

GRI Report 2022/2023

Content:

Barry Callebaut AG's 2022/2023 GRI Index is based on the Global Reporting Initiative (GRI) Standards. GRI is the world's leading standard for corporate sustainability reporting (www.globalreporting.org). Through this GRI Index, together with the Forever Chocolate Progress Report and the Annual Report 2022/23, Barry Callebaut reports in reference to the GRI Standards, 2021.

All material standards and indicators discussed are reported as fully as the available data allow.

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GRI 1 Foundation

GRI 2 General Disclosures

The organization and its reporting practices

2-1	Organizational details	
2-1-a	Legal Name	Barry Callebaut AG
2-1-b	Nature of ownership and legal form	Barry Callebaut AG ("The Company") was incorporated on December 13, 1994, under Swiss law, having its head office in Zurich, Switzerland, at Hardturmstrasse 181, 8005 Zurich. Barry Callebaut AG is registered in Switzerland and has been listed on the SIX Swiss Exchange (BARN, ISIN Number: CH0009002962) since 1998. As at August 31, 2023 the market capitalization based on issued shares was CHF 8,464 million (August 31, 2022: CHF 11,000 million). The significant shareholders of the Company are listed in Note 5.4 to the Consolidated Financial Statements , with Jacobs Holding AG as the reference shareholder holding 30.1% of the issued share capital (2022: 30.1%).
2-1-c	Location of headquarters	Barry Callebaut AG Hardturmstrasse 181 8005 Zurich, Switzerland
2-1-d	Countries of operation	Barry Callebaut offers its products in 138 countries across the following regions: Europe, Americas, Asia Pacific. https://www.barry-callebaut.com/en/contact
2-2	Entities included in the organization's sustainability reporting	
2-2-a	Entities included in sustainability reporting	The entities covered under the Forever Chocolate Progress Report 2022/23 can be viewed via the Assurance Statement 2022/23: https://www.barry-callebaut.com/en/group/forever-chocolate/sustainability-reporting
2-2-b	Differences between list of entities included in financial reporting and list included in sustainability reporting	There are differences between the list of entities included in financial reporting and those included in sustainability reporting. See Annual (Financial) Report 2022/23: https://www.barry-callebaut.com/system/files/2023-11/Barry_Callebaut_Annual_Report_2022-23_2.pdf . The entities covered under the Forever Chocolate Progress Report 2022/23 can be viewed via the Assurance Statement 2022/23: https://www.barry-callebaut.com/en/group/forever-chocolate/sustainability-reporting
2-2-c	If multiple entities: approach used for consolidating the information	See Annual (Financial) Report 2022/23: https://www.barry-callebaut.com/system/files/2023-11/
2-3	Reporting period, frequency and contact point	
2-3-a	Sustainability reporting period and frequency	Annual 1 September 2022 - 31 August 2023
2-3-b	Financial reporting period	1 September 2022 - 31 August 2023
2-3-c	Publication date of report	GRI Report 2022/23 (November 30, 2023) Annual Report 2022/23 (November 1, 2023)
2-3-d	Contact point for report	Taryn Ridley, Lead ESG Integration & Communications Phone. +41 43 204 0404 Email. taryn_ridley@barry-callebaut.com
2-4	Restatements of information	
2-4-a	Restatements from previous reporting periods	None
2-5	External Assurance	
2-5-a	Policy and practice for seeking external assurance	The AFRQC Committee, a sub-committee of the Board of Directors, reviews our internal system controls, risks, quality, and the reliability of our external reporting. It also oversees the implementation of ESG processes, controls and robust reporting and the direct integration of ESG into the audit structure and the relationship with investor relations.
2-5-b	Delegating authority	The auditing partner, PwC UK, audited the Forever Chocolate Progress Report 2022/23. An assurance report and statement is publicly available online via https://www.barry-callebaut.com/en/group/forever-chocolate/sustainability-reporting/verification-assurance-reports

Activities and workers

2-6	Activities, value chain and other business relationships	
2-6-a	Sectors	The company serves clients in the Food & Beverage industry. Barry Callebaut serves the entire industry, from food manufacturers to artisans and professional users of chocolate such as chocolatiers, pastry chefs or bakers; the Company also supplies products for vending machines.
2-6-b	Value chain	Barry Callebaut is fully vertically integrated along the entire value chain. The Company sources cocoa directly from smallholder farmers in Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil, Ecuador and Nigeria as well as from third-party suppliers from the main cocoa-producing countries. Cocoa beans and chocolate are processed or produced in 66 factories operated directly by Barry Callebaut. Its main brands are Barry Callebaut, Bendsdorp, Callebaut, Cacao Barry, Carma, Caprimo, Chocovic, La Morella Nuts, Le Royal, Mona Lisa, SICAO, Van Leer, Van Houten Professional and Van Houten Drinks. See Annual (Financial) Report 2022/23 on page 10: https://www.barry-callebaut.com/system/files/2023-11/Barry_Callebaut_Annual_Report_2022-23_2.pdf
2-6-c	Business relationships	Among the main external initiatives which Barry Callebaut endorses and supports are: the Dutch Sustainable Trade Initiative (IDH), The German Development Finance Institution (DEG), Fairtrade, Jacobs Foundation, Rainforest Alliance, The Sustainable Agriculture Initiative Platform, and the International Cocoa Initiative (ICI). Cocoa relevant ABICAB, AIDEPIT, AIPC, Alliance7, Amcham, Ania, Aschoko/Confimex, BDSI, BLL & BVE, Belgian Confectionary Association (Choprabisco), Beyond Chocolate, Biscouisse, Bundesverband der Deutschen Suesswarenindustrie, China National Candy Association, Chocolate and Cocoa Association of Japan, Chocosuisse, Cocoa Association of Asia, Cocoa Merchants Association of America (CMAA), DISCO, EFOSZ, European Cocoa Association (ECA), European Confectionary Association (Caobisco), Federalimentare, FRISCO, GISCO, FAARP, Federation of Malaysian Manufacturer, FEVIA, FDP, FIAL, FNL, GAPMM Indonesia, GEPEX, Hunbisco, Index Nuovo Leon, International Cocoa Initiative, International Cocoa Organization, INC International Nut and Dried Food, Indonesia Cocoa Association, Japan International Cooperation Agency (JICA), Malaysia Cocoa Board, National Confectioners Association, Polbisco, Produlce, SGLH, Singapore Manufacturing Federation, SWISSCO, SVLQ, SVG, VBZ, Unione Ind. LI VCO, World Cocoa Foundation.
2-6-d	Changes to previous reporting period	In the fiscal year 2022/23, the significant changes to the organization's size and structure include the following: September 2023 Barry Callebaut announces BC Next Level, a CHF 500 million strategic investment program through 2025 to increase efficiency, digitization and proximity to markets and customers. August 2023 Barry Callebaut and Mondelēz, a leading global snack manufacturer, renew and extend their long-standing partnership. July 2023 Barry Callebaut's APAC region celebrates the 10th anniversary of the acquisition and integration of Petra Cocoa Ingredients Division (now Delfi limited). June 2023 Unilever and Barry Callebaut extend a strategic cocoa and chocolate sourcing agreement and agree to deepen their collaboration on innovation and sustainability. May 2023 Barry Callebaut adds new ambition to its Forever Chocolate initiative for a sustainable cocoa supply chain, with new measurable targets for 2030 and beyond. March 2023 Barry Callebaut launches a partnership with Nestlé to support large-scale agroforestry tree planting projects in Ivory Coast. January 2023 Barry Callebaut opens a Business Excellence Centre in Malaysia to support the entire region. December 2022 Barry Callebaut announces the next phase of its multi-year investment into its Canadian factory in Chatham, Ontario. October 2022 Barry Callebaut introduces second generation chocolate, redesigning cocoa bean farming, fermentation and roasting to meet changing consumer preferences. Through a partnership and the acquisition of a production unit from Attelli, Morocco, Barry Callebaut establishes the Group's first production presence on the African continent.
2-7	Employees	
2-7-a	Number of employees by gender and region	At the end of the fiscal year 2022/23, Barry Callebaut had 13,754 employees. The company had: female employees 4,241, male employees 9,504 and employees without gender identification 9. Employees in EMEA: 6,223; employees in Africa: 1,442; employees in Americas: 4,064; employees in Asia: 2,025.
2-7-b	Number of employees by type of employment	At the end of the fiscal year 2022/23, Barry Callebaut had 13,754 employees. The company had: 4,084 permanent and 157 temporary female employees; 9,224 permanent and 280 temporary male employees, 9 employees without gender identification. Employees in EMEA: 5,937 permanent and 286 temporary; Americas: 4,004 permanent and 60 temporary; Asia: 1,967 permanent and 58 temporary; Africa: 1,409 permanent and 33 temporary; 3,884 full time and 357 part time female employees; 9,274 full time and 230 part time male employees; 9 full time employees without gender identification.
2-7-c	Methodologies and assumptions for data compiling	Data related to employees are reported in headcount and as of 31 August 2023. Data are collected through our HCM system and elaborated through queries.

