

# ANNUAL SOCIAL AND ENVIRONMENTAL IMPACT REPORT

2024/25

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# THIS IS BARRY CALLEBAUT

To empower sustainable growth for our customers globally,  
we strive to deliver:

## Best Value:

We offer relevant innovations  
at the right price.

**22**

Callebaut Chocolate  
Academy™ Centers

## Best Service:

We deliver our products on  
time and in full.

**62**

factories worldwide

## Best Sustainability:

We are the industry leader  
in sustainable sourcing and  
traceability.

More than

**175 years**

of chocolate heritage

## Best Quality & Food Safety:

Our products consistently meet  
all quality and safety standards.

More than

**125,000**

chocolate professionals trained  
in-person in 2024/25

More than

**13,000**

employees

Doing business in over

**140**

countries



# LETTER TO STAKEHOLDERS

- **Traceability milestone: over 1.5 million cocoa farms mapped, meeting EUDR traceability requirements and setting a new benchmark for supply chain transparency**
- **Farmers: 557,739 cocoa farmers in our supply chain lifted above the poverty line**
- **Regeneration: launch of assisted natural regeneration initiative in Côte d'Ivoire, covering over 1,200 hectares**
- **Future Farming Initiative: doubled cocoa seedling production to 1.5 million**
- **Carbon removals: increased to 457,592 tCO<sub>2</sub>e (+21.1%), driven by our agroforestry program**
- **Human rights: implementation of Community Systems Strengthening model in Côte d'Ivoire, Ghana, and Nigeria, while continuing remediation of 51,420 (+24.8%) cases of child labor**

## Dear Valued Stakeholder,

This past year has continued to test the resilience of the global cocoa and chocolate sector, with ongoing price volatility, challenging buying conditions, climate-induced crop declines, and growing uncertainty around policy-driven sustainability agendas. Throughout this, we have remained focused on our core priority: delivering reliable, high-quality, and tailored sustainability solutions to meet the needs of our customers.

## A strategic and coordinated plan for resilience

Navigating a volatile environment requires more than short-term fixes - it calls for a well-engineered, resilient system that can adapt to changing landscapes. This adaptability is not just a reaction to crisis, it is a proactive approach to leading through uncertainty and shaping the future of cocoa and chocolate. The focus on resilience is not theoretical, and we see it being tested in real time, particularly in West Africa. The path forward is clear: policy reform that enables investment, puts more money in the hands of farmers, removes inefficiencies in the value chain, and supports replanting with the right species. These are not just operational changes; they are structural shifts, and they require coordinated action. Our North Star frameworks are guiding our work, starting with Côte d'Ivoire, where we are quantifying the true cost of building a modern, high-yielding, deforestation-free cocoa sector.

## Driving impact through partnerships and innovation

The long-term partnerships we have with our customers continue to be at the heart of our sustainability impact. In 2024/25, we reached a major milestone by lifting more than 500,000 cocoa farmers above the poverty line, one year ahead of the ten-year target we set ourselves in 2016/17. This achievement marks a significant step forward, but it is far from the end. Through initiatives such as pre-harvest interventions, we are building models that support long-term change to cocoa farmer livelihoods.

This past year, we also expanded our agroforestry systems, and for the first time, launched pilots in assisted natural regeneration (ANR), which highlights our ongoing commitment to embedding climate-smart practices into farming. These efforts resulted in significant carbon removals and the establishment of over 24,300 hectares of new agroforestry systems. In addition, we also invested in targeted forest protection initiatives across key cocoa and palm-producing landscapes, setting a new standard for responsible sourcing and environmental stewardship. In parallel, we advanced our child protection agenda, continuing to roll out new community-based models in Côte d'Ivoire, Ghana, and Nigeria. While these achievements reflect our continued progress, the reality is that volatile crop conditions and challenging buying environments have significantly impacted some of our volume-related KPIs. This underscores the importance of our long-term approach and reinforces our commitment to building resilience across the cocoa value chain.

## Scaling and expanding our farming solutions portfolio

In 2024/25, we continued to build on our portfolio of farming solutions. Our Future Farming Initiative (FFI) in Bahia, Brazil is setting new benchmarks for scalable, reliable and high-tech cocoa farming. This year, we doubled seedling production to 1.5 million and expanded our expert on-the-ground team - bringing together deep capabilities in planting design, automation, and sustainability.

This year's progress has only been made possible by the dedication, expertise, and hard work of our Barry Callebaut colleagues. Their commitment, alongside the support of our customers and partners, continues to power our transformation and impact. As we approach the ten-year milestone of our Forever Chocolate strategy in 2025/26, we remain committed to its four pillars: Prospering Farmers, Human Rights, Thriving Nature, and Sustainable Ingredients. At the heart of this report, you will find our Forever Chocolate progress - reinforced by deeper insights into how we are building resilience across our supply chain.

We are proud to be leading this transformation, and we are grateful for your continued partnership and trust. Do not hesitate to get in touch with Barry Callebaut if you have any suggestions or comments on our efforts.

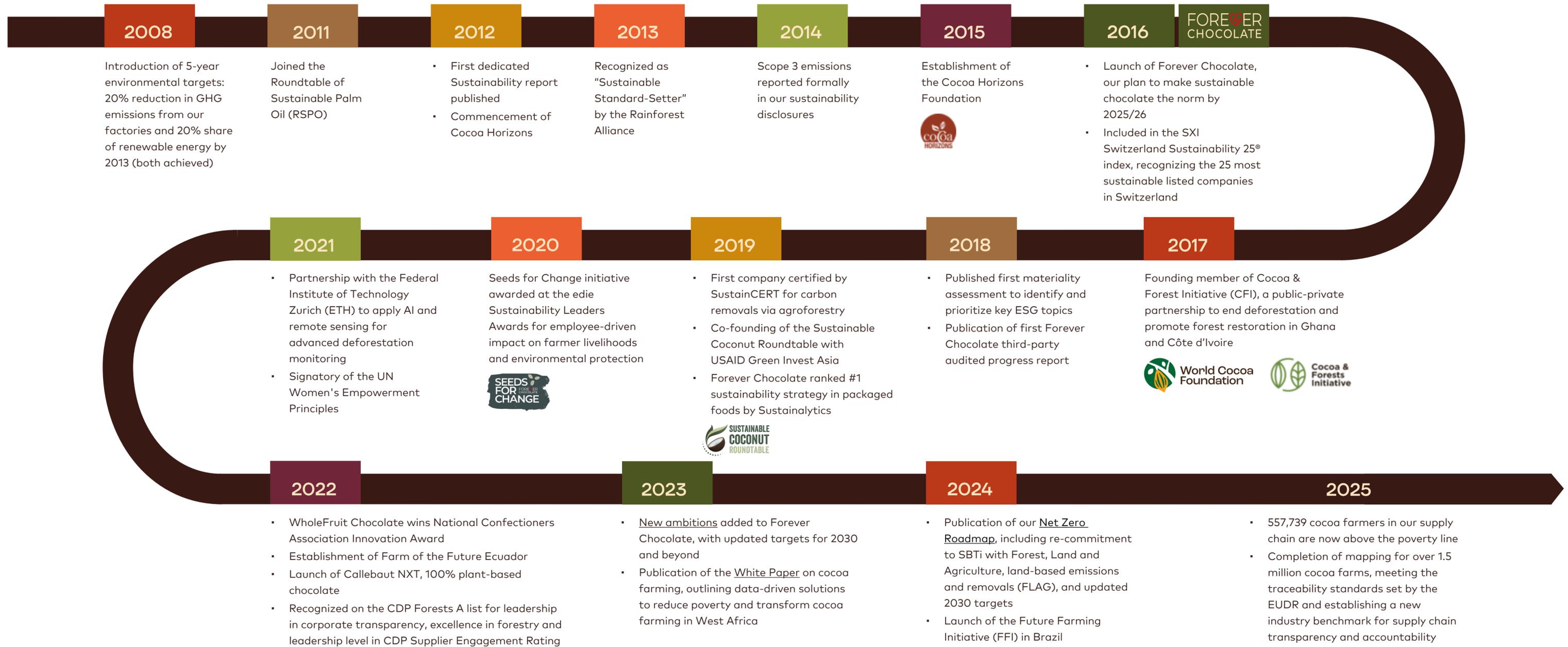
**Peter Feld**  
Chief Executive Officer



# SUSTAINABILITY

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# OUR SUSTAINABILITY JOURNEY



## Introduction

**This report covers Barry Callebaut's ESG performance and progress over the last fiscal year, 2024/25 - a year marked by unprecedented challenges in the global cocoa and chocolate industry. Despite this, our commitment to sustainability has remained unwavering.**

We are building on our portfolio of farming solutions that are innovative, reliable and resilient - tailored to the needs of our customers.

Anchored in our Forever Chocolate program, this report represents a comprehensive overview of our strategic response and reflects our determination to lead systemic transformation in the cocoa and chocolate supply chain.

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By working collaboratively with our customers and other stakeholders, and drawing on the deep expertise and dedication of our employees, we continue to promote positive, sector-wide change, building resilient farming systems and supply chains, whilst also delivering top-quality cocoa and chocolate.

Alongside continued progress toward our Forever Chocolate ambitions, we have expanded our focus this fiscal year - including new initiatives in agroforestry, cocoa disease management, living income, child labor mitigation, and research to quantify the cost of sector-wide transformation in Côte d'Ivoire.

## 2024/25 in review

Amidst historic levels of volatility in cocoa markets - from climate-induced declines in the cocoa crop volumes and historic price hikes, we remained steadfast in our ambitions. At the same time, we must recognize that in the past twelve months, we have witnessed the scaling back of sustainability agendas by some governments, institutions and corporations. This shift has raised questions about the future of sustainability and the durability of progress made so far. In this context, our long-term sustainability commitments become even more vital - not just to maintain momentum, but to lead where others hesitate and to remain a trusted partner for sustainable solutions.

At the heart of our ESG strategy lies Forever Chocolate - our long-term commitment to tackling the most pressing issues in the cocoa and chocolate supply chain. Since its inception in 2016,

Forever Chocolate has remained consistently based on four founding pillars: Prospering Farmers, Human Rights, Thriving Nature, and Sustainable Ingredients. These pillars reflect the key topics identified by our stakeholders via our [materiality assessments](#), and continue to represent the most material issues across our value chain.

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This year also marked a pivotal moment in our journey: ensuring supply chain resilience is the core strategic lens across our ESG efforts. More than ever, we need to ensure that our approach can withstand and adapt to future cocoa production shocks. This resilience mindset is shaping how we innovate, invest, research and collaborate.

Equally pivotal has been our work on traceability. As of 2024/25, we have mapped over 1.5 million cocoa farms - a major milestone that reflects our deep commitment to transparency and accountability. What does this mean in practice?

It means we have achieved full traceability to farm level for all cocoa volumes sourced directly for the European market - the world's largest chocolate market. For indirectly sourced volumes, we rely on our suppliers and are actively working with them to meet the same rigorous traceability standards we apply to our own direct sourcing. This work not only prepared us for the European Union Deforestation Regulation (EUDR) - regardless of its timeline - but also reflects our belief that traceability is fundamental to a rigorous, sustainable, and transparent supply chain. We are not standing on the sidelines until new regulations take effect - we are building systems that ensure that we and our customers can make informed, responsible sourcing decisions.

## Forever Chocolate: building on a foundation of early action

When Forever Chocolate was launched, the sustainability landscape looked very different. In 2016, traceability was still in its infancy, with fragmented data and limited digital infrastructure. The concept of living income was emerging but not yet widely adopted. Deforestation was a growing concern, but few companies had committed to forest-positive supply chains. Regulatory frameworks like the

EUDR were not part of the discussion. Voluntary action dominated the agenda. Fast forward to today, and the landscape has markedly changed. Traceability is demanded by customers and other stakeholders. Forest protection is no longer optional - rather, it is seen as a vital ingredient to ensure thriving ecosystems and business resilience alike.

Over the past decade, we have remained committed to our targets: lifting 500,000 cocoa farmers out of poverty, creating forest-positive supply chains that not only prevent deforestation but also restore ecosystems, decarbonizing our business to reach net zero greenhouse gas (GHG) emissions, protecting human rights, and ensuring that all ingredients are sustainably sourced and traceable to farm level. These were not just aspirations - they remain measurable commitments that guide our decision-making and our vision as a company. Yet, as the sustainability landscape has evolved, so too has our approach. We have continuously refined our methodologies, strengthened our data systems, and deepened our research to ensure our approach and targets remain both credible and impactful.

### Key highlights in 2024/25

**In 2024/25, we continued to make measurable progress across all four pillars. Our main achievements and highlights for 2024/25:**

- We reached a major milestone in our journey toward enabling a living income for cocoa farmers: a total of 557,739 cocoa farmers in our supply chain are now above the poverty line.
- We mapped over 1.5 million cocoa farms as of 2025, achieving the level of traceability required for EUDR and setting a new benchmark for transparency and accountability in our supply chain.
- We launched an assisted natural regeneration (ANR) pilot in Côte d'Ivoire with RISOME and CIRAD, covering 1,200 hectares and 600 farmers.
- Carbon removals increased (-457,592 tCO<sub>2</sub>e), driven by the expansion of our agroforestry approach
- Under our Human Rights pillar, we continued our Community Systems Strengthening model in Côte d'Ivoire, Ghana, and Nigeria to foster protective environments for children by addressing the root causes of child protection issues.

In parallel, we continued remediating identified child labor cases, with 51,420 child labor cases under remediation.

- We've refined our approach to sustainable sourcing by focusing on the ingredients where we have the greatest influence. Instead of covering all ingredients, we now concentrate on eight key raw materials - cocoa, sugar, dairy, palm, coconut, soy, vanilla, and hazelnuts - which together account for 97% of our total raw material volume. Based on this new methodology, in 2024/25, 55.8% of the cocoa and chocolate products we sold contained certified or verified cocoa.

For a deep dive into our sustainability progress and KPIs, please see our dedicated chapters on [Forever Chocolate](#).

# THE URGENT NEED FOR RESILIENT COCOA

The global agricultural sector faces a mounting wave of risks. Several interconnected challenges have emerged in recent years that compound the vulnerability of cocoa cultivation, particularly through the impacts of climate change, aging farms and declining productivity, and structural challenges for smallholders.

Climate change poses one of the most pressing threats to current cocoa cultivation practices, with cocoa farmers facing a growing incidence of rising temperatures, rain variability and pest and disease outbreaks. Over the past decade, cocoa farmers have experienced more frequent and intense weather extremes in major cocoa-producing regions, notably in Côte d'Ivoire and Ghana, which are responsible for producing over 60 percent of the world's cocoa volumes.<sup>1</sup> During the course of the last three years, both countries have faced a combination of prolonged drought, higher-than-normal temperatures, and more frequent and severe pest infestations and disease outbreaks, including outbreaks of Cocoa Swollen Shoot Virus (CSSV).

Against the backdrop of changing climate, aging cocoa farms have also steadily diminished yield

productivity in many producer countries, resulting in further production declines. In West Africa, particularly in Côte d'Ivoire and Ghana, many cocoa trees are past their most productive years, leading to reduced yields. The financial and logistical barriers to replanting cocoa trees can make it challenging for smallholder farmers to replant their farms. At the same time, current cultivation models in several cocoa producer countries, notably full-sun cocoa cultivation, leave cocoa trees more vulnerable to the effects of climate change and increase the risk of soil erosion. As a result, farm productivity is on the decline, while the areas where cocoa is suitable for production continue to shrink.

Compounding these physical and environmental threats are deep-rooted structural challenges that further constrain sector productivity and opportunities for growth. This vulnerability is especially pronounced in regions heavily reliant on single cash crops such as cocoa, amplifying the risks to both livelihoods and broader commodity markets.

The cumulative effect of these risks has created an unprecedented market environment for the

global supply of cocoa since early 2023, characterized by record cocoa prices and historically low cocoa stockpiles. On the back of continued climate-related risks and supply shortfalls through the 2023/24 and 2024/25 seasons, cocoa prices reached an all-time high in 2024 of more than GBP 9,425<sup>2</sup> per metric tonne. Although cocoa futures prices declined in 2025, prices remain well above their historic average. This volatile environment has placed considerable pressure on global supply, making it more challenging to source ingredients that meet our robust sustainability standards. Looking forward, these risks to the cocoa and chocolate industry will likely intensify, as cocoa farmers contend with increasingly erratic weather, aging trees, declining yields, disease outbreaks, and limited access to solutions to improve productivity and resilience to climate and economic shocks.

Despite the challenges facing the global cocoa sector, we continue to uphold our steadfast commitment to delivering high quality, sustainable ingredients for our customers. Now more than ever, we recognize the need for sustained action to combat the risks facing global

cocoa markets and build a more sustainable and resilient global cocoa value chain.

## **Interventions to build a climate-resilient supply chain**

### **The role of agroforestry and assisted natural regeneration**

Climate and environmental risks are increasingly threatening the stability and sustainability of global cocoa production. We conducted an overview of available scientific research to understand the potential benefits of adopting agroforestry models in our sourcing countries. Based on the conclusions of our research, we recognize that the widespread application of agroforestry models can help protect farmers from climate risks, promote sustainable production, and build more resilient ecosystems. To enhance conventional agroforestry approaches, in 2024/25, we initiated a pilot project focused on assisted natural regeneration (ANR) in Côte d'Ivoire, partnering with RISOME and CIRAD. Rather than planting new trees, ANR

<sup>1</sup> Daymond, A. et al., 2021. A Global Review of Cocoa Farming System.

<sup>2</sup> [https://www.barry-callebaut.com/system/files/2025-04/Barry-Callebaut-Group-Half-Year-Results-Fiscal-Year%202024-25\\_EN.pdf](https://www.barry-callebaut.com/system/files/2025-04/Barry-Callebaut-Group-Half-Year-Results-Fiscal-Year%202024-25_EN.pdf)

emphasizes safeguarding and nurturing naturally emerging seedlings already present on farmland. Farmers involved in the initiative benefit from tailored training, plot-specific evaluations, and environmentally linked performance incentives. This integrated approach weaves biodiversity conservation into routine agricultural practices. The pilot spanned 600 hectares and engaged 300 cocoa producers. Initial findings reveal promising regeneration outcomes, with an average of 184 saplings and seven to nine distinct species per hectare. These results underscore the latent ecological richness in cocoa-growing areas - even those previously degraded - demonstrating that significant natural regrowth can occur without active replanting.

ANR is a cost-effective and locally responsive strategy that holds potential to broaden the adoption of regenerative methods in regions where high reforestation expenses and poor seedling survival have posed challenges.

### Our research into Cocoa Swollen Shoot Virus

CSSV is a plant virus that poses a growing risk to cocoa production in major producer countries. Transmitted through virus-carrying mealybugs, CSSV infects cocoa plants, causing trees to die

within three years.<sup>3</sup> Since the early 2000s, CSSV has spread rapidly through West Africa and without immediate action, Côte d'Ivoire may lose 15-20 percent of its cocoa production over the next decade.<sup>4</sup>

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To combat the growing risk posed by CSSV, we developed a pilot in Côte d'Ivoire in 2024/25 to identify best practices in CSSV disease management protocols.

As part of our broader strategy to combat CSSV in West Africa, we have launched a pilot project on CSSV covering 100 hectares in an area with high disease prevalence, aiming to develop an effective management framework against CSSV disease following the best practices from the CIRAD BarCo project. Key activities undertaken this year include identifying and selecting farmers, diagnosing and mapping infected plots, clearing affected areas, and introducing crop barriers to prevent disease spread. This pilot also serves as a foundation for testing scalable solutions and informing breeding efforts for CSSV-tolerant

cocoa varieties. Subsequent monitoring activities will extend over several years, and make an important contribution to our [Thriving Nature](#) objectives as well as generating insights that will help combat CSSV and build more resilient cocoa ecosystems.

### Improving farm management and cocoa yields: Agri-Logic

In 2016, we launched a strategic partnership in Côte d'Ivoire with the Rainforest Alliance, the Sustainable Trade Initiative (IDH), and Agri-Logic. The collaboration was designed to deepen our understanding of the cocoa farming landscape and generate insights on the drivers of farm productivity and sustainability - spanning topics such as household dynamics, farming practices, input use, yields, and farm-level economics. Over the years, the scope of data collection has expanded beyond Côte d'Ivoire to include Ghana, Cameroon, and Vietnam, allowing for a rich, comparative evidence base across major cocoa origins. This data has provided us with a clearer view of what drives differences in yield and income between countries, offering important lessons for cocoa production in our sourcing countries.

By offering country-level insights into different farming models and outcomes, the research has enabled us to better understand the risks and opportunities facing cocoa farmers in its supply chain. This evidence has guided our investments towards the factors that most effectively support farmer productivity and livelihoods. In applying eight years of data, we have successfully developed targeted interventions that enhance farmer productivity and boost cocoa yield. For example, Agri-Logic's research underscores the critical role of good agricultural practices and income diversification in enhancing farmer productivity and livelihoods. In recognizing the strength of cocoa farmer cooperatives as a platform to advance these objectives, we have promoted the use of paid labor groups, which are organized teams of trained workers, often cocoa farmers themselves, that provide professional on-farm services such as planting, pruning and shade tree maintenance. These groups support productivity improvements, reduce reliance on child and informal labor, and create diversified income opportunities for participating farmers. During 2024/25, the number of labor groups operated across 35,797 hectares of cocoa farms. Through these initiatives, we are taking action to enable cooperatives and their members to adopt

<sup>3</sup> Ameyaw, G.A. et al., 2014. [Perspectives on cocoa swollen shoot virus disease \(CSSVD\) management in Ghana.](#)

<sup>4</sup> Aka, R. et al., 2020. [Cocoa Swollen Shoot Disease in Côte D'Ivoire: History of Expansion from 2008 to 2016.](#)

sustainable and labor-compliant production practices, enhance productivity and promote income stability across our sourcing countries in West Africa and Latin America. By boosting farmer productivity and livelihoods, this research forwards our commitment to Prospering Farmers to support better farm management and higher yields for farmers in our supply chain, while helping us to deliver reliable volumes for our customers.

Our partnership with Agri-Logic, IDH, and Rainforest Alliance has also facilitated a better understanding of the factors that help cocoa farmers to earn a living income. Of the five to six million cocoa farmers worldwide, the majority live under the international poverty line - earning less than USD 3.00 per day - while 90 percent of global cocoa production comes from smallholder farms ranging from two to five hectares. This trend has important implications for our supply chain and our business, as healthy, productive farmers are better equipped to invest in their farms and their communities, resulting in higher yields and more sustainably produced cocoa for our customers.<sup>5,6</sup>

Over the course of our collaboration with Agri-Logic, IDH, and Rainforest Alliance, we have harnessed the rich data collected across key

producer countries to inform income models around the World Bank international poverty line benchmark and the Living Income Benchmark. The resulting analyses highlighted the different challenges and opportunities for closing the living income gap in countries such as Côte d'Ivoire, Ghana and Cameroon. They also offered insights to enhance our living income strategy, which combines interventions across themes such as land ownership, incentivizing sustainable cocoa production based on agroforestry, and access to land, inputs and finance.

Our efforts to better understand the drivers of a living income have produced tangible benefits for farmers in our supply chain and for our broader Forever Chocolate goal to lift 500,000 cocoa farmers out of poverty. By applying our research to our sustainability initiatives on the ground, we have equipped farmers in our supply chain with the knowledge, tools and approaches to diversify their income streams and boost agricultural yields. As a result, farmers are better able to make strategic investments in their farms, ranging from increased fertilizer use to additional labor, thereby boosting yields and incomes. Guided by data-rich evidence and sustained interventions on the ground, we have succeeded in lifting over 500,000 farmers out of poverty as of

2025 - achieving a core objective of our Prospering Farmers pillar and paving the way for a transformative cocoa farming model that enables more farmers to earn a living income.

## Expanding our farming solutions portfolio

In 2024/25, we made significant strides in advancing our Future Farming Initiative (FFI) to serve as a benchmark for scalable, reliable, and high-tech cocoa farming. This year, we doubled our cocoa seedling production to 1.5 million, establishing one of the largest cocoa seedling nurseries in Brazil. We also further strengthened our expert team on-the-ground, enhancing capabilities in planting design, automation, and sustainability. In addition, we've built a highly experienced agricultural leadership team with a proven track record in managing and scaling complex farming systems across diverse geographies. This expertise is complemented by our own longstanding capabilities in cocoa agronomy and a selected group of technical specialists.

A major milestone this year was the development of a highly detailed roadmap for scaling sustainable industrial cocoa farming, supported by the identification of land funnel properties,

which are aligned with our climate resilience and productivity criteria. We also initiated the pilot phase of engineering-level testing for our AI-based cocoa pod harvesting robot, which is set to become a key enabler of farm labor productivity over the coming years. To support long-term growth, this year we also designed the framework for scaling FFI through a structured approach that aligns operational expansion with strategic land access and future collaboration opportunities, and are in discussions with select partners and landowners to operationalize this approach.

## Our progress on bag traceability

In line with our commitment to traceable supply chains, we significantly advanced our digital traceability systems in 2024/25. Building on our earlier efforts, we rolled out bag-level barcode traceability across all direct cocoa sourcing in Ghana, ensuring full visibility from farmer to factory. Each cocoa bag is tagged with a unique barcode, enabling real-time tracking of every step in the upstream supply chain.

This year, the system has been refined and optimized, making it one of the best-functioning and most advanced traceability solutions

<sup>5</sup> Daymond, A. et al., 2021. A Global Review of Cocoa Farming Systems.

<sup>6</sup> van Vliet, J. A. et al., 2021. A Living Income for Cocoa Producers in Cote d'Ivoire and Ghana?

globally - a benchmark for best-in-class supply chain transparency.

Looking ahead, we are piloting Radio-Frequency Identification (RFID) based traceability solutions, which will further optimize the operational efficiency of traceability.

Outside of Ghana, we are piloting the implementation of barcode traceability in Côte d'Ivoire, marking the next step in our ambition to scale this industry-leading system across origins.

### **Addressing the prevalence of child labor: going beyond Child Labor Monitoring and Remediation Systems (CLMRS)**

The persistence of child labor in the cocoa supply chain has long posed operational, reputational, legal and compliance risks to the cocoa industry. In response, significant efforts have been made within the sector to measure the incidence of child labor in producer countries to understand the scope of the problem and identify solutions to reduce child labor. However, accurate measurement is complicated by challenges associated with interviewing children and other stakeholders, including ethical concerns, social desirability bias and other reporting biases. To

address these challenges, we launched a mixed-methods study<sup>7</sup> to assess the efficacy of indirect survey methods among parents. The results of the study revealed motivations for underreporting child labor and provided strategic guidance for future data collection efforts from children to better understand the scope of child labor in the cocoa supply chain.

This research has guided our engagement around child labor and informed the design of interventions to reduce its prevalence in the supply chain. In particular, this study highlighted the potential biases in direct household survey methods and the benefits of deploying an indirect approach, based on farm observation. As a result, our approach to child labor in Ghana has been tailored to monitor child labor prevalence through indirect survey methods. The study also encouraged us to train more staff on safeguarding principles to protect children in our activities. It also inspired further research around the potential of cash transfers to mitigate the incidence of child labor and promote broader sustainability objectives in the cocoa sector. We conducted a literature review of 51 papers spanning Central and South America, sub-Saharan Africa and Asia to evaluate the impact of unconditional and conditional cash transfers to

minimize child labor and promote child education.<sup>8</sup> The literature review found that both unconditional and conditional cash transfers show high promise in reducing child labor, with unconditional cash transfers reducing child labor prevalence by up to 25 percentage points and conditional transfers by up to 32 percentage points. Unconditional and conditional cash transfers can also increase school attendance by up to 48 and 41 percentage points, respectively. Ultimately, both studies can help reduce the incidence of child labor in our supply chain and support the achievement of our [Human Rights](#) objectives while reducing material risks to Barry Callebaut and our customers.

### **A shared vision for a resilient and sustainable cocoa and chocolate supply chain**

Through strategic investments in research and development, we strive to meet the challenges of cocoa production in the 21st century to address the myriad of threats to farmer livelihoods, ranging from the effects of climate change and declining agricultural productivity to the impacts of CSSV and child labor. These investments directly inform our approach to boost cocoa

yields, mitigate climate and social risks, combat pests and diseases, and foster a more resilient, productive, and equitable cocoa value chain. These actions have tangible benefits for our stakeholders - supporting the production of reliable, high-quality, and sustainable ingredients while reducing material reputational, legal and compliance risks. Our investments also reflect our aspiration to lead by example, strengthening our supply chain while demonstrating best-in-class approaches to risk management and sustainable production to the broader sector.

