



Sustainable Sourcing Policy for Dairy

Introduction

Given that different regional conditions and varied farming structures create distinct sustainability challenges, the principles outlined in this policy allow us to partner with all our suppliers around the globe and embark on developing a more sustainable dairy sector.

Scope

This Policy applies to all products based on or containing dairy in our supply chain.

Sustainable Dairy Principles

The Barry Callebaut Supplier Code lays out our minimum requirements and expectations towards all our 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 dairy sector:

- Cow welfare: Optimize animal welfare, provide nutritious, sustainable diets (incl. sustainably sourced feed), deliver quality calf care, practice responsible antimicrobial use, employ humane transport and slaughter practices and build healthy and productive herds
- Farm performance: Efficiently produce safe, high quality milk, uphold human rights of workers, support health and wellbeing of workers and members of the local community and develop knowledge and skills of workers
- Environmental stewardship: Reduce carbon footprints, support soil health, protect environmental water quality, minimize use of fresh water and conserve and enhance biodiversity

Commitment

In order to meet our commitment of 100% sustainable ingredients by 2025, 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, namely

- Origin Green
- RedTractor
- Unilever Sustainable Agriculture Code
- Dairy Farmers of Canada
- Dairy Australia

We acknowledge that many suppliers already work on these principles and are also open to benchmarking company programs against our expectations.

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 2025.