

# **GRI-Content Index to the Annual Report 2011/12 of Barry Callebaut AG**



## Introduction

The Barry Callebaut Annual Report 2011/12 ("Annual Report") includes an integrated chapter about sustainability.

This year, and for the first time ever, Barry Callebaut has chosen to adopt the Global Reporting Initiative's (GRI) G3 guidelines of sustainability reporting, in order to report its performance with regards to sustainability in the most transparent way possible. The GRI has confirmed that the Annual Report, and this accompanying GRI Content Index, meet the GRI G3 standards to Application Level C.

Applying the GRI guidelines at Application Level C requires information covering certain "profile disclosures," as well as information pertaining to a minimum of 10 GRI performance indicators, including economic, environmental, and social topics. The GRI Content Index below references where in the Annual Report the profile information and performance indicators appear for the categories of economy (EC), environment (EN), and social [product responsibility (PR), labor practices (LA), human rights (HR), and society (SO)].

This GRI Content Index refers to the specific pages within the Annual Report where profile information and performance indicators are described. Occasionally there may be references to external documents, and these will be explicitly referenced as such, in the Index.

With regards to the performance indicators, GRI "core indicators" are shown in black typeface, and indicators considered less universally relevant for corporate reporting, so-called "additional indicators," are shown in gray. If not otherwise stated (partially reported), all discussed indicators are fully reported.

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**No. GRI-G3-Content Index**

**Pages in the report / remarks**

**Profile,**

<b>1 Strategy and Analysis</b>		
1.1	Statement from the organization's most senior decision maker	Page 42/43: Statement by the CEO
1.2		Not relevant for application level C
<b>2 Organizational Profile</b>		
2.1	Name of the company	Barry Callebaut AG
2.2	Primary brands, products, and/or services	page 80: Organization and business activity
2.3	Business divisions and company structure	page 80: Organization and business activity, page 150/151: Group structure and shareholders
2.4	Location of company headquarters	Zurich, Switzerland. See also page 80: Organization and business activity
2.5	Countries where the company operates	page 4: At a Glance, page 140/141: Group entities
2.6	Nature of ownership and legal form	page 80: Organization and business activity, page 138: Related parties, page 144: Notes 5 and 6
2.7	Markets served	page 46: introduction to Markets section, page 47, Evolving demand, competitive markets, page 80: Organization and business activity, page 100: Segment information



2.8	Scale of the company	Sales revenue, page 8: Consolidated Income Statement Employees, page 22: Employees per geographic region Market capitalization and types of products and services, page 80: Organization and business activity Sales volume, page 8: Consolidated Income Statement
2.9	Significant changes regarding size, structure, or ownership during the reporting period	page 94-96: Acquisitions, page 97-99: Disposals
2.10	Awards received in the reporting period	<ul style="list-style-type: none"> <li>- Innovation Award for Terra Cacao (FiE Nov 2011) - Most innovative Food Ingredient Award; Confectionery Innovation of the year; Barry Callebaut's most successful specialties launch</li> <li>- Innovation Award for Stevia chocolate (ISM Jan 2012) - Belgium-based customer Cavalier</li> <li>- Cocoa Industry Award (Nov 2011)</li> <li>- Joint agronomy research program with KLK Selborne Estate in Malaysia; Best plantation in Malaysia, given by Malaysian Cocoa Board</li> <li>- Unilever "Partner to Win" Award - Magnum Infinity: Unilever awards Barry Callebaut with first prize for best innovation</li> </ul>

<b>3</b>	<b>Report Parameters</b>
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REPORT PROFILE		
3.1	Reporting period	September 1, 2011 to August 31, 2012
3.2	Date of most recent report	This is Barry Callebaut's first GRI report.



3.3	Reporting cycle	Annually
3.4	Contact point for questions regarding the report	See this index, page 2

**REPORT SCOPE AND BOUNDARY**

3.5	Process for defining report content	<p>All performance indicator aspects of the GRI guidelines were assigned as potential content for chapters of the report. On the basis of the test questions in the "Materiality" section of the GRI "Reporting Principles for Defining Content," an external specialist supported us in assessing all aspects for their relevance or materiality, both from the perspectives of external stakeholders and the internal company perspective. Aspects that were found to be material both from an external and an internal point of view were treated as priority topics in developing the report.</p> <p>The report was developed for the target audiences identified as primary stakeholders under 4.14 below. Reporting of included indicators complies with the GRI guidelines as much as data availability allows.</p>
3.6	Boundary of the report	<p>The general boundaries of the report are all operations of Barry Callebaut Ltd. Concerning our staff, data on all global Barry Callebaut employees is included. As the majority of our resource use and emissions can be attributed to our production sites, our environmental reporting excludes our sales offices and head office, and focuses on our production sites (see also footnote on page 59). While we recognize</p>