By working collaboratively with other stakeholders, we remain committed to promoting positive, sector-wide transformation - building resilient farming communities, nurturing healthy ecosystems, and delivering top-quality cocoa and chocolate to our customers.

As we look ahead to 2025/26 and beyond, we extend our heartfelt thanks to our customers, investors, and all other stakeholders. Your unwavering support, your belief in challenging the status quo, and your commitment to sustainable transformation have been instrumental in driving our progress.

<sup>7</sup> Lepine, A. et al., 2024. Estimating the prevalence of child labour in the cocoa industry via indirect elicitation methods: a mixed-methods study.

<sup>8</sup> ETH Zurich - NADEL, 2025 (forthcoming). The Potential of Cash Transfers for Sustainability in the Cocoa Sector: A Literature Review. Conducted with ETH Zurich - NADEL, this study will be published end 2025 and includes a comprehensive list of the 51 papers evaluated in the study, spanning from 2006-2025.

## Navigating a changing regulatory environment

Our Forever Chocolate strategy continues to position us strongly in an evolving regulatory environment. Today, sustainability continues to be a fundamental requirement for maintaining a corporate license to operate.

Regardless of timeline implementation delays, we are prepared for the current EUDR implementation date on January 1, 2026. At the same time, we are continuing preparations for compliance with the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD). This year, we also disclosed in line with the Task Force on Climate-related Financial Disclosures (TCFD).

## Recognition of our progress and impact

Barry Callebaut's sustainability performance continues to be recognized by leading ESG benchmarks. In 2024, CDP awarded us an 'A' rating for Climate Change and a 'B' rating for Forests, acknowledging our transparency, action on deforestation, and supplier engagement on scope 3 emissions. These results highlight our efforts to drive climate action beyond our direct operations and to embed sustainability across the

entire value chain. Furthermore, Barry Callebaut was recognized by HACE's Child Labour Benchmark as a stand-out leader for its progressive shift from a child labor focus to a comprehensive child protection approach. This recognition highlights our leadership and commitment to embedding child rights and due diligence standards into our global supply chain. Our strong ESG reputation continues to also attract confidence from the financial community, as demonstrated this year by the successful activation of ESG Key Performance Indicators (KPIs) into our existing sustainability-linked revolving credit facilities. This achievement underscores the trust that banks place in our Forever Chocolate strategy and its ability to drive long-term value. The newly introduced KPIs are aligned with our most material ESG topics and mark another important milestone in our journey to shape the future of chocolate and cocoa. Our leadership in this field also reflects the people behind our strategy. In 2024, Nicolas Mounard, VP ESG, Sustainability & Traceability, was named one of Europe's Top 20 Chief Sustainability Officers by the Futur/io Institute, with the announcement taking place during the World Economic Forum Annual Meeting. This recognition underlines the impact of Barry Callebaut's work and our collaborative approach to sustainability leadership.

## INTERVIEW WITH NICOLAS MOUNARD, VP ESG, SUSTAINABILITY & TRACEABILITY

Nicolas Mounard explains the **strategic importance** of the "Price Tag" study in shaping the future of **sustainable cocoa**.

### What is Barry Callebaut's approach to cocoa sector transformation and how does Forever Chocolate fit into this strategy?

Our transformation agenda is anchored in country-specific "North Star" frameworks. These frameworks outline the path toward a modern cocoa sector that is high-yielding, deforestation-free, climate-resilient, and community-based. They reflect a fundamental shift in mindset: recognizing that sustainability programs alone are not enough, we are prioritizing three key levers: the right interventions, the right enabling environment, and the right level of investment. Forever Chocolate powers the first of these: the right interventions such as agroforestry and pre-harvest solutions. But scaling these interventions demands robust research, policy reform, and mobilization of investment. In Côte d'Ivoire, for example, our "North Star" strategy focuses on three transformation levers: yield, climate, and price. It's a call to action to increase on-farm investment, protect forests at scale, and ensure more value reaches farmers. It's how we move from sustainability as a program to sustainability as transformation.

### What is Barry Callebaut's "Price Tag" study, and how does it support the Company's transformation agenda?

The "Price Tag" study is designed to address a critical and often overlooked question: What does it actually cost to transform a cocoa farming system into one that is high-yielding, deforestation-free, climate-resilient, and community-based?

The "Price Tag" study is a cornerstone of our operational plan to support the transformation of Côte d'Ivoire's cocoa sector. To date, there is limited publicly available research that quantifies the actual cost of such a transformation. This study aims to illuminate the true cost - an essential step, especially as preliminary insights point to a substantial gap between current investment levels and what is truly needed to drive lasting change. By establishing a "price tag," we aim to foster informed and constructive dialogue across the sector and to mobilize the scale of investment and policy reform required to create an enabling environment for long-term impact. We aim to conclude the study in the early part of 2026.



# FOREVER CHOCOLATE

**In 2016, Barry Callebaut launched Forever Chocolate, the next chapter in our long-standing commitment to building a sustainable cocoa and chocolate supply chain.**

# FOREVER CHOCOLATE

Forever Chocolate is our plan to **make sustainable chocolate the norm**. It focuses on four strategic pillars, each addressing a material challenge in the cocoa and chocolate supply chain:

- **Prospering Farmers** – enabling cocoa farmers to earn a living income and build resilient livelihoods
- **Human Rights** – strengthening human rights due diligence and empowering farming communities to protect child rights
- **Thriving Nature** – becoming forest positive and decarbonizing our footprint
- **Sustainable Ingredients** – ensuring that all ingredients in our products are certified or verified and traceable to farm level

## Prospering Farmers



[Read more](#)

## Human Rights



[Read more](#)

## Thriving Nature



[Read more](#)

## Sustainable Ingredients



[Read more](#)

# FOREVER CHOCOLATE

# PROSPERING FARMERS

## Introduction

The cocoa sector is facing unprecedented challenges. Over the past 18 months, cocoa prices have surged to historic highs. Climate change is compounding the crisis with erratic weather, rising temperatures and increased pest and disease pressure disrupting flowering cycles and shortening harvests. These challenges are intensified by aging trees, limited access to good agricultural practices and poor shade management.

Building a sustainable cocoa and chocolate supply chain starts with strengthening the resilience and prosperity of cocoa farmers and their communities. Many farmers, particularly in West Africa, lack the resources to invest in essential pre-harvest activities such as labor, fertilizer, pest control, and planting material. Small farm sizes further constrain income potential and long-term resilience.<sup>9</sup>

<sup>9</sup> Barry Callebaut has conducted detailed research investigating the factors influencing cocoa farmers' incomes and productivity in Côte d'Ivoire, Ghana, and Cameroon. The average cocoa farmer cultivates just 3.8 hectares and produces about 450 kg per hectare. To reach a living income, a cocoa farmer needs to manage around five hectares of cocoa with yields above 600 kg per hectare - this reveals a clear gap in terms of productivity and land size that needs to be addressed.

## Our goal

By 2025, 500,000 cocoa farmers in our supply chain will have been lifted out of poverty. By 2030, we will have mobilized key stakeholders around a transformative cocoa farming model generating living income.



# FOREVER CHOCOLATE PROSPERING FARMERS

## Our approach

Prospering Farmers is one of the four strategic pillars of our Forever Chocolate strategy. Our work on this pillar is guided by two interconnected targets: By 2025, 500,000 cocoa farmers in our supply chain will have been lifted out of poverty. By 2030, we will have mobilized key stakeholders around a transformative cocoa farming model that generates a living income.

To support this 2030 ambition, we have introduced the concept of the “North Star” - a country-specific framework that defines the pathway toward a modern, high-yielding, deforestation-free, climate-resilient and community-based cocoa sector. We have developed North Star strategies for Côte d’Ivoire, Ghana, Cameroon, Ecuador and Indonesia. These frameworks reflect our belief that sustainability alone is not enough. Achieving lasting impact requires a combination of targeted interventions through sustainability programs and an enabling policy environment, compelling narratives that drive change, and the right level of investment.

In 2024/25, despite climate-related challenges and a 30% increase in the poverty benchmark, we reached our goal of enabling 500,000 cocoa farmers to move out of poverty by 2025 - a milestone that reflects the scale and impact of our field-level programs and partnerships. However, this is just the first step. Looking ahead to 2030, we are committed to continue our work to scale a transformative cocoa farming model that supports a living income.

To achieve our 2030 vision, we aim to unlock productivity by increasing farm-level investment, focusing on pre-harvest labor, and climate resilience practices. This will be supported by advocacy for enabling policy reforms to ensure farmers can achieve a living income.

Our refreshed Prospering Farmers strategy builds on four interconnected focus areas that complement and strengthen our existing approach: agroforestry, soil management, integrated pest and disease management, and investment in cocoa planting material. These components reinforce our agricultural approach

and help build a more resilient and prosperous farming model.

## Agroforestry and shade management

Climate change is putting cocoa farming at risk. Rising temperatures and erratic rainfall could make key cocoa-growing regions less suitable for cocoa cultivation. Cocoa trees are highly vulnerable to prolonged drought and water scarcity, requiring over 1,200 mm of regular rainfall annually to remain productive.<sup>10,11,12</sup>

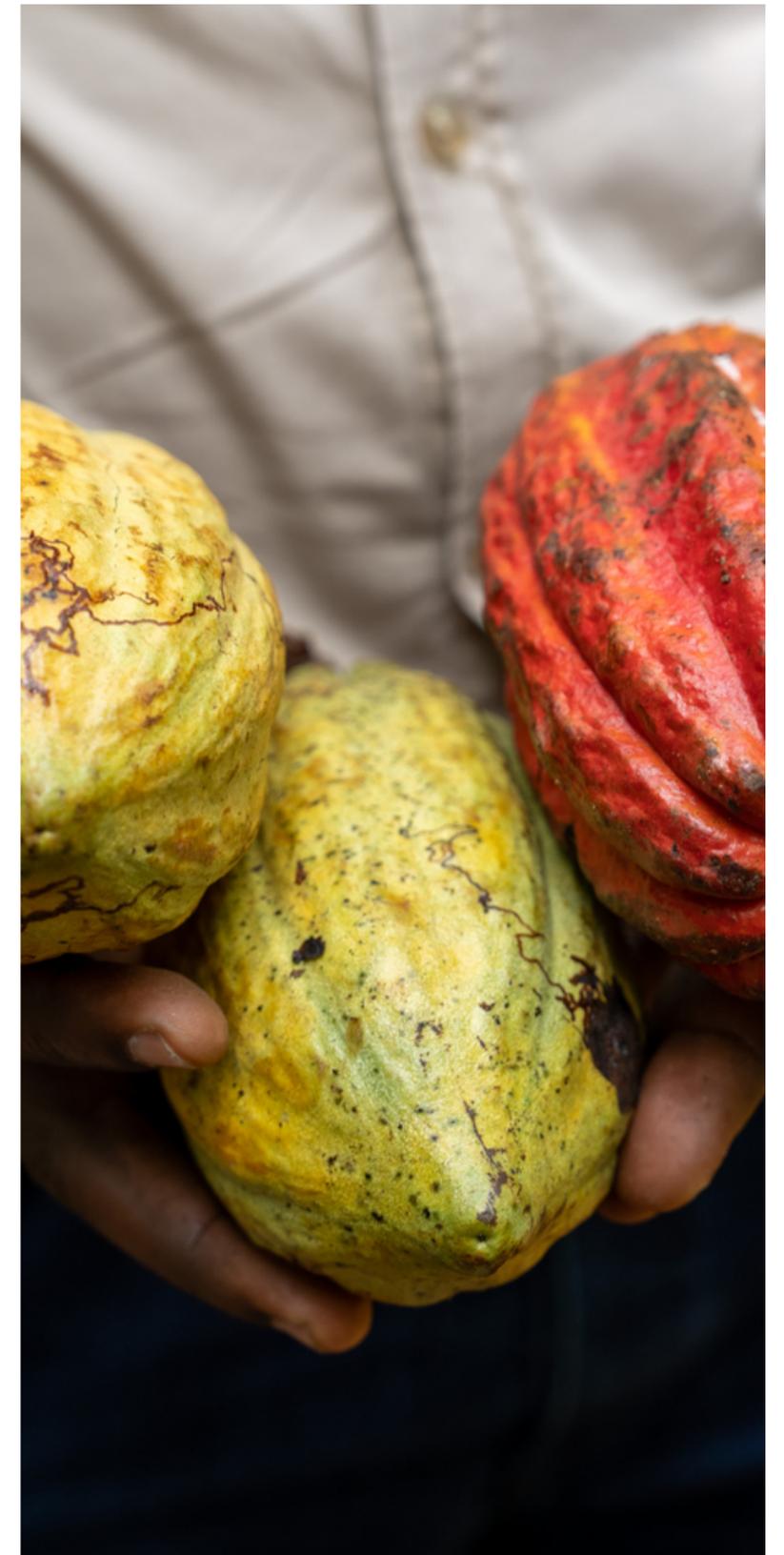
To strengthen farm resilience, we are scaling up farming practices such as agroforestry. Research shows that well-designed shade cover can lower on-farm temperatures by up to five degrees Celsius compared to unshaded cocoa plots<sup>13</sup> - helping cocoa trees withstand heat and drought stress while also supporting increased yields. Our model promotes diversified agroforestry systems with around 30% shade cover, combining cocoa with native and income-generating trees. Through hands-on training and technical support, we ensure farmers can adopt and adapt these practices. As part of our Thriving Nature pillar,

<sup>10</sup> Ariza-Salamanca, A. J. et al., 2023. Vulnerability of cocoa-based agroforestry systems to climate change in West Africa.

<sup>11</sup> Bomdzele, E. & Molua, E. L., 2023. Assessment of the impact of climate and non-climatic parameters on cocoa production: a contextual analysis for Cameroon.

<sup>12</sup> Bermudez, S. et al., 2022. Global Market Report: Cocoa prices and sustainability.

<sup>13</sup> Opoku, E. et al., 2023. Cocoa under heat and drought stress.



# FOREVER CHOCOLATE PROSPERING FARMERS

this approach is being rolled out across sourcing regions - further details can be found in the [Thriving Nature](#) chapter.

## Soil management

We focus on increasing yields by helping farmers optimize the land they already cultivate, without converting additional natural habitats. Decades of cocoa farming on previous rainforest areas without proper soil management have led to widespread soil degradation on cocoa plantations. Healthy soils are essential for sustainable cocoa farms, providing longevity and resilience over time.

To address this, we've strengthened our soil sampling protocol across farms in Brazil participating in our sustainability programs. This enables more accurate analysis and the development of tailored nutrient blends that help restore soil health and boost yields, while minimizing excess resource use - directly supporting our goal of improving farmer productivity and income.

This year, we formalized a partnership with Yara Fertilizers to expand support with customized nutrition recommendations and access to high-quality fertilizers at affordable prices. In total, we

issued 2,229 recommendations and distributed 5,003 metric tonnes of fertilizers.

## Pest and disease management

Various pests and diseases threaten cocoa plantations, with specific challenges differing across countries and continents. Likewise, the available control measures depend on the nature of the pest or disease. To address these risks, an Integrated Pest and Disease Management (IPM) approach is recommended. By closely monitoring disease spread and assessing potential damage, agrochemicals are applied only when necessary, allowing for a significant reduction in their use. Effective IPM requires thorough knowledge of best practices and strong farmer engagement to ensure successful, sustainable management.

Furthermore, there is an urgent need to address the threat of Cocoa Swollen Shoot Virus (CSSV) in West Africa - not only through management practices, but also by intensifying collaboration with research institutes to accelerate the breeding of CSSV-tolerant or -resistant cocoa varieties. To address the growing threat of CSSV, we launched a pilot in Côte d'Ivoire in 2024/25 to manage the disease, by clearing infected plots and planting barrier crops, following CIRAD

protocols. These crops act as physical barriers to mealybugs, the virus's primary vector. New healthy cocoa seedlings will be replanted in these areas next year. As we refine this approach, we will continue working closely with research partners and local stakeholders to scale effective solutions and safeguard the long-term viability of cocoa farming.

## Research and development of cocoa planting material

As cocoa farmers face increasingly complex environmental conditions - prolonged droughts, rising temperatures, and escalating pest and disease pressures - access to improved, high-quality planting material is more critical than ever. The choice of cocoa variety directly influences productivity and resilience, making it a key lever for sustainable cocoa cultivation in a changing climate.

Our refreshed Prospering Farmers strategy will focus on the establishment of a research pipeline for improved cocoa varieties. This will be achieved through close collaboration with international cocoa collections and national research institutes.

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To address the growing threat of CSSV, we launched a pilot in Côte d'Ivoire in 2024/25 to manage the disease, by clearing infected plots and planting barrier crops, following CIRAD protocols.

Furthermore, ensuring farmers can access improved varieties through high-quality seedlings is critical. We aim to enable farmers to access planting material through seed gardens (hybrid seedlings) or budwood gardens (clonal material), or through well-established and maintained nurseries in their communities.

# FOREVER CHOCOLATE PROSPERING FARMERS



This fiscal year, we expanded our nursery infrastructure in Brazil with the inauguration of an additional vegetation house, increasing our capacity to deliver resilient cocoa seedlings. This expansion is closely linked to the [Cacau & Floresta agroforestry program](#) we launched with Nestlé, which aims to plant 6,215 hectares of agroforestry and restoration, supporting both environmental regeneration and long-term farm resilience.

## Labor investment

According to the latest Agri-Logic data, cocoa farmers in Côte d'Ivoire spent on average 10.6 days on pre-harvest labor, while in Ghana the average was 7.75 days. This represents a substantial time investment for smallholder farmers and highlights the importance of organized labor solutions to unlock yield potential and scale good agricultural practices.

In 2024/25, our Prospering Farmers portfolio included tailored support such as access to agricultural inputs like fertilizers and crop protection, and pruning services. These efforts supported by our customers and partners such as Cocoa Horizons, Mondelez International and Ben & Jerry's, aim to increase on-farm cocoa productivity and farm resilience.

Labor shortages remain a key barrier to adopting good agricultural practices. Our labor groups address this challenge by supplying skilled support for labor-intensive tasks such as pruning cocoa trees and applying agricultural inputs, helping farmers improve productivity while creating local income opportunities.

In 2024/25, the labor groups program covered 35,797 hectares.

## Living income

Achieving a living income is the overarching goal that connects all elements of our Prospering Farmers strategy, as well as the collaboration with the other two pillars Thriving Nature and Human Rights. Through our collaboration with Agri-Logic, Sustainable Trade Initiative (IDH), and Rainforest Alliance, we've deepened our understanding of the systemic barriers preventing cocoa farmers from earning a living income. By leveraging data from key producing countries, we've developed an income model that allows for comparison with the [World Bank international poverty line](#) threshold and [Living Income benchmarks](#). These insights have shaped our strategy, focusing on land tenure, agroforestry incentives, and access to inputs and finance.

Every intervention - whether promoting agroforestry, enhancing soil management, advancing integrated pest management, improving access to high-quality planting material or increasing on-farm labor investment and productivity - is designed to help farmers move closer to achieving a living income and strengthening their resilience.

We also focus on farmers' ability to invest.

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This year, we expanded our nursery infrastructure in Brazil, increasing our capacity to deliver resilient cocoa seedlings.

One example is Nestlé's Income Accelerator Programme, which provides cash incentives and support for farming families to make changes at the farm and household level to reduce the gap to living income. We implement the Programme in two cooperatives in Nestlé's supply chain, moving to four in 2026. These payments - up to CHF 500 per household - are linked to key actions such as enrolling children in school, adopting good agricultural practices, engaging in agroforestry, and diversifying income through food crops or livestock.

Through conditional cash transfers, sustainability premiums, and support for Village Savings and Loan Associations (VSLAs), we help build financial security and unlock investment capacity. These

# FOREVER CHOCOLATE PROSPERING FARMERS

VSLAs, often led by women, strengthen community resilience and access to credit. More information on VSLAs can be found in the [Human Rights](#) chapter.

In parallel, we are scaling digital premium payments to strengthen financial inclusion and transparency. Our digital payment program has helped thousands of West African farmers to obtain national ID documents, removing a key barrier to accessing formal services and subsidies. To further strengthen our approach, we are conducting a study with ETH Zurich (NADEL) on effective cash transfer models for cocoa farmers, which will inform future implementation strategies.

## Partnerships driving progress

Transforming the cocoa sector requires more than individual action - it demands sustained collaboration. Alongside our own interventions, we work closely with our customers, NGOs, local organizations, associations, development partners, and local governments to co-create solutions that are effective, locally grounded, and financially viable.



As the cocoa processing partner for Tony's Open Chain, we contribute to a transparent and socially responsible supply chain. Since 2016, we have also implemented field-level sustainability programs for Ben & Jerry's, aligned with their living income goals.

Across all partnerships, we focus on building self-sustaining, scalable programs. Many include co-investment mechanisms, through which farmers

contribute labor or resources and partners support implementation by promoting specific practices.

## Strengthening sourcing and enabling sector transformation

Creating the conditions for farmer prosperity also requires rethinking how cocoa is sourced and purchased.

We continued contributing to sector reform through the Côte d'Ivoire-Ghana Cocoa Initiative (CIGCI), participating in a working group focused on pricing mechanisms. Our advocacy emphasizes a more equitable distribution of value along the cocoa supply chain and strengthening the role of the farm gate price as a critical tool for poverty reduction. A well-functioning, transparent pricing system that rewards sustainable and productive farming can provide a stronger foundation for farmer income and long-term sector resilience.

Lasting change in the cocoa sector requires systemic reform and alignment across public and private actors. Governments play a central role in improving rural infrastructure, enforcing land rights, strengthening traceability and implementing sound agricultural policies. For example, we support inclusive land registration

through our continued engagement in the Côte d'Ivoire Land Partnership (CLAP). Our involvement in initiatives like CLAP and the CIGCI reflects our commitment to shaping an enabling environment for farmers. We advocate for better data sharing, integrated land-use policies, and expanded financial inclusion to support a more equitable and resilient cocoa economy.

## Our measured impact

Our data continues to show that poverty reduction is driven by three key factors: yield, farm size and price. Aging cocoa trees and declining yields across West Africa underscore the need for robust farm management. That's why we intensified our focus on pre-harvest interventions, including pruning, soil health management, pest and disease control, access to high-quality planting material and shade maintenance.

Central to these efforts is our labor groups program, which covered 35,797 hectares in 2024/25. In addition, 88,058 farmers received our Productivity Package, which includes tailored support to help them improve yield and enhance farm productivity. Recognizing the importance of rejuvenating cocoa farms, we also distributed

# FOREVER CHOCOLATE PROSPERING FARMERS

4,378,544 cocoa seedlings to 11,564 farmers across our sourcing regions, helping to replace aging trees and strengthen farm resilience for the future.

The past year was marked by significant shifts in the cocoa sector. Climate stress and weather events led to global cocoa shortages and historic price spikes. In response, governments in Côte d'Ivoire and Ghana raised the farm-gate prices to CFA 2,200/kg and GHS 33,12/kg, respectively. While these increases contributed to improved farmer income, they alone are not sufficient to ensure long-term financial stability.<sup>14</sup>

In 2024/25, we updated our poverty benchmark to reflect the [World Bank's June 2025 revision](#) to USD 3.00 per person per day. This ensures our impact measurement remains transparent and aligned with global standards. The implications are visible in our reported results. The increase in terms of farmers reaching the poverty line is less steep - even though there was an increase in terms of cocoa prices in the past few cocoa seasons.

In 2024/25, we reached a major milestone in our journey toward enabling a living income for cocoa farmers. Despite climate-related challenges and a

30% increase in the poverty benchmark, we already achieved (and exceeded) our Forever Chocolate target for the 2025/26 reporting period. In 2024/25, a total of 557,739 cocoa farmers in our supply chain have risen above the poverty line - a 30.0% increase compared to 2023/24 figure of 428,997<sup>15</sup>.

This achievement reflects the combined impact of rising farm-gate prices and the scale of our field-level interventions. However, we recognize that reaching the poverty line is only the beginning. Our vision is to build a transformative cocoa farming model that enables a living income in 2030.

As we move beyond the milestone of lifting 500,000 cocoa farmers out of poverty, our next challenge is clear: enabling farmers not just to survive, but to prosper - through resilient farming systems, diversified income streams and fair participation in the cocoa economy. Together with our partners, we will continue to invest in scalable solutions that drive lasting change across the sector.

<sup>14</sup> van Vliet, J. A. et al., 2021. [A Living Income for Cocoa Producers in Côte d'Ivoire and Ghana?](#)

<sup>15</sup> In June 2025, the World Bank revised the international poverty line from USD 2.15/day/person (based on 2017 Purchasing Power Parities (PPPs)) to USD 3.00/day/person (based on 2021 PPPs). In response, Barry Callebaut has recalibrated this threshold per country using their respective 2021 PPPs and national inflation. This adjustment is reflected in our fiscal year 2024/25 KPI 'Number of farmers above the World Bank international poverty line of USD 3.00/day'. To ensure comparability with 2023/24 performance, Barry Callebaut retrospectively applied the updated threshold to last year's data. Under the previous threshold of USD 2.15/day/person, 475,752 farmers were reported as living above the poverty line. Applying the revised threshold of USD 3.00/day/person to the same dataset results in 428,997 farmers above the poverty line.

## KPIs 2024/25

**557,739**

No. of cocoa farmers above the WB international poverty line of USD 3.00/day

**177,973**

No. of farmers who have received Farm Service activities

**11,564**

No. of farmers who received cocoa seedlings

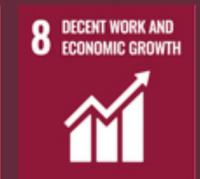
**35,797**

Hectares covered by programs to support farmers with paid labor groups

**88,058**

No. of farmers with a Productivity Package

## Our commitment to the UN SDGs



# FOREVER CHOCOLATE

# HUMAN RIGHTS

## Introduction

As part of our Forever Chocolate strategy, we are committed to embedding human rights across our value chain, with a strong focus on protecting children. Our approach is built on two complementary pillars. Through human rights due diligence (HRDD), we assess, monitor, and mitigate risks in our operations and supply chain. In parallel, our community-based approach addresses the root causes of child labor by supporting access to education, strengthening child protection systems, and shifting cultural norms that prioritize farm labor over schooling. Together, these pillars enable us to reduce risks

while driving lasting impact in cocoa-growing regions.

Strengthening our ability to prevent and respond to human rights impacts remains one of our key priorities. Research consistently<sup>16</sup> highlights that there is widespread prevalence of child labor in cocoa-growing regions, which underscores the need for systemic change. We believe that HRDD, grounded in the UN Guiding Principles on Business and Human Rights (UNGPs)<sup>17</sup>, means engaging constructively in difficult contexts - not walking away from risk, but being part of the solution and engaging actively and constructively to address them.

## Our goal

By 2025, our entire supply chain will be covered by Human Rights Due Diligence, remediating all child labor cases identified. By 2030, the farming communities we source from will be empowered to protect child rights.



<sup>16</sup> NORC Final Report: Assessing Progress in Reducing Child Labor in Cocoa Production in Côte d'Ivoire and Ghana. Final Report 2018/2019 Survey

<sup>17</sup> [https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinesshr\\_en.pdf](https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinesshr_en.pdf)

# FOREVER CHOCOLATE HUMAN RIGHTS

## Our approach

Human Rights is one of the four strategic pillars of our Forever Chocolate strategy. Our approach for this pillar follows two interconnected targets: By 2025, our entire supply chain will be covered by HRDD, with all identified cases of child labor remediated. By 2030, the farming communities we source from will be empowered to protect children's rights. The following sections outline how we are putting these commitments into practice.

Our actions go beyond detecting child labor: we aim to strengthen and connect with child protection systems, empower communities and promote local ownership and child participation. We believe enforcement of a strong regulatory framework to prevent, mitigate and respond to human rights abuse and violations in origin countries should be part of a broader effort to strengthen an enabling environment for sustainable farming.

Barry Callebaut's HRDD approach is guided by local, national and international laws and standards, such as the [OECD Guidelines for Multinational Enterprises on Responsible Business Conduct](#) (OECD Guidelines), the UNGPs, the OECD Business Handbook on Due Diligence in the

Cocoa Sector, the Children's Rights and Business Principles by UNICEF, and the UN Global Compact. We adhere to the principles of the UN Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and its Core Conventions and the UN Convention on the Rights of the Child.