2-7-d	Contextual information	The population includes internal employees with following employee class: assignees, apprentices, employees, graduates, interns.
2-7-e	Fluctuations	The total turnover of employees was 16%. The turnover of employees by geozone and gender: Africa: 7% female and 5% male Americas: 24% female and 28% male Asia-Pacific: 17% female and 14% male Europe: 12% female and 11% male The turnover of employees by age and gender: Below 30 years old: 33% female and 38% male Between 30-50 years old: 13% female and 13% male Above 50 years old: 14% female and 11% male
2-8	Workers who are not employees	
2-8-a	Number of workers not employees	Due to the sensitive nature of certain data, specific details within GRI Standards 2-8 regarding organizational impacts, risks, and opportunities have been omitted from this report to ensure the protection of confidential information.

Governance

2-9	Governance structure and composition	
2-9-a	Governance structure	Committees of the highest governance body include the Board of Directors; the Audit, Finance, Risk, Quality & Compliance Committee; the Nomination & Compensation Committee; and the Internal Audit. The ESG and Sustainability agenda is strongly driven by Barry Callebaut's top management. Please refer to the Governance structure as it is described on the website: https://www.barry-callebaut.com/en/group/investors/corporate-governance/functioning-board
2-9-b	Committees of the highest governance body	Committees of the highest governance body include the Board of Directors; the Audit, Finance, Risk, Quality & Compliance Committee; the Nomination & Compensation Committee; and the Internal Audit.
2-12	Role of the highest governance body in overseeing the management of impacts	
2-12-a	Role of the highest governance body and of senior executives: organization's purpose, value or mission statements, strategies, policies, and goals;	The Board of Directors plays a crucial role in overseeing ESG (Environmental, Social, and Governance) strategy within our company. This oversight includes aligning the business and ESG strategy and ambitions, ensuring a long-term vision on the development of our business value, and actively identifying and managing actual and forward-looking risks. The Board ensures that adherence to Regulations and sustainability topics and matters are fully integrated into the company's purpose, strategy, decision-making, risk management, and accountability reporting. The Committee meets quarterly to review the sustainability strategy and progress.

Strategy, policies and practices

2-22	Statement on sustainable development strategy	<p>Statement about relevance of sustainable development to the organization and its strategy</p> <p>Statement from Peter Feld, CEO Barry Callebaut, November 30, 2023.</p> <p>I am delighted to share with you our latest Forever Chocolate Progress Report, marking the seventh edition of our approach and progress to make sustainable chocolate the norm.</p> <p>This past year has been a time of reflection and in-depth analysis. It has given us a new outlook on advancing best-in-class sustainability, positioning us at the forefront of innovation and inspiring modern cocoa farming practices. We're not just envisioning the future; we're sculpting it. Our commitment propels us to lead the charge in igniting industry-shaping change toward an unprecedented era for a sustainable cocoa supply chain. With the support of our customers, we're accelerating toward a future where sustainability is not just a goal but the differentiator that sets us apart and propels the entire industry into a new era of excellence. Our results this year speak for themselves. For our Forever Chocolate pillars - Prospering Farmers, Thriving Nature and Sustainable Ingredients we have achieved progress across the board against our key metrics, and for Human Rights, we extended the coverage of our Human Rights Due Diligence approach.</p> <p>In May, we presented our sharpened Forever Chocolate targets. We also published a comprehensive white paper that lays the foundation for our vision of a transformative cocoa farming model in Côte d'Ivoire and beyond, throughout West Africa. Additionally, we crafted innovative sustainability solutions tailor-made for our customers, including our labor teams program and agroforestry insetting approach. In a nutshell, our sustainability strategy combines ambitious targets, thought leadership, customer-centric solutions, and operational excellence.</p> <p>Our key achievements for 2022/2023 underline our dedication to fostering tangible impact through collaboration with customers, industry partners, and society at large. Overall we have significantly grown our sustainability program, aligned with our promise to customers and society, that we do not buy, but produce, sustainability. We added almost 120,000 new cocoa farmers to our sustainability programs, expanding our reach by 35%. All while upholding our commitment to mapping farm plots and maintaining traceability at nearly 80% for the cocoa volumes in our direct supply chain. We will continue to advance end-to-end traceability, one of the key pillars in our BC Next Level program, as we are convinced that combining traceability with sustainability delivers a sustainable impact. We simultaneously increased the proportion of products sold, which contain 100% sustainable cocoa or chocolate, to 52%. This is a direct result of the commitment of both our customers and suppliers to a sustainable cocoa supply chain and Barry Callebaut's aspiration to deliver the most sustainable and high-value solutions.</p> <p>In Côte d'Ivoire, Ghana, and for the first time, in Cameroon, we have supported cocoa farmers with the cost of production through paid labor teams, over a combined area of 19,326 hectares, more than doubling the size of the program. This great example of pre-harvest intervention supports farmers to improve their quality yield per hectare and lift them out of poverty. As such, in 2022/23, we reached 269,762 farmers, in line with our trajectory to have 500,000 cocoa farmers in our supply chain lifted out of poverty by 2025. Under our Human Rights pillar, we have placed great emphasis on fortifying community systems to better safeguard children. Our efforts have resulted in the implementation of child labor-focused due diligence systems in 76.5% of the farmer groups within our direct supply chain. Additionally, we have extended the coverage of our intensified agroforestry approach, which includes payment for ecosystem services, adding 18,066 hectares, representing 76.8% growth compared to the previous year. Notably, our commitment to agroforestry insetting has allowed us to reduce our net carbon footprint by 4% to 7.62 million tCO₂e. Since the commencement of Forever Chocolate in 2016 we have reduced our overall carbon intensity per tonne of product by almost 20%.</p> <p>This year, we have also remained steadfast in our advocacy to make sustainable chocolate the norm. We are proud to be a leading industry voice in these developments. Together with other companies, industry associations and NGOs, we have publicly endorsed legislation on human rights and environmental due diligence for the cocoa sector. However, legislation should not be seen as permission for companies to lower their ambitions. As governments set the minimum requirements, we aspire to continue raising the bar for excellence.</p> <p>I want to express my gratitude to our employees. Their expertise, dedication and skills is THE ingredient for our continued success as the world's best chocolate solutions company. I also want to extend our appreciation to our partners, suppliers, and customers for embracing our sustainability journey. Each and every achievement we have accomplished is a testament to their unwavering dedication and passion. I warmly invite other stakeholders to join the Forever Chocolate movement. Together we can make sustainable chocolate the norm.</p>
2-23	Policy commitments	<p>Barry Callebaut is committed to embedding responsible business practices, and as such we closely follow the OECD Due Diligence Guidance for Responsible Business Conduct which we reference in our global Code of Conduct as well as global policies such as our Global Human Rights statement and Position on Child Labor. These policies are located on Barry Callebaut's Position On ESG page.</p> <p>On an annual basis, Barry Callebaut reviews and updated its Global Human Rights Policy. In addition, Our Global Code of Conduct, Supplier Code, Global Labor Policy, and the Global Policy Safeguarding Human Rights, together with our Global Statement on Child Labor and related procedures, constitute the policy and procedural framework for Barry Callebaut with respect to human rights and child labor.</p> <p>Barry Callebaut's business partners receive the Supplier Code. The Supplier Code includes a reference to their values. Please visit: Sustainable Sourcing.</p> <p>Additional information, policies and reports on a broad range of ESG topics are also publicly available on a dedicated ESG information page. For more information, please visit: Barry Callebaut's Position On ESG.</p> <p>Barry Callebaut developed its Code of Conduct in 2002 (updates in 2011, 2013, 2016, 2022 and 2023). The document is approved by the Executive Committee and signed by the CEO. The Chairman of the Audit, Finance, Risk, Quality & Compliance. The Committee (AFRQCC) is informed about compliance cases and compliance activities. The importance of this document and its implementation is amplified by the fact that the Chairman of the NCC is a member of the AFRQCC. For further information, please see an overview of the functioning of the Board.</p>
2-23-a	Policy commitments for responsible business conduct	
2-23-b	Policy commitment to respect human rights	
2-23-c	Links to the policy commitments	
2-23-d	Approval of policy commitments within the organization	

