fields mapped in each area.

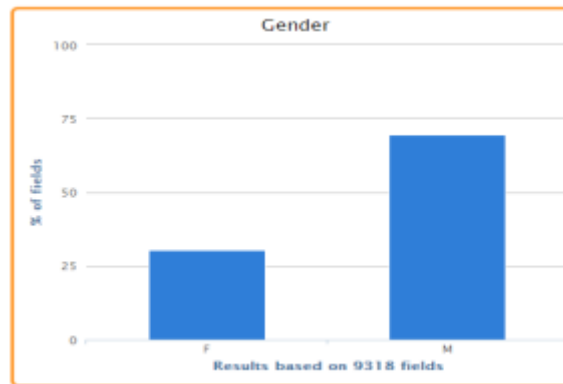
Note: Obuasi, New Edubiase A and Ashanti Bekwai are very close so appear as one cocoa area



Field polygons mapped for all districts

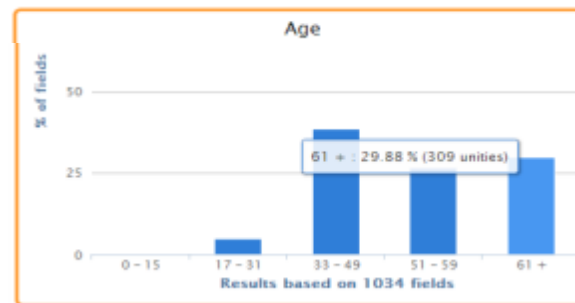
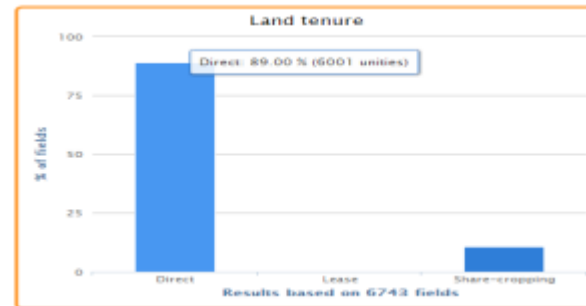
Hectares	Nb. of Farmers	Nb. of Fields
TOTAL	5986	9323
Average Field Size	1.19	
Average Farm Size	1.85	
Area (ha)	11084.82	

Note: data presented in this report only refers to the sample number of recordings available for each indicator. Sample sizes may differ.

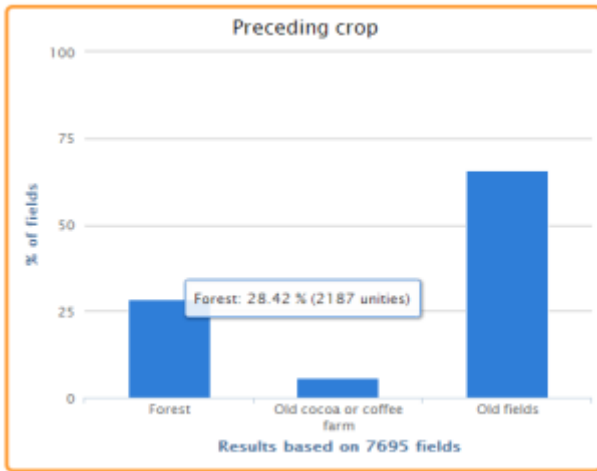


Nearly 30% of fields are managed by female farmers. This proportion of females involved in the programme is above the minimum target for female participation in cocoa production.

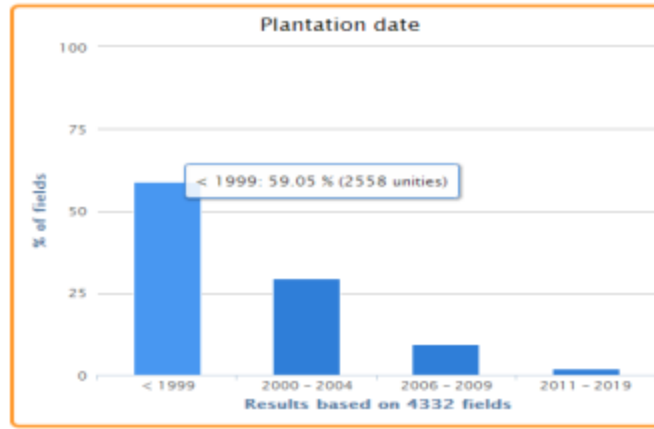
A large proportion of the mapped fields were under direct ownership of the farmers registered in Ferrero's districts.