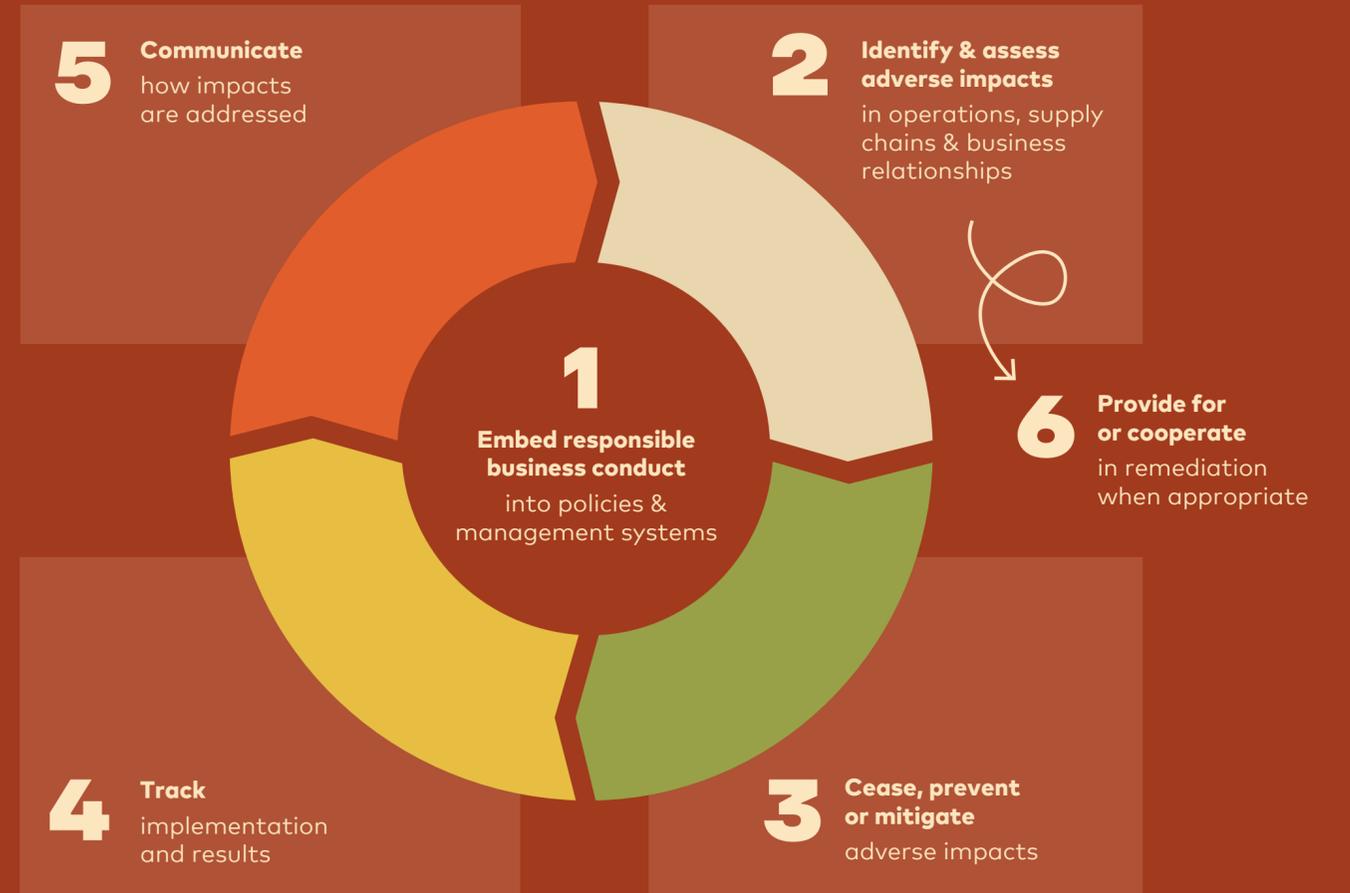
In 2024/25, we continued to strengthen and operationalize our HRDD system aligned with the OECD Guidelines and the International Cocoa Initiative's (ICI) six key elements, while upholding safeguarding principles.

We follow the OECD's six-step framework, which provides a structured process for identifying, preventing and addressing human rights risks across our value chain (see following page).





### OECD Due Diligence Guidance for Responsible Business Conduct: risk-based due diligence framework



Source: <https://www.oecd.org/en/topics/due-diligence-for-responsible-business-conduct.html>

# FOREVER CHOCOLATE

## HUMAN RIGHTS

### **1. Embedding responsible business conduct into policies and management systems (UNGP 16, 22 & 31)**

Our HRDD process is anchored in a robust policy and procedural framework. The Barry Callebaut Code of Conduct, our Supplier Code, our Global Human Rights Statement and Child Labor Statement set clear human rights expectations across our operations and supply chain. These documents adhere to international and regional instruments and standards on human rights and child protection, recognizing our role as a company within the broader (child protection) system. They are supported by implementation protocols, escalation mechanisms, and oversight. Together, they form the basis for how we engage, assess, and hold ourselves and our partners accountable.

As a first step in our HRDD process, we require all our agricultural raw material suppliers to sign our Supplier Code or demonstrate evidence of compliance through mutual recognition. As of 2024/25, over 95% of our raw material suppliers had signed our Supplier Code or provided evidence of compliance to an equivalent standard, marking a first step toward our goal of

implementing HRDD across our entire supply chain.

Our grievance mechanism plays a central role in embedding responsible business conduct into management systems, and ensuring accountability. It enables employees, farmers, suppliers, and external stakeholders to report concerns and incidents through channels such as the [BC Integrity Line](#). To ensure consistent and appropriate responses to reported human rights violations, Barry Callebaut has established a Global Human Rights Response Protocol, which provides clear guidance to the Compliance team, employees and partners (see step 6). More information on our grievance mechanism can be found in the [Business Conduct](#) chapter.

### **2. Identifying and assessing adverse human rights impacts (UNGP 18)**

Effective due diligence begins with understanding where and why human rights risks occur. In cocoa-growing regions, these risks are often rooted in structural challenges such as rural poverty, gender inequality and limited access to education and public services.

Our approach starts with country-level and supplier risk screening using third-party indices

like Verisk Maplecroft. These insights are deepened through Human Rights Impact Assessments (HRIAs), conducted since 2021/22 in Indonesia, Ecuador, Brazil, Côte d'Ivoire, Ghana, Cameroon, and Nigeria. These assessments identify salient human rights risks affecting workers and communities, with a particular focus on children and women. Each HRIA follows a rights-based, participatory approach and results in a country-specific action plan with concrete measures for mitigation, prevention and remediation. In 2024/25, our focus was on implementing and monitoring these action plans. HRIAs are reviewed and updated every four years to track progress and refine our approach. In the upcoming year, we are conducting follow-ups of HRIAs in Ecuador, Indonesia and several African countries, with emphasis on child protection risks. Globally, we will also expand our focus to include the supply chains of non-cocoa ingredients such as coconut, sugar cane, hazelnut, palm and vanilla.

Our Farm Observation Survey (FOS) - now fully deployed across our direct cocoa supply chain in West and Central Africa - enables field staff to detect signs and indicators of human rights and child protection risks through on-farm observations during both announced and

unannounced visits. This real-time, observation-based survey helps identify and report potential human rights violations, supported by trained staff and referrals to national child protection and social welfare systems. Importantly, children are no longer interviewed as part of this process, which strengthens our alignment with international and regional child protection legislation and reduces the risk of harm.

### **3. Ceasing, preventing and mitigating adverse human rights impacts (UNGP 19)**

Preventing human rights violations requires systemic interventions that address the root causes and foster protective environments for children, families and communities.

Internally, we strengthened prevention efforts through comprehensive staff training. In 2024/25, all Barry Callebaut staff - from headquarters to farm - received training in safeguarding and child-friendly engagement. In West Africa, we implemented a Training of Trainers model to equip our coaches conducting farm observation with essential soft skills including active listening, trust-building and observational techniques. Additionally, over 100 staff globally who serve as first responders in our direct supply chain

# FOREVER CHOCOLATE HUMAN RIGHTS

participated in a safeguarding refresher program. This training enhances their ability to respond to safeguarding concerns, enable effective reporting mechanisms and address barriers to reporting. Furthermore, we continued to support our suppliers in establishing HRDD processes and expanded the setup and coaching of Human Rights Committees (HRCs) at the farmer group level. The HRCs oversee prevention and response efforts related to human rights violations. In addition, in 2024/25, we kicked off our Community Systems Strengthening approach across Côte d'Ivoire, Ghana, and Nigeria to foster protective environments for children. The model is built around five interconnected components (see graphic): effectively functioning child protection mechanisms, improving community infrastructure, enhancing access to quality education and livelihoods, and fostering multi-stakeholder collaboration. Rooted in community ownership and child participation, it addresses the root causes of child protection issues in a sustainable way. In Côte d'Ivoire, a key milestone was the rollout of Village Social Contracts - formal agreements created by communities outlining their own commitments to children's wellbeing. Facilitated by Save the Children and supported by the Center

for Utilizing Behavioral Insights for Children (CUBIC), 50% of the targeted community-based contracts were signed in 2024/25. The other half of the Village Social Contracts will be signed in 2025/26. As part of the SOURIRE project, this behavioral science approach aims to reduce children's engagement in hazardous tasks and increase school attendance. In Ghana, the My Life My Rights project, implemented by Right To Play, focuses on empowering children through play-based learning. In 2024/25, 50 school clubs were established, with trained junior leaders facilitating activities such as club talks on child labor, educational games, and quiz competitions. In Nigeria, our partnership with Terre des hommes began with a participatory baseline, where children shared life stories as a way of amplifying their voices and informing targeted action under a Systemic Action Research model. This model provides a powerful basis for shaping interventions that are context-specific and empowered children as co-researchers in shaping responses to the issues that affect them. In all three project countries, a core activity in 2024/25 was setting up or reinforcing Child

## Five components of the Community Systems Strengthening approach



# FOREVER CHOCOLATE

## HUMAN RIGHTS

Protection Committees (CPCs). These locally anchored structures respond to child rights violations and help prevent risks to children, serving as key entry points for protective environments and referral pathways. Strengthening CPCs through training on legal frameworks and child protection challenges is a central part of our strategy to reinforce community-based protection mechanisms.

These country-level efforts are supported by a global Community of Practice, bringing together implementing partners and ICI to share innovative practices, models and tools for effective child protection systems across Cocoa Horizons and customer programs.

To address the economic drivers of child labor, we also continued supporting Village Savings and Loans Associations (VSLAs) - community-based schemes that provide access to small loans and help build financial resilience. These initiatives contribute to long-term economic stability and reduce household reliance on child labor.

In Côte d'Ivoire, we continued our engagement in CLEF (Ensemble contre le travail des enfants), a national platform co-led by the government and industry that aligns child labor elimination strategies. Our participation ensures alignment

with national child protection goals and supports a coordinated sectoral response.

In Ghana, we support the SCALE initiative, led by the Jacobs Foundation and the Ministry of Education, to strengthen public education at scale: SCALE will expand teacher training and tailored learning to 15,000 schools, reaching two million children.

#### **4. Tracking implementation and results (UNGP 20)**

Tracking performance is essential to ensure that our due diligence system is effective, accountable, and continuously improving. We monitor the implementation of activities across all levels - from individual case management to community projects - to identify what works, adapt where needed, and meet stakeholder and regulatory expectations.

Beyond remediation, we track the rollout and completion of our preventive and safeguarding activities, as well as cases reported via our grievance mechanism.

#### **5. Communicating performance (UNGP 21)**

We communicate our performance through this Social and Environmental Impact Report and tailored customer and program-level updates. Since 2016/17, we have published third-party-verified Forever Chocolate progress reports - reflecting our long-standing commitment to transparent reporting beyond compliance.

Our reporting anticipates evolving regulatory and investor expectations. In 2024/25, we continued preparing for the forthcoming Corporate Sustainability Reporting Directive (CSRD).

Beyond external reporting, we promote internal learning through cross-country workshops. Our Community of Practice has become a key platform for sharing experiences and strengthening alignment.

#### **6. Remediating adverse human rights impacts (UNGP 22)**

Remediation reflects our responsibility not only to prevent harm, but to take structured, meaningful action when harm occurs. We developed our Global Human Rights Response Protocol to guide employees and partners in responding to human rights violations across operations and supply chains. The protocol is supported by practical

tools, including templates and examples, which will be adapted to local contexts to develop country-specific Standard Operating Procedures. We also focus on strengthening relationships with government agencies through capacity building, stakeholder mapping and the setting up of referral pathways. In Côte d'Ivoire, Ghana and Cameroon, we work with expert organizations to implement integrated child protection case management with social services.

Together with our NGO partners, we ensure each case follows a structured process - from needs assessment to individual case planning to follow-up and resolution. A case is only closed once the concern is adequately addressed and a final visit confirms a durable solution has been found.

#### **Child Labor Monitoring and Remediation Systems (CLMRS)**

In 2024/25, on behalf of our customers, we continued implementing Child Labor Monitoring and Remediation Systems (CLMRS) across our cocoa supply chain in West Africa, in line with ICI standards. Our individual remediation approach focused on education, social issues, and gender-related considerations. Key activities include distributing school kits and birth certificates -

# FOREVER CHOCOLATE HUMAN RIGHTS

essential legal documents that safeguard children's rights and enable their access to education. Additionally, we provide training for families and communities on child labor awareness, and conduct regular follow-up visits to farmers' homes to ensure ongoing support.

## Our measured impact

In 2024/25, the percentage of farmer groups in our direct supply chain that have systems in place to prevent, monitor and remediate child labor increased further to 99.3%. In the last fiscal year, we identified 25,288 cases of child labor, representing a +30.4% increase from the prior year. This increase is primarily due to expanded CLMRS coverage across our customer programs. In parallel, we continued shifting from household-level monitoring through individual interviews to a broader child protection approach focused on prevention and systemic response. This transition, aligned with expert guidance, reduces safeguarding risks and ethical concerns linked to direct child interviews. As part of this shift, we developed and continued to implement new tools, including farm observation surveys, while maintaining outreach levels.

The number of child labor cases under remediation was at 51,420 (+24.8%) in 2024/25. While this increase reflects intensified identification efforts, it also underscores the time and care required to ensure each case is addressed sustainably.

Remediation is a long-term process, and this figure underscores our continued commitment to supporting every child labor case identified.

The number of cases successfully remediated increased to 30,080 - a +13.4% rise compared to 2023/24.

To address income diversification and financial resilience, we supported 1,475 VSLAs, through which farmers collectively saved a total of CHF 3.8 million in 2024/25. These savings are often reinvested in farm inputs, education, and small businesses, contributing to long-term stability.

## KPIs 2024/25

**99.3%**

Percentage of farmer groups in our direct supply chain that have systems in place to prevent, monitor and remediate child labor

**25,288**

No. of child labor cases identified

**30,080**

No. of remediated child labor cases

**CHF 3.8** million

Total amount saved through VSLAs

**411,045**

No. of farmers in farmer groups covered by child labor monitoring and remediation activities

**51,420**

No. of child labor cases under remediation

**1,475**

No. of VSLAs established or functioning

**CHF 2.1** million

Total amount loaned through VSLAs

## Our commitment to the UN SDGs



## FOREVER CHOCOLATE

# THRIVING NATURE

### Introduction

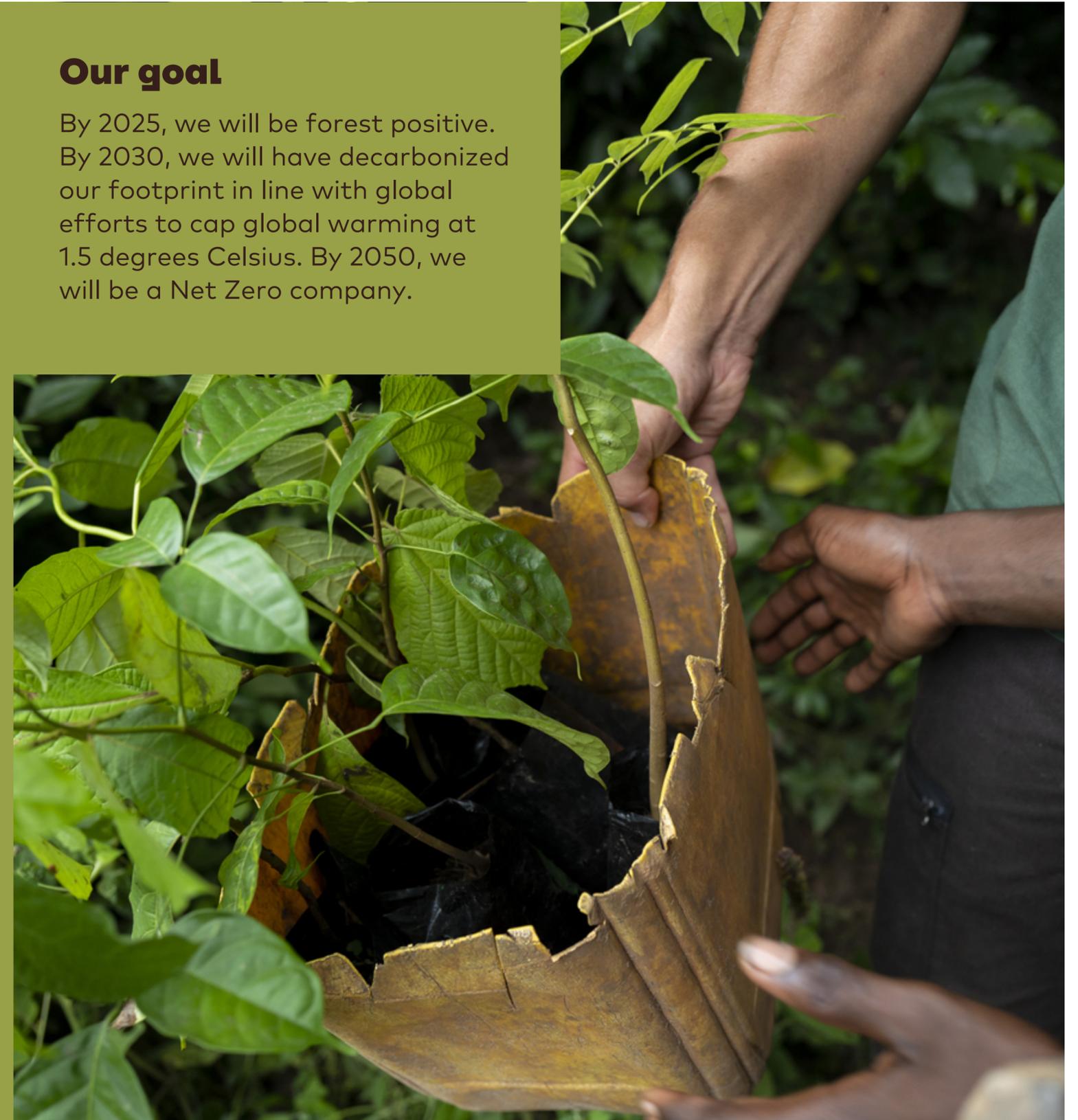
Climate change and deforestation continue to threaten ecosystems, communities, and agricultural supply chains. Cocoa yields are declining, weather patterns are becoming more volatile and pressure on land use is intensifying. Since the 1960s, nearly half of global cocoa expansion has occurred at the expense of forest landscapes - driving biodiversity loss and emissions.

As a major buyer of agricultural raw materials, we face these risks directly - but also have a responsibility and the means to drive change.

Our commitment to sourcing from deforestation- and conversion-free areas is central to this effort. At the same time, we are accelerating investment in climate-resilient supply chains. Our ambition to be forest positive and deforestation-free is one powerful lever for achieving our Net Zero trajectory.

### Our goal

By 2025, we will be forest positive. By 2030, we will have decarbonized our footprint in line with global efforts to cap global warming at 1.5 degrees Celsius. By 2050, we will be a Net Zero company.



# FOREVER CHOCOLATE

## THRIVING NATURE

### Our approach

Thriving Nature is one of the four strategic pillars of our Forever Chocolate strategy. Our approach for this pillar is guided by two interconnected targets: Becoming forest positive by 2025 and decarbonizing our value chain emissions aligned with a 1.5 degrees Celsius pathway. The following sections outline how we are implementing these targets in practice.

We fully support the EU Deforestation Regulation (EUDR) as we believe that binding regulation is essential to driving systemic change on deforestation. Since the outset, we have actively supported this legislation, guided by our responsibility towards all supply chain stakeholders - from farmers to customers - to help halt deforestation, promote sustainable and traceable farming practices, and protect forests.

### Becoming forest positive by 2025

Our forest positive ambition includes farm-level traceability, rigorous due diligence, and forest protection across our supply chains.

This approach is supported by the requirements set forth in the EUDR, for which we are well-prepared - equipped with geolocation data, digital traceability tools, and strong supplier systems. Our ambition also includes investing in targeted

forest protection initiatives across key cocoa- and palm-producing landscapes, setting a new standard for responsible sourcing and environmental stewardship. Today, we can already demonstrate that:

- Within the scope of the EUDR, and for volumes sourced to supply our facilities in Ghana and Côte d'Ivoire, we have achieved 100% deforestation-free sourcing. Additionally, we have mapped over 1.5 million cocoa farms as of 2024/25.
- Beyond this scope, we implement extensive due diligence - conducting country risk assessments across all sourcing regions and investing in forest protection in high-risk landscapes. These efforts are directly connected to our broader 2030 traceability and sustainable ingredients roadmap.

This comprehensive approach ensures that our near-term compliance with EUDR is embedded in a longer-term strategy that is geared towards scaling due diligence and traceability globally.

### Country-level due diligence

We conduct our own country risk assessments to evaluate deforestation and legality risks at both national and subnational levels, based on internally defined criteria. Sourcing regions are

classified as high-, medium- or low-risk, and tailored sourcing strategies and mitigation actions are applied accordingly. To date, we have completed 15 country risk assessments, each with distinct risk profiles that inform sourcing decisions and guide forest protection initiatives in key origins.

### Supplier assessment and engagement

We evaluate suppliers based on their ability to deliver traceable, deforestation-free volumes, with full alignment to our Supplier Code - including due diligence systems that meet EUDR expectations for indirectly sourced volumes.

In 2024/25, we deepened supplier engagement, particularly around EUDR readiness. We provided training on EUDR requirements and supported system upgrades to ensure traceability to farm level and GPS-enabled monitoring for cocoa and palm oil.

In 2024/25, we partnered with MosaiX B.V. (the European branch of Earthqualizer and Inovasi Digital) to conduct a proactive, global risk assessment of all palm oil mills, extending beyond our direct supply chain. This assessment evaluates deforestation, social, and legal compliance risks using No Deforestation, No Peat and No Exploitation (NDPE) and EUDR criteria, grounded

in accurate supplying land plots data. Updated twice a year, it provides a forward-looking view of risk exposure and enables us to share relevant insights with our suppliers, driving concrete actions. By combining mill-level data with subnational deforestation risk analysis and other contextual factors, this assessment plays a central role in shaping our forest protection strategy in palm oil.

### Traceability and farm assessment

Farm-level traceability is a cornerstone of our deforestation-free sourcing strategy. It allows us to identify the origin of cocoa, assess forest risk at source, and respond with targeted actions. We collect detailed data for each farmer supplying us including name, farm size, GPS coordinates, and polygons (mapped boundaries). These maps are then overlaid with land use and tree cover loss data to evaluate deforestation risk. To operationalize this, we leverage advanced technologies, relying on satellite monitoring systems equipped with high-resolution imagery to detect forest disturbance in and around mapped plots. This involves working with partners such as Starling and MosaiX B.V. Starling, developed by Airbus and Earthworm Foundation, provides high-resolution, near-real-time forest imagery (see highlight box on following page). It enables us to

# FOREVER CHOCOLATE THRIVING NATURE

monitor deforestation events within and around cocoa farms and supports both internal controls and EUDR compliance. MosaiX B.V. supports our palm oil efforts by verifying our mill list twice a year and providing biweekly monitoring of deforestation, peatland conversion, and fires across our entire supply chain at group level. Their support also includes assistance in case prioritization and engagement as needed.

To date, we have mapped a total of 1.5 million farm plots. This year alone, we newly mapped 725,785 cocoa farm plots, (+8.5%), enabling farm-level traceability across these areas. By linking each farm to its geolocation, traceability status, and risk profile, we are building a transparent system that supports both our policy commitments and evolving regulatory requirements.

### **Additional due diligence measures**

Beyond supplier assessments and satellite monitoring, we apply additional controls to strengthen the integrity and transparency of our sourcing systems.

### **Yield control mechanism:**

Our first-mile traceability system is unique. It includes a region-specific yield control model that

flags anomalies between expected and actual cocoa volumes. Using farm size, age of trees, and agro-ecological conditions, we calculate expected yields per plot. Any supply volumes exceeding these benchmarks are investigated - helping prevent the infiltration of non-compliant or untraceable cocoa into our deforestation-free volumes.

### **Grievance mechanism:**

We operate an open and transparent grievance mechanism that allows any stakeholder to raise concerns related to sourcing, land use, or forest impacts. All grievances are logged and processed through a structured framework including verification, stakeholder engagement, and corrective action where needed. This mechanism enhances accountability, increased stakeholder dialogue and serves as an early warning tool for risks not captured by remote sensing. More details on our grievance mechanism can be found in the [Business Conduct](#) chapter.

By combining data-driven controls with open stakeholder engagement, we are strengthening our ability to detect risks early, respond effectively, and uphold the integrity of our forest protection commitments.



## **In 2024/25, we started a partnership with Starling to leverage satellite-based deforestation monitoring in assessing our cocoa supply chain.**

**Launched in 2016 as a collaboration between Airbus and the Earthworm Foundation, Starling is a geospatial solution built to measure environmental impacts across entire supply chains, supporting deforestation-free commitments and compliance with the EUDR.**

By combining high-resolution satellite data, open-source Sentinel imagery, and Airbus' proprietary constellation, Starling tracks changes in vegetation cover worldwide.

The platform generates detailed land-cover maps that distinguish between natural forests,

plantations, agroforestry systems, and other land types. Its AI-powered algorithms provide monthly monitoring of forest cover change and evaluate compliance by analyzing plot consistency, deforestation history, and potential overlap with protected areas.

In addition, Starling performs risk assessments to identify regions vulnerable to future deforestation, drawing on historical land use and practices.

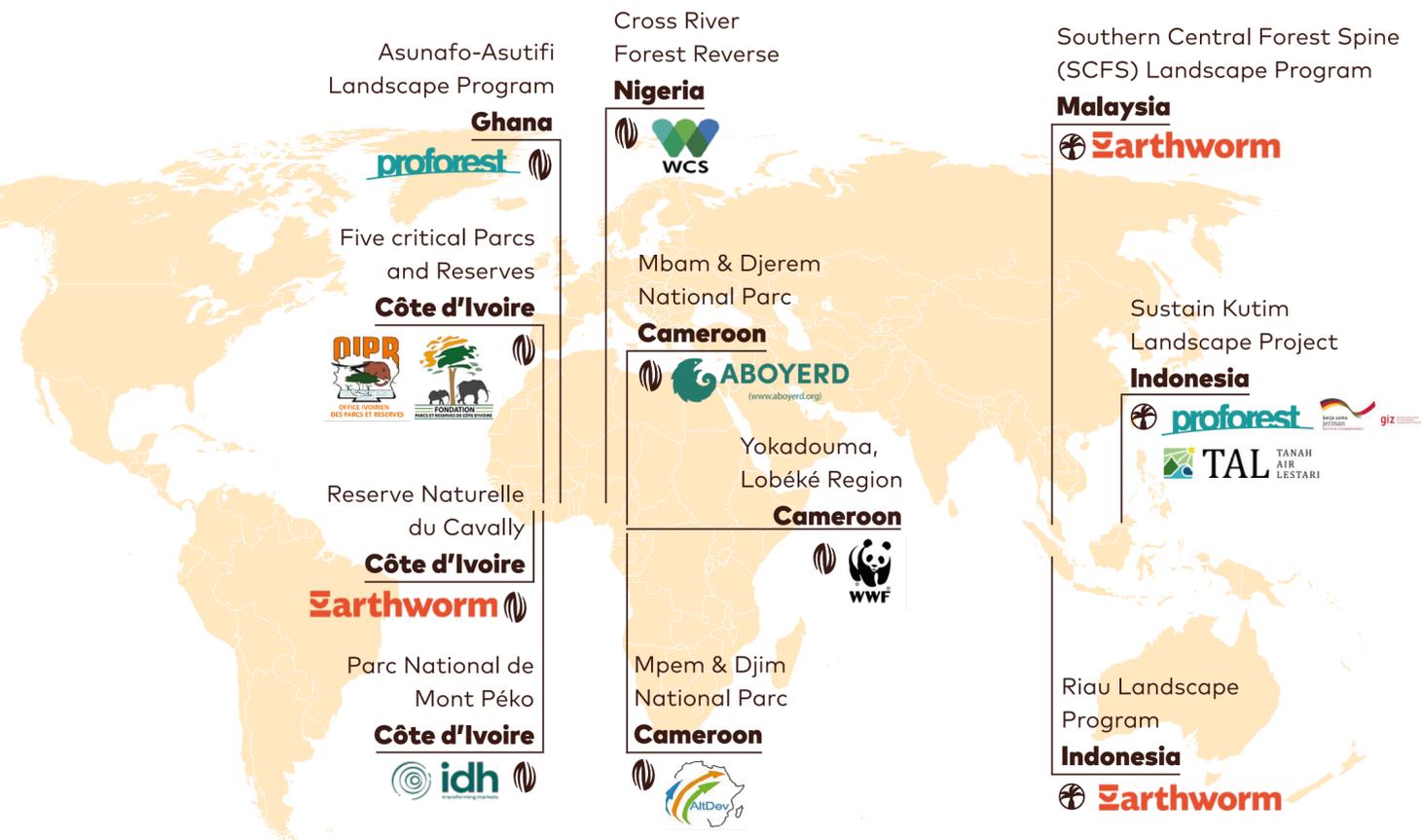
The insights provided by Starling have become a cornerstone of our strategy to comply with EUDR requirements and advance our forest positive commitments.