2-23-e	Extent of application	Our values represent a mindset and way of doing business that is committed to generating sustainable earnings over time and creating long-term value for all stakeholders. We are dedicated to running all our operations with transparency and integrity, including reporting on our social, environmental, and governance (ESG) management and risks. Moreover, our policy commitments extend to the organization's activities and business relationships, ensuring a comprehensive and ethical approach to all aspects of our operations.
2-23-f	Communication of policy commitments	All employees are expected to behave in ways that reflect the corporate values and to show responsibility and good citizenship in business dealings. The principles and guidelines for behavior are set forth in the Code of Conduct , which is available in 17 languages and signed by every employee when they join the company.
2-24 Embedding policy commitments		
2-24-a	Embedding throughout activities and business relationships	<p>Barry Callebaut sources its ingredients, both cocoa and non-cocoa, from countries and regions across the world. Barry Callebaut is committed to working towards a sustainable cocoa industry, and respecting human rights. We aim to have a positive impact on all our stakeholders – farmers, employees, shareholders, customers, consumers, suppliers, and the communities where we operate. Barry Callebaut observes the principles set forth in the Universal Declaration of Human Rights, the United Nations (UN) Convention on the Rights of the Child (CRC), the African Charter on the Rights and Welfare of the Child, the United Nations Guiding Principles (UNGPs) on Business and Human Rights framework, and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.</p> <p>Our Global Code of Conduct, Supplier Code, Deforestation Policy, Global Labor Policy, and the Global Policy Safeguarding Human Rights, together with the Global Statement on Child Labor and related procedures, constitute the policy and procedural framework for Barry Callebaut with respect to the people, communities and the environment where we operate. For our Forever Chocolate program to become a reality, we also need public intervention to drive structural change. Government action at origin is essential to address the issue of traceability, rural infrastructure development and proper enforcement of national policies and legislation. This includes agricultural policy that adequately manages the cocoa supply, introduces land titles for farmers, builds a registry for cocoa farmers and finds alternative livelihoods for cocoa farmers in protected forest areas.</p> <p>Human Rights</p> <p>We recognize that protection of and respect for every individual's rights are fundamental and need to be provided and safeguarded at all times. Accordingly, Barry Callebaut observes the principles set forth in the Universal Declaration of Human Rights, the United Nations (UN) Convention on the Rights of the Child (CRC), the African Charter on the Rights and Welfare of the Child, the United Nations Guiding Principles (UNGP) on Business and Human Rights framework and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.</p> <p>According to the Convention on the Rights of the Child (CRC), every child has the right to protection from harm, and this means protection from all forms of harm and abuse, not only child labor. Our work is aligned with the four core principles of the CRC: non-discrimination; devotion to the best interests of the child; the right to life, survival and development; and respect for the views of the child. Under our Human Rights pillar we envision that all children are able to embrace opportunities and realize their full potential living in communities that are safe and self-reliant for all.</p> <p>Our approach is two-fold. We commit to covering our entire supply chain by Human Rights Due Diligence, while remediating all child labor cases identified, by 2025. In addition, by 2030 cocoa communities in our direct sustainable supply chain are empowered to protect child rights. In 2022/23, to ensure we put policy into practice, meaning ensuring our employees and suppliers gain an understanding of the policies and the issues they cover and can respond appropriately, we continued delivering training to all suppliers in our direct cocoa supply chain. They received training on the concepts of child and forced labor as well as support in their efforts to assess and address child labor. Such training is provided in collaboration with our NGO partners.</p> <p>In addition, this fiscal year, as part of our employee onboarding, we developed an online training program covering our Code of Conduct and our child and forced labor concepts. Employees who work directly with the communities and farmers are required to attend in-depth training and annual refresher courses on the issues of child labor and forced labor.</p> <p>In addition, we also support the establishment of Human Rights Committees (HRCs) at the farmer group level. We assist HRCs in developing their Human Rights structures and function and enable them to effectively assess and address adverse human rights impacts in their cocoa supply chain operations.</p> <p>Prospering Farmers</p> <p>Lifting cocoa farmers out of poverty is a first step. We aim for a longer poverty reduction perspective towards 2030, towards a living income. For this, we are providing input support, through subsidized soil inputs, planting material, financial support for third party labor services and additional premiums. Cocoa farmers have a solid understanding of sustainable agricultural practices, but their main struggle is access to investments in their farms. We measure success by focusing on outcome over outputs. Our new Prospering Farmers ambition for 2030 will create a framework where our performance is measured on average yield, income and size of farms of the cocoa farmers we source from. Delivering some of these outcomes, such as farm size, are beyond our direct influence. We therefore commit to mobilize key stakeholders including governments, to unite around a transformative cocoa farming model generating living income.</p> <p>Thriving Nature</p> <p>To ensure the stability of ecosystems we are committed to reducing our carbon footprint and achieving a forest positive supply chain. This means our goal is to go beyond sourcing activities and deforestation-free supply chains and contribute to long-term and large-scale forest conservation. At the same time our aim is to empower communities, helping farmers prosper by increasing the long-term productivity of cocoa farming in environmentally suitable areas while mitigating the impact of climate change, preserving ecosystems and restoring natural biodiversity on existing farmland. While maintaining our target to become forest positive by 2025, we have shifted our focus from carbon offsetting to insetting our carbon emissions through agroforestry and other decarbonization initiatives across our factories and value chain. This shift is aligned with the emissions reduction trajectory of the Paris Agreement for 2030, and will help us become a net zero company by 2050.</p>

Sustainable Chocolate

To reach our target of 100% certified or verified cocoa and ingredients in all of our products, traceable to farm level by 2030, we are collaborating closely with our suppliers, engaging in industry-level working groups and striving to increase customer demand for sustainable products while implementing our sustainable sourcing programs across all ingredients. Our goal is to integrate these programs into regulatory frameworks, establish strong government partnerships, and positively shape agricultural policies. We firmly believe that this approach is paramount to amplifying the impact of sustainability on a larger scale.

Whenever possible we are driving impact on the ground by working directly with farmers and cooperatives. In addition to cocoa, we have various origin-based projects covering dairy, coconut oil, palm oil and cane sugar.

We aim to establish industry-wide sustainability standards and programs, which we believe are essential for the sustainable sourcing of all raw materials. This is why we are working with both our suppliers and industry programs to define and implement sustainability standards for every ingredient we source. We have established sustainability standards for the vast majority of our ingredients and we will continue onboarding additional suppliers, further increasing our volumes of sustainably sourced ingredients. Recognizing the important role of our suppliers in our value chain, we expect our suppliers to share our vision and support our high ambitions for sustainable supply chains.

Talent, diversity, employee engagement and health and safety

Employee value development programs enhance skills and capabilities, leading to innovation, customer service, and positive impacts on our business. Mentoring programs, like the Leadership Mentoring program, pair emerging talents with senior leaders for coaching and leadership development. The People Manager Essentials (PME) program provides comprehensive training for managers, enhancing skills and developing future leaders. Our global internal promotion rate is 30%, reflecting our commitment to career growth. Talent Development is integral to our work culture at Barry Callebaut.

The top strategic priority for this financial year at #oneBC was the implementation of inclusive leadership principles. To achieve this, #oneBC partnered with a leading D&I service provider to deliver a customized Inclusion Foundations interactive training program to 388 leaders. Each leader and their respective teams collaborated to create action plans that would promote a diverse and inclusive culture within the organization. These principles are now being utilized across the organization to ensure consistent demonstration of inclusive behaviors and to foster a culture that values diversity in all its forms.

To maximize the impact of #oneBC's initiatives, the organization recognized the importance of local engagement. As a result, regional #oneBC champions launched a network of ambassadors who are responsible for driving local programming and focusing on local D&I priorities. The goal is to have D&I ambassadors represented at 66 locations, ensuring that the celebration of diversity and the promotion of an inclusive culture extends throughout the organization. The enthusiasm for these efforts continues to grow, reflecting the organization's commitment to embracing diversity and fostering an inclusive environment.

Our people data for fiscal year 2022/23 shows similar demographic shifts between the four generations we have in our workforce as in the previous fiscal year: many employees of the baby-boomer generation retired, Generation Y (born 1981 to 1996, also called Millennials) now represents the largest age group, followed by Generation X (born 1965 to 1980), while Generation Z (born 1997 to 2012) accounted for the largest increase in the number of employees.

In 2021, we set ourselves focused targets to achieve more progress in gender balance at senior level overall and in commercial roles in particular, and more

diversification in the origin of our talent at senior level.

The progress this year shows a decrease compared to last fiscal year, but in absolute figures, the number of women in Director positions remained fairly stable:

- 31% women at Director level, down from 35% (goal by 2025: 40%)
- 19% women at Director level in Sales, down from 28% (goal by 2025: 30%)
- 28% local talent at Director level in countries of origin and emerging markets, up from 27% (goal by 2025: 50%).

We are committed to continue nurturing an inclusive environment where everyone is given the opportunity to learn, fulfil their potential and be at their best.