		that the environmental impacts from the transport of our products is also important, we do not currently have comprehensive data on transportation-related emissions and energy use. A description of our initiatives to reduce transport-related environmental impacts can be found on page 58.
3.7	Specific limitations on report scope or boundary	No specific limitations
3.8	Basis for reporting on joint ventures and other entities that can significantly affect comparability	Unless explicitly noted otherwise, in the year under review there were no major changes regarding sustainability matters in subsidiaries, leased facilities or outsourced operations that significantly affect comparability with information disclosed in the previous year's report.  Financial information on associates and leased facilities, and on leased assets can be found on pages 72, 74, 76, 77, 81, 87, 89, 101, 109-112, 114 136, and 138.
3.9	Data measurement techniques and bases of calculations	Not relevant for application level C
3.10	Re-statements of information provided in earlier reports	This is the first GRI report
3.11	Changes in the scope, boundary, or measurement methods	This is the first GRI report
<b>GRI CONTENT INDEX</b>		
3.12	GRI Index in table format	This Content Index
3.13		Not relevant for application level C



**4 Governance, Commitments, and Engagement**

GOVERNANCE		
4.1	Governance, incl. committees	Page 157-171, including page 156-157: Group structure and shareholders, page 158-161: Board of Directors, page 162-163: Functioning of the Board
4.2	Simultaneous function of chair of board of directors as CEO	The Chairman of the Board is not simultaneously CEO, or member of the Executive Committee. See also page 153: Board of Directors, and page 164-167: Executive Committee]
4.3	Independence of members of the highest governance body (for organizations with a unitary board structure)	The members of the Board of Directors are all non-executive, see page 158-161: Board of Directors
4.4	Mechanism for shareholder and employee recommendations to the highest governance body	Page 169/170: Shareholders' participation
4.5-4.13		Not relevant for application level C
STAKEHOLDER ENGAGEMENT		
4.14	List of stakeholder groups engaged	Main stakeholders are shareholders, customers, employees, business partners, the environment, and the neighbors of all company sites.
4.15	Basis for identification of stakeholders	Key stakeholders mentioned under 4.14 are selected based upon: The stakeholders' ability to significantly impact Barry Callebaut's economic, ecological and social performance. And where Barry Callebaut's economic, ecological and social performance significantly impacts



		stakeholders.
4.16-4.17		Not relevant for application level C

<b>5</b>	<b>Performance Indicators</b>
<b>Economic</b>	

**ASPECT: ECONOMIC PERFORMANCE**

EC1	Economic value generated and distributed	Partial information on page 74: Consolidated Income Statement, and page 103: Personnel expenses. Community investment activities are described on pages 50/51 and 53/54 in the Focus area Cocoa section, but data on overall community investment value is currently not available
EC2	Financial implications and other risks and opportunities for the organization due to climate change	For risks and opportunities, see page 57: Mitigating climate risks. Final responsibility for evaluating these risks rests with our Executive Board.  At this time, these risks and opportunities cannot be quantified in a meaningful manner.
EC3	Coverage of the organization's defined benefit plan obligations	Page 61: Retiring from Barry Callebaut
EC4	Significant financial assistance received from government	

**ASPECT: MARKET PRESENCE**

EC5	Ratio of standard entry level wages to local minimum wage	
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EC6	Locally-based suppliers	Cocoa bean cultivation is only possible in a narrow geographic region. Where possible, we strive to source directly from cooperatives or farmers in this region. Approximately 69% of our cocoa is sourced from cooperatives, farmer organizations, local cocoa supply chain intermediaries and national cocoa marketing bodies. See also page 50: introductory text on Focus area Cocoa section
EC7	Locally-based hiring	

**ASPECT: INDIRECT ECONOMIC IMPACT**

EC8	Infrastructure investments and services provided primarily for public benefit	While we do not perform a formal community needs assessment, we conduct extensive community programs as described in the Cocoa chapter. In particular page 53: Strengthening cocoa farming communities, and Partnerships for progress, and page 54: Combating child labor, supporting education.
EC9	Significant economic impacts	Page 50/51: Supporting local economies