# FOREVER CHOCOLATE THRIVING NATURE

## Forest protection projects in cocoa and palm landscapes

Forest protection is the cornerstone of our strategy to be forest positive. We invest annually in targeted conservation efforts across high-risk cocoa and palm landscapes in Côte d'Ivoire,

Ghana, Cameroon, Nigeria, Indonesia and Malaysia.



Cocoa landscapes  
 Palm landscapes

### Highlights include:

- In Côte d'Ivoire, we have formed a partnership with the Ivorian Office of Parks and Reserves (OIPR) to support ecological monitoring, surveillance patrols and community engagement across seven national parks and reserves. We also have engaged in multi-stakeholder partnerships to support the Cavally and Mont Péko landscapes initiatives.
- In Ghana, we supported the launch of a landscape program supporting forest restoration and community-based governance in Asunafo-Asutifi.
- In Cameroon, we have launched partnerships with WWF, Aboyerd and Alt Dev to support forest monitoring, indigenous and community forest management, economic development and social well-being in Mpem, Djim, Mbam, Djerem and Yokadouma.
- In Nigeria, we work with the Wildlife Conservation Society and support efforts to protect Afi Mountain Wildlife Reserve and Okwangwo National Park, and the surrounding forest frontiers.
- In Indonesia, we have participated in the Sustain Kutim landscape initiative in Kutai Timur District, East Kalimantan since 2023. This collaborative effort aims to protect at least 3,000 hectares of High Conservation Value (HCV) areas. In 2024/25, we also joined the Earthworm Foundation's Riau landscape project in Riau, Sumatra. Between 2021 and 2025, the landscape-scale collective action contributed to protecting 304,077 ha of forests under village regulations.
- In Malaysia, we joined the Earthworm Foundation's Southern Central Forest Spine (SCFS) landscape project, in one of the most critical palm oil sourcing regions in the country. The remaining forest complexes in SCFS serve as vital wildlife corridors for endangered species.

**These initiatives combine advanced monitoring tools and multi-stakeholder collaboration to protect forests, strengthen livelihoods, and reduce deforestation risks.**



# FOREVER CHOCOLATE THRIVING NATURE

## Agroforestry and shade management in cocoa

Agroforestry is a key strategy towards climate change adaptation in cocoa landscapes. It helps buffer cocoa farms against rising temperatures, reduce drought stress and protect cocoa yields, helping farmers adapt to more extreme and unpredictable weather. We achieve this through shade management and the integration of forest and fruit tree species to create more resilient cocoa systems that are better adapted to climate change.

Cocoa grown under shade trees is also more resilient to drought and disease, supports healthier soil structure and our Net Zero trajectory. More information on our work to support income diversification and resilience building can be found in the [Prospering Farmers](#) chapter.

Agroforestry further supports natural pest control: shaded cocoa farms can significantly lower pest and disease pressure compared to monocultures. As supported by research<sup>18</sup>, optimal shade coverage (30-50%) can reduce black pod and mirid damage, lowering the need for chemical inputs.

In 2024/25, we continued implementing our agroforestry program, establishing 24,301 hectares of new systems, generating 457,592 tonnes of verified scope 3 carbon removals, certified by SustainCERT. All tree planting is linked to mapped cocoa farm polygons, enabling canopy and carbon performance monitoring. Launched in 2022 in Ghana and Côte d'Ivoire, our intensified agroforestry model provides farmers with planting kits, diagnostics, and training, followed by coaching, replacement seedlings, and monitoring of tree survival and farm-level outcomes. Land tenure interventions and market access for tree-based products are introduced over time to build economic resilience.

To support adoption and long-term success, we pair agroforestry with Payments for Ecosystem Services (PES). Through PES, farmers receive annual payments based on the survival and performance of the trees they planted. This creates a direct financial incentive for maintaining healthy agroforestry systems and contributes to carbon removal at farm level. In 2024/25, we disbursed payments on 59,852 (+23.8%) hectares already under contract. Payments in Ghana and Côte d'Ivoire were processed digitally via mobile money, ensuring speed and accessibility. We are also expanding our PES model to new origins. In



## In 2024, we launched an assisted natural regeneration (ANR) pilot project in Côte d'Ivoire, in collaboration with RISOME and CIRAD.

**ANR promotes agroforestry by focusing on the conservation of existing forest trees on cocoa farms and nurturing naturally emerging seedlings. Rather than relying solely on new tree planting, the approach builds on the ecological resources already present on farmers' plots.**

The pilot design drew on CIRAD's advanced research, which demonstrates the strong potential of ANR as a tool for agroforestry and shade management in Côte d'Ivoire. As part of the project, farmers received tailored support including farm-specific assessments (such as shade diagnostics), training in botany and silviculture, and environmentally linked performance incentives. This integrated approach helps embed long-term biodiversity stewardship into daily farming practices.

The pilot covered 1,200 hectares and engaged 600 cocoa farmers. Early findings are very promising, with an average of 103 seedlings and nine tree species per hectare regenerating naturally, even on degraded land. This highlights the significant ecological potential already present in cocoa landscapes. Complementary research by CIRAD confirms that naturally regenerated seedlings grow around 10% faster, develop stronger root systems, produce more timber, and store twice as much carbon as planted trees after seven years.

In a relatively short period, the pilot has shown that ANR is a highly effective methodology with strong potential to accelerate the adoption of agroforestry practices. Building on these results, our team, together with CIRAD and RISOME, visited other regions across Côte d'Ivoire and observed similar regeneration potential, reinforcing the case for scaling up this approach nationwide.

<sup>18</sup> Blaser-Hart, W. et al., 2018. Climate-smart sustainable agriculture in low-to-intermediate shade agroforests.

# FOREVER CHOCOLATE THRIVING NATURE

Brazil and Indonesia, design phases have been completed, and feasibility studies are planned in Cameroon and Ecuador - supporting the rapid growth of our climate-smart cocoa ambitions.

## Climate risk and resilience

Understanding and addressing climate-related risks is central to our long-term sustainability and business strategy. In 2024/25, we modelled our climate risks using the platform of our partner [Risilience](#), which provided valuable insights into exposure across our sourcing regions and supply chain (see yield map).

These findings inform our mitigation strategy, which focuses on building resilience both at farm level and across our broader operations. Our mitigation efforts include working closely with farmers to implement agroforestry systems, ANR and shade management practices. These approaches help improve biodiversity and support long-term soil health.

We also conducted our first reporting in line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations this year, outlining our governance, strategy, and risk management approach to climate-related risks and opportunities - see [TCFD](#) disclosures for details.

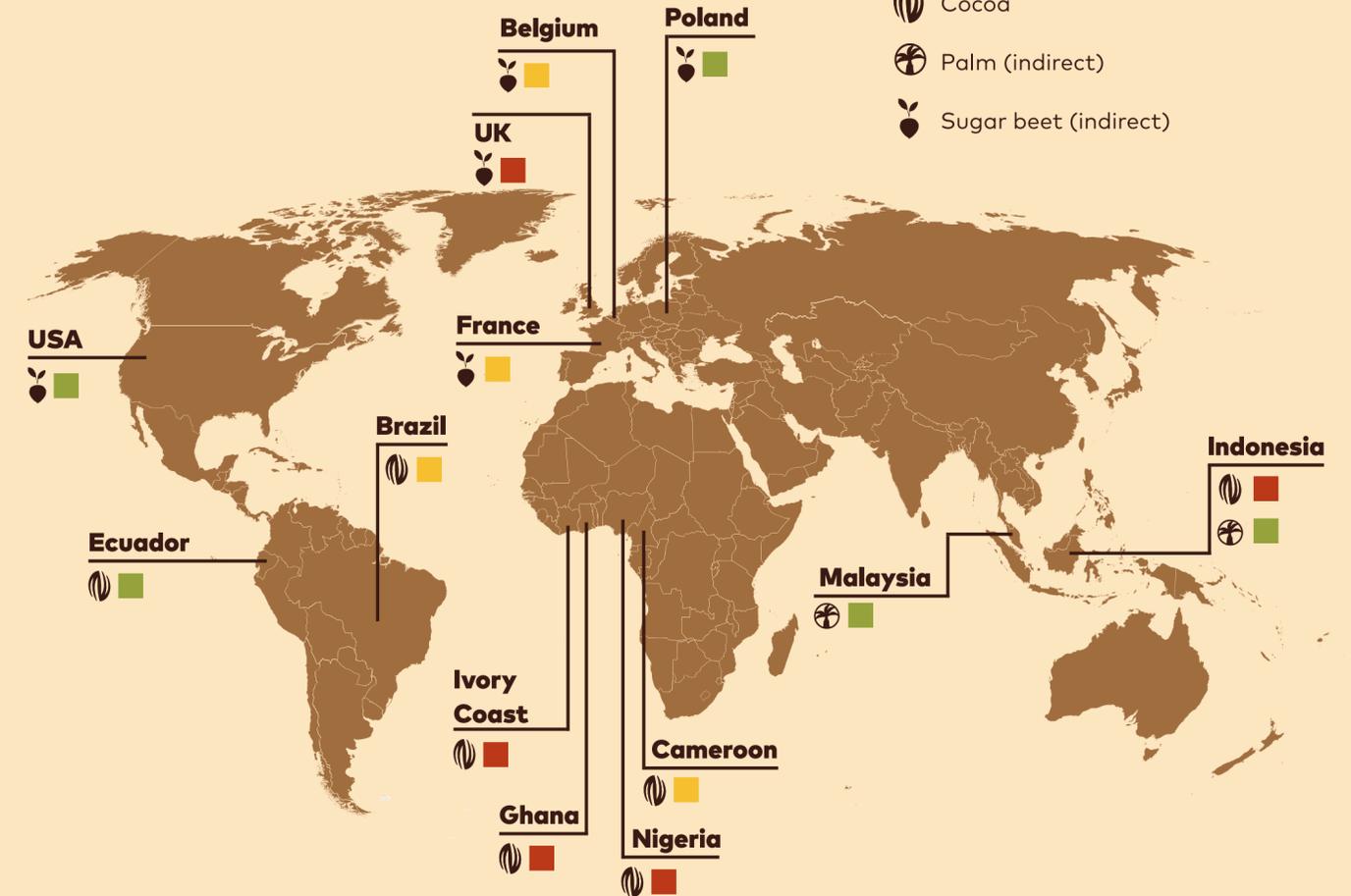
Meanwhile, we are also leading the way in exploring chocolate alternatives. In 2024/25, we announced a long-term commercial partnership with Planet A Foods (ChoViva) to introduce a groundbreaking non-cocoa alternative made from locally available crops, such as sunflower seeds. In addition, we entered a strategic partnership with the Zurich University of Applied Sciences (ZHAW) to explore cocoa cell culture technology, an emerging innovation that enables the cultivation of cocoa cells in controlled environments. While still in early development, this technology has the potential to diversify cocoa sourcing, strengthen supply chain resilience, and unlock new product possibilities. The collaboration combines our chocolate expertise with ZHAW's scientific leadership in cell culture, reinforcing our commitment to long-term innovation and sustainable growth.

The map below illustrates the projected yield impact of climate change by 2040 under a 2.5 degrees Celsius warming scenario, focusing on three of Barry Callebaut's key raw materials. It compares potential effects across various origin countries for each respective crop not considering our mitigation actions.

- Increase to low decrease
- Low to medium decrease
- High decrease

## Ingredients

-  Cocoa
-  Palm (indirect)
-  Sugar beet (indirect)



For further details about risk and opportunities, see our [TCFD Disclosure](#)

# FOREVER CHOCOLATE THRIVING NATURE

## Advancing on our Net Zero Journey

In 2024/25, we published our [Net Zero Roadmap](#), outlining a science-based trajectory to reduce total emissions by 30% by 2030, versus a 2021/22 base year<sup>19</sup>, and reach Net Zero by 2050. The roadmap has been validated by the Science Based Targets initiative (SBTi) as aligned with the 1.5 degrees Celsius pathway of the Paris Agreement. Developed over more than six months with support from Quantis, the roadmap reflects the latest science and international standards. It was shaped through internal and external stakeholder engagement, mitigation scenario modeling, and action prioritization and also includes an updated Corporate Carbon Footprint methodology aligned with our new recalculation policy.

The following sections outline how we are applying key levers to reduce and remove emissions across our value chain - from farm to factory.

## Factories

Reducing our scope 1 and 2 emissions is a key part of our Net Zero Roadmap, which targets a 42% reduction by 2030. In 2024/25, 81% of electricity used globally came from renewable sources, and 38 out of 62 factories operated fully on renewable electricity.

In 2024/25, we continued expanding onsite renewable electricity generation and inaugurated Barry Callebaut's first onsite wind turbine in Halle, Belgium, with an installed power of 3.6MWp. Together with the onsite solar installation, the plant now sources 45% of its electricity from onsite renewable systems. In 2024/25, we also pursued our first steps into offsite solar, with a long-term Power Purchase Agreement signed in Ghana to offtake electricity from a newly built solar farm for our Tema factory, significantly reducing the carbon emissions of our operations.

In 2024/25, we also advanced efforts to reduce fossil fuel reliance across our operations. Our newest factory in Brantford, Canada, is equipped



## Achieving Net Zero through customer partnerships

**Collaboration with our customers is vital for scaling our impact, particularly in agroforestry. In 2024/25, we signed a new long-term agroforestry partnership with Nestlé in Brazil, covering 6,215 hectares over five years of planting.**

These partnerships are key examples of how we work with customers to achieve net-zero aligned, climate-resilient cocoa ambitions and scale carbon removal solutions. In 2024/25, we developed our offering Net Zero Chocolate Solutions, which offers customers of all sizes an effective and practical

way to embark on a Net Zero trajectory for their cocoa and chocolate products. Through pooled investments in impactful activities such as agroforestry, customers can year-on-year claim reduced carbon footprints of their products portfolio with Barry Callebaut. In order to cover all major emissions hotspots, as well as both FLAG and Non-FLAG emission sources aligned with SBTi, we are currently developing a portfolio of decarbonization measures also beyond cocoa, including major emission hotspots such as dairy and ocean transport.

<sup>19</sup> Our target for 2030: -42% for scope 1 & 2, -30.3% for scope 3 Forest, Land and Agriculture (FLAG) and -25% for scope 3 Non-FLAG (cf. p. 10 of our Net Zero Roadmap).

# FOREVER CHOCOLATE THRIVING NATURE

with heat pump technology to provide the 50 degrees Celsius heating needed in a sustainable way.

Furthermore, we launched our Circular Economy journey across 40 sites, marking a major step toward a more sustainable and resilient future. Our strategy aims to tackle resource loss, environmental impact, and waste through three key pillars: zero waste to landfill, waste reduction and valorization, and sustainable packaging. In addition to reducing waste, by shifting from a linear to a circular model, we also aim improve resource efficiency and increase packaging recyclability. Our 2030 goals for our operational sites include zero waste to landfill, 90% waste recycling, and a 20% reduction in single-use packaging while reducing virgin plastic.

## Transport

In 2024/25, we achieved a milestone in sustainable logistics with the full electrification of the shuttle lane between our Wieze manufacturing site and the Global Distribution Center in Lokeren, Belgium. The fleet - three electric trucks and temperature-controlled trailers - operates continuously, charged during unloading and powered by onsite solar energy.

This enables zero-emission inter-site transport and sets a new benchmark for sustainable logistics in our global network.

We have also started to engage external transportation partners, with a focus on decarbonizing ocean freight, to further reduce value chain emissions.

## Cross-industry collaboration and recognition

Beyond commercial partnerships, in 2024/25, we contributed to a cross-industry climate initiative coordinated by the World Cocoa Foundation, supporting greater alignment and ambition across the cocoa sector.

We are proud to be included once again on the CDP Climate 'A List', recognizing our leadership in climate disclosure and performance.



# FOREVER CHOCOLATE THRIVING NATURE

## Our measured impact

In 2024/25, our net carbon footprint reached 11.8 million tCO<sub>2</sub>e, representing a -9.3% reduction compared to the previous year. This progress reflects continued momentum in our decarbonization journey.

Through our intensified agroforestry program, we achieved significant scope 3 carbon removals, independently verified by SustainCERT. In 2024/25, we established an additional 24,301 hectares of agroforestry. Furthermore, we distributed 2,393,349 non-cocoa shade trees to cocoa farmers, supporting farm-level carbon sinks, improved biodiversity, and long-term climate resilience. This year our focus has been on revising our approach based on the learnings from the last few years and the latest science.

Since our 2021/22 base year, we have reduced our net carbon intensity by -6.5% and achieved a -15.4% decrease in absolute net emissions. These reductions underline the impact of targeted action across key sourcing origins and ingredients. In 2024/25, we also conducted an in-depth assessment to review the risks associated with every raw material we source. This has helped us to identify materials that are grown in regions where risks of deforestation are negligible or for which production does not involve land use changes that impact forests or other natural

ecosystems. As such, from 2024/25 onwards, we will focus on reporting on raw materials, more concretely soy and palm, where deforestation risks remain the biggest challenge. By prioritizing these specific ingredients, we can ensure that our efforts toward a deforestation-free supply chain remain credible and impactful.

We remain fully committed to being compliant with the EUDR requirements. As of 2024/25, we have mapped over 1.5 million cocoa farms, a milestone that underscores our commitment to transparency and accountability. This year alone, we newly mapped 725,785 cocoa farm plots, (+8.5%). This work has not only prepared us for the EUDR but also reflects our belief that traceability is fundamental to rigorous, sustainable, and transparent supply chains. We are proactively developing systems that enable us and our customers to make informed and responsible sourcing decisions, rather than waiting for regulation to take effect.

In 2024/25, 81.8% (+76.1%) of sourced raw material volumes were demonstrated not to be linked to deforestation, up from 46.5% the past year. This includes 93.6% of directly sourced cocoa and 45.6% of non-cocoa ingredients. These gains reflect improvements in supply chain transparency, polygon mapping, and monitoring.

## KPIs 2024/25

**-457,592**

Scope 3 removals from agroforestry (tCO<sub>2</sub>e)

**11.8**

Total net carbon footprint incl. removals (million tCO<sub>2</sub>e)

**2,393,349**

No. of shade trees distributed to farmers

**81.8%**

Percentage of primary deforestation linked sourced raw materials demonstrated not to be contributing to deforestation

**1,388,530**

Total energy consumed (MWh)

**5.61**

Total carbon intensity per tonne of product without removals (tCO<sub>2</sub>e)

**24,301**

Hectares of agroforestry newly established

**725,785**

No. of plots mapped

**38**

No. factories using only renewable electricity sources

## Our commitment to the UN SDGs



## FOREVER CHOCOLATE

# SUSTAINABLE INGREDIENTS

### Introduction

Our ambition is to be the number one sustainability solution in the cocoa and chocolate industry. This means going beyond cocoa, and driving impact across all key ingredients in our portfolio.

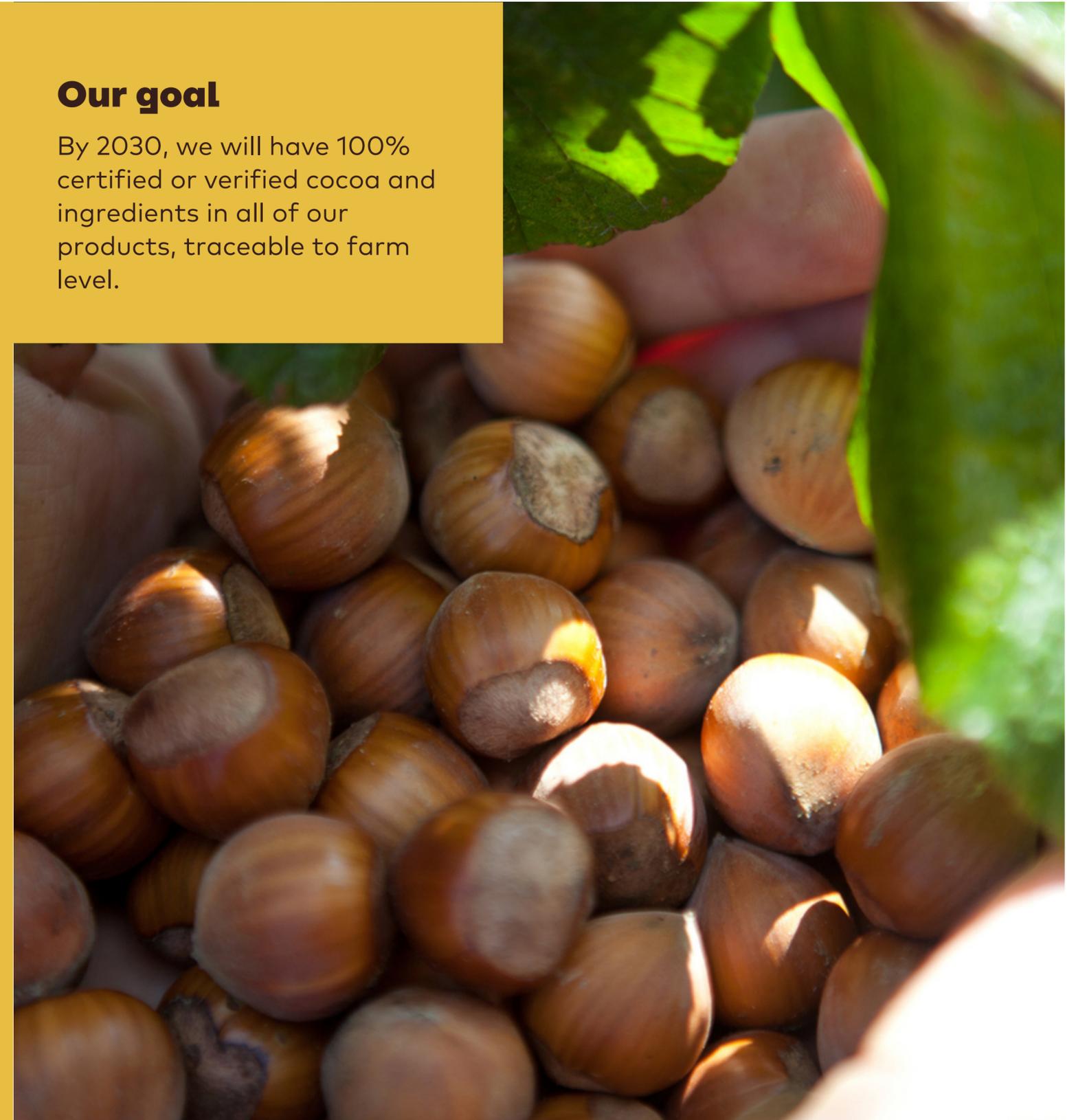
As the world's leading cocoa and chocolate solutions provider, we directly source cocoa - giving us a unique opportunity to drive traceability and impact at origin. While cocoa is the only ingredient we source directly, half of our total volume comes from other ingredients sourced through trusted partners who share our

commitment to quality, sustainability, and transparency.

By 2030, our goal is clear: ensure that 100% of cocoa and other ingredients used in our products are certified or verified and fully traceable to farm level. Achieving this requires customized sustainability approaches that reflect the specific complexities, origins and underlying risks of each supply chain.

### Our goal

By 2030, we will have 100% certified or verified cocoa and ingredients in all of our products, traceable to farm level.



# FOREVER CHOCOLATE SUSTAINABLE INGREDIENTS

## Our approach

Sustainable Ingredients is one of the four strategic pillars of our Forever Chocolate strategy. Our target for this pillar is clear: By 2030, 100% of our cocoa and other ingredients will be certified or verified and traceable to farm level. The following sections set out how we are advancing towards full traceability and sourcing only sustainable ingredients.

In line with our Forever Chocolate strategy, we refined our focus in 2025 to concentrate on eight key ingredients: cocoa, sugar (beet and cane), dairy, palm and palm kernel oil, coconut, soy, vanilla and hazelnut - together representing 97% of our total ingredient volume. The chart illustrates how the eight key ingredients were selected using a prioritization matrix with the Y axis represented by the underlying social, political and environmental risk as per Maplecroft Index. The X axis represents how relevant the ingredient is for the business in terms of volume, recipe impact and customer awareness. Business relevance and Maplecroft risk led to a final score per ingredient and the final selection of the key ingredients. This prioritization allows us to concentrate efforts where we can deliver the greatest impact.

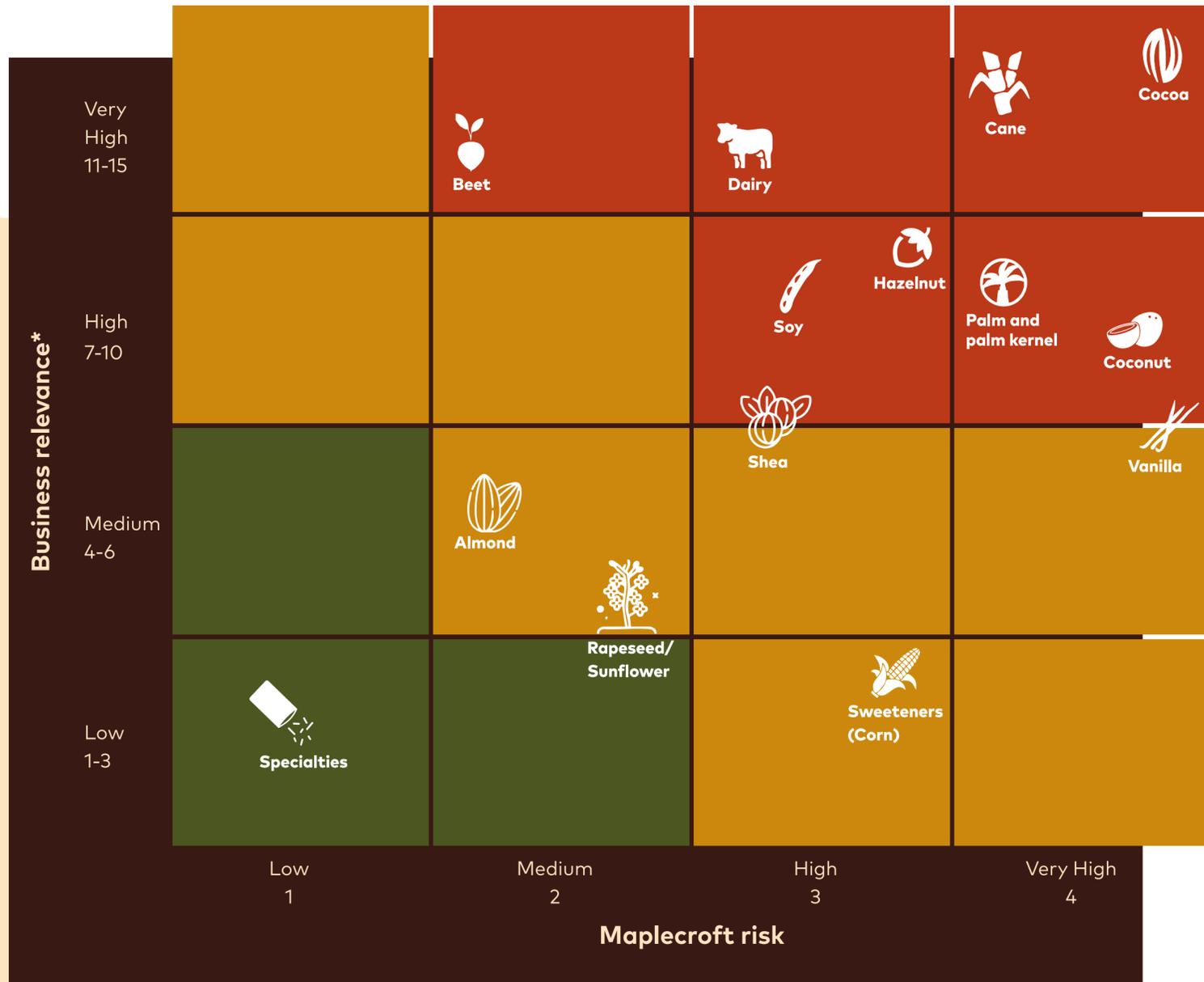
## Key ingredients prioritization

**Key ingredients**

- Cocoa
- Sugar (beet and cane)
- Dairy
- Palm and palm kernel
- Coconut
- Soy
- Vanilla
- Hazelnut

**Not key**

- Shea
- Almond
- Sunflower, Rapeseed
- Sweeteners (Corn)
- Specialties



\*Sourcing power, critical recipe impact, customer awareness

# FOREVER CHOCOLATE SUSTAINABLE INGREDIENTS

In addition, this year, we also shifted towards only physical sustainable raw material volumes to allow for better alignment with traceability and human rights criteria. This approach also means working more closely with our suppliers.