2-25	Processes to remediate negative impacts	
2-25-a	Commitments in remediation of negative impacts	<p>Barry Callebaut has identified hotspots of actual and potential negative social impacts in their cocoa supply chain. Traceability is a cornerstone of our Forever Chocolate commitment to making sustainable chocolate the norm. Through our traceability systems, we not only ensure transparency and accountability, we can also accurately track and monitor the origins of our products, promoting ethical practices, safeguarding human rights and reducing environmental impact through deforestation monitoring, education, prevention and other programs. Mapping tells us if a farm is located close to or within forests, including protected forest areas, as well as its overall size. Currently, our mapping efforts have covered 547,804 (+37.2%) cocoa farm plots, encompassing 78.9% of our direct supply chain in 2022/23. A slight decrease in proportion compared to the 79.7% from previous year as we expanded our supply chain in Côte d'Ivoire. As a result we have established traceability to farm level for the cocoa volumes sourced from these mapped farms. Accurate insights gained from polygon mapping and from comparing geo-localization data with satellite images of forest are essential in our efforts to combat deforestation. Additionally, to manage the risk associated with deforestation or illegal production, we closely monitor the volume of cocoa sourced from these mapped areas and compare it to credible yield assumption.</p> <p>Identifying and assessing human rights impacts:</p> <p>For all ingredients we source, we use Verisk by Maplecroft© as a first human rights risk assessment, which quantifies the salient human rights risk at a country and ingredient level. This is followed by in-depth, independent Human Rights Impact Assessments (HRIAs) for all the main cocoa sourcing countries and regions. Following Ecuador in the previous fiscal year, in 2022/23 HRIAs were conducted in Brazil, Cameroon, Côte d'Ivoire, Ghana, Indonesia and Nigeria. Results of the HRIAs are now being used to prioritize and develop our interventions and engagement with suppliers. In 2022/23 we continued to monitor and identify cases of child labor in our cocoa supply chain in West Africa via our Child Labor Monitoring and Remediation Systems (CLMRS) based on the industry practice as developed by the International Cocoa Initiative (ICI).</p>
2-25-b	Approach to identify and address grievances	<p>All suppliers are requested to conduct their own human rights impact assessment, have a functioning grievance system, train and conduct awareness raising sessions among their own suppliers, and monitor and provide for or cooperate in remediation where required. In the cocoa communities we source our cocoa, we are supporting our suppliers in setting up their due diligence process. We collaborate with Palmoil.io to monitor deforestation and supply chain relationships in near real-time, from plantation to refinery. We receive monthly reports with deforestation and grievance monitoring alerts, providing us with actionable insights into potential regulatory and NDPE violations.</p> <p>In 2022/23, we applied the Earthworm Foundation's Engagement for Policy Implementation (EPI) tool together with our largest suppliers. This assessment gathers crucial information about our suppliers' NDPE commitments, traceability status, grievance procedures, social and environmental programs, as well as monitoring and verification activities. Details on our grievance framework can be found in our in 2022/23 updated Employee Code of Conduct, as well as our Supplier Code and Global Human Right Statement.</p>
2-25-c	Processes for remediation of negative impacts	See 2-25-a
2-25-d	Stakeholder involvement	See 2-25-a
2-25-e	Effectiveness of grievance mechanisms and remediation processes	<p>In 2022/23, in Côte d'Ivoire, new Human Rights Committees were set up in 182 farmer groups and trained on how to assess, address and monitor human rights violations. Ghana and Cameroon will follow in the coming fiscal year. In 2022/23 the percentage of the farmer groups that are part of our direct supply chain and with whom we undertake child labor monitoring and remediation activities is 76.5%, slightly lower compared to the 80.6% in prior year, as we expanded our supply chain in Côte d'Ivoire.</p> <p>We continued to increase the number of communities we now cover with our child labor monitoring and remediation systems, including 348 (+26.5%) farmer groups, representing 343,019 farmers (+35.4%) in Côte d'Ivoire, Ghana, and Cameroon. As a result, in 2022/23, we identified 53,839 (+113.4%) cases of child labor. While the total number of child labor cases identified has risen due to our increased community coverage, we were also impactful in remediating cases during the past fiscal year, with 65,569 (+56.9%) of the reported cases from this and previous years now under remediation.</p> <p>Implementing individualized remediation interventions for a specific child and family takes time – both to build a relationship with the family and determine the best course of action to address the case of child labor. According to ICI recommendations, a case can only be considered remediated when two consecutive onsite inspections have shown that the child is no longer subjected to child labor. If a child is found to be engaged in child labor during a follow-up visit, we will revisit the remediation plan where appropriate and continue following up on the case. The total process of identification, remediation and two follow-up visits takes at least twelve months.</p> <p>This fiscal year, the number of identified child labor cases considered remediated on the grounds that the child was not found performing child labor during two consecutive monitoring visits amounted to 10,504 cases (+269.3%).</p>
2-27	Compliance with laws and regulations	
2-27-a	Number of instances of non-compliance with laws and regulations	Barry Callebaut has not identified significant fines or non-monetary sanctions for non-compliance with laws in the social and economic area in the fiscal year 2022/23.
2-27-b	Number and monetary value of fines	Barry Callebaut has not identified significant fines or non-monetary sanctions for non-compliance with laws in the social and economic area in the fiscal year 2022/23.
2-27-c	Description of instances	Barry Callebaut has not identified significant fines or non-monetary sanctions for non-compliance with laws in the social and economic area in the fiscal year 2022/23.
2-27-d	Determination of instances	Barry Callebaut has not identified significant fines or non-monetary sanctions for non-compliance with laws in the social and economic area in the fiscal 2022/23.

2-28	Membership associations	
2-28-a	Participation in significant role	<p>Cocoa relevant:</p> <p>Belgian Confectionary Association (Choprabisco), Beyond Chocolate, Biscouisse, Bundesverband der Deutschen Suesswarenindustrie, China National Candy Association, Chocolate and Cocoa Association of Japan, Chocosuisse, Cocoa Association of Asia, Cocoa Merchants Association of America (CMAA), DISCO, EFOSZ, European Cocoa Association (ECA), European Confectionary Association (Caobisco), Federalimentare, FRISCO, GISCO, FAARP, Federation of Malaysian Manufacturer, FEVIA, FDP, FIAL, FNL, GAPMM Indonesia, GEPEX, Hunbisco, Index Nuovo Leon, International Cocoa Initiative, International Cocoa Organization, INC International Nut and Dried Food, Indonesia Cocoa Association, Japan International Cooperation Agency (JICA), Malaysia Cocoa Board, National Confectioners Association, Polbisco, Produlce, SGLH, Singapore Manufacturing Federation, SWISSCO, SVLQ, SVG, VBZ, Unione Ind. LI VCO, World Cocoa Foundation.</p>

Stakeholder engagement

2-29	Approach to stakeholder engagement	
2-29-a	Approach to engaging with stakeholders	<p>Barry Callebaut is a vertically integrated company and therefore its stakeholders include all parties along the cocoa value and supply chain: farmers, suppliers, governments and donors. Besides farmers, the other major stakeholder groups are customers, employees, investors, media, industry associations / platforms, governments and NGOs.</p> <p>As the global sustainability landscape evolves, we are committed to evaluating what priorities and risks our stakeholders in the chocolate and cocoa value chain deem important for us to focus our efforts on. We do this via regularly updating our ESG (Environmental, Social and Governance) materiality assessment to align with the evolving needs of our stakeholders and the changing dynamics of our industry.</p> <p>In 2023, Barry Callebaut conducted a comprehensive double materiality assessment to better understand and prioritize these areas. This process involved extensive engagement with a wide range of stakeholders. Their feedback and insights have been integral to ensuring that our approach aligns with both the realities of the cocoa sector and the expectations of our stakeholders.</p> <p>For our 2023 materiality assessment, we engaged with a diverse group of stakeholders aiming to capture their perspective and knowledge on essential sustainability matters. To achieve this, we employed a two-step approach. To view our latest double-materiality report, see: Barry Callebaut's Approach to Double Materiality Report, 2023.</p>
2-30	Collective bargaining agreements	
2-30-a	Percentage of employees covered by collective bargaining agreements	Percentage of employees covered by Collective bargaining agreements is 49%
2-30-b	Conditions for employees not covered by collective bargaining agreements	<p>Barry Callebaut's Labor Policy complements our Code of Conduct and specifies our main principles on how we treat our people. It defines minimum benchmarks in respect of practices, measures and controls to be respected by and within our entities worldwide. The implementation of this policy is mandatory for all our entities and applies to all Barry Callebaut employees worldwide. With the implementation of this policy, we put in place a foundation for adherence to the Universal Declaration of Human Rights, the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, ETI Base Code, local, national and international laws and standards, as well as to customers' expectations and requirements.</p>

