

**MESSAGE
FROM THE CEO**

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It is my true pleasure to share with you Barry Callebaut’s fifth Forever Chocolate Progress Report. This is by all means a special report, as we are halfway through our plan to make sustainable chocolate the norm by 2025. What better moment to take stock of our progress to date, capture our learnings, and start planning what further actions will be required by 2025, in order to reach our targets?

Looking at the progress we made since 2016, I am very proud and impressed by our achievements so far. In the first five years of Forever Chocolate, we have reduced our carbon intensity per tonne of product by more than –17%, lifted 214,584 cocoa farmers (+50%) in our supply chain out of extreme poverty – on a trajectory towards a living income – and reached 43% of the cocoa and chocolate products sold containing sustainably sourced cocoa. In addition, through the scaling of our traceability and sourcing efforts, we reduced the Land Use Change (LUC) impact from cocoa cultivation by over –10%. While there is still work to be done, these results signify tangible impact on the ground. This was also recognized by Sustainalytics, who ranked Barry Callebaut in the top 3 out of 205 food companies for the third consecutive year in terms of managing the sustainability risks in our supply chain.

In order to continue to progress against our targets, we focus on strategic partnerships with societal and industry stakeholders, aiming to scale our impact on the ground. Ultimately, if we want to make sustainable chocolate the norm, our actions have to extend beyond Barry Callebaut – creating a movement of cocoa farming communities, industry, governments, and societal stakeholders. This is why in fiscal year 2020/21, we focused extensively on scaling and partnering for change. We have teamed up with experts from Embode to implement our new approach to tackling child labor, which sets clear internal milestones to guide planning, implementation, and stakeholder engagement. By working with EcoVision Lab, part of the Swiss Federal Institute of Technology in Zurich, we continued to put digital innovations in place and developed a publicly available, industry-first High Carbon Stock (HCS) map that identifies forests with high conservation and carbon-capturing value.

Next to these innovative solutions, public policy has a crucial role to play in order to create an enabling environment for systemic change in the chocolate industry. In the past year we have participated, through trade associations and multi stakeholder platforms, in constructive dialogue between cocoa origin governments and cocoa consuming regions. Public policy with regards

to traceability, deforestation and human rights due diligence, will be important additions to the common objective of achieving a sustainable cocoa supply chain.

All these efforts and accomplishments were made possible only with the expertise, dedication and hard work of all Barry Callebaut colleagues, our partners and our customers, who are embracing the sustainability pathway reflected in our Forever Chocolate movement. I would like to thank everyone who is a part of the movement to make sustainable chocolate the norm, for their continued passion and commitment.

I warmly invite other stakeholders to join us on this journey, further partnering for scale and impact.

Peter Boone

A handwritten signature in black ink, appearing to be 'Peter Boone', with a long horizontal line extending to the right.