To reach our 2030 target, we apply a multi-level approach that combines supplier engagement, on-the-ground interventions and industry collaboration. We work closely with suppliers to implement sustainability projects while actively participating in platforms, working groups and standard-setting bodies to drive collective action and systemic change.

## Cocoa

Cocoa is at the heart of our sustainability strategy. Through a range of targeted programs, mentioned in the other pillars, we aim to improve farmer livelihoods, promote responsible farming practices and deliver traceable, impact-driven cocoa to our customers.

At the core of these efforts is Cocoa Horizons, our flagship initiative aligned with the Forever Chocolate ambition and addressing customer expectations. Established in 2015, the Cocoa Horizons Foundation works to foster sustainable, entrepreneurial farming, increase productivity and

support community development - with a strong focus on protecting both nature and children.

In 2024/25, Cocoa Horizons supported 353,298 cocoa producers across seven countries.

Purchases of Cocoa Horizons products generated CHF 38.5 million in premiums, directly funding on-the-ground activities. Through Cocoa Horizons and our broader sourcing strategy, we are not only meeting customer expectations but also setting benchmarks for impact-driven sustainability in cocoa. These efforts are a core part of our ambition to be the industry's leading sustainability solution provider in the chocolate and cocoa industry.

For a detailed overview of Cocoa Horizons activities and progress, please refer to the latest [Cocoa Horizons mid-year report](#).

Further details on our traceability approach and the sustainability programs implemented through our direct cocoa sourcing can be found in the chapters [Prospering Farmers](#) and [Thriving Nature](#).

## Palm

Palm and palm kernel based products remain key ingredients in our product portfolio. We continue to implement our Sustainable Palm Sourcing policy that embeds our forest positive and No

Deforestation, No Peat, No Exploitation (NDPE) commitments across our palm supply chain. In 2024/25, we reached 93% traceability to mill, supported by our partnership with Earthqualizer, and a traceability to plantation score of 82%. These tools provide near real-time deforestation monitoring and supply chain visibility from plantation to refinery. Full traceability remains a central objective, with a target to reach 100% traceability by 2030.

## Industry engagement

We are actively engaged in industry initiatives to drive progress. We contribute to the Palm Oil Collaboration Group (POCG), including a working group on social standards.

Palm oil remains high-risk not only in terms of deforestation but also human rights, particularly regarding labor rights of migrant workers and indigenous communities. This year, we placed greater emphasis on these issues, participating in working groups and strengthening alignment with our Human Rights Due Diligence (HRDD) strategy. Furthermore, we are a longstanding member of the Roundtable on Sustainable Palm Oil (RSPO) and currently serve as an observer in the Supply Chain Standard Review and engage in

“

We are a longstanding member of the Roundtable on Sustainable Palm Oil (RSPO) and currently serve as an observer in the Supply Chain Standard Review.



# FOREVER CHOCOLATE SUSTAINABLE INGREDIENTS

the technical sub-committees for the revision. We also collaborate through the Swiss Palm Oil Network, where we exchange insights on evolving palm criteria. We also continue engaging with other cross-industry platforms to promote sustainable palm oil sourcing.

Our palm sourcing is fully aligned with the EU Deforestation Regulation (EUDR) and directly supports our deforestation- and conversion-free target by the end of 2025, as outlined in our [Thriving Nature](#) chapter.

### On-the-ground action

While RSPO certification remains our baseline, we combine it with supplier engagement and a risk-based approach that includes supplier-level assessments. To support this, we engaged sixteen direct suppliers through the Earthworm Foundation’s Engagement for Policy Implementation (EPI) tool, covering 81% of our palm oil volume. The assessment, which covers international and regional suppliers, tracks governance, NDPE policy progress, traceability, grievance procedures, and environmental and social programs. Based on the results, we develop supplier-specific action plans and monitor progress annually. The following tables show the

summary results of our suppliers’ EPI and Level 1 and Level 2 Progress tracking.

### Supplier Progress on Level 1 Scorecard: Average Scores

Level 1 Elements	2024 Average Score
Environmental Commitments	94 %
Human Rights Commitments	81 %
Supplier Entities covered by policy	78 %
Mill List published	100 %
Implementation Plan	72 %
Progress Reporting	78 %
Grievance Mechanism	63 %
NCS Process	69 %
<b>2024 Supplier Progress to Level 1</b>	<b>76 %</b>

### Supplier Progress on Level 2 Scorecard: Average Scores

Level 2 Elements	2024 Average Score
NDPE Policy Elements	66 %
Supplier Implementation Program	54 %
Supplier Landscape and Sectoral Initiatives	45 %
Supplier Grievance and NCS	47 %
Supplier Monitoring and Verification	52 %
Traceability	73 %
<b>2024 Supplier Progress to Level 2</b>	<b>56 %</b>

We also collect NDPE Implementation Reporting Framework (IRF) profiles to assess compliance across our full supply base.

By combining traceability, risk-based sourcing, and on-the-ground transformation, our palm strategy reflects the depth and credibility needed to lead on sustainability in high-risk supply chains. This positions us as a frontrunner in delivering scalable supply chain solutions.

More information on our on-the-ground action on palm oil can be found in the [Thriving Nature](#) chapter.

### Cane sugar

#### Industry engagement

In 2024/25, we continued working closely with suppliers and partners to strengthen the sustainability of our cane sugar supply chains. Our approach builds on recognized standards such as Bonsucro, which we endorsed in 2017, and continues to evolve as we integrate Human Rights and Environmental Due Diligence (HREDD) more deeply into our sourcing practices.

This year, we intensified efforts by partnering with Proforest, who advised us on developing a global HREDD framework tailored to cane sugar.

As part of this process, cross-functional workshops were held with Barry Callebaut teams - from Sourcing to Human Rights - to ensure alignment and shared ownership across regions. As part of our industry engagement, we are part of the Bonsucro Members’ Council and actively contribute to the evolution of its sustainability framework. This year, we also joined Bonsucro’s newly established Human Rights Task Force, established to identify and analyze key human rights and decent work issues in the sugarcane sector, with a focus on India, and to offer recommendations for progress.

We are also founding members of the Sugar Collaboration Group (SCG), a pre-competitive forum for sugar sector companies to align on tools, share knowledge, and address sector-wide challenges. Additionally, we actively participate in the Data and Environmental-Downstream Workstreams. One key outcome of this collaboration is the development of the first global [Universal Mill List](#), which we began implementing with suppliers to enhance traceability. To support supplier transformation, we work with the International Finance Corporation to offer low-interest financing to cane sugar suppliers in exchange for bold sustainability commitments and continuous

# FOREVER CHOCOLATE

## SUSTAINABLE INGREDIENTS

improvement. Over the past year, we added a new supplier in Mexico and enhanced our rating criteria to better promote engagement. This includes new emission reduction criteria, bringing the total number of mills benefiting from the initiative to five.

### ***On-the-ground action***

In Mexico, we piloted the converged HREDD assessment tool, developed jointly by AIM-Progress, the Consumer Goods Forum, Fair Labor Association (FLA) and led by Proforest across three strategic mills. The pilot included HRDD and Human Rights Impact Assessments (HRIAs), supported by field visits and interviews with supply chain stakeholders. At one of these mills, we partnered with Pernod Ricard to promote regenerative agriculture and help improve health and safety for cane cutters through training and the provision of Personal Protective Equipment to 464 workers. We also actively support the Alianza para la Sostenibilidad de la Agroindustria de la Caña de Azúcar (ASACAM) and the second phase of the fair recruitment practices project in Mexico. In Brazil, we support a project at smallholder farm-level to assess and improve grievance mechanisms in the sugarcane supply chain, led by

AIM-Progress and implemented by Oxfam Business Advisory Service (OBAS). We are also involved in a Human Rights Spotlight project led by Proforest in the North-East and South-East of the country, aimed at identifying root causes of the most salient risks and to aligning with stakeholders.

### **Beet sugar**

#### ***Industry engagement***

We remain committed to advancing the sustainability of our beet sugar supply through active participation in the Sustainable Agriculture Initiative (SAI). As a member of the Crops Working Group and the Beet Sugar Project, we collaborate with suppliers across regions to promote sustainable agricultural practices and support Farm Sustainability Assessment (FSA) verification.

Our focus includes the responsible use of pesticides and fertilizers, soil health preservation, carbon sink protection, and energy efficiency in beet cultivation. We support our suppliers in meeting at least silver-level FSA standards verified through FSA 3.0 audits. In addition, we are founding members of Regenerative Together,

a global framework launched by SAI Platform to support suppliers in transitioning to regenerative agriculture.

#### ***On-the-ground action***

In Serbia, both of our major beet sugar suppliers made significant progress in 2024/25. One achieved FSA verification in the previous year, and the second is currently undergoing the FSA 3.0 audit process. This year, the technical teams from farmers' organizations were trained according to the standard, guided by three experts from companies managing several hundred hectares of sugar beet each. Their direct oversight across these areas marks a key capacity-building milestone for responsible sourcing in the region.

In Russia, our collaborative efforts with our largest beet suppliers enabled us to achieve 100% FSA Silver- and Gold-level verified beet sugar - a major milestone for regional sustainability.

Our work in Serbia and Russia demonstrates our ability to scale verified sustainable sourcing in complex regional contexts, reinforcing our role as a solution-driven sustainability leader across critical ingredients.

### **Dairy**

#### ***Industry engagement***

Dairy is a key ingredient in many of our chocolate products and one of the largest contributors to our overall greenhouse gas (GHG) emissions, particularly through agricultural related Forest, Land and Agriculture (FLAG) emissions. To address these challenges, we continue expanding the implementation of our VisionDairy Charter, a framework built around 15 principles covering animal welfare, farm governance, and environmental performance. Since 2016, we have partnered with FAI Farms to benchmark and refine the Charter against national and industry standards.

We are a Steering Committee member of the Sustainable Dairy Partnership (SDP) and contribute to the development of sector-wide standards. Our Head of Responsible Sourcing has also co-chaired the SDP and the Dairy Working Group (DWG) of the SAI Platform since January 2025, supporting the creation of tools such as a standardized GHG reporting framework and an animal welfare assessment tool.

In addition, we are a member of the Dairy Sustainability Alliance by the Innovation Centre

# FOREVER CHOCOLATE SUSTAINABLE INGREDIENTS

for US Dairy. We endorse the SDP framework as an aligned industry tool to advance sustainable dairy and promote its uptake.

## ***On-the-ground action***

Verification against the VisionDairy Charter was successfully completed with a growing number of our key dairy suppliers in 2024/25. As a result, we reached a record 79% sustainably sourced dairy volume globally, exceeding internal targets, especially in Europe and America. In the coming years, our focus will increasingly be on driving sustainable dairy in more emerging markets such as Asia and Latin America. In Latin America, we are an active participant in the multi-stakeholder initiative with Kerry and Interfood to onboard and move five suppliers in Brazil to stage 3 as per the SDP framework. The project will most likely evolve to include suppliers in Argentina and Uruguay. We maintain close dialogue with our suppliers to monitor implementation and drive continuous improvement.

In Switzerland, we collaborate with the country's largest dairy cooperative, Mooh, to improve animal welfare, biodiversity, and farm-level GHG reductions, enabling sustainably sourced dairy

products for all our Swiss brand Carma® products.

In parallel, we are preparing the next step in our decarbonization strategy: our first Net Zero dairy partnership outside of cocoa will be launched towards the end of 2025. This milestone will extend our Net Zero ambition across high-emission ingredients and mark a key step in positioning Barry Callebaut as the leading sustainability solution provider in the chocolate and cocoa industry.

## **Coconut**

### ***Industry engagement***

With regard to coconut, we are founding members and Steering Committee members of the Sustainable Coconut Charter, now evolved into the Sustainable Coconut Partnership. This multi-stakeholder, industry-led platform defines what a sustainable coconut supply chain should look like. It defines sustainability criteria, sets program goals, and focuses on improving smallholder livelihoods, enhancing traceability, preventing deforestation, and addressing climate impacts.

In late 2024, the industry reached a major milestone with the launch of the first-ever industry standard for sustainable coconut, including a formal verification process. We participated in the launch in October and are currently piloting the standard through our on-the-ground coconut project in the Philippines.

### ***On-the-ground action***

Since 2022, we have partnered with the Grameen Foundation USA (Grameen) to implement our sustainable coconut project in Davao, the Philippines. The project works directly with smallholder farmers and cooperatives to register farmers directly, track volumes, and provide capacity building. Farmers receive training on good agricultural practices including quality parameters. Cooperatives receive technical assistance through Grameen's volunteer program called Bankers without Borders. These volunteers bring financial, strategy, management and business expertise. To further improve product quality and reduce mineral oil contamination (MOSH-MOAH), we funded large-scale dryers for copra - the dried coconut kernel or meat used to extract coconut oil - at the cooperative level, enabling centralized, controlled drying.





Additionally, due to their successful track record, five of the twenty cooperatives received additional technical assistance and were each awarded catalyst grants from Rabo Foundation to strengthen their copra businesses. Thanks to all these efforts combined, we achieved 34% sustainably sourced coconut oil in Europe for the first time this year.

In the Philippines, we are a member of the Coconut Alliance and are partnering in a joint project with six other multinational consumer goods companies and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, on sustainable coconut oil production. Together, we are pooling resources and expertise under the develoPPP programme, through which the German Federal Ministry for Economic Cooperation and Development (BMZ) supports sustainable business initiatives. Running from 2021 to end 2025, the program aims to improve the production conditions of coconut oil in two regions in the Philippines and with this the coconut farmers' livelihoods.

## Soy

### **Industry engagement**

Soy lecithin as a natural emulsifier is used in small volumes. Barry Callebaut recognizes the following standards and systems as sustainable sourced soy lecithin: ProTerra, Roundtable on Responsible Soy (RTRS), Donau Soja, ISCC+ and Organic. Since 2024, we have been part of the ProTerra Stakeholder Council and actively engage at industry level. ProTerra is a crucial standard for our deforestation-free target which includes soy lecithin.

### **On-the-ground action**

In 2024/25, we saw a substantial increase in supplier engagement for traceability and deforestation-free activities. Globally, 40.3% of our soy lecithin volume is now sustainably sourced, of which 38% is considered deforestation-free. We are actively working with our biggest suppliers to obtain an origin certificate for each delivery of soy lecithin, allowing for better traceability of the raw material to mill and regional level.

# FOREVER CHOCOLATE SUSTAINABLE INGREDIENTS

## Vanilla

### Industry engagement

As part of our commitment to industry transformation, Barry Callebaut continues to play an active role in the Sustainable Vanilla Initiative (SVI), working with stakeholders to improve the long-term resilience and sustainability of vanilla supply chains.

### On-the-ground action

Since 2016, we have partnered with flavor producer Prova, with financial support from Sustainable Trade Initiative (IDH), to implement the Vanille Durable Bemanevika (VDB) project in Madagascar. Guided by our Sustainable Vanilla Charter, the initiative addresses structural challenges in vanilla production - such as income instability, agricultural risks, and environmental pressures - while aiming to improve farmer livelihoods and secure a sustainable vanilla supply. VDB is structured around four pillars: vanilla, cocoa, social development, and environment. The project currently reaches 725 vanilla farmers across 15 villages, with strong emphasis on income diversification. To this end, farmers received cocoa seedlings and technical assistance;

today, around 35% of the farmers also cultivate cocoa. This shift led to increased cocoa volumes and the construction of a second cocoa fermentation center in 2024/25, improving post-harvest processing and income potential.

On the environmental side, in 2024/25, the project partnered with the Missouri Botanical Garden, a local NGO providing agroforestry and reforestation training. Efforts also extend to local schools, where fruit and vegetable gardens are maintained and environmental education is promoted.

## Hazelnut

With Türkiye producing more than 70% of the world's hazelnuts, we are committed to advancing sustainability in this key origin, while also leveraging local sourcing in Spain, Italy, and Oregon. As part of our Forever Chocolate strategy, we engage at both industry and supply chain levels to improve social and environmental practices in hazelnut sourcing.

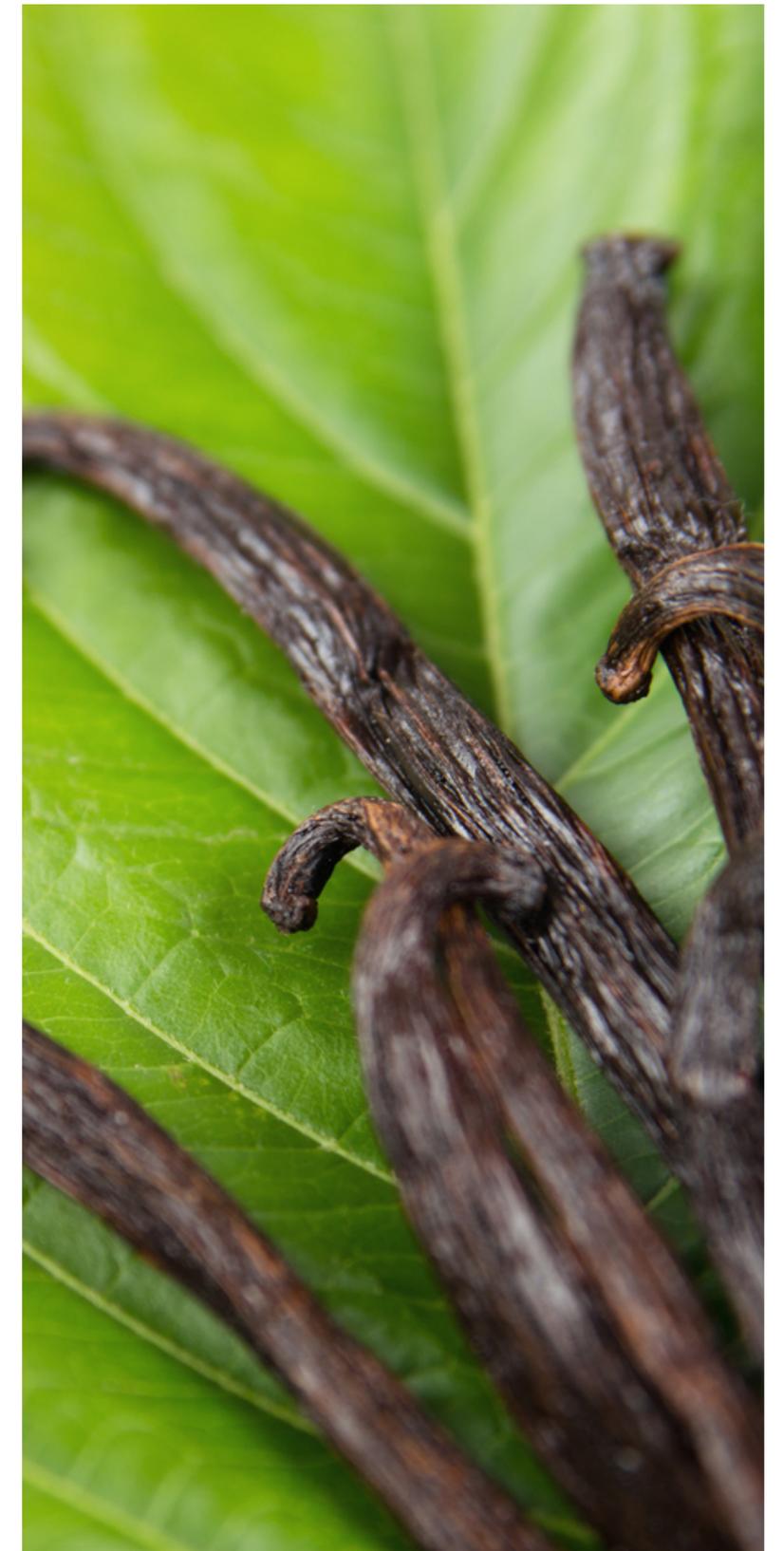
### Industry engagement

At the industry level, we continue participating in Harvesting the Future, a multi-commodity initiative led by FLA. The project focuses on

improving working conditions for migrant and seasonal workers in Türkiye's hazelnut sector through capacity building, farm-level monitoring, and child protection programs. These efforts are carried out with local suppliers and public administrations, reflecting our commitment to collaboration and responsible labor practices.

### On-the-ground action

We have taken a major step forward by developing our own Sustainable Hazelnut Charter in partnership with SureHarvest. The Charter sets out comprehensive criteria for environmental, social, and economic sustainability in hazelnut production and explicitly addresses key risks such as child labor, forced labor, and environmental harm. It requires suppliers to implement systems that prevent, mitigate, and remediate these risks. In 2024, we piloted the Charter during the hazelnut harvest in Türkiye, successfully audited by an independent third party. As a result, we achieved [Silver and Bronze equivalency under the FSA](#), the industry's benchmark for sustainable agriculture led by the SAI Platform. This makes Barry Callebaut the first SAI Platform member to achieve FSA benchmarking for a hazelnut-specific sourcing program.



# FOREVER CHOCOLATE SUSTAINABLE INGREDIENTS

The Charter is now being rolled out with three key suppliers in Türkiye as part of our implementation phase, contributing to progress in our HRDD and farm-level traceability commitments.

### Our measured impact

In 2024/25, we introduced a more rigorous and focused approach to defining and reporting sustainable sourcing. Rather than covering all ingredients, we now concentrate on eight key ingredients - cocoa, sugar, dairy, palm, coconut, soy, vanilla, and hazelnut - which together represent 97% of our total non-cocoa raw material volume. These were selected using an internally developed methodology combining Maplecroft risk scores and origin combinations with business relevance factors such as sourcing power, volume and recipe impact. All selected key ingredients score high on both risk and business relevance.

Under the new methodology, 71.3% of our key ingredients were sustainably sourced in 2024/25 - compared to 82.0% of non-cocoa ingredients reported in 2023/24 under the prior, broader scope and methodology.

For cocoa and chocolate, the share of products sold containing 100% sustainable cocoa or

chocolate rose to 55.8%, up from 55.5% in the previous year.

This more focused and stringent methodology reflects our commitment to go deeper where it matters most - on high-volume, high-risk ingredients with the greatest potential for impact. It reinforces our position as a trusted sustainability partner and strengthens our ambition to lead the industry with the most credible and impactful responsible sourcing program.

In cocoa, we also continued to strengthen traceability and farm-level data collection. In 2024/25, 85.6% of plots within our direct cocoa supply chain were mapped, enabling targeted interventions, and improved monitoring of progress toward living income and deforestation-free goals.

In fiscal year 2024/25, women farmers represented 14.1% of participants in our sustainability programs, reflecting ongoing efforts to promote inclusive and equitable access to training, resources, and support across cocoa-growing communities.

### KPIs 2024/25

**85.6%**

Percentage of plots mapped within our direct cocoa supply chain

**53.9%**

Percentage of certified or verified agricultural raw materials sourced

**71.3%**

Percentage of certified or verified key ingredients sourced

**14.1%**

Percentage of women farmers in sustainability programs

**55.8%**

Percentage of cocoa and chocolate products sold that contain certified or verified cocoa

**625,410**

No. of farmers in our sustainability program

### Our commitment to the UN SDGs



# PROGRESS IN NUMBERS

## Prospering Farmers

KPI	2024/25	2023/24	Variations
# farmers above the WB International Poverty Line of USD 3.00/day	557,739	428,997 <sup>20</sup>	30.0 %
# ha covered by programs to support farmers with paid labor groups	35,797	43,631	(18.0)%
# farmers who received cocoa seedlings	11,564	13,592	(14.9)%
# farmers with a Productivity Package	88,058	68,374	28.8 %
# farmers who have received Farm Service activities	177,973	197,763	(10.0)%

## Human Rights

KPI	2024/25	2023/24	Variations
% farmer groups in our direct supply chain that have systems in place to prevent, monitor and remediate child labor	99.3 %	91.0 %	9.1 %
# farmers in farmer groups covered by our child labor monitoring and remediation activities	411,045	517,613	(20.6)%
# child labor cases identified	25,288	19,389	30.4 %
# child labor cases under remediation	51,420	41,190	24.8 %
# remediated child labor cases	30,080	26,530	13.4 %
# VSLAs established or functioning	1,475	2,070	(28.7)%
Total amount saved through VSLAs (CHF)	3,788,292	3,565,776	6.2 %
Total amount loaned through VSLAs (CHF)	2,072,591	2,164,972	(4.3)%

## Thriving Nature

KPI	2024/25	2023/24	Variations
# plots mapped	725,785	669,174	8.5 %
# ha of agroforestry newly established	24,301	33,795	(28.1)%
% primary deforestation linked sourced raw materials demonstrated not to be contributing to deforestation	81.8 %	46.5 %	76.1 %
# shade trees distributed to farmers	2,393,349	3,307,928	(27.6)%
Total energy consumed (MWh)	1,388,530	1,534,382	(9.5)%
# factories using only renewable electricity sources	38	39	(2.6)%

<sup>20</sup> In June 2025, the World Bank raised the international poverty line from USD 2.15 to USD 3.00/day/person, based on 2021 Purchasing Power Parities (PPPs). We recalibrated this threshold per country using 2021 PPPs and inflation, and updated our fiscal year 2024/25 KPI accordingly.

<sup>21</sup> The unit applies for the whole table, unless stated differently.

<sup>22</sup> All carbon removals come from agroforestry insetting, independently verified by SustainCERT. The amount excludes a 20% withholding buffer, safeguarding against potential unforeseen losses of planted trees under our agroforestry activities.

<sup>23</sup> Scope 3 Forest, Land and Agriculture (FLAG) removals from agroforestry insetting.

<sup>24</sup> In our base year 2021/22, we did not consider our Scope 3 FLAG removals in our total net carbon footprint. Agroforestry insetting is an additional effort to decrease carbon emissions.

<sup>25</sup> In 2024/25, we introduced a more rigorous and focused approach to defining and reporting sustainable sourcing. Rather than covering all ingredients, we now concentrate on eight key ingredients, selected using an internally developed methodology combining Maplecroft risk scores with business relevance factors such as sourcing power, volume and recipe impact.