GRI 3 Material Topics

Disclosures on material topics

3-1	Process to determine material topics	
3-1-a	Description of the process for determining material topics	<p>Understanding one's own value chain in detail is the basis for conducting a high-quality materiality assessment and developing an appropriate list of ESG topics for further analysis. Our materiality analysis centers on a comprehensive examination of Barry Callebaut's value chain, encompassing both direct and indirect value chains. This analysis combined our knowledge of our processes with comprehensive research, systematically reviewing activities across our operations.</p> <p>Sustainability topics were cross-referenced with the Corporate Sustainability Reporting Directive (CSRD) list of sustainability matters. This step was crucial in ensuring that our analysis was both comprehensive and aligned with emerging standards. To view more details regarding the process for determining material topics, see Barry Callebaut's Approach to Double Materiality Report, 2023.</p>
3-1-b	Stakeholders and Experts consulted	See Barry Callebaut's Approach to Double Materiality Report, 2023 pages 7 - 8, for an overview of the stakeholders and experts consulted.
3-2	List of material topics	
3-2-a	List of material topics	<p>To determine the final list of material topics derived from Barry Callebaut's 2023 double materiality assessment, the assessment results were discussed with the ESG Committee, which is comprised of members of the Executive Committee. During this workshop, the materiality threshold was defined, and the material topics were determined. A clear consensus emerged around five standout topics as being material:</p> <ul style="list-style-type: none"> - Supply Chain Traceability - Climate and Energy - Biodiversity and Ecosystems - Workers in the Value Chain - Affected Communities. <p>Throughout the assessment, these topics consistently emerged as priorities, from a stakeholder, impact and financial perspective. The material topics were approved at the Board of Directors' meeting in April 2023. A detailed description of the ESG topics can be found in the Appendix section of Barry Callebaut's Approach to Double Materiality Report, 2023.</p>
3-2-b	Changes to previous reporting period	For our 2023 materiality assessment, we opted for a more concise topic set up, defining 13 topics that comprehensively cover the ESG domains. This approach offers a clearer structure that will be reflected in upcoming reports. Previous ESG topics were transitioned into the new framework and embedded content-wise. A table illustrating the progression of our topics from 2021 to 2023 can be viewed on page 6 of Barry Callebaut's Approach to Double Materiality Report, 2023 .
3-3	Management Approach	
3-3	Management of material topics	<p>The management of material topics can be viewed in our latest Forever Chocolate Report 2022/23, and covers the following criteria:</p> <ol style="list-style-type: none"> 1.Impacts description: an overview of the actual and potential impacts on the economy, environment, and people, encompassing both negative and positive effects, with a focus on human rights. 2.Negative impact involvement: we disclose whether Barry Callebaut is directly involved in negative impacts, either through its activities or business relationships, detailing these activities or relationships. 3.Policies and commitments: we outline our policies or commitments concerning each material topic. 4.Actions management: we outline actions taken to manage the material topic and its impacts, covering prevention or mitigation of negative impacts, addressing actual negative impacts, and managing potential positive impacts. 5.Effectiveness tracking: reporting on the effectiveness of actions. 6. Stakeholder engagement: describing how engagement with stakeholders has influenced the actions taken. <p>For Barry Callebaut, materiality assessment is an essential tool in reviewing and refining our ESG strategy regularly. Our 2023 double materiality assessment reinforces our focus on Prospering Farmers, Human Rights, Thriving Nature, and Sustainable Ingredients. Barry Callebaut's Forever Chocolate strategy is fluid, recognizing that our understanding of a sustainable chocolate supply chain is both deepening and evolving. Consequently, we refined our Forever Chocolate objectives in May 2023, introducing new targets and sharpening existing ones. The materiality assessment we carried out from January to March 2023 serves as a testament to this progression. It showed that our Forever Chocolate strategy is adapting in tandem with stakeholder expectations and is prioritizing areas where significant impacts and risks have been identified.</p>

Material Disclosures

GRI 300: Environmental Standards

302		Energy
302-1	Energy consumption within the organization	<p>The total gas consumption was 566,525 MWh: Total electricity consumption (from non-renewable sources): 194,658 MWh. Total energy consumption: 1,521,366 MWh.</p> <p>In 2022/23, we made significant strides in cutting gas consumption by installing heat pumps in two chocolate factories, resulting in reduction rates of 30% and 20% of gas consumption, respectively. By harnessing the heat generated from the chocolate-making process, we have achieved energy efficiency and a notable decrease in gas usage, as we shift towards renewable. With a new shell boiler, we also transformed cocoa shells into energy, avoiding fossil fuel use in Abidjan, Côte d'Ivoire. In our central logistics warehouse in Lokeren, Belgium, which is designed to meet the highest sustainability standards (BREEAM) and operates as a CO2 neutral facility powered by solar and geothermal energy, we achieved a 10% reduction in energy consumption by optimizing its air conditioning systems. In addition to the large number of efficiency initiatives executed by our operations teams, we are progressively replacing fossil fuels with green electricity wherever possible.</p> <p>Total energy consumption from renewable sources: 750,721 MWh, representing 49% of Barry Callebaut's consumption. Renewable sources include electricity and gas. For 2022/23 we are unable to disclose energy utilized from solar, biomass, wind and geothermal origins. More detailed KPIs on heating, cooling and steam consumption will be disclosed in future reports.</p>
302-3	Energy intensity	<p>Energy intensity ratio per Mton of activity is 276 kWh (using as denominator, the activity in Mton developed at factory level). Energy consumption includes electricity, gas, fuel, steam and renewable energy. The energy ratio is based on energy consumption within the factory's organization.</p>
303		Water
303-1	Water withdrawal by source	<p>Water usage is covered in our Environmental Audits. We monitor our water consumption on a monthly basis and analyze the trends to reduce consumption through improvement projects. Water consumption and management of water effluents are key components of our Environmental Risk Assessment standard, which was published in July 2023 and is being implemented across all our factories.</p> <p>Total volume of water withdrawn was 2,463,399 m3 from municipal water supplies, artesian wells and other public or private water utilities. Barry Callebaut has committed to reduce water consumption, with a 4% reduction year-on-year, and, be environmental water neutral by 2025. In addition, Barry Callebaut continues to work on a new and integrated strategic water management approach. This will allow reporting on water withdrawal, per source, in the future. Overall, growth in consumption is mainly related to the progressive incorporation of sites. Barry Callebaut's Water Risk Management was developed 2017/2018 and based on WWF criteria.</p> <p>Barry Callebaut's overall water usage is limited and primarily focused on utilities such as steam generation, warm/cold water for tracing, and general hygiene purposes. Regarding water discharge, we ensure that our water effluents are either treated in our own wastewater treatment plants or sent to municipality or site enclaves that have control measures in place for wastewater treatment.</p> <p>We prioritize raising awareness among our teams and implementing various local actions, such as those carried out during World Water Day in 2023. Whilst water was not identified as material by stakeholders in our latest double-materiality assessment, we do recognize and adapt to the risk posed by potential water shortage from the effects of climate change. For example, we are mitigating the effects of climate change with the work we are doing in Agroforestry. For more information please see our latest Forever Chocolate Progress Report 2022/23.</p>
304		Biodiversity
304-3	Habitats protected or restored	<p>Through our agroforestry and reforestation efforts we aim to mitigate the impact of climate change and restore natural biodiversity while helping farmers to prosper and increase their long-term productivity. At the same time our agroforestry insetting approach also allows for the removal of carbon within our own supply chains and those of our customers. Agroforestry is a technique that helps farmers to develop cocoa farms that are more resilient to drought and diseases, have better soil quality, produce better and higher yields, and that can provide them with additional sources of income.</p> <p>Cocoa grown under shade trees is also linked to increased biodiversity, carbon removals, and improved soil structure. In collaboration with local experts and based on the latest scientific findings for each origin, we determine the best mix of forest and fruit tree species to promote cocoa and soil regeneration and attract pollinators, while providing extra income for farmers and removing carbon. Currently, we are engaged in active restoration efforts in the Agbo 2 Forest in Côte d'Ivoire, in which, although designated as protected, many hectares of forest have been lost over time to illegal slash-and-burn, logging and poor agricultural practices. In May 2021, supported by the Cocoa Horizons Foundation, and in partnership with FORLIANCE, EticWood, the forest governance organization SODEFOR and, most importantly, the local communities, we commenced a reforestation and biodiversity restoration initiative for 300 hectares of degraded forest. Through this activity, we are also creating employment opportunities for local communities. Since then we planted over 125,000 seedlings of almost 30 endemic tree species on more than 100 hectares. Natural regeneration has been promoted on an additional 100 hectares and a similar amount of dense but degraded forest has been protected. As a result previously degraded forest zones are recovering and the current seedling survival rate exceeds 70%.</p> <p>For more information please see our latest Forever Chocolate Report 2022/23.</p>

