

Sustainable Sourcing Policy for Packaging

Introduction

Sustainable packaging needs to meet functional requirements and economic needs without compromising on social and environmental sustainability throughout the entire life cycle. The life cycle approach we apply in sustainability of packaging looks at the origin of material used (e.g. forest type for cardboard), its attributes (e.g. recycled vs. virgin material where food safety regulation allows), life cycle indicators (e.g. embodied energy) and the end of life (e.g. recyclability). Accordingly, our sustainable packaging principles below address the different stages of the life cycle.

Scope

This Policy applies to all suppliers of packaging solutions in our supply chain.

Sustainable Packaging Principles

The Barry Callebaut Supplier Code lays out our minimum requirements and expectations towards <u>all</u> our Suppliers. This document must be signed by all suppliers. Adding on to or specifying the requirements from the Supplier Code, below we highlight some of the main principles which in our view are the foundation to creating a more sustainable packaging sector:

- Minimize packaging weight without affecting the key functionalities the packaging material was designed for.
- Maximize the use of recycled material and material from a renewable and sustainably managed source.
- Replace disposable material by reusable material and minimize waste to landfill.

Commitment

In order to meet our commitment of 100% certified or verified ingredients in all of our products and traceable to farm level by 2030, we require all suppliers to work with their supply chains towards the stated principles and to regularly show significant progress. This will be evaluated for wood-based products using accepted industry standards and certification schemes, namely

- Forest Stewardship Council (FSC)
- Sustainable Forest Initiative (SFI)
- Programme for the Endorsement of Forest Certification (PEFC)

We give preference to Forest Stewardship Council certified where available, also taking into consideration performance requirements and competitiveness.