**Environment**

**ASPECT: MATERIALS**

EN1	Materials used by weight and volume	
EN2	Recycled input material as proportion of overall materials	

**ASPECT: ENERGY**

EN3	Direct energy consumption	Page 59: Environmental
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	(by primary energy source)	performance overview (table on energy use)
EN4	Indirect energy consumption (by primary energy source)	<p>Page 59: Environmental performance overview (table on energy use)</p> <p>Primary energy consumed in the production of Barry Callebaut's indirect energy use (electricity) is as follows: fossil fuels 985,986 GJ; nuclear 403,059 GJ; hydro energy 246,696 GJ; other renewable energy sources 126,449 GJ.</p>
EN5	Energy saved due to conservation and efficiency improvements	Partial information on page 56 (table on progress against sustainability goals), page 57: Energy action plans, and page 59 (table on energy use)
EN6	Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements resulting from these initiatives	
EN7	Initiatives to reduce indirect energy consumption and reductions achieved	

**ASPECT: WATER**

EN8	Total water withdrawal by source	Water used in Barry Callebaut operations is taken mainly from municipal sources. Water use for FY2010-11 was 1,272,361m <sup>3</sup> and for 2011-12 was 1,526,372 m <sup>3</sup> .
EN9	Water sources significantly affected by withdrawal of water	
EN10	Percentage and total volume	



	of water recycled and reused	
<b>ASPECT: BIODIVERSITY</b>		
EN11	Land in or adjacent to protected areas	
EN12	Impacts of activities on biodiversity in protected areas	
EN13	Habitats protected or restored	
EN14	Strategies, actions, and plans for managing biodiversity impacts	Indirect impacts on biodiversity stem from our suppliers, who operate in ecologically fragile regions of Africa, Asia and South America. We strive to educate our suppliers on environmentally sensitive farming practices to improve yields and lessen pressure on the surrounding ecosystem (Refer to page 51 in the Focus Area Cocoa section for a description of training programs) and we follow careful environmental impact assessments when evaluating locations for new facilities.
EN15	Endangered species	
<b>ASPECT: EMISSIONS, EFFLUENTS, AND WASTE</b>		
EN16	Direct and indirect greenhouse gas emissions by weight	Page 59: Environmental performance overview (table on carbon footprint)
EN17	Other relevant indirect greenhouse gas emissions by weight	
EN18	Initiatives to reduce	Partial information on page 56 (table



	greenhouse gas emissions and reductions achieved	on progress against sustainability goals), page 57: Mitigating climate risks. All emissions reductions achieved by our facilities were done voluntarily, not as part of mandatory requirements.
EN19	Emissions of ozone-depleting substances by weight	
EN20	NOx, SOx, and other significant air emissions by type and weight	
EN21	Total water discharge by quality and destination	
EN22	Total weight of waste by type and disposal method	
EN23	Total number and volume of significant spills	
EN24	Transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel convention	
EN25	Impacts of discharges of water and runoff on biodiversity	
<b>ASPECT: PRODUCTS AND SERVICES</b>		
EN26	Initiatives to mitigate environmental impacts of products and services	



EN27	Percentage of products sold and their packaging materials reclaimed by category	
ASPECT: COMPLIANCE		
EN28	Significant fines and non-monetary sanctions for non-compliance with environmental laws and regulations	No significant fines paid during this period.
ASPECT: TRANSPORT		
EN29	Significant environmental impacts of transporting products, other goods and materials, and members of the workforce	
ASPECT: OVERALL		
EN30	Total environmental protection expenditures and investments by type	Environmental Protection: 50 KCHF; Waste treatment/ disposal: 1,600 KCHF; Costs of Environmental Management: 5,330 KCHF

### Labor practices and decent work

ASPECT: EMPLOYMENT		
LA1	Total workforce by employment type, employment contract, and region	Page 22: Who are Barry Callebaut's employees, Employees per geographic region, Employees per function
LA2	Employee turnover by age group, gender and region	



LA3	Benefits for full-time employees not provided to temporary or part-time employees	
<b>ASPECT: LABOR/MANAGEMENT RELATIONS</b>		
LA4	Percentage of employees with collective bargaining agreements	Page 61: Labor conditions: fair and safe
LA5	Minimum notice periods regarding significant operational changes	
<b>ASPECT: OCCUPATIONAL HEALTH AND SAFETY</b>		
LA6	Percentage of workforce represented in health and safety committees	Page 61: Labor conditions: fair and safe
LA7	Rates of injury, occupational disease, lost days, and absenteeism, and number of work-related fatalities	
LA8	Programs regarding serious diseases	Concerning the protection against serious diseases, Barry Callebaut provides education, counseling, prevention programs, and treatment for workers at our own factories and at our supplier organizations in cocoa producing regions. For examples, see page 60: Building a Career at Barry Callebaut, and table on employee support services on page 62. These programs are available to employees, and in some cases also their family members (for these cases, see footnotes on page 62).
LA9	Health and safety topics covered in formal agreements with trade unions.	