305	Emissions	
305-5	Reduction of GHG emissions	<p>To ensure the stability of ecosystems we are committed to reducing our carbon footprint and achieving a forest positive supply chain. This means our goal is to go beyond sourcing activities and deforestation-free supply chains and contribute to long-term and large-scale forest conservation. At the same time our aim is to empower communities, helping farmers prosper by increasing the long-term productivity of cocoa farming in environmentally suitable areas while mitigating the impact of climate change, preserving ecosystems and restoring natural biodiversity on existing farmland. While maintaining our target to become forest positive by 2025, we have shifted our focus from carbon offsetting to insetting our carbon emissions through agroforestry and other decarbonization initiatives across our factories and value chain. This shift is aligned with the emissions reduction trajectory of the Paris Agreement for 2030, and will help us become a net zero company by 2050.</p> <p>Our journey to net zero</p> <p>We aim to be a net zero company, meaning, we will decarbonize our emissions through reduction and removals to a minimum and then neutralize residual emissions. Greenhouse gas (GHG) emissions in a food company's supply chain are, on average, 87% of its total emissions. The most significant GHGs in Barry Callebaut's supply chain are carbon dioxide (CO₂) from deforestation and methane (CH₄) from dairy cattle. This means that our emissions extend far beyond the locations and facilities where we produce our chocolate and cocoa products, fillings, decorations and compounds. This is why we are committed to assessing the carbon impact created by our own operations (scope 1), the impact generated by the energy we use (scope 2), and the impact of our supply chain (scope 3), which includes the production and processing of all the raw materials we source, and related Land Use Change (LUC).</p> <p>In 2019, we released our first science-based targets (SBTi). These decarbonization targets have been externally assessed and support the global decarbonization trajectory required to limit global warming to +1.5°C. In 2022/23 we worked with Quantis to review and refine our methodology approach, elevating our GHG inventory procedure to best practice with the GHG-P LSRG guidance. We intend to release the outcomes of our updated GHG inventory approach, alongside our Net Zero Roadmap and quantified 2030 SBTi Targets, during the upcoming fiscal year.</p> <p>In 2022/23 our overall carbon footprint was 7.85 million tCO₂e, which is a -3.2% decrease in comparison to our previous reported footprint. This decrease is partly due to a slight volume reduction (-1.1%). At the same time we managed to reduce our GHG intensity through increased use of renewable energy in our factories and by optimizing the low-carbon sourcing of other ingredients especially palm, dairy and sugar. As a result, our carbon intensity for 2022/23 decreased from 3.52 tCO₂e to 3.45 tCO₂e (-2.1%) per tonne of product. Since the commencement of Forever Chocolate in 2016, we have reduced our overall corporate carbon intensity per tonne of product by almost 20%. Additionally, through agroforestry insetting, we strongly increased our scope 3 removals to 231,408 tCO₂e (+42.2%), independently verified by SustainCERT. This excludes a 20% withholding buffer, safeguarding against potential unforeseen losses of planted trees under our agroforestry activities. Accounting for these removals, our net carbon footprint was reduced to 7.62 million tCO₂e (-4.1%) and our carbon intensity was further reduced to 3.35 tCO₂e (-3.0%) per tonne of product.</p> <p>For more information please see our latest Forever Chocolate Report 2022/23.</p>
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	<p>Barry Callebaut respects legal requirements for emission levels in each country of operation. In 2022/23, the Company has not received significant fines for exceeding the legal limits. At the moment, Barry Callebaut does not track NOx and SOx emissions in their eco-footprinting tool.</p> <p>Measures of different parameters are followed depending on the equipment, size and local legislation so a variety of frequencies of control and parameters are tracked, in many cases beyond NOX or SOX, i.e. dust or smoke with TSP/SPM or PM10.</p>
308	Supplier Environmental Assessment	
308-2	Negative environmental impacts in the supply chain and actions taken	<p>Barry Callebaut identified hotspots of actual and potential negative environmental impacts in its cocoa supply chain. They include GHG emissions due to land use change, usage of dairy products and sugar and cocoa farming. Other negative environmental impacts can include soil degradation due to deforestation and incorrect usage of fertilizers. A part of the volume of raw materials that the company sources is at risk of causing deforestation.</p> <p>Traceability is a cornerstone of our Forever Chocolate commitment to making sustainable chocolate the norm. Through our traceability systems, we not only ensure transparency and accountability, we can also accurately track and monitor the origins of our products, promoting ethical practices, safeguarding human rights and reducing environmental impact through deforestation monitoring, education, prevention and other programs.</p> <p>In 2022/23 our mapping efforts have covered 547,804 (+37.2%) cocoa farm plots, encompassing 78.9% of our direct supply chain, allowing us to establish traceability to farm level for the cocoa volumes sourced from these mapped farms. The countries in scope of our mapping efforts are Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil, Ecuador and Nigeria. For more information, please see our Forever Chocolate Progress Report Assurance Statement 2022/23</p> <p>The most significant GHGs in Barry Callebaut's supply chain are carbon dioxide (CO₂) from deforestation and methane (CH₄) from dairy cattle. This means that our emissions extend far beyond the locations and facilities where we produce our chocolate and cocoa products, fillings, decorations and compounds. This is why we are committed to assessing the carbon impact created by our own operations (scope 1), the impact generated by the energy we use (scope 2), and the impact of our supply chain (scope 3), which includes the production and processing of all the raw materials we source, and related Land Use Change (LUC).</p> <p>For more information please see our latest Forever Chocolate Report 2022/23.</p>

GRI 400 Social topics

<p>408</p>	<p>Child Labor</p>	<p>The child labor risk at the company’s own site is low. We source ingredients, especially cocoa, from regions where child labor, defined as work that deprives children of their childhood, their potential and their dignity, and that is harmful to their physical and mental development, is known to occur, for cocoa, mostly on family owned farms. In line with the UN Guiding Principles, we believe that the solution lies not in terminating sourcing activities from these regions, but in assessing, monitoring and addressing the risk of children becoming involved in child labor. Abandoning a region because of the challenges it faces would only worsen its economic and human rights situation. We recognize that protection of and respect for every individual’s rights are fundamental and need to be provided and safeguarded at all times. Accordingly, Barry Callebaut observes the principles set forth in the Universal Declaration of Human Rights, the United Nations (UN) Convention on the Rights of the Child (CRC), the African Charter on the Rights and Welfare of the Child, the United Nations Guiding Principles (UNGP) on Business and Human Rights framework and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.</p> <p>Our operations, programs and activities have an influence on the livelihoods of many people around the world, and on the lives of their children. Children’s rights are distinct from other human rights, because children are reliant on their families, as well as on local communities, governments and businesses, to assume responsibility for their protection and care. According to the Convention on the Rights of the Child (CRC), every child has the right to protection from harm, and this means protection from all forms of harm and abuse, not only child labor. Our work is aligned with the four core principles of the CRC: non-discrimination; devotion to the best interests of the child; the right to life, survival and development; and respect for the views of the child. We also expect our suppliers and their employees, agents and subcontractors to share our strict commitment to human rights, particularly the eradication of forced labor and child labor. All suppliers are required to sign our Supplier Code and they are requested to conduct their own human rights impact assessment, have a functioning grievance system, train and conduct awareness raising sessions among their own suppliers, and monitor and provide for or cooperate in remediation where required. In the cocoa communities we source our cocoa, we are supporting our suppliers in setting up their due diligence process.</p> <p>Under our Forever Chocolate Human Rights pillar we envision that all children are able to embrace opportunities and realize their full potential living in communities that are safe and self-reliant for all. Our approach is two-fold. We commit to covering our entire supply chain by Human Rights Due Diligence, while remediating all child labor cases identified, by 2025. In addition, by 2030 cocoa communities in our direct sustainable supply chain are empowered to protect child rights.</p> <p>For more information please see our latest Forever Chocolate Report 2022/23.</p>
<p>411</p>	<p>Rights of Indigenous Peoples</p>	<p>Our Global Code of Conduct, Supplier Code, Deforestation Policy, Global Labor Policy, and the Global Policy Safeguarding Human Rights, together with the Global Statement on Child Labor and related procedures, constitute the policy and procedural framework for Barry Callebaut with respect to the people, communities and the environment where we operate. In 2022/23 Barry Callebaut did not receive any instances of violations involving the right of indigenous peoples during the reporting period.</p>

412 Human Rights Assessment

412-1 Operations that have been subject to human rights reviews or impact assessments

Human rights assessments are fully embedded in the SMETA audit protocol and all our sites need to initiate systematic renewal audits at least every three years and this by an independent and qualified auditor, in line with the market standards. All our sites have conducted initial Smeta audits and in this fiscal year 85% are now fully SMETA compliant, with 15% of sites conducting a SMETA audit shortly before our fiscal year ended and were in the process of implementing one or more enhancements.

