

Sustainable Sourcing Policy for Sugar Cane

Introduction

Barry Callebaut uses both sugar derived from cane and beet and wherever possible sources this regionally or even locally. Sugar cane production faces a number of serious social and environmental sustainability risks. These include forced and child labour, hazardous labour conditions, conflict over land rights, and loss of biodiversity that need to be addressed.

Scope

This Policy applies to all products based on or containing sugar cane in our supply chain. The supplier must sign this policy and comply with the principles outlined in this policy which represents the foundation to creating a more sustainable cane sugar sector.

Sustainable Sugar Cane 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 sugar cane sector:

- No conversion of natural ecosystems that are defined internationally or nationally as legally protected areas, or identified as High Conservation Value (HCV) areas.¹
- Protect biodiversity and preserve natural resources through appropriate land use planning.
- Minimize effluents and waste from sugar cane fields and from mills;
 protect ground- and surface water and ecological areas from pollution;

¹ Based on international best practice guidance from the <u>High Conservation Value Network (HCVN)</u>

- ensure equitable water management and use in the catchment area, reduce air pollution from field burning.
- Provide training for smallholder farmers on good agricultural and harvest practices to improve yields and livelihoods. Ensure healthy and safe labor conditions and provide decent living conditions for migrant workers.

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 using accepted industry standards and certification schemes, below a non-exhaustive list

- Bonsucro
- Rainforest Alliance
- Fairtrade
- VIVE

 ISCC Plus with add-ons "environmental management and biodiversity" and "classified chemicals"

While recognizing that standards are evolving and that we cannot expect all of our suppliers to comply today, we are strongly committed to only work with suppliers who can demonstrate compliance to the above stated standards and principles by 2030.