Carbon footprint KPI in tCO <sub>2</sub> e <sup>21</sup>	2024/25	2023/24	Variance vs Prior Year (%)	Base Year 2021/22	Variance vs Base Year (%)
Scope 1 & 2	211,876	234,467	(9.6)%	278,904	(24.0)%
Scope 1	116,077	130,657	(11.2)%	120,998	(4.1)%
Scope 2 (market-based)	95,799	103,810	(7.7)%	157,906	(39.3)%
Scope 3 gross total (w/o removals)	12,051,260	13,158,567	(8.4)%	13,672,740	(11.9)%
Scope 3 net total (incl. removals)	11,593,668	12,780,845	(9.3)%	13,672,740	(15.2)%
Scope 3 Non-FLAG	1,609,828	1,757,244	(8.4)%	1,789,407	(10.0)%
Scope 3 FLAG net	9,983,840	11,023,601	(9.4)%	11,883,333	(16.0)%
of which Scope 3 FLAG removals <sup>22</sup>	(457,592)	(377,722) <sup>23</sup>	21.1 %	0 <sup>24</sup>	
<b>Total net carbon footprint (incl. removals)</b>	<b>11,805,544</b>	<b>13,015,312</b>	<b>(9.3)%</b>	<b>13,951,644</b>	<b>(15.4)%</b>
Total net carbon intensity [tCO <sub>2</sub> e / t of product]	5.61	5.68	(1.2)%	6.00	(6.5)%

## Sustainable Ingredients

KPI	2024/25	2023/24	Variations
% of plots mapped within our direct cocoa supply chain	85.6 %	83.0 %	3.1 %
% certified or verified agricultural raw materials sourced	53.9 %	56.2 %	(4.1)%
% cocoa and chocolate products sold which contain certified or verified cocoa	55.8 %	55.5 %	0.5 %
% of certified or verified key ingredients sourced <sup>25</sup>	71.3 %	82.0 %	(13.0)%
# farmers in our sustainability program	625,410	594,608	5.2 %
% women farmers in sustainability programs	14.1 %	15.0 %	(6.3)%

# OUR PEOPLE



**50** Employee Development  
**53** Chairman's Awards 2024

# EMPLOYEE DEVELOPMENT

Our people are the cornerstone of our success. The commitment of each team member to our core values - customer focus, passion, entrepreneurship, team spirit, and integrity - drives us forward. These shared values, combined with our dedication to cocoa and chocolate, extend beyond our company, influencing cocoa farmers, suppliers, customers, consumers, and the communities where we operate. We are committed to cultivating an inclusive environment where everyone can be their authentic selves, while empowering others to succeed. Our goal is to foster a culture that attracts, develops, and retains exceptional talent, enabling the sustainable growth of our company.

## Fostering a safe and unique workplace

At Barry Callebaut, the safety of our people comes first. We are committed to a safe workplace and recognize that we all have a responsibility to protect our safety and well-being, and that of our colleagues. We comply with safety regulations and measures and will speak up, correct, or report to a manager, when we notice situations where safety is at risk. Barry Callebaut's Health and Safety strategy is underpinned by the Barry Callebaut Operating System - a Zero accident, Zero injury and Zero harm environment.

Barry Callebaut implements Health and Safety training at local, regional and global level. This is included in the international onboarding days (global), at local level (site specific training) and regional training days. In 2024/25 we focused on further enhancing our practices and standards in line with our corporate policies on Labor, Health & Safety and Environment. We adhere to the Ethical Trading Initiative (ETI) Base Code, local and national legislation, and our customers' expectations and requirements. Our ongoing effort to enhance best practices for our people, the environment and the communities we operate in resulted in performance improvements during the past year. The total number of Lost Time Injury Rate (LTIR), the indicator registering accidents resulting in absence from work, is 0.43 injuries per 100 employees (calculated on 200,000 working hours), which represents a -41% decrease compared to the previous year. As at August 31, 2025, 97% of our sites were SMETA compliant.

Barry Callebaut collects information on the following types of injuries: Fatalities (deadly accident), Lost Time Accident (an accident whereby the employee is unable to return to work the following day), Restricted Work Case (injury resulting into adjusted work), Medical Treatment Case (injury requiring medical intervention after

which normal work conduct is continued) and First Aid Case (light injury only requiring first aid care). In addition to the registration of injuries, Barry Callebaut also records prevention measures: Zero Harm (detected safety risk that did not result in an injury) and Behavior Observation Safety (dialogue between employees to improve safety awareness, understanding and behavior).

## Fostering the #OneBC experience through Diversity and Inclusion

Our global Diversity and Inclusion (D&I) strategy unites us as one global team, where every individual feels heard, valued, and empowered to thrive. We create inclusive experiences with equitable opportunities for growth and development, programs that foster open dialogue where all voices are welcomed, and opportunities to celebrate the diverse identities and contributions of our people, customers, and partners. In doing so, we embed belonging into everything we do, grounded in our shared values, Leadership Behaviors, and passion for growth and sustainability, while embracing diverse backgrounds and perspectives

Our D&I strategy is built around three pillars:

**Our People:** We embed D&I into every aspect of the employee experience, ensuring that our values

and leadership behaviors are lived realities. From onboarding to career development, we strive to create workplaces where everyone feels empowered to excel.

**Our Customers:** We encourage diverse partnerships, driving innovation and growth by aligning our business practices with our D&I values.

**Our Communities:** We amplify our positive impact on the environment and our communities while enhancing employee engagement.

Throughout the year, our global D&I team organizes regular initiatives designed to promote awareness and foster a sense of belonging across a broad range of diversity topics. We continue to strengthen our leadership pipeline through strategic partnerships with McKinsey's Connected Leaders Academy, the LEAD Network Educational Programs, and our internal "How to Lead People" training programs on inclusivity and belonging.

Complementing these efforts, we conduct workshops such as Lean In's 50 Ways to Fight Bias and Allyship at Work, which equip employees at all levels with the skills to identify and address bias directly while empowering them to act as effective allies in the workplace.

We host monthly events and share ongoing communication to raise awareness and honor key moments throughout the year, such as

International Women's Day, Disability Inclusion, and Indigenous Peoples' celebrations, which create greater understanding and belonging across our global Organization.

Additionally, our local Employee Resource Groups (ERGs) play an essential role in shaping initiatives tailored to the specific needs of their regions, with a focus on enhancing workplace diversity, supporting members' professional development, and driving meaningful community outreach.

### **Developing leaders, growing talent, driving change**

This year, we focused on preparing our people and Organization for the future by strengthening leadership, building critical skills, and supporting cultural transformation. We prioritized empowering leaders and employees to thrive through transformation and embedding BC Next Level practices across the Organization. Our efforts centered on three main areas: leading through transformation, building talent and capabilities, attracting and retaining top talent.

### **Leading through transformation**

We supported employees through cultural evolution and organizational change by rolling out over 50 Operating Model workshops across leadership teams, introducing a comprehensive Change Management Toolkit, and delivering change readiness training to more than 1,000 employees. With the launch of our Global Business Services (GBS) hub in India, we emphasized cultural awareness through dedicated sessions, strengthening collaboration

across geographies. In addition, we trained over 400 managers through enablement sessions to drive engagement and ensure employees feel connected and supported during times of change. Additionally, performance management was strengthened through global trainings aligned with the Performance Management Cycle.

### **Building talent and capabilities**

Talent management was significantly expanded to ensure the identification of top talent across all regions and functions. A major milestone was achieving 100% succession planning for senior leadership, reinforcing organizational continuity and future readiness. To develop the skills needed for the future, we launched the GBS Academy, delivering over 20 tailored learning modules to equip employees in our service hubs with the right expertise and mindset. We also expanded functional academies in areas such as Commercial Excellence, Marketing, and Digital. Our new BC Leadership Behaviors now anchor all people processes, from hiring to performance management, ensuring leadership is aligned with our values.

### **Attracting and retaining top talent**

We strengthened our recruitment model by integrating GBS teams into regional Talent Acquisition, improving speed, agility, and accountability. This shift enabled faster access to talent, reduced time-to-fill, and created a more consistent hiring experience across regions. We continue to enhance our Employer Value Proposition (EVP) to attract and engage diverse

talent. By using inclusive job descriptions and continuing to invest in our careers platform, we have expanded our reach and reinforced Barry Callebaut's reputation as an employer of choice. To support these changes, we upskilled our recruiters in D&I, EVP activation, and digital tools. These capabilities have helped improve hiring quality, increase candidate engagement, and ensure stronger alignment with our business needs.

### **Looking ahead**

We will continue to invest in leadership and culture at all levels, expand mentoring programs, and scale our functional academies to ensure our people remain at the heart of our growth and transformation, equipped with the mindset and capabilities to drive sustainable growth in a dynamic global environment.

### **Global Business Services (GBS): driving operational excellence**

GBS is a key component of our future-ready operating model. Driving performance excellence, and broadening capabilities, GBS scales operations across all hubs introducing multi-functional, cross-team collaboration setup.

At the end of the second quarter of 2024/25 our GBS program was successfully implemented in three phases: Strategy and Assess, Design, and Transition. Building on this foundation, GBS now focuses on stabilizing newly centralized processes while driving continuous improvement and elevating service delivery to new levels of excellence.

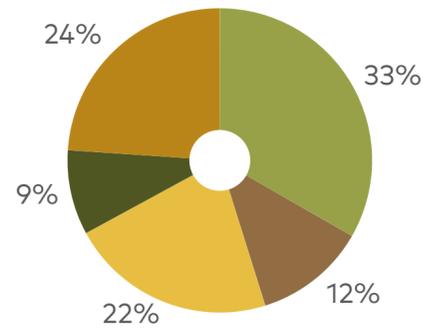
GBS is established in four hubs: two regional hubs in Mexico and Malaysia, and two global hubs in Poland and India. These hubs are to drive service excellence, proactively identifying opportunities for process and customer experience improvement.

By streamlining processes and leveraging technology, GBS enhances operational efficiency, ensures consistent service delivery across regions and improves customer experience globally.

### Employees per geographic footprint

As at August 31, 2025

Western Europe	4,371
Central and Eastern Europe	1,565
North America	2,874
Latin America	1,186
Asia Pacific, Middle East and Africa	3,142
<b>Number of employees</b>	<b>13,138</b>



### Average seniority in years by geographic footprint

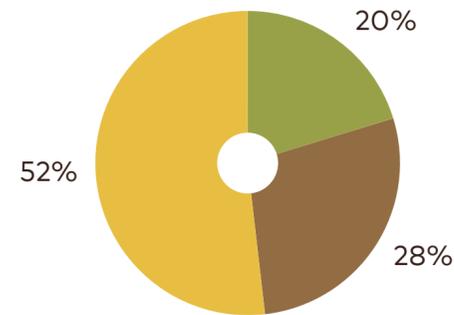
As at August 31, 2025

Western Europe	11.9
Central and Eastern Europe	5.5
North America	7.1
Latin America	8.5
Asia Pacific, Middle East and Africa	8.4

### Employees per function

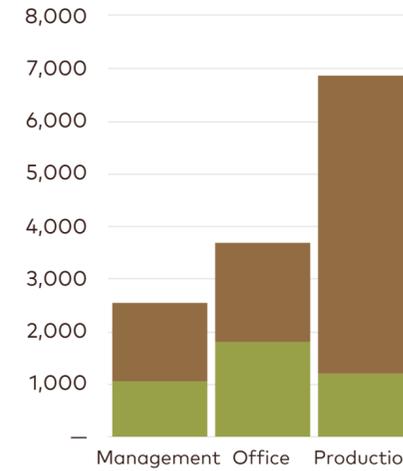
As at August 31, 2025

Management	2,554
Office	3,709
Production	6,875
<b>Number of employees</b>	<b>13,138</b>



### Gender of employees by function

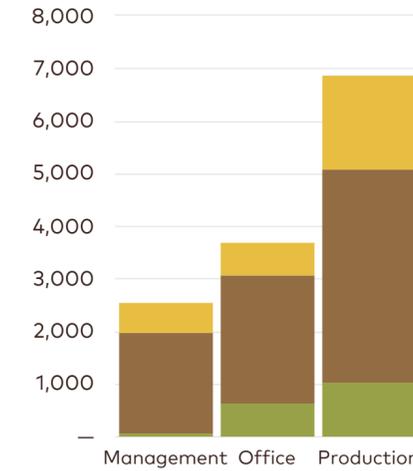
As at August 31, 2025



Female  
Male  
No gender identification

### Age of employees by function

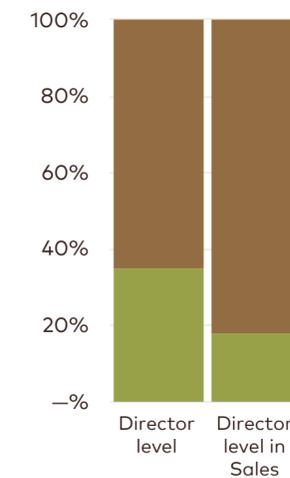
As at August 31, 2025



<30  
30-50  
>50

### Gender representation at Director level

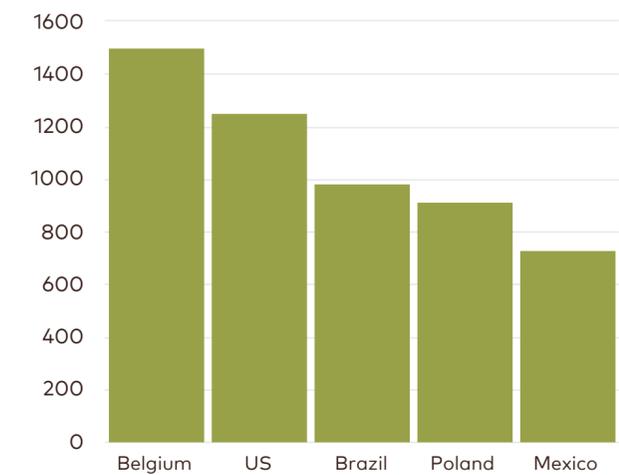
As at August 31, 2025



Female  
Male

### Top 5 nationalities

As at August 31, 2025, Number of employees



# CHAIRMAN'S AWARDS 2025

The Chairman's Awards recognize excellent Barry Callebaut employees who have demonstrated outstanding performance at work, have shown commitment to the Barry Callebaut values, and have dedicated their personal time and resources to voluntary community service or charitable causes. In a festive award ceremony in the heart of Zurich, Jutta Suchanek, Peter Feld and Patrick De Maesenaire honor those team members and thank them for their contributions.



**Winners in alphabetical order:**

**Rebecca  
Bailey**

(USA)

**Gino  
Callebaut**

(Belgium)

**Veronica  
Dwirah**

(Ghana)

**Szymon  
Famulski**

(Poland)

**Magdalena  
Felis**

(Poland)

**Deni  
Lesmana**

(Indonesia)

**Zoe  
Lu**

(China)

**Luc  
Rooms**

(Belgium)

**Martha  
Vega**

(Mexico)

**Jenna De  
Villiers**

(South Africa)

# GOVERNANCE

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# GOVERNANCE

Our governance framework is designed to guide and oversee operations in a way that delivers long-term value for all stakeholders, while embedding environmental, social, and governance (ESG) priorities into our core purpose.

The Board has the ultimate responsibility of directing, supervising and controlling the Group<sup>1</sup> as well as its management and for supervising their compliance with applicable laws, rules and regulations. The Board establishes the strategic direction and the organizational and financial policies to be followed. It appoints the Executive Committee, to which it has delegated the operational management of the Company. Besides its non-transferable and inalienable duties pursuant to Swiss corporate law, the Board has retained certain responsibilities as set forth in the Company's Organizational Regulations, which are available on the website of Barry Callebaut (<https://www.barry-callebaut.com/en/about-us/investors/corporate-governance/functioning-board>). Pursuant to the Company's Articles of Incorporation, no member of the Board may hold more than 15 additional mandates, of which no more than five may be in stock-exchange-listed companies.

As at August 31, 2025, the Board consisted of eight non-executive members. Each member of the Board is elected by the shareholders of the Company at the Annual General Meeting of Shareholders for a term of office of one year and may be re-elected for successive terms.

Our Board of Directors has the overall responsibility of ensuring that ESG-related policies and strategies, including activities for Forever Chocolate, align with the long-term strategy and business model of the company. ESG topics are regularly included in Board discussions, with certain matters addressed in focused sessions or within relevant Board committees as needed.

The Audit, Finance, Risk, Quality and Compliance Committee (AFRQCC) supports the Board in overseeing ESG-related risks and compliance by reviewing internal controls, financial and non-

financial reporting, and ensuring adherence to legal and regulatory requirements relevant to sustainability. The AFRQCC meets six times a year and ESG is an included item on the agenda.

The Nomination and Compensation Committee (NCC) advises the Board on integrating ESG criteria into executive compensation, succession planning, and leadership appointments, ensuring transparent and compliant processes that support our sustainability objectives.

The Future Farming Initiative Committee (FFI Committee) is an ad-hoc committee of the Board. Its current members are Fernando Aguirre (Chairman) and Thomas Intrator. The FFI Committee provides supervision and guidance for certain FFI-related activities and advises the full Board by reporting on its findings and preparing recommendations for approval.

The Global VP ESG, Sustainability and Traceability, a member of the Extended Leadership Team (ELT), holds overall responsibility for the company's global sustainability program at the ELT level. This role includes approving the program's strategy, direction, and resources, and serving as the executive sponsor. The VP is supported by the Sustainability Leadership Team (SLT). The SLT develops initiatives to advance KPIs and manages engagement on environmental and social issues across the value chain.

ESG governance is embedded into our policies and management systems by integrating clear policies that align with ESG goals, such as our Supplier Code, which applies to all suppliers and their employees providing products, materials, expertise and related services to any entity of the Group. The Supplier Code sets out the essential minimum requirements expected from each supplier. Our Global Statement on Human Rights, including the prevention of modern slavery and human trafficking, describes our approach and efforts toward safeguarding human rights and ensuring that slavery and human trafficking are not taking place in any part of our

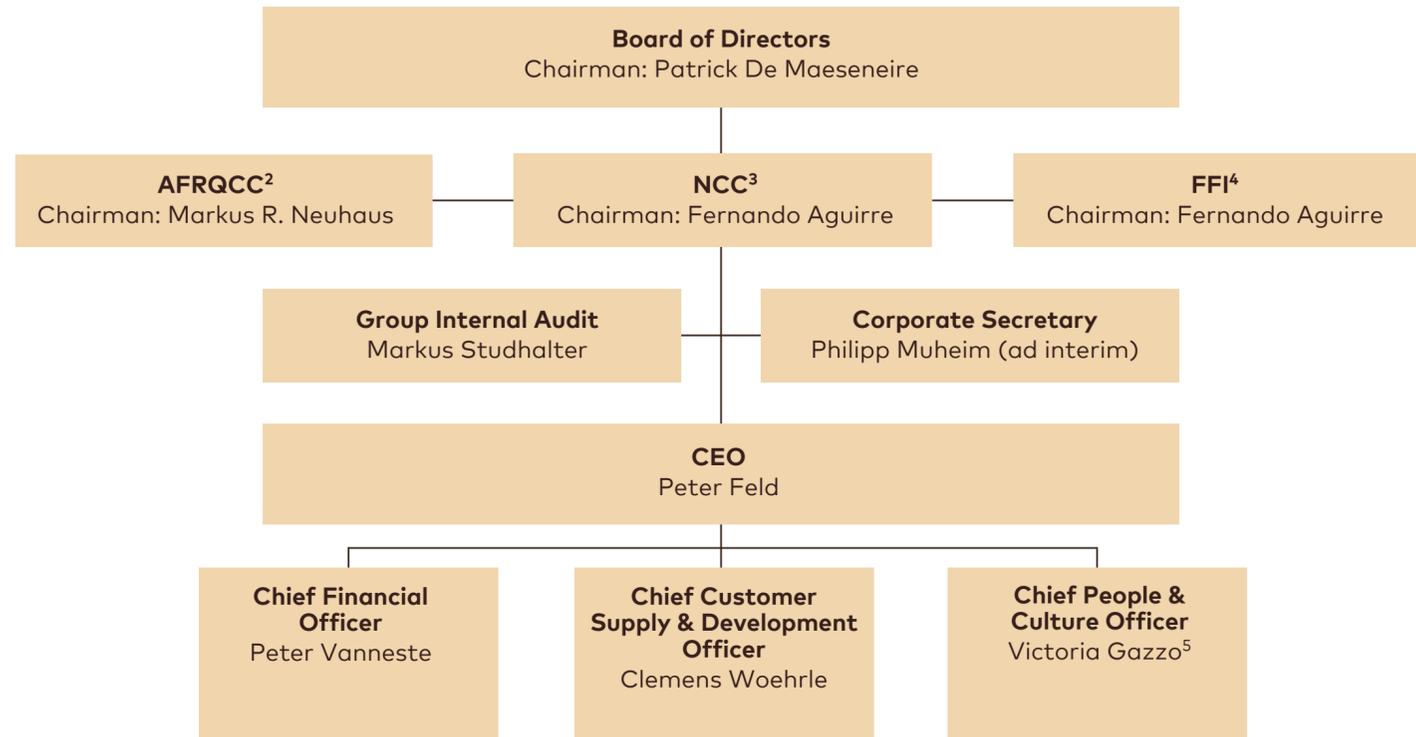
business or our supply chain. This statement is updated on an annual basis.

Our approach to governance is structured to enforce these policies, with regular monitoring, reporting, and adjustments to ensure compliance and continuous improvement. By embedding ESG into the core of business operations, we not only adhere to regulatory requirements but also build trust with stakeholders, reduce risks, and create long-term value.

For further details of our activities and policies see: [Our Position on ESG](#).

<sup>1</sup> Throughout this report, the terms 'Barry Callebaut', 'the Group', 'the Company', and 'the Organization' are used interchangeably to refer to the Barry Callebaut Group.

## Organizational chart as of the publication date of the Annual Report 2024/25



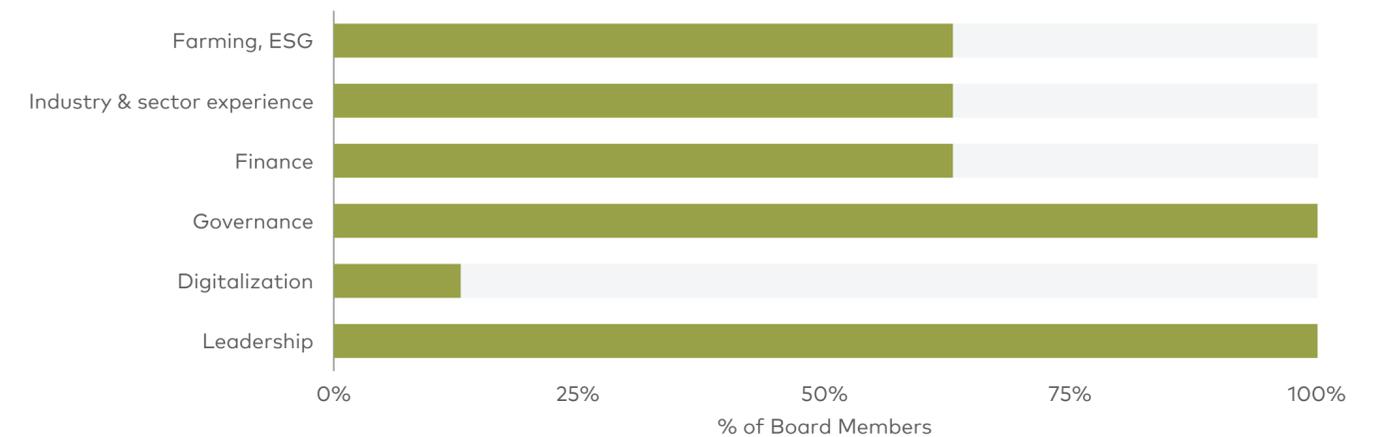
## Board of Directors

The composition of the Board of the Company as at August 31, 2025, was as follows<sup>6</sup>:

Name	Nationality	Member since	Function	AFRQCC	NCC	FFI
Patrick De Maeseneire	Belgian	2015	Chairman			
Markus R. Neuhaus	Swiss	2018	Vice-Chairman	Chairman		
Fernando Aguirre	US/Mexican	2013	Director		Chairman	Chairman
Mauricio Graber	Mexican	2023	Director		Member	
Thomas Intrator	Swiss	2022	Director	Member		Member
Nicolas Jacobs	Swiss	2012	Director	Member		
Barbara Richmond	British	2024	Director	Member		
Aruna Jayanthi	Indian	2024	Director		Member	

The matrix below sets out the key skills of the Board based on internal assessment.

## Skills matrix



<sup>2</sup> Audit, Finance, Risk, Quality and Compliance Committee (AFRQCC).

<sup>3</sup> Nomination and Compensation Committee (NCC).

<sup>4</sup> Future Farming Initiative.

<sup>5</sup> With effect as of Sept 1 2025 Jutta Suchanek stepped down from her role as Chief People & Diversity Officer and was replaced by Victoria Gazzo.

<sup>6</sup> The mandates of the former board members Tim Minges, Antoine de Saint-Affrique and Yen Yen Tan ended as of 4 December 2024 as they did not stand for re-election at the prior Annual General Meeting of the Shareholders. Their details can be found in the Annual Report 2023/24 at [https://www.barry-callebaut.com/sites/default/files/2024-11/Barry\\_Callebaut\\_Annual\\_Report\\_2023-24.pdf](https://www.barry-callebaut.com/sites/default/files/2024-11/Barry_Callebaut_Annual_Report_2023-24.pdf).

# OUR APPROACH TO MATERIALITY

In 2023/24, Barry Callebaut published its most recent double materiality assessment. This process identifies and prioritizes the Environmental, Social, and Governance (ESG) topics most relevant to our operations, based on extensive stakeholder consultation. Double materiality considers both our impacts on people and the planet ("impact materiality") and ESG-related risks and opportunities that may affect our financial performance ("financial materiality"). Our assessment followed the GRI Standards (2021) and is in reference to EU's Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). The ESG topic framework guided by CSRD requirements and broad stakeholder engagement - including cocoa farmers, public interest groups, suppliers, customers, employees, and investors - resulted in a shortlist of priority topics. These included climate change adaptation, cocoa farm resilience, and the importance of strong local partnerships to ensure traceability to farm level. Double materiality also includes the benchmarking of the list of priority ESG topics against the impact each of them has, or can have, on the financial performance of a company and its business model.

For this, our Enterprise Risk Management specialists worked alongside our ESG team to identify the financial and business risks tied to the shortlisted ESG topics. In this process, the entire value chain was analyzed and a time horizon for actions up to 2030 was adopted. Overall, our 2023/24 double materiality assessment reconfirmed our commitment to the Forever Chocolate pillars: Prospering Farmers, Human Rights, Thriving Nature, and Sustainable Ingredients. Within these pillars, there are five standout topics considered to be material: Supply Chain Traceability, Climate and Energy, Biodiversity and Ecosystems, Workers in the Value Chain, and Affected Communities. The material topics were approved at the Board of Directors' meeting in April 2023. As we prepare for CSRD compliance, we will revisit our materiality assessment. While we do not expect significant changes to our current material topics - given their long-standing relevance - we may expand or refine our disclosures to reflect additional or evolving topics under the ESRS framework. For the full insight into our double materiality assessment, please see our publication, [Barry Callebaut's approach to Double Materiality](#).

## MATERIALITY MATRIX



The results of our materiality assessment are mapped onto a Materiality Matrix. In this matrix, impact materiality forms the x-axis, while financial materiality forms the y-axis. To visually represent the results of the stakeholder survey on the matrix, we used bubble sizes; the larger the bubble, the higher the assessment from the stakeholder survey and interviews.

# RISK OVERVIEW

## Enterprise Risk Management

The Group operates in the food industry and faces a wide range of uncertain opportunities and threats (risks) that could impact its strategic objectives. To manage these risks effectively, the Group has implemented an Enterprise Risk Management (ERM) framework designed to ensure that the effects of uncertainty on objectives are thoroughly evaluated throughout the Organization and integrated into critical decision-making processes. The ERM framework fosters the adoption of tailored risk management practices that are fully integrated into the Group's business processes. Risk considerations are seamlessly incorporated into strategic planning and daily operations, thereby avoiding any isolation from other business activities. In addition to the implementation of specific embedded risk management practices, the Group employs a comprehensive ERM process. This structured approach systematically identifies, analyzes, aggregates and evaluates all types of risks, encompassing strategic, external, operational, financial, or compliance related risks, including the integration of ESG related risks. As a result, a comprehensive view of the Group's risk landscape is established, ensuring clear accountabilities, evaluations, and prioritization of the Group's key risks in alignment with the overall business strategy. This holistic approach to risk management helps the Group navigate uncertainties and seize opportunities that align with its resilience objectives by:

- Raising awareness among key internal stakeholders about the Group's risks and their potential impacts.
- Providing critical, risk-relevant information that empowers leadership to make well-informed, timely decisions.
- Leveraging strategic opportunities that arise from a comprehensive understanding of risks.