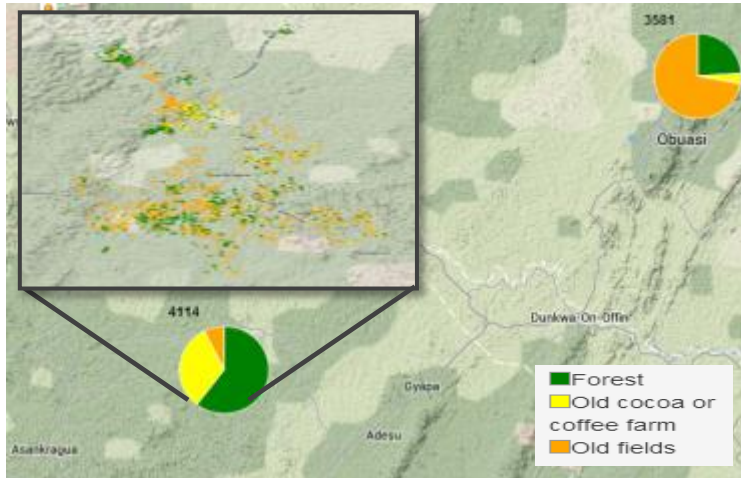
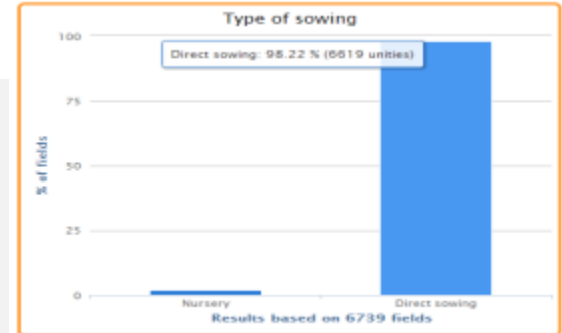
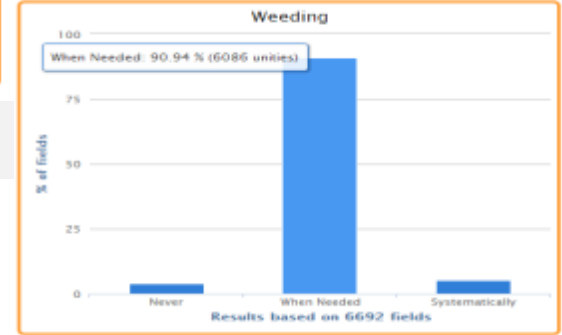
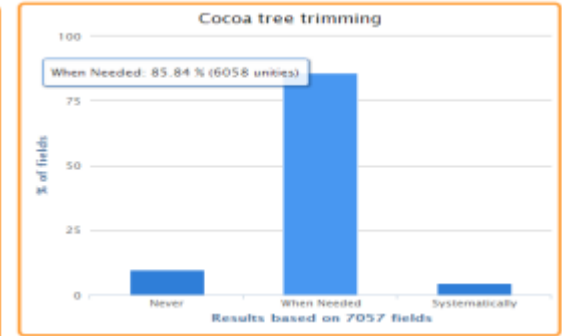
Nearly 30% of fields are managed by farmers over 60 years of age. With only 11% under 30 years old, programmes may want to focus on youth involvement.



We should be wary that a reported 28% of fields were previously forest land.



Nearly 60% of fields have a reported average age of over 14 years. At this point the production capacity of the trees are in decline.



As can be seen from the map – data on preceding crop use has only been validated for two district - Obuasi and Asankragwa. Prevalence of forest encroachment is greatest in Asankragwa. Training in this district could focus on discouraging any continued expansion of production territories into forest lands.

Agronomic practices appear strong with low prevalence of black pod and swollen shoot. A low incidence of mirid damage has also been recorded. The fact that nearly all farmers are sowing directly from their own seeds, rather than sourcing from a nursery may mean that access to planting materials needs to be improved. In addition to this, training may need to focus on the value, for the farmer, of using improved planting materials.

Sustainable Agricultural Practices

Sustainable Supply Chain

Certification/
Standards

Projects/
Partner

Institutional and
Collective
Engagement



Forum Nachhaltiger Kakao
German Initiative on Sustainable Cocoa





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THANK YOU

FERRERO