For all ingredients we source, we use Verisk by Maplecroft® as a first human rights risk assessment, which quantifies the salient human rights risk at a country and ingredient level. This is followed by in-depth, independent Human Rights Impact Assessments (HRIAs) for all the main cocoa sourcing countries and regions. Following Ecuador in the previous fiscal year, in 2022/23 HRIAs were conducted in Brazil, Cameroon, Côte d'Ivoire, Ghana, Indonesia and Nigeria. Results of the HRIAs are now being used to prioritize and develop our interventions and engagement with suppliers.

To ensure we put policy into practice, meaning ensuring our employees and suppliers gain an understanding of the policies and the issues they cover and can respond appropriately, we continued delivering training to all suppliers in our direct cocoa supply chain. They received training on the concepts of child and forced labor as well as support in their efforts to assess and address child labor. Such training is provided in collaboration with our NGO partners.

In addition, this fiscal year, as part of our employee onboarding, we developed an online training program covering our Code of Conduct and our child and forced labor concepts. Employees who work directly with the communities and farmers are required to attend in-depth training and annual refresher courses on the issues of child labor and forced labor.

Child protection training and awareness raising is also a key aspect of our strategy in the cocoa communities we source from. In 2022/23, in Cameroon, we broadcast our radio program to more districts and in Côte d'Ivoire the crew on our Cocoa Horizons truck continued to sensitize farmers on multiple topics including child protection and organized medical visits with local health authorities directly in the cocoa communities.

We also expect our suppliers and their employees, agents and subcontractors to share our strict commitment to human rights, particularly the eradication of forced labor and child labor. All suppliers are required to sign our [Supplier Code](#) and they are requested to conduct their own human rights impact assessment, have a functioning grievance system, train and conduct awareness raising sessions among their own suppliers, and monitor and provide for or cooperate in remediation where required.

In the cocoa communities we source our cocoa, we are supporting our suppliers in setting up their due diligence process. As such, we support the establishment of Human Rights Committees (HRCs) at the farmer group level. We assist them in developing their Human Rights structures and function and enable them to effectively assess and address adverse human rights impacts in their cocoa supply chain operations. The HRCs oversee and manage the prevention, identification and remediation of human rights violations. In 2022/23, in Côte d'Ivoire, new Human Rights Committees were set up in 182 farmer groups and trained on how to assess, address and monitor human rights violations.

413 Local Communities

413-1 Operations with local community engagement, impact assessments, and development programs

For our direct cocoa supply chain we continue to strengthen our community approach. This approach follows recommendations from our Zero Child Labor roadmap developed in 2020, developed with the support of [Embody](#), a social protection and human rights consultancy.

Our approach is child-participatory and gender sensitive and starts at the local level, engaging with children, parents, families, teachers, schools and community members to create empowered communities that guide their own development and make lasting change for the future.

In 2022/23 we collected data on community protective risk indicators using [ICI's Protective Community Index](#), an assessment of general access to services that help protect children in cocoa-growing communities. 5994 communities were surveyed across our supply chain in Côte d'Ivoire (3,285), Ghana (2,039), Cameroon (574) and Nigeria (96).

We utilize this data to prioritize the communities on which we will focus our interventions and to design interventions that promote a protective environment for children. Moreover, this data helps us assess changes in the provision and quality of community services over time.

Our community approach relies on a framework of collaborative action from all stakeholders. In addition, we work with, and implement, various sustainable cocoa programs to improve cocoa farmer livelihoods and farming practices. Among them is Cocoa Horizons, our preferred vehicle to drive impact and deliver on our Forever Chocolate ambition while addressing customer needs.

The Cocoa Horizons Foundation was established in 2015 by Barry Callebaut with the mission of improving the livelihoods of cocoa farmers and their communities through the promotion of sustainable, entrepreneurial farming practices, improved productivity, and community development programs that protect nature and children. Premiums from the purchase of HORIZONS cocoa products generated CHF 50.1 million in funds, an increase of over 30% compared to prior year. Today, Cocoa Horizons supports 304,050 cocoa producers across seven countries. In 2022/23, based on the learnings and insights from past years and aligned with our Forever Chocolate strategy, Cocoa Horizons sharpened its targets and approach to broaden its scope, drive more impact, and set ambitions beyond 2025. The focus remains on activities proven to have the greatest impact, driven by data, research, and past experiences. For a comprehensive overview of Cocoa Horizons activities, please refer to the latest [Cocoa Horizons Progress Report](#).

414 **Supplier Social Assessment**

414-2 Negative social impacts in the supply chain and actions taken

Barry Callebaut's [Supplier Code and Sustainable Sourcing Policies](#) lay out the framework for our sustainable sourcing activities and reflect our Forever Chocolate strategy and ambitions.

In terms of negative impacts, Barry Callebaut has identified hotspots of actual and potential negative social impacts in their cocoa supply chain. Traceability to farm level - knowing where the cocoa we source is grown - plays a crucial role in addressing some of the structural sustainability issues in the cocoa supply chain. Accurate insights into cocoa sourcing, gathered through polygon mapping and geolocalization based on satellite images, are imperative for us in our efforts to eliminate deforestation.

For all ingredients we source, we use Verisk by Maplecroft© as a first human rights risk assessment, which quantifies the salient human rights risk at a country and ingredient level. This is followed by in-depth, independent Human Rights Impact Assessments (HRIAs) for all the main cocoa sourcing countries and regions. Following Ecuador in the previous fiscal year, in 2022/23 HRIAs were conducted in Brazil, Cameroon, Côte d'Ivoire, Ghana, Indonesia and Nigeria. Results of the HRIAs are now being used to prioritize and develop our interventions and engagement with suppliers. In the cocoa communities we source our cocoa, we are supporting our suppliers in setting up their due diligence process.

In addition, we support the establishment of Human Rights Committees (HRCs) at the farmer group level. We assist them in developing their Human Rights structures and function and enable HRCs to effectively assess and address adverse human rights impacts in their cocoa supply chain operations. The HRCs oversee and manage the prevention, identification and remediation of human rights violations. In 2022/23, in Côte d'Ivoire, new Human Rights Committees were set up in 182 farmer groups and trained on how to assess, address and monitor human rights violations. Ghana and Cameroon will follow in the coming fiscal year.

For more information please see our latest [Forever Chocolate Report 2022/23](#).

Non-Material Disclosures

GRI 200: Economic topics

201	Economic Performance	
201-1	Direct economic value generated and distributed	<p>Direct economic value generated and distributed (EVG&D) in thousands of CHF:</p> <p>Economic value generated: CHF 8,470,525.</p> <p>Economic value distributed: Cost of goods sold: CHF (7,122,007); Marketing and sales expenses: CHF (163,411); General and administration expenses: CHF (502,626); Other expenses/income (net): CHF (23,131); Net finance expense: CHF (124,068); Income tax expenses: CHF (92,147).</p> <p>Net profit attributable to: Shareholders of Barry Callebaut AG: CHF 444,355 Non-controlling interest: CHF (1,220)</p> <p>Economic value retained: CHF 443,135.</p>
201-2	Financial implications and other risks and opportunities due to climate change	<p>The business of Barry Callebaut depends primarily on the availability of key raw materials such as cocoa, sugar and dairy. The Group is dependent on a sustainable supply of quality cocoa beans and other agricultural raw materials so that it can produce high-quality cocoa and chocolate products. ESG risk factors such as declining productivity attributable to poor agricultural practices, nutrient-depleted soils and aging cocoa trees, waning interest from the next generation in becoming cocoa farmers, child labor in supply chains, a shift in the cultivation preferences of farmers from cocoa and other raw material cultivation to alternative, more attractive crops, and the long-term impacts of deforestation and climate change could lead to a shortfall in high-quality cocoa beans and other essential agricultural raw materials in the mid- to long-term.</p> <p>Under the umbrella of its overall sustainability strategy Forever Chocolate, the Group focuses and reports on four pillars to make sustainable chocolate the norm: prospering farmers, human rights, thriving nature and sustainable ingredients. Long-term measures also include the continuous evaluation and diversification of supply sources in origin countries, developing improved agricultural practices for cocoa farms and maintaining an industry dialogue with key stakeholders in origin and consumer countries. The Group's sustainability strategy and framework is described in more detail in the Sustainability section of the Annual Report and the annual Forever Chocolate Progress Report.</p>
203	Indirect economic impact	
203-2	Significant indirect economic impacts	<p>Barry Callebaut can only lift cocoa farmers out of poverty if it pursues nothing less than systemic change in cocoa farming. Systemic change means cocoa farming that is prospering and self-sustaining. At Barry Callebaut, we aim to transform the way cocoa is produced by enhancing the existing farming model in Côte d'Ivoire, West Africa, and beyond. We firmly believe that focusing on increasing production volumes from a smaller group of farmers, who can then achieve a living income through a combination of better yield, larger farms, and higher farm gate prices, is the key.</p> <p>Government action at origin is essential to address the issues of traceability, rural infrastructure development and proper enforcement of national policies and legislation. These interventions must be coupled with regulatory intervention in cocoa-consuming regions to drive demand for sustainably sourced cocoa.</p> <p>A fully sustainable cocoa and chocolate sector can only be achieved when all supply chain actors are committed to supporting the development of an enabling environment. In the European Union (EU), an important milestone toward this goal was reached with the entry into force of the Regulation on deforestation-free products (EUDR) in June 2023, which bans deforestation-linked goods from entering or exiting the EU. This legislation is the result of four years of advocacy efforts by Barry Callebaut, other companies, industry associations and NGOs that partnered together to call on the EU to introduce legislation imposing due diligence obligations on all companies that sell cocoa or cocoa products in the EU market. We are happy to see that our vision and accompanying advocacy work are yielding results and are supporting the development of a level playing field for all companies. At the same time, the introduction of an appropriate transition period is imperative for the successful implementation of the regulation.</p> <p>In addition to the EUDR, the proposed Directive on Corporate Sustainability Due Diligence (CSDDD) will provide impetus to strengthen an enabling environment, as well as the market pull, for sustainable cocoa.</p> <p>In 2022/23 we continued to actively participate in the EU-led Alliance on Sustainable Cocoa, a Multi-Stakeholder Dialogue (previously known as the Cocoa Talks). Previously, we contributed to the development of the roadmap for the Alliance, which was endorsed in June 2022 by the governments of Côte d'Ivoire and Ghana as well as by industry representatives. The roadmap aims to improve the economic, social and environmental sustainability of cocoa production. Since then, we continue to participate in specific focus groups of the Alliance, such as the Traceability and Standards Focus Group.</p> <p>In July 2022, we signed the Côte d'Ivoire - Ghana Cocoa Initiative (CIGCI) Economic Pact, joining forces with the Ivorian and Ghanaian governments and other industry players to accelerate the transition to a living income for all farmers. In 2022/23, we actively participated in a working group on Price and Markets, aiming to deliver solutions and recommendations addressing key drivers of change. Going forward, we will also be participating in other technical working groups.</p> <p>We believe that these regulatory and multi-stakeholder initiatives represent an important step forward in driving the necessary transformation of the cocoa sector, and are important building blocks for making sustainable chocolate the norm.</p> <p>For more information please see our latest Forever Chocolate Report 2022/23.</p>