**ASPECT: TRAINING AND EDUCATION**

LA10	Training and education: annual hours per employee by employee category	
LA11	Programs for skills management and lifelong learning	Page 60: Building a career at Barry Callebaut, and page 61: Retiring from Barry Callebaut
LA12	Percentage of employees receiving regular performance and career development reviews  {3.1: , by gender}	Page 23: Promoting accountability and organizational excellence

**ASPECT: DIVERSITY AND EQUAL OPPORTUNITY**

LA13	Diversity of governance bodies and employees (gender/age group/minorities)	Page 22: Who are Barry Callebaut's employees; and page 23: Gender of Employees, and Age of Employees
LA14	Ratio of basic salary of men to women by employee category	

**Human Rights**

**ASPECT: INVESTMENT AND PROCUREMENT PRACTICES**

HR1	Investment agreements with human rights clauses or screening	
HR2	Percentage of suppliers screened on human rights	Partial information: page 45, Ensuring compliance, and page 47: Future fair labor expectations
HR3	Training on human rights	Partial information: page 44/45, Values and responsible conduct



<b>ASPECT: NON-DISCRIMINATION</b>		
HR4	Incidents of discrimination and actions taken	
<b>ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING</b>		
HR5	Freedom of association/collective bargaining	Page 61: Labor conditions: fair & safe
<b>ASPECT: CHILD LABOR</b>		
HR6	Policies and measures to prevent child labor	Page 54: Combating child labor, supporting education
<b>ASPECT: FORCED AND COMPULSORY LABOR</b>		
HR7	Policies and measures to prevent forced labor	Page 54: Combating child labor, supporting education
<b>ASPECT: SECURITY PRACTICES</b>		
HR8	Security personnel training on human rights	
<b>ASPECT: INDIGENOUS RIGHTS</b>		
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken	

## **Society**

<b>ASPECT: COMMUNITY</b>		
SO1	Programs and practices to assess the impacts of operations on communities	Pages 50/51: Supporting local economies, and page 54: Far-reaching Impacts
<b>ASPECT: CORRUPTION</b>		
SO2	Percentage and total number of business units analyzed	Page 45: Ensuring compliance





	for risks related to corruption	
S03	Percentage of employees trained in organization's anti-corruption policies and procedures	
S04	Actions taken in response to incidents of corruption	

**ASPECT: PUBLIC POLICY**

S05	Public policy positions and participation in public policy development and lobbying	
S06	Total value of contributions (financial and in-kind) to political parties, politicians, and related institutions by country	

**ASPECT: ANTI-COMPETITIVE BEHAVIOR**

S07	Legal actions for anti-competitive behavior	Page 47: Evolving demand, competitive markets
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**ASPECT: COMPLIANCE**

S08	Significant fines (monetary value) and number of non-monetary sanctions for non-compliance with laws and regulations	
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**Product Responsibility**

**ASPECT: CUSTOMER HEALTH AND SAFETY**

PR1	Life cycle stages in which health and safety impacts of products and services are assessed	Page 48: No compromises on food safety, page 48/49: Rebalancing products for health, and page 49: Enhancing benefits
PR2	Incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services	



**ASPECT: PRODUCT AND SERVICE LABELING**

PR3	Policies, procedures and regulations concerning product and service information and labeling	Page 46/47: Ensuring sustainable resources, and page 48: No compromises on food safety
PR4	Incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling	Page 48: No compromises on food safety
PR5	Practices related to customer satisfaction, including results of surveys on customer satisfaction	Partial information on page 49: Dialogues with customers

**ASPECT: MARKETING COMMUNICATIONS**

PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications	
PR7	Incidents of non-compliance with regulations and voluntary codes concerning marketing communications and advertizing	