- Protecting the Group's desired credit rating to ensure funding and liquidity, thereby ultimately safeguarding shareholder interests.
- Enhancing compliance with corporate governance standards, practices, and applicable laws and regulations.

## Governance and Organization

The ultimate responsibility for establishing, reviewing, and adapting the organization-wide governance, risk management, control, and compliance procedures lies with the Board of Directors (the "Board"). The Board has assigned the evaluation of the Group's governance, risk, and control frameworks to the Audit, Finance, Risk, Quality & Compliance Committee (the "AFRQCC"). Additionally, the Board has entrusted the Executive Committee (the "ExCo") with the duty of implementing and carrying out risk management processes, which are then cascaded and integrated into regional and functional management.

The responsibility for fostering risk awareness, incorporating significant risks into pertinent decision-making processes, and ensuring the efficacy of measures and controls lies with regional and functional management. Moreover, they are tasked with implementing supplementary mitigation actions when deemed necessary. The Group Risk Management function plays a pivotal role in facilitating the comprehensive enterprise risk assessment process. It aids in the identification and comprehension of the Group's principal risks, allocation of ownership, and enforcement of appropriate measures to mitigate said risks.

## Monitoring and Reporting

The Group's continuous monitoring of its primary risks and the corresponding risk management efforts are deeply embedded in

regular management review meetings and dedicated committees. The AFRQCC convenes as frequently as necessary, holding a minimum of three meetings per fiscal year, to address any notable concerns raised by Management, Assurance functions (including Group Risk Management, Quality Assurance, Safety Health and Environment, Digital Security, ESG, Compliance, Internal Audit, etc.), or external authorities and regulators.

Furthermore, Group Risk Management facilitates the evaluation of key risks with the ExCo and AFRQCC on an annual basis, while also providing regular reports on the progress of key initiatives. This ensures continuous oversight and responsiveness to emerging risks, thereby aligning risk management activities with the Group's strategic objectives.

While it is acknowledged that the Group faces many risks, the Board has identified the key risks, which include topics identified in the Group's [Double Materiality Assessment](#) that could potentially impact the achievement of the Group's strategic objectives, as outlined in the table on the subsequent pages.

To delineate the approach of how the Group integrates ESG material topics into its Enterprise Risk Management framework, the subsequent table enumerates ESG material topics as identified in the Group's Double Materiality Assessment from one to five and associates them with pertinent keywords in the risk description and mitigation section. For instance, ESG material topic one, pertaining to climate and energy, is linked to the risk of climate change, denoted as one. This approach is intended to facilitate stakeholders' comprehension of the integration of ESG considerations within risk management, thereby underscoring the Group's dedication to transparency and accountability in addressing ESG-related risks.

**Key Risks**

**Risk Description**

**Mitigation/Measures**

**ESG Material Topic**

**Climate-related physical risks - short to long-term raw material supply risks**

Climate-related physical risks pose both short-term and long-term challenges to the Group’s ability to secure a sustainable supply of high-quality cocoa beans and other essential agricultural raw materials. In the short-term, extreme weather events (1) and shifting climate patterns (1,2) can lead to increased volatility in crop yields (1,2), including large-scale crop failures and disease outbreaks. Over the mid to long-term, the cumulative effects of climate change (1,2), deforestation (1,2,5), nutrient-depleted soils (1,2), and a shift in cultivation preferences toward alternative crops (3,4), may result in a structural shortfall of high-quality raw materials, threatening the resilience of the Group’s supply chain and its ability to meet quality and production objectives.

Under the umbrella of its overarching sustainability strategy, Forever Chocolate, the Group focuses and reports on four key pillars to make sustainable chocolate the norm. These pillars, Prospering Farmers (3), Human Rights (3,4), Thriving Nature (1,2,5), and Sustainable Ingredients (1,2,5), outline a holistic approach to addressing climate-related physical risks, recognizing that a broad portfolio of interconnected measures is required to enhance resilience. Long-term measures include the continuous evaluation and diversification of supply sources in origin countries (1), the development of improved and innovative agricultural practices for cocoa farms (2), and maintaining an active industry dialogue with key stakeholders in both origin and consumer countries (1-5). Further details on the Group’s sustainability strategy and framework are available in the Sustainability section of the Annual Social and Environmental Impact Report.

The Group links the following ESG material topics directly to this key risk pillar:

- (1) climate and energy
- (2) biodiversity and ecosystems
- (3) workers in the value chain
- (4) affected communities
- (5) supply chain traceability

**Climate-related physical risks - operations and supply chain disruption risks**

The Group’s facilities, operations, and supply chain network are exposed to a range of acute and chronic climate-related physical risks. These include extreme weather events (1) such as floods, droughts, hurricanes, and heatwaves, as well as longer-term stressors like water scarcity (1), rising temperatures (1), and shifting climate zones (1). Such events can result in facility damage, production downtime, energy shortages, and transportation delays, thereby impacting business continuity. In addition, these climate-related risk factors may influence product quality and safety, potentially altering the risk profile and requiring adapted mitigation measures. Overall, these risks could lead to increased operational volatility, higher costs, and reduced resilience across the value chain.

The Group’s Supply Chain Strategy department integrates physical climate risk factor considerations into its strategic footprint analysis and decision-making processes, particularly for new site developments or significant modifications to existing sites (1). For current operations, cost-effective resilience improvements are continuously evaluated and implemented (1). Overall, the sourcing, customer supply and development functions manage a well-diversified and flexible network, supported by a structured and coordinated global, regional, and local sales and operations planning process. A comprehensive issue management system, supported by targeted business continuity plans, ensures business continuity and recovery during disruptions. Global sourcing teams continuously monitor key risk indicators, including weather patterns, harvest conditions, and other climate-relevant factors to proactively mitigate potential supply shortages or disruptions affecting raw materials, equipment, logistics, and services. Short-term mitigation strategies include maintaining adequate safety stock and leveraging a diversified regional supply base. Long-term adaptation measures involve strategic reviews of the Group’s sourcing, operations, and supply chain footprint.

The Group links the following ESG material topics directly to this key risk pillar:

- (1) climate and energy

**Key Risks**

**Climate-related transition risks -  
regulatory risks and uncertainties**

**Risk Description**

The Group’s strategic and operational objectives are increasingly shaped by a complex and evolving climate-related regulatory landscape. Uncertainties surrounding current and emerging regulations, particularly in areas such as climate change mitigation (1), carbon emissions (1), deforestation (1,2), and supply chain traceability (5) pose significant risks to the Group’s ability to maintain compliant operations, secure sustainable sourcing, and meet stakeholder expectations. These risks are amplified by growing demands for environmental accountability from regulators, investors, customers, and civil society, especially in relation to governance, strategy, risk management, and climate-related disclosures. Inconsistent implementation and enforcement of climate regulations across jurisdictions may lead to reputational damage, legal exposure, and operational disruptions, potentially undermining the Group’s progress toward climate resilience and Net Zero commitments.

**Mitigation/Measures**

As part of its broader climate resilience strategy and risk management approach, and in support of the transition toward a low-carbon economy (1), the Group has developed a Net Zero strategy that strengthens resilience across its value chain. This strategy is built on clear long-term commitments to reduce emissions (1) across all scopes and address land-use and agriculture-related impacts, which are particularly relevant to climate-related physical risks in cocoa origin countries. Execution of the strategy is measured and reported using science-based methodologies, validated by independent climate frameworks, ensuring credibility and consistency in tracking progress and managing climate risks. The approach is comprehensive and action-oriented, identifying a wide range of decarbonization levers across the value chain. These include promoting agroforestry and forest protection (2,5), leading in supply chain transparency and traceability (5), engaging suppliers on emissions reduction (1), transitioning to renewable energy (1), adopting low-carbon transport solutions (1), and innovating low-carbon product offerings (1,5). In addition, the implications of carbon taxation (1) are reflected in the Group’s cost-plus pricing model and proactively monitored in collaboration with customers, particularly in light of potential demand impacts arising from consumer spending constraints.

**ESG Material Topic**

The Group links the following ESG material topics directly to this key risk pillar:  
 (1) climate and energy  
 (2) biodiversity and ecosystems  
 (5) supply chain traceability

**Key Risks**

**Risk Description**

**Mitigation/Measures**

**ESG Material Topic**

**Social- and governance-related risks - workers in the value chain and affected communities**

The Group’s ability to consistently deliver high-quality cocoa and chocolate products relies on a stable and ethically sourced supply of cocoa beans and other agricultural raw materials. However, social and governance-related risks such as poor agricultural practices and declining interest in farming among younger generations pose significant threats to long-term sourcing stability and product quality. These challenges are largely driven by limited access to resources, inadequate training, and a lack of incentives, resulting in low farmer productivity and insufficient livelihood income (3-5). In addition, human rights violations (3-5) including forced and child labor in certain regions expose the Group to reputational damage, legal liabilities, and a loss of consumer trust. These risks are further intensified by rising stakeholder expectations around social accountability, responsible sourcing, and robust due diligence. The evolving regulatory landscape, particularly regarding supply chain traceability (5) and labor rights compliance (3-5), adds further complexity and uncertainty. Inadequate implementation or enforcement of these emerging regulatory requirements could lead to operational disruptions, litigation, and negative brand perception.

The Group has a long-standing commitment to sustainability and identifies material social and governance topics based on double materiality assessment principles. Key elements of the Group’s sustainability strategy and performance are described in more detail in the Annual Social and Environmental Impact Report (3–5). The Group is committed to continuously improving social and governance-specific oversight structures to enable the further development of robust due diligence processes (3-5) and supply chain traceability systems (3-5), holistic community based programs focused on income diversification, access to education and child protection (3,4) and effective reporting frameworks (3–5). A dedicated ESG function oversees, coordinates, and aligns all relevant ESG activities to achieve these objectives. These principles are actively promoted in the Group’s interactions with suppliers and customers and are embedded in contractual relationships with these stakeholders. Further stakeholder assurance is obtained through external ratings and audits. Its progress is reflected in several renowned ESG performance benchmarks and assessments. Dedicated teams proactively monitor the evolving regulatory landscape to ensure compliance with emerging requirements as they develop.

The Group links the following ESG material topics directly to this key risk pillar:  
 (3) workers in the value chain  
 (4) affected communities  
 (5) supply chain traceability

**Evolution of customer and consumer demand**

Rapidly evolving trends among customers such as food manufacturers, chefs, artisans, and consumers have the potential to disrupt market dynamics and impact the Group’s future growth. Societal shifts, environmental concerns, technological advancements, dietary preferences, political developments, regulatory changes, and economic dynamics shape both customer and consumer habits. These factors collectively influence preferences and behaviors, driving changes in market demand and reshaping industries. A deep understanding of these forces is crucial for anticipating shifts and adapting effectively to evolving customer and consumer needs, ensuring sustained growth and continued market relevance.

Trend analysis by the Group’s marketing and customer insight teams, supported by cross-functional commercial and operational teams working closely with customers, aims to identify marketplace trends, both positive and negative, at an early stage. The Group continuously invests in consumer and customer research, data analytics, R&D, and operational capabilities as part of a well-structured process, enabling the development of customer-focused solution offerings such as new products, enhanced capabilities, and expanded distribution channels that proactively address evolving trends and changing demand patterns.

Customer and consumer sentiments are impacted by ESG material topics. Nevertheless, the Group does not explicitly establish a direct correlation in this disclosure. However, it does acknowledge the indirect association between ESG material topics and customer and consumer sentiments.

**Key Risks**

**Risk Description**

**Mitigation/Measures**

**ESG Material Topic**

**Business transformation**

The timely commencement and successful implementation of business transformation initiatives (1-5) are critical in pursuing strategic objectives, avoiding disruptions, enhancing agility, and adapting to evolving market conditions. Ineffective project portfolio management and execution, insufficient due diligence, inaccurate assumptions in the business plan, or inadequate acquisition and divestment processes can all lead to unfavorable outcomes. Investing in technology that is no longer competitive or rapidly becomes obsolete may further impede the successful execution of business transformation. These factors have the potential to result in an underperforming business, diminished benefits, or higher than anticipated costs.

All major business transformation initiatives are prioritized and overseen by dedicated Business Transformation and Strategy Teams, which are carefully selected by the Group's ExCo. The Group assigns specialized teams with significant experience, proficiency and capability to handle each specific business transformation project (1-5). These teams proactively follow market, technology and other trends and work in close collaboration with functional and regional experts, external advisors, and the Group's ExCo. A clearly defined process for the evaluation, execution and integration of major business transformations is employed. To effectively manage talent and workforce retention objectives and associated risks during major transformation projects, the Group leverages tools such as consistent and transparent communication with employees and stakeholders, structured employee surveys designed to generate actionable insights, and customized incentive programs. The performance of major transformational projects is periodically reviewed against their goals. A similar process is employed for the execution of major acquisitions and divestitures.

The Group links the following ESG material topics directly to this key risk pillar:

- (1) climate and energy
- (2) biodiversity and ecosystems
- (3) workers in the value chain
- (4) affected communities
- (5) supply chain traceability

**External political and economic environment**

Uncertain political and economic conditions, shaped by the increasing complexity of a multipolar world, characterized by shifting global power dynamics, growing regional influence, and fragmented alliances, may require the Group to reassess key long-term assumptions underlying its global strategy and operating model. Moreover, sudden major crises, such as pandemics, regional blackouts, armed conflicts, terrorist attacks, natural disasters, trade policies and embargos, financial crises, hyperinflation, or economic depressions, could severely disrupt markets, operations, supply chains and access to critical raw materials. These challenges may lead to reduced demand for cocoa and chocolate products, create obstacles to expansion, necessitate adjustments to the Group's footprint, and negatively affect financial performance. Failure to adapt swiftly to these evolving conditions could compromise the Group's strategic objectives and long-term sustainability. Nonetheless, the Group could also find growth opportunities in regions experiencing economic expansion and through new trade agreements, positioning itself to benefit from these developments.

The Group operates in both developed and emerging markets, maintaining a well-diversified portfolio across various markets, products, and customer segments. Leveraging its global operations and innovation networks, the Group is well-positioned to swiftly respond to customer demands and provide flexible, optimized solutions that adapt to evolving market conditions. By continuously monitoring global political and economic developments, particularly in regions of heightened uncertainty, the Group anticipates potential scenarios and makes informed decisions on how to prepare. The Group's adaptable organization and robust strategy, business transformation and issue management processes enable it to address both temporary supply and demand shocks, as well as structural shifts in the political and economic landscape. To further enhance robustness against unforeseen external events beyond the Group's control, the Customer Supply and Development team considers a wide range of external factors when making strategic decisions about the Group's operational footprint to improve resilience, while the treasury department carefully manages capacity across multiple funding sources to maintain financial stability and secure access to liquidity in the face of such events.

Various ESG material topics constitute a highly significant foundation of local, regional, and global political and economic deliberations and frameworks. However, the Group does not explicitly establish a direct connection, but rather recognizes its interconnectedness as part of this disclosure.

**Key Risks**

**Risk Description**

**Mitigation/Measures**

**ESG Material Topic**

**Long-term outsourcing agreements**

The Group has entered into a number of important long-term outsourcing agreements with customers. Failure to renew, early termination of existing long-term outsourcing agreements, failure to enter into new agreements or failure to negotiate terms that are attractive could have a material impact on operational results.

The Group has a highly diversified global customer base representing a healthy mix of small, medium and large customers.

For global strategic customers, the Group has established long-term outsourcing agreements governing mutual cooperation, addressing standards for quality, quantity commitments, pricing, service levels, innovation and ethics.

For these customers, the Group has appointed dedicated teams that develop and maintain a close relationship in order to respond to customer needs professionally and promptly and to provide high-quality services that are mutually beneficial for all stakeholders concerned. These customer relationship management teams have expertise in customer service and innovation, as well as in commercial and pricing matters.

The Group recognizes the inherent interconnectedness between ESG material topics and its customer value proposition. Although the Group does not explicitly establish a direct correlation in this disclosure, it acknowledges the substantial relevance of these factors for its customers.

**Talent and workforce management**

Failure to attract, retain and develop a talented workforce with the right capabilities and skills could impact the Group's ability to achieve its strategic objectives. Tight and competitive labor markets (accelerated by shifting skill requirements, new ways of working and demographic or technological shifts or other factors) could lead to a shortage of skilled labor or talent in selected regions and functions. Sustained shortages and increased turnover rates could further impact the Group's costs and operational reliability.

Every effort is made to nurture a diverse and inclusive work environment that is supported with optimal processes and policies to attract, select, develop, reward and retain talent with the right capabilities and skills needed to achieve the Group's strategic objectives. The Group employs succession planning, talent reviews, remuneration benchmarking, long- and short-term incentive plans, training and leadership development programs, as well as the tools to support and measure the success of all these processes. The Group's strategy for Diversity & Inclusion is described in more detail in the "Our People" section of the Annual Social and Environmental Impact Report. Further, the Group continuously invests in business process technology and automation to make work more productive, collaborative and rewarding for its employees.

Various ESG material topics may influence the Group's employer branding proposition and have the potential to affect its workforce in factories or the supply chain. While the Group does not expressly establish a direct correlation within this disclosure, it acknowledges the inherent interconnectedness.

**Key Risks**

**Risk Description**

**Mitigation/Measures**

**ESG Material Topic**

**Food safety, quality & regulatory**

Products that fail to meet established standards for food safety, quality, and regulatory compliance pose significant risks to consumers, customers, and the Group. Such non-compliant products may result in physical harm or illness to consumers, as well as business disruptions, legal disputes, product liability claims, and recalls. Additionally, the Group's reputation may be adversely affected, potentially leading to revenue loss and a decline in market share. There is also a possibility of accidental or malicious contamination of raw materials or finished products at various stages of the supply chain, which further amplifies the risk. Furthermore, product defects may occur due to human error, equipment malfunction, or other contributing factors.

The quality management programs and systems of the Group encompass clear cross-functional responsibilities, robust standards, guidelines, and procedures. The Group's extensive quality program is continuously enhanced and encompasses various aspects including supplier strategy and requirements, factory design, and testing processes. Furthermore, a program promoting a culture of quality and food safety, endorsed by the Group's Executive Committee, is effectively implemented throughout the entire organization to ensure that all employees maintain a mindset of zero defects. A well-governed process for managing issues is in place, regularly evaluated, and simulated to ensure prompt and appropriate response in the event of a food safety, quality or regulatory incident.

The quality and food safety risk landscape of the Group may be influenced by various ESG material topics, necessitating adjustments to the Group's quality management systems and procedures. Although this disclosure does not explicitly establish a direct correlation, the Group recognizes the inherent interconnectedness between these factors.

**Operations and supply chain (other than climate-related risks)**

The Group's operations and supply chain network could face disruptions from a wide range of acute and chronic climate-related physical risks as previously described, but there are also risks from various other sources not linked to climate change, such as natural disasters, energy shortages, disease outbreaks affecting humans or crops, political instability, sabotage, workforce disruptions, and other factors that may hinder the Group's ability to produce and deliver products to customers. In addition, interdependencies with risk factors related to geopolitical or geoeconomic shifts in global trade flows and evolving regulatory changes could further undermine the resilience of the Group's global operations and supply chain network.

The Group's sourcing, customer supply and development departments manage a well-diversified and flexible operations network, supported by a structured and coordinated global, regional, and local sales and operations planning process. A comprehensive issue management system is in place, supported by targeted business continuity plans, to ensure business continuity and recovery during times of disruption. Global sourcing and supply chain teams continuously monitor key risk indicators, including global supply chain conditions, harvest outcomes, political risks, and other relevant factors to proactively mitigate potential supply shortages or disruptions affecting raw materials, machinery, equipment, indirect materials, logistics, and related services. Short-term mitigation strategies include maintaining adequate safety stock levels and leveraging a diversified regional supply network, while long-term adaptation and resilience measures involve strategic reviews of the Group's sourcing, operations, and supply chain footprint.

The quality and food safety risk landscape of the Group may be influenced by various ESG material topics, necessitating adjustments to the Group's quality management systems and procedures. Although this disclosure does not explicitly establish a direct correlation, the Group recognizes the inherent interconnectedness between these factors.

**Key Risks**

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**Risk Description**

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**Mitigation/Measures**

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**ESG Material Topic**

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**Digital security**

The Group's business processes, including interactions with customers, suppliers, and remote employees, rely heavily on the reliability and security of its information and operations systems. Cyberattacks targeting our critical information and operations technology assets, environmental or physical damage to global data centers, widespread network failures, or any other significant security incidents could compromise the availability or integrity of these essential technology assets. This could result in business interruptions, loss of confidential data, direct financial losses, and non-compliance with data protection laws or other regulatory requirements. Major cyber incidents may also harm the Group's reputation, potentially leading to a loss of revenue and market share.

The Group's Digital department, in conjunction with the Operations department, has established comprehensive end-to-end cybersecurity risk management frameworks. These frameworks provide a holistic approach to cybersecurity by defining clear governance and strategy, which includes active involvement from senior management and key business stakeholders. To safeguard the Group's critical business applications and locations, a range of preventive measures has been implemented. These include advanced technical solutions, regular internal awareness campaigns, and cybersecurity training for all employees and select contractors. These measures are continually reviewed and improved. In the event of a significant incident, robust incident response and disaster recovery solutions, plans, and procedures are in place and are regularly updated. Additionally, a mid-term plan to enhance information and operations technology security is consistently developed and executed to ensure ongoing improvement.

The digital strategy of the Group plays a crucial role in facilitating the achievement of objectives across various business domains, encompassing matters pertaining to various ESG material topics. While this disclosure does not explicitly establish a direct correlation, the Group acknowledges the inherent interdependencies between Digital as a crucial enabler to address material ESG topics.

**Key Risks**

**Risk Description**

**Mitigation/Measures**

**ESG Material Topic**

**Price volatility of raw materials and other input factors**

Market prices for raw materials, energy and other input factors, as well as the structure of the terminal markets could have an influence on the Group’s liquidity and operational results. To manage its exposure to these factors, the Group uses derivative financial instruments and forward physical commitments. Liquidity and operating results may be affected by ineffective hedging strategies or by positions taken. Furthermore, the Group’s profitability can be affected by its exposure to the volatility of the combined cocoa ratio, which expresses the combined sales prices for cocoa butter and cocoa powder in relation to the cocoa bean price. Despite the Group’s cost-plus pricing model, volatility in raw material prices may lead to challenges in fully and timely passing on cost increases to customers. This can result in increased demand volatility and uncertainty or margin decreases, particularly in price-sensitive markets.

The Group’s commodity risk management policies require that all risk exposures are hedged back-to-back in accordance with the related limit framework from the moment such exposures are entered into. For its contract business, namely the Food Manufacturers Product Group, which accounts for the majority of the business, the Group mitigates the impact of volatility in prices of raw material and other input factors through a cost-plus pricing model. Raw material price exposures arising at contract signing are hedged in accordance with the commodity risk management limit framework. Price exposures to other input cost factors are managed through index based pricing mechanisms. In the Gourmet Product Group, the Group applies a price list model whereby forecasted sales are hedged and price lists are adapted on a regular basis.

Exchange-traded commodity prices and volatility are affected by various risk factors, including various ESG material topics. While the Group doesn’t explicitly identify a direct correlation in this disclosure, it recognizes the implicit interconnection.

Adherence to the limit framework is regularly monitored by experts on local, regional as well as on group level.

In the Cocoa Product Group, the Group attempts to mitigate the effects of the volatility of the combined ratio by means of a central management system which monitors the positions and exposures related to cocoa products globally, taking into account both internal and external demand.

The Group’s financial risk management framework related to commodities, foreign currencies, interest rates and liquidity is described in more detail in note 3.7 to the Consolidated Financial Statements.

**Funding and liquidity**

The Group’s operations are exposed to liquidity, interest rate, foreign currency and credit risks. Volatility in raw material prices and supply chain requirements affect the Group’s working capital requirements and cash flows and could result in funding and liquidity issues. Failure to deliver on key parameters including cash flow could result in a downgrade of the Group’s credit rating and restrict its access to financial markets.

The Group has established a robust financial risk management framework and governance structure. The Group’s liquidity is ensured by means of regular Group-wide monitoring and planning of liquidity coordinated by the Group’s centralized treasury department.

Credit rating evaluations conducted by rating agencies, along with market prices and volatility pertaining to interest rates and foreign currency exchange rates, are impacted by a multitude of risk factors, encompassing also various ESG material topics. Although the Group does not explicitly articulate a direct correlation within this disclosure, it acknowledges the implicit interconnectedness.

Financing needs are covered through a combination of adequate credit lines with reputable financial institutions and short- and long-term debt capital market products. In addition, the Group’s treasury policy requires that all foreign currency exposures in a floating currency regime as well as interest rate risk exposures are hedged in accordance with the related limit framework from the moment such exposures are entered into. The Group’s financial risk management framework related to financing and liquidity is described in more detail in note 3.7 to the Consolidated Financial Statements.

**Key Risks**

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**Legal, regulatory and compliance**

**Risk Description**

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The Group is subject to both international and national laws, regulations and standards in such diverse areas as product safety, product labeling, environment (1,2), health and safety, employment and human rights (3,4), intellectual property rights, antitrust, anti-bribery and corruption, trade sanctions, data privacy, supply chain traceability (5) & supplier due diligence, climate and social related laws and regulations (1,2,3,4,5), corporate transactions and taxes in the countries in which it operates, as well as stock-exchange-listing and disclosure regulations in a constantly changing regulatory environment. Failure to comply with applicable laws and regulations could expose the Group to investigations, litigation, administrative and/or criminal proceedings potentially leading to significant costs, fines and/or criminal sanctions against the Group and/or its directors, officers and employees with possible reputational damage.

**Mitigation/Measures**

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Dedicated regional and local functional managers, supported by specialized corporate functions and external advisors, ensure compliance with applicable laws and regulations. The Group has robust policies, processes and controls in place in the relevant areas. The Group's Legal & Compliance department oversees the Group's compliance program, which ensures awareness of the compliance risks and the Group's compliance standards. The Code of Conduct, the Supplier Code and other Group policies set out the legal and ethical standards of behavior expected from all employees and selected stakeholders.

**ESG Material Topic**

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The Group links the following ESG material topics directly to this key risk pillar:  
(1) climate and energy  
(2) biodiversity and ecosystems  
(3) workers in the value chain  
(4) affected communities  
(5) supply chain traceability

# BUSINESS CONDUCT

Barry Callebaut is committed to ensuring the highest standard of integrity and ethical conduct. We expect all employees to act responsibly, demonstrate good corporate citizenship in all business dealings, and honor our company values, i.e. customer focus, entrepreneurship, team spirit, passion, and integrity. These commitments are set out in our [Code of Conduct](#) and implemented in our policies and procedures which describe the correct ways of working. Barry Callebaut has also adopted processes to uphold our values, Code of Conduct, policies, and procedures.

## **The foundation: Barry Callebaut Code of Conduct**

The Barry Callebaut Code of Conduct ("the Code") was first launched in 2002 (updates in 2011, 2013, 2016, and 2022) and has since evolved and is regularly amended to cover new requirements. It sets forth mandatory principles and requirements for behavior and is complemented by our global and local policies. The Code, which applies to all Barry Callebaut employees worldwide, also articulates our minimum standards regarding business conduct. The Code of Conduct provides guiding principles for doing the right thing. It outlines the regulations and company policies that apply in all work situations, without exception. In accordance with the company values, the Code of Conduct empowers everyone within the Group to serve as an ambassador of integrity within their roles and responsibilities. Barry Callebaut encourages everyone to help prevent, detect, and respond to any violations of the Code of Conduct, which sets the framework for sustainable growth. Expectations and procedures for reporting wrongful acts or suspected wrongful acts in violation of the Code are communicated

to all employees. The necessary documentation is approved by the Executive Committee and signed by the Chief Executive Officer (CEO). The Code of Conduct is available in 17 languages and signed by employees when they join the Company. All employees with an active Barry Callebaut email account receive additional training on the Code on a regular basis. Furthermore, every month a topic of the Code is communicated to all employees via intranet and email, inviting feedback on potential scenarios, and strengthening employees' ability to act upon violations of the Code. It is the responsibility of each employee to uphold the principles of the Code and employees are encouraged to seek advice and to raise questions or concerns at any time with their manager, Human Resources, or Group Legal & Compliance.