205		Anti-corruption
205-1	Operations assessed for risks related to corruption	Total number and percentage of Barry Callebaut operations assessed for risks related to corruption was 100%. Significant bribery and corruption risks are mainly present in certain geographies. The risks are defined as follows: (1) Public corruption & bribery - bribes: Risk of public bribery schemes (payments to foreign public officials) done within the Barry Callebaut Group to obtain or retain business or an advantage in the conduct of business; public bribery, if discovered and investigated by authorities, may result in severe reputational harm through negative publicity and significant fines and costs (e.g. due to violation of FCPA or UK Bribery Act); risk primarily present in emerging markets in the areas of import/export, customs, entering new markets/countries and licenses/permits. (2) Public corruption & bribery - facilitation payment: Payment of typically low amounts to foreign officials (e.g. speed money), which are assessed as a lower risk. (3) Private corruption & bribery through kickback schemes, offers, promises and gifts: Risk that employees receive bribes through kickback schemes with various suppliers; risk primarily applicable to purchasing managers.
205-2	Communication and training about anti-corruption policies and procedures	Total number and percentage of governance body members that the organization’s anti-corruption policies and procedures have been communicated to and that have received training on anti-corruption: 10 of 10 (100%, all Europe). Total number of employees that have received training on anti-corruption: 1201 of the white collar employees. 101 in Africa, 317 in Americas, 201 in Asia-Pacific and 582 in Europe. E-learning is renewed every 2 years. Total number of new employees that have received training on anti-corruption: 569 of the white collar employees: 64 in Africa; 126 in Americas; 106 in Asia-Pacific; 273 in Europe. Currently, Barry Callebaut does not collect information on the business partners that the organization’s anti-corruption policies and procedures have been communicated to.
205-3	Confirmed incidents of corruption and actions taken	Barry Callebaut investigated 19 cases of corruption leading to 12 confirmed incidents in the fiscal year 2022/23. There were 20 cases where employees were disciplined or dismissed. There was no public legal case brought against the Company or its employees (insolvency claim). As of August 31, 2023, the number of compliance cases closed = 86. Those that are currently pending = 5.
206		Anti-competitive Behavior
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There were no cases of legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which Barry Callebaut has been identified as a litigant.

GRI 400: Social Topics

401	Employment	
401-1	New employee hires and employee turnover	<p>In the reporting period, Barry Callebaut hired 2,454 new employees: Split by age: 925 employees below 30 years old, 1,249 employees between 30-50 years old, 280 employees above 50 years old. Split by gender: 786 female and 1,654 male employees, 14 with no gender indication. Split by region: 115 employees in Africa, 1,232 employees in Americas, 319 in Asia-Pacific, 788 in Europe.</p> <p>The total turnover of employees was 16%.</p> <p>The turnover of employees by geozone and gender: Africa: 7% female and 5% male Americas: 24% female and 28% male Asia-Pacific: 17% female and 14% male Europe: 12% female and 11% male</p> <p>The turnover of employees by age and gender: Below 30 years old: 33% female and 38% male Between 30-50 years old: 13% female and 13% male Above 50 years old: 14% female and 11% male</p>
403	Occupational Health & Safety	
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	<p>At Barry Callebaut, the safety of our people comes first. We are committed to a safe workplace and recognize that we all have a responsibility to protect our safety and well-being, and that of our colleagues. We comply with all internal safety measures and will speak up, correct, or report to a manager, when we notice situations when safety is at risk. Underpinning Barry Callebaut's Health and Safety strategy, the Go4Zero Operating System - a Zero Accident, Zero injury and Zero harm environment.</p> <p>Barry Callebaut implements Health and Safety training at local, regional and global level. This is included in the International Onboarding Days (global), at local level (site specific training) and regional training days. In 2022/23 we focused on further enhancing our practices and standards in line with our corporate policies on Labor, Health & Safety and Environment. We adhere to the Ethical Trading Initiative (ETI) Base Code, local and national legislation and our customers' expectations and requirements. Our ongoing effort to enhance best practices for our people, the environment and the communities we operate in resulted in performance improvements during the past year. The total number of Lost Time Accidents and Incidents (LTA) rate, the indicator registering accidents resulting in absence from work, is 0.93 injuries per 100,000 hours, stable in comparison to the previous year. All of our sites, except one recently acquired, are now fully SMETA compliant.</p> <p>Barry Callebaut collects information on the following types of injuries: Fatalities (deadly accident), Lost time accident (an accident whereby the employee is unable to return to work the following day), Restricted Work Case (injury resulting into adjusted work), Medical Treatment Case (injury requiring medical intervention after which normal work conduct is continued) and First Aid Case (light injury only requiring first aid care).</p> <p>In addition to the registration of injuries, Barry Callebaut also records prevention measures: Zero harm (detected safety risk that did not result in an injury) and Safety talks (dialogue between employees to improve safety awareness, understanding and behavior).</p>
404	Training and Education	
404-2	Programs for upgrading employee skills and transition assistance programs	<p>Deep expertise and broad experiences are both prioritized in the "Winning with our People" (WWOP) key pillar, Talent Development. Employee value development programs help them grow their skills and capabilities. In turn, they continue to innovate, provide the best service to our customers and positively impact our business.</p> <p>Several types of mentoring programs were created to capitalize on learning from others. One example of this is a Leadership Mentoring program that was launched to pair an emerging talent with a senior leader. With more than 80 participants, mentees received dedicated performance coaching, leadership development and the opportunity to strengthen their knowledge of our business.</p> <p>People Manager Essentials (PME), a people manager training program, has been in place for two years and over 300 people managers have successfully completed the program. With consistently positive PME program feedback, this program is encouraging a more structured manager experience for all employees while building the pipeline of our future leaders.</p> <p>With a focus on developing people across our broad suite of developmental programs, the global internal promotion rate is 30%. The ability to grow one's career at Barry Callebaut is a valued part of our work culture.</p>
405	Diversity and Equal Opportunity	
405-1	Diversity of governance bodies and employees	<p>Board of Directors: 8 male members and 2 female members. 0 members under 30 years old, 2 members between 30-50 years old and 8 members above 50 years old.</p> <p>Executive Committee: 9 male members and 1 female members. 0 members under 30 years old, 2 members between 30-50 years old and 8 members above 50 years old.</p> <p>The Company had 31% female and 69% male employees.</p> <p>15% of employees are below 30 years old, 63% of employees are between 30-50 years old, 22% of employees are above 50 years old.</p>