**ASPECT: CUSTOMER PRIVACY**

PR8	Complaints regarding breaches of customer privacy and losses of customer data	
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**ASPECT: COMPLIANCE**

PR9	Significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	
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## Food Processing Sector Supplement

### PERFORMANCE INDICATORS FOOD PROCESSING SECTOR

#### ASPECT: SOURCING

<b>FP1</b>	Purchased supplies compliant with company's sourcing policy.	Partial information on page 47: Future fair labor expectations
<b>FP2</b>	Purchased supplies verified according to responsible production standards	Partial information on page 46/47: Ensuring sustainable resources

#### ASPECT: LABOR/MANAGEMENT RELATIONS

<b>FP3</b>	Working time lost due to industrial disputes, strikes and/or lock-outs	
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#### ASPECT: HEALTH AND AFFORDABLE FOODS

<b>FP4</b>	Programs promoting healthy lifestyles; the prevention of chronic disease; access to healthy, nutritious and affordable food; and improved welfare for communities in need.	Partial information on page 50: Supporting local economies, page 53: Strengthening cocoa farming communities, and Partnerships for progress, page 61: Doing well by doing good, and table on employee support services on page 62
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#### ASPECT: CUSTOMER HEALTH AND SAFETY

<b>FP5</b>	Products manufactured in sites third party certified according to internationally recognized food safety management system standards.	Partial information on page 48: No compromises on food safety
<b>FP6</b>	Products that are lowered in saturated fat, trans fats, sodium and sugars.	Partial information on page 48/49: Rebalancing products for health
<b>FP7</b>	Products that contain increased fiber, vitamins, minerals, phytochemicals or functional food additives.	Partial information on page 49: Enhancing benefits

#### ASPECT: Labeling



<b>FP8</b>	Practices on communication to consumers about ingredients and nutritional information.	Partial information on page 48: No compromises on food safety
ASPECT: Animal Welfare		
<b>FP9</b>	Animals raised and/or processed, by species and breed.	
<b>FP10</b>	Practices related to physical alterations and use of anaesthetic on animals.	
<b>FP11</b>	Animals raised and/or processed, per housing type.	
<b>FP12</b>	Practices on antibiotic, anti-inflammatory, hormone and/or growth promotion treatments.	
<b>FP13</b>	Incidents of non-compliance with laws and regulations, and voluntary standards related to transportation, handling, and slaughter practices	



## Appendix: GRI Guideline Application in the Annual Report 2011/12

Barry Callebaut's 2011/12 Annual Report integrates elements of sustainability reporting which are based on the guidelines of the Global Reporting Initiative (GRI). These guidelines specify the disclosure of information on the profile of the company and its reporting, as well as the management approach and performance indicators related to economy, ecology, human rights, labor conditions, society and product responsibility (see [www.globalreporting.org](http://www.globalreporting.org)).

For GRI reporting, different Application Levels can be selected. These range from Application Level C, which includes some elements of the indicators developed by GRI, to Application Level A for which all GRI indicators must be stated.

Report Application Level		C	C+	B	B+	A	A+
Standard Disclosures	G3 Profile Disclosures OUTPUT	Report on: 1.1 2.1 - 2.10 3.1 - 3.8, 3.10 - 3.12 4.1 - 4.4, 4.14 - 4.15		Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5 - 4.13, 4.16 - 4.17		Same as requirement for Level B	
	G3 Management Approach Disclosures OUTPUT	Not Required	Report Externally Assured	Management Approach Disclosures for each Indicator Category	Report Externally Assured	Management Approach Disclosures for each Indicator Category	Report Externally Assured
	G3 Performance Indicators & Sector Supplement Performance Indicators OUTPUT	Report on a minimum of 10 Performance Indicators, including at least one from each of: Economic, Social and Environmental.		Report on a minimum of 20 Performance Indicators, at least one from each of Economic, Environmental, Human rights, Labor, Society, Product Responsibility.		Report on each core G3 and Sector Supplement* Indicator with due regard to the Materiality Principle by either: a) reporting on the Indicator or b) explaining the reason for its omission.	

\*Sector supplement in final version

GRI Application Level A represents the highest standard in sustainability reporting, and presents a challenge even for reports focused extensively and purely on sustainability. While this standard is not viewed as practical for Barry Callebaut's integrated annual report at the current time, the GRI standards were used for Application Level C, in order to report as extensively as possible.

The GRI Index shown here was compiled in cooperation with Sustainserve, Zurich and Boston