Within Barry Callebaut, the governance on compliance management is structured via the Group Compliance Committee ("Compliance Committee"). The purpose of the Compliance Committee is twofold: First to signal and steer what measures should be developed and implemented to enhance the compliance management within the Barry Callebaut organization. Secondly to review, investigate and remediate possible compliance violations. The Compliance Committee is composed of the following functions: Chief People & Culture Officer, Group General Counsel, Head Group Compliance, and Head of Internal Audit. The Compliance Committee is chaired by the Head Group Compliance and meets four times per year for a Compliance Update. In addition, the Chairman of the Board of Director's Audit, Finance, Risk, Quality & Compliance Committee (AFRQCC) is regularly (six times per year) informed about compliance cases and compliance activities.

## **Anti-bribery and corruption**

The global Anti-Bribery and Corruption Policy (the "Policy") describes how Barry Callebaut is dealing with bribery and corruption exposure in its business activities. Corruption is detrimental to economic, political, and social development. It distorts market competition, undermines productivity, and ultimately impedes sustainable economic growth. The purpose of this Policy is therefore to ensure that Barry Callebaut actively manages controls and procedures to comply with international standards and worldwide regulations, such as, but not limited to, the U.S. Foreign Corrupt Practices Act (FCPA), the UK Bribery Act (UKBA), and other similar legislation in other jurisdictions. This Policy sets the objectives for the anti-bribery management system by providing further guidance to Barry Callebaut employees on the procedures that must be followed to avoid such exposure and it outlines the reporting requirements of such compliance violations if suspected or detected. In 2024/25 the total number and percentage of Barry Callebaut operations assessed for risks related to corruption was 100%. Significant bribery and corruption risks are mainly present in certain geographies. The risks are defined as follows:

- Public corruption & bribery: Risk of public bribery schemes (i.e. payments to foreign public officials) done within the Group to obtain or retain business or an advantage in the conduct of business; public bribery, if discovered and investigated by authorities, may result in severe reputational harm through negative publicity and significant fines and costs (e.g. due to violation of FCPA or UK Bribery Act); risk primarily present in

emerging markets in the areas of import/export, customs, entering new markets/countries and licenses/permits.

- Public corruption & bribery: Any offer of a gift or facilitation payment (anything of value or even invitations to leisure time events) that might be seen as influencing public officials' decision-making process is strictly forbidden.
- Private corruption & bribery through kickback schemes, offers, promises, and gifts: Risk that employees receive bribes through kickback schemes with various suppliers; risk primarily applicable to purchasing managers.

### **Communication and training about anti-corruption policies and procedures**

Like all policies, we communicate Barry Callebaut's Global Anti-Bribery and Corruption Policy to all employees worldwide, regardless of their location or job level, and it is available on the company's intranet. Basic compliance training on the updated Principles of Conduct, mandatory for all permanent employees once every two years, includes sections on bribery and corruption and the ethical handling of issues linked to gifts, entertainment, and hospitality. The associated e-learning module was recently updated and relaunched towards the end of the fiscal year. It is important to note that completion of this training is mandatory for all employees, including members of the Executive Committee and the Extended Leadership Team (ELT).

As per August 31, 2025, the total number of reported compliance cases amounted to 109. Out of those 7 are currently pending. In the highest risk category of anti-bribery/corruption, fraud, conflict of interest, Barry Callebaut investigated 24 cases, leading to 11 confirmed incidents in the fiscal year 2024/25. These confirmed incidents led to 15 disciplinary actions. No investigations or criminal complaints were brought against Barry Callebaut or its employees.

### **Conflict of interest**

Certain situations may create a conflict between the interests of Barry Callebaut and the interests of a Barry Callebaut employee. Such conflicts may adversely affect the Barry Callebaut employee's independent and objective judgment and can interfere with the timely and effective performance of the employee's job responsibilities. They may jeopardize Barry Callebaut's business interests and compromise the employee's loyalty. This applies to all Barry Callebaut employees who are employed at any level by any entity of the Group. It also applies to the members of the Board of Directors of Barry Callebaut.

To prevent conflicts of interest a Barry Callebaut employee shall avoid any outside activities that may adversely affect his/her independent and objective judgment, interfere with a timely and effective performance of his/her job, conflict with Barry Callebaut's business interests and/or compromise his/her loyalty ("Conflict of Interest").

Barry Callebaut employees must disclose any involvement of themselves and their related parties. This includes shareholdings of more than 5%, Board membership, additional employment, mandate, or personal financial interest - that could give rise to a conflict of interest. For the purpose of this policy, the term "Related Parties" includes entities directly or indirectly controlled or significantly influenced by the employee, or in which they have significant voting power. This also includes directors, officers, employees, close family members, and individuals living in the same household.

Employees must not cause or influence Barry Callebaut to enter into any transaction with a third party in which the employee or their close family members or friends have an interest. If such a transaction is demonstrably advantageous to Barry Callebaut, the Barry Callebaut employee must ensure that the terms of the transaction are determined by a competitive bid that clearly establishes the fairness of the terms and arm's-length conditions. Barry Callebaut employee concerned may not sign such a contract.

A Barry Callebaut employee may not sign any contract or enter into any binding commitment on behalf of Barry Callebaut with any company in which he/she or a closely associated person has a personal interest, regardless of whether that interest has been disclosed.

### **Trade sanctions**

As a multinational company, we need to be aware of international trade sanctions. Trade sanctions are political instruments that restrict trade. Trade sanctions are penalties imposed by countries onto other countries or persons (private organizations or individuals) usually for violation of international laws, human rights, and/or fundamental democratic principles. Trade sanctions may affect Barry Callebaut's business operations by placing restrictions and controls on the movement of goods, services, and funds.

However, since sanctions can also apply to specific private organizations, legal entities, or natural persons (the "Designated Entities and Individuals"), it is important that the Group implements appropriate controls to comply with sanctions against such Designated Entities and Individuals. Consequently, Barry Callebaut's focus with regard to compliance with sanctions lies in screening Designated Entities and Individuals against the relevant Sanction Lists. Every new and existing customer and/or supplier (business partner), whether it is "sold to", "shipped to", "billed to" or "payer", must be screened and checked against the specially designated national list provided by Dow Jones as part of the Barry Callebaut routine "know your customer", respectively "know your supplier" check. The Dow Jones database contains all information from the relevant lists of US Office of Foreign Assets Control (OFAC), the EU Commission, the UN Security Council Sanctions Committee, and the Swiss State Secretariat for Economic Affairs (SECO) (the "Sanctions Lists").

The checks will be done on a regular basis, based on the data out of the Master Data Management System. Barry Callebaut has installed an automated solution that is fed by the Master Data

database and the Dow Jones database. In case of a full or partial match of a business partner with sanctioned persons appearing on any of the Sanctions Lists, the Group Compliance Officer shall receive a notification. It is in the discretion of the Group Compliance Officer to instantly block a transaction contemplated with any such business partner.

### **Whistleblowing and the reporting of grievances**

Barry Callebaut has established a dedicated whistleblowing and grievance platform ([BC Integrity Line](#)). Via these mechanisms we invite input from all employees and external stakeholders to report non-compliance and suspicious transactions, and help us to identify potential issues or violations, increase transparency and promote continuous improvement. Our grievance platform covers our entire supply chain. The Compliance team hosts both platforms and acts as a coordinator to ensure the adequate processing of incoming grievances.

# TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

# CLIMATE-RELATED FINANCIAL DISCLOSURES

In support of the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, Barry Callebaut<sup>1</sup> is committed to transparent reporting on climate-related risks and opportunities.

The table below highlights where each TCFD disclosure element is addressed in this Annual Social and Environmental Impact Report.

Area	Disclosure recommendation	Reference
<p><b>Governance</b></p> <p>Disclosure of governance around climate-related risks and opportunities.</p>	<p>Board’s oversight of climate-related risks and opportunities.</p> <hr/> <p>Management’s role in assessing and managing climate-related risks and opportunities.</p>	<p><a href="#">Governance</a></p>
<p><b>Strategy</b></p> <p>Disclosure of the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material.</p>	<p>Climate-related risks and opportunities that the organization has identified over the short, medium, and long term.</p> <hr/> <p>The impact of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning.</p> <hr/> <p>The resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2 degrees Celsius or lower scenario.</p>	<p><a href="#">The identification and impact of climate-related risks on the Organization</a></p> <hr/> <p><a href="#">The identification and impact of climate-related opportunities on the Organization</a></p> <hr/> <p><a href="#">The resilience of the Organization’s strategy</a></p>

<sup>1</sup> Throughout this report, the terms 'Barry Callebaut', 'the Group', 'the Company', and 'the Organization' are used interchangeably to refer to the Barry Callebaut Group.

**Area**

**Risk Management**

Disclosure of how the organization identifies, assesses, and manages climate-related risks.

**Metrics and Targets**

Disclosure of the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

**Disclosure recommendation**

The organization's processes for identifying and assessing climate-related risks.

The organization's processes for managing climate-related risks.

How processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.

Disclosures of the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process

Disclosure of Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

Description of the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

**Reference**

[Risk Overview](#)

The Group seeks a sustainability leadership position in its industry and has updated its climate strategy and Science Based Targets initiative (SBTi) commitment to the most recent accounting standards and best practices. Committing to a climate strategy and to SBTi requires the setting of a robust greenhouse gas (GHG) emissions baseline. As of fiscal year 2024/25, sustainability targets are part of the KPIs for our Long-Term Incentives (LTI) Plan, applicable to all LTI participants being granted Performance Shares. The KPIs relate to the reduction in Net Corporate Carbon Footprint, fully aligned with Barry Callebaut's public commitment to achieve a 30% reduction by 2030, compared to fiscal year 2021/22, the base year.

The Company Carbon Footprint of the Group is aligned with the GHG Protocol, which categorizes GHG emissions into three scopes according to their underlying activity.

- Scope 1 emissions are direct GHG emissions resulting from emission sources which are controlled or owned by Barry Callebaut. This especially includes the combustion of fossil fuels (i.e. gas and oil).
- Scope 2 emissions are indirect GHG emissions associated with the group's purchase of electricity, steam, heat, or cooling.
- Scope 3 includes all other emission sources in a company's value chain (upstream and downstream) and is subdivided into fifteen specific categories.

[Progress in Numbers](#)

[Advancing on our Net Zero Journey](#)

# STRATEGY

## The identification and impact of climate-related risks on the Organization

<u>Category risk</u>	<u>Risk</u>	<u>Impact description</u>	<u>Financial impact</u>
Physical Risk	Short to long-term raw material supply risk	Climate-related physical risks pose both short-term and long-term challenges to the Group's ability to secure a sustainable supply of high-quality cocoa beans and other essential agricultural raw materials. In the short-term, extreme weather events and shifting climate patterns can lead to increased volatility in crop yields, including large-scale crop failures and disease outbreaks. Over the mid- to long-term, the cumulative effects of climate change, deforestation, nutrient-depleted soils, and a shift in cultivation preferences toward alternative crops, may result in a structural shortfall of high-quality raw materials, threatening the resilience of the Group's supply chain and its ability to meet quality and production objectives.	High
Physical risk	Operations and supply chain disruption risks	The Group's facilities, operations, and supply chain network are exposed to a range of acute and chronic climate-related physical risks. These include extreme weather events as well as longer-term stressors like water scarcity, rising temperatures, and shifting climate zones.	Low
Transition risk	Regulatory risk and uncertainties	The Group's strategic and operational objectives are increasingly influenced by a complex and evolving climate-related regulatory landscape. Uncertainties around current and emerging rules, especially on climate mitigation, carbon emissions, deforestation, and supply chain traceability, pose significant compliance and sourcing risks. These are intensified by rising demands for environmental accountability across governance, strategy, risk management, and disclosures. Inconsistent regulation across jurisdictions may lead to reputational, legal, and operational challenges, potentially hindering progress toward climate resilience and Net Zero goals.	High
Transition risk	Evolution of customer and consumer demand	Rapidly evolving trends among customers and consumers have the potential to disrupt market dynamics driven by climate-related societal shifts, environmental concerns, technological advancements, dietary preferences, political developments, regulatory changes, and economic dynamics. These factors can impact growth and operational results and require the group to have a deep understanding of these forces for anticipating shifts and adapting effectively to evolving customer and consumer needs, ensuring sustained growth and continued market relevance.	Medium

For a more detailed impact description, see [Risk Overview](#).

## The identification and impact of climate-related opportunities on the Organization

Opportunity	Impact description	Financial impact
Agroforestry	By implementing agroforestry systems and shade management practices, we enhance the climate resilience of cocoa production. These practices help mitigate physical climate risks, including rising temperatures and drought stress, while improving soil health and increasing resistance to pests and diseases. Agroforestry also plays a critical role in our net zero strategy, serving as one of the main levers toward achieving our Science Based Targets initiative (SBTi) goals by boosting on-farm carbon sequestration and emissions reductions.	Medium
Operational resilience enhancements	The Group's sourcing, operations, and supply chain departments manage a well-diversified and flexible operations network, underpinned by a structured and coordinated global, regional, and local sales and operations planning process. It is continuously exploring innovative and transformative initiatives to strengthen operational agility and adaptability. This forward-looking approach aims to identify cost-effective mechanisms to enhance overall robustness and improve the management of operational and supply chain risks associated with climate change.	Low
Favorable climate policy environment	A globally aligned climate-related political environment provides certainty to invest in green technologies, sustainable sourcing, and circular economy initiatives. Additionally, economic recovery plans in many regions emphasize resilience and low-carbon growth, aligning public funding and market demand with sustainable business practices. The Group proactively adapts and aligns with evolving regulations and seeks to sharpen its competitive edge and enhance its reputation among environmentally conscious stakeholders.	Medium
Solutions offering	Increased end consumer demand for sustainable products indicates a preference for low-emission options, thereby enhancing the company's competitive market stance with our Net Zero Chocolate Solutions including SBTi certification. Leveraging its global operations and innovation networks, the Group is well-positioned to swiftly respond to customer demands and provide flexible, optimized solutions that adapt to evolving market conditions.	High
<b>Financial impact</b>	Low < 5%; Medium 5-10%; High > 10% (Relative earnings value at risk)	
<b>Financial impact methodology</b>	Assessing future developments involves inherent uncertainty, which grows over extended time horizons. The Group uses scenario analysis to explore potential climate-related impacts. These scenarios may differ significantly from actual outcomes due to inherent uncertainty and the unpredictability of future developments. The financial impact reflects the relative earnings at risk, calculated by comparing the projected cumulative earnings deviations over a ten-year period, both positive and negative, against a static baseline which represents the Group's current commercial, operational, and financial structure. The financial impact of risks excludes the effect of mitigation measures, whereas the financial impact of opportunities reflects the influence of resilience strategies and may include positive earnings developments. The financial impacts may accelerate over time. The key assumptions used to estimate the financial impact of risks are primarily derived from a reputable third-party risk quantification tool, with limited reliance on internal expert judgment. In contrast, the financial impact of opportunities is assessed entirely based on internal expert evaluations.	

## The resilience of the Organization's strategy

As part of the Group's ongoing commitment to ensure resilience against climate change, we conduct multiple, extensive, and targeted analyses to assess our strategic exposure. These continuous evaluations help us understand and address the potential impacts of climate-related risks on our business strategy.

In line with our commitment to the TCFD recommendations, the Group utilizes an established climate risk analysis tool that delivers an industry-wide, aggregated assessment. This provides a comprehensive view of the financial impacts of climate change, covering both physical and transition risks.

It uses the Network of Central Banks and Supervisors for Greening the Financial System (NGFS) framework which was created in 2019. The NGFS itself is a global coalition of financial regulators established in 2017 to enhance the financial sector's capacity to manage climate-related risks and support the transition to a sustainable economy. To guide risk analysis, the NGFS develops climate scenarios that reflect different policy and physical risk pathways. The pathways are described as follow: orderly transition scenarios with early, coordinated climate action; disorderly transition scenarios where delayed or fragmented policies create higher transition risks; and hot house world scenarios with insufficient action, leading to severe physical impacts from climate change. Within these categories, the NGFS includes detailed scenarios such as Net Zero 2050, Below 2°C, Delayed Transition, Divergent Net Zero, Nationally Determined Contributions (NDCs), and Current Policies.

The Group's analysis focused on three of the NGFS scenarios within a medium time horizon (ten years). The first is the Net Zero 2050 scenario, which assumes a global temperature increase of 1.4 degrees Celsius and envisions carbon dioxide emissions reaching or approaching zero by 2050. The second is an intermediate scenario, the NDCs scenario, projecting a temperature rise of approximately 2.3 degrees Celsius,

in which countries that have made climate-related pledges implement them in addition to current policies and keep their level of ambition by reducing greenhouse gas emissions and implementing adaptation measures. The third is a worst-case scenario, the Current Policies scenario, anticipates a temperature increase exceeding 3 degrees Celsius.

The scenario analysis complements the Group's enterprise risk management framework, which integrates ESG related risks and ensures alignment with strategic objectives. Under the 1.4 degrees Celsius scenario, the findings suggest that the Group's strategy remains broadly resilient, assuming that resilience initiatives such as the Group's Net Zero Roadmap and ongoing decarbonization efforts deliver the expected risk mitigation benefits.

In contrast, under the two other, higher warming scenarios, the analysis indicates an increased impact of physical risks and transitional risks, particularly in cocoa growing regions. To address these risks, the Group is implementing targeted and proactive adaptation measures in collaboration with a range of stakeholders as outlined in our [Thriving Nature](#) chapter. These insights are consistent with the Group's double materiality assessment, which identified climate resilience and stakeholder collaboration as key strategic priorities. In the tables above the financial impact refers to a ten-year time horizon and an intermediate scenario of 2.3 degrees Celsius warming.

# GRI REPORT



# RELEVANT GRI STANDARD(S)

<b>GRI 2 General Disclosures</b>	
The organization and its reporting practices	2-1 Organizational details 2-2 Entities included in the organization's sustainability reporting 2-3 Reporting period, frequency and contact point 2-4 Restatements of information 2-5 External Assurance 2-6 Activities, value chain and other business relationships 2-7 Employees 2-8 Workers who are not employees
Governance	2-9 Governance structure and composition 2-12 Role of the highest governance body in overseeing the management of impacts
Strategy, policies and practices	2-22 Statement on sustainable development strategy 2-23 Policy commitments 2-24 Embedding policy commitments 2-25 Processes to remediate negative impacts 2-27 Compliance with laws and regulations 2-28 Membership associations
Stakeholder engagement	2-29 Approach to stakeholder engagement 2-30 Collective bargaining agreements
<b>GRI 3 Material Topics</b>	
	3-1 Process to determine material topics 3-2 List of material topics 3-3 Management of material topics

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**Material Topics**

Supply Chain Traceability      308 Supplier Environmental Assessment  
414 Supplier Social Assessment

Biodiversity & Ecosystems      304 Biodiversity  
308 Supplier Environmental Assessment

Climate and Energy      302 Energy  
303 Water  
305 Emissions

Workers in the Value Chain      408 Child Labor  
412 Human Rights Assessment  
414 Supplier Social Assessment

Affected Communities      411 Right of Indigenous People  
413 Local Communities

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**Non-Material Topics**

201 Economic Performance  
203 Indirect Economic Impacts  
205 Anti-corruption  
206 Anti-competitive Behavior  
401 Employment  
403 Occupational Health and Safety  
404 Training and Education  
405 Diversity and Equal Opportunity  
409 Forced or Compulsory Labor  
410 Security Practices  
415 Public Policy

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**GRI 2 General Disclosures**

The organization and its reporting practices

<b>2-1 Organizational details</b>		
2-1-a	Legal Name	Barry Callebaut AG
2-1-b	Nature of ownership and legal form	Barry Callebaut AG ("The Company"; "Barry Callebaut", "The Group") was incorporated on December 13, 1994, under Swiss law, having its head office in Zurich, Switzerland, at Hardturmstrasse 181, 8005 Zurich. Barry Callebaut AG is registered in Switzerland and has been listed on the SIX Swiss Exchange (BARN, ISIN Number: CH0009002962) since 1998. As at August 31, 2025 the market capitalization based on issued shares was CHF 5,928 million (August 31, 2024: CHF 7,553 million). The significant shareholders of the Company are listed in Note 5.2 to the Consolidated Financial Statements in the Annual Report 2024/25 <a href="https://www.barry-callebaut.com/en/about-us/media/news-stories/full-year-results-fiscal-year-202425">https://www.barry-callebaut.com/en/about-us/media/news-stories/full-year-results-fiscal-year-202425</a> , with Jacobs Investments 2 AG (formerly held by Jacobs Holding AG) as the reference shareholder holding 30.1% of the issued share capital (2024: 30.1%).
2-1-c	Location of headquarters	Barry Callebaut AG Hardturmstrasse 181 8005 Zurich, Switzerland
2-1-d	Countries of operation	Barry Callebaut offers its products in over 140 countries.
<b>2-2 Entities included in the organization's sustainability reporting</b>		
2-2-a	Entities included in sustainability reporting	The entities covered under the <u>Forever Chocolate</u> chapters of this Annual Social and Environmental Impact Report 2024/25 can be viewed via the Assurance Statement 2024/25: <a href="https://www.barry-callebaut.com/en/group/forever-chocolate/sustainability-reporting/verification-assurance-reports">https://www.barry-callebaut.com/en/group/forever-chocolate/sustainability-reporting/verification-assurance-reports</a>
2-2-b	Differences between list of entities included in financial reporting and list included in sustainability reporting	There are differences between the list of entities included in financial reporting and those included in the <u>Forever Chocolate</u> chapters of this Annual Social and Environmental Impact Report 2024/25. See Annual Report 2024/25: <a href="https://www.barry-callebaut.com/en/about-us/media/news-stories/full-year-results-fiscal-year-202425">https://www.barry-callebaut.com/en/about-us/media/news-stories/full-year-results-fiscal-year-202425</a> . The entities covered under the <u>Forever Chocolate</u> chapters of this Annual Social and Environmental Impact Report 2024/25 can be viewed via the Assurance Statement 2024/25: <a href="https://www.barry-callebaut.com/en/group/forever-chocolate/sustainability-reporting/verification-assurance-reports">https://www.barry-callebaut.com/en/group/forever-chocolate/sustainability-reporting/verification-assurance-reports</a>
2-2-c	If multiple entities: approach used for consolidating the information	See Annual Report 2024/25: <a href="https://www.barry-callebaut.com/en/about-us/media/news-stories/full-year-results-fiscal-year-202425">https://www.barry-callebaut.com/en/about-us/media/news-stories/full-year-results-fiscal-year-202425</a>
<b>2-3 Reporting period, frequency and contact point</b>		
2-3-a	Sustainability reporting period and frequency	Annual 1 September 2024 - 31 August 2025
2-3-b	Financial reporting period	1 September 2024 - 31 August 2025
2-3-c	Publication date of report	Annual Social and Environmental Impact Report 2024/25, which includes the GRI Report 2024/25 (November 5, 2025) Annual Report 2024/25 (November 5, 2025)
2-3-d	Contact point for report	Taryn Ridley, Head of ESG Engagement & Reporting Phone: +41 43 204 0404 Email: <a href="mailto:taryn_ridley@barry-callebaut.com">taryn_ridley@barry-callebaut.com</a>

<b>2-4</b>	<b>Restatements of information</b>	
2-4-a	Restatements from previous reporting periods	None
<b>2-5</b>	<b>External Assurance</b>	
2-5-a	Policy and practice for seeking external assurance	The Audit, Finance, Risk, Quality & Compliance Committee, a sub-committee of the Board of Directors, reviews our internal system controls, risks, quality, and the reliability of our external reporting. It also oversees the implementation of ESG processes, controls and robust reporting and the direct integration of ESG into the audit structure and the relationship with investor relations.
2-5-b	Delegating authority	The auditing partner, PwC UK, audited external independent limited assurance by PwC to a selection of KPIs featured in the <u>Forever Chocolate</u> chapters of this Annual Social and Environmental Impact Report 2024/25. An assurance report and statement is publicly available online via <a href="https://www.barry-callebaut.com/en/group/forever-chocolate/sustainability-reporting/verification-assurance-reports">https://www.barry-callebaut.com/en/group/forever-chocolate/sustainability-reporting/verification-assurance-reports</a>

Activities and workers

<b>2-6</b>	<b>Activities, value chain and other business relationships</b>	
2-6-a	Sectors	Barry Callebaut serves customers in the Food & Beverage industry. The Company serves the entire industry, from food manufacturers to artisans and professional users of chocolate such as chocolatiers, pastry chefs or bakers; the Company also supplies products for vending machines.
2-6-b	Value chain	Barry Callebaut is fully vertically integrated along the entire value chain. The Company sources cocoa directly from smallholder farmers in Côte d'Ivoire, Ghana, Cameroon, Indonesia, Brazil, Ecuador and Nigeria as well as from third-party suppliers from the main cocoa-producing countries. Cocoa beans and chocolate are processed or produced in 62 factories operated directly by Barry Callebaut. Barry Callebaut serves as a trusted partner for the entire food industry, from large-scale food manufacturers to artisanal and professional users such as chocolatiers, pastry chefs, bakers, hotels, restaurants and caterers with Callebaut® as its main global brand.
2-6-c	Business relationships	Among the main external initiatives which Barry Callebaut endorses and supports are: the Dutch Sustainable Trade Initiative (IDH), the German Development Finance Institution (DEG), Fairtrade, Jacobs Foundation, Rainforest Alliance, the Sustainable Agriculture Initiative Platform, and the International Cocoa Initiative (ICI), Forest Stewardship Council (FSC), Palm Oil Network Switzerland, Dairy Working Group, Sustainable Dairy Partnership, AIM-Progress, Bonsucro Sugar Collaboration Group, ProTerra, Roundtable on Responsible Soy (RTRS) and Roundtable on Sustainable Palm Oil (RSPO).  Cocoa relevant: ABICAB, AIDEPIT, AIPC, Alliance7, Amcham, Ania, Aschoko/Confimex, BDSI, BLL & BVE, Belgian Confectionary Association (Choprabisco), Beyond Chocolate, Biscosuise, Bundesverband der Deutschen Suesswarenindustrie, China National Candy Association, Chocolate and Cocoa Association of Japan, Chocosuisse, Cocoa Association of Asia, Cocoa Merchants Association of America (CMAA), DISCO, EFOSZ, European Cocoa Association (ECA), European Confectionary Association (Caobisco), Federalimentare, FRISCO, GISCO, FAARP, Federation of Malaysian Manufacturer, FEVIA, FDP, FIAL, FNL, GAPMM Indonesia, GEPEX, Hunbisco, Index Nuovo Leon, International Cocoa Initiative, International Cocoa Organization, INC International Nut and Dried Food, Indonesia Cocoa Association, Japan International Cooperation Agency (JICA), National Confectioners Association, Polbisco, Produlce, SGLH, Singapore Manufacturing Federation, SWISSCO, SVLQ, SVG, VBZ, Unione Ind. LI VCO, World Cocoa Foundation, Cocoa & Forests Initiative (CFI).

2-6-d	Changes to previous reporting period	<p>In 2024/25, the significant changes to the Company's size and structure include the following:</p> <p>September 2025 Barry Callebaut launches the Callebaut Masters of Taste campaign externally, presenting the new brand identity and a new portfolio in the gourmet sector.</p> <p>July 2025 Barry Callebaut inaugurated its third chocolate factory in Neemrana, India, to support growing demand in the region.</p> <p>July 2025 Barry Callebaut partners with the Zurich University of Applied Sciences (ZHAW) to explore cocoa cell culture technology to enhance sustainability and supply chain resilience.</p> <p>June 2025 Barry Callebaut inaugurated its first wind turbine at its Halle production site in Belgium, covering nearly half of the factory's electricity needs and reducing CO<sub>2</sub> emissions.</p> <p>June 2025 Barry Callebaut opened its Global Business Services Hub in Hyderabad, India, joining its global network of four GBS centers to drive operational.</p> <p>April 2025 Production begins in new 'Greenfield' facility in Brantford, Canada.</p> <p>December 2024 Barry Callebaut holds the first fully virtual Annual Shareholders Meeting in an effort to increase inclusion and engagement of its international shareholder base. Barbara Richmond and Aruna Jayanthi, elected as new members of the Board of Directors.</p> <p>November 2024 Barry Callebaut has added upcycled cacao fruit products to its portfolio, offering ingredients that combine taste, health benefits, and positive environmental impact</p> <p>September 2024 Barry Callebaut has launched its Net Zero Roadmap, committing to reduce total emissions by 30% by 2030 and achieve full decarbonization of its value chain by 2050.</p>
<b>2-7</b>	<b>Employees</b>	
2-7-a	Number of employees by gender and region	At the end of the fiscal year 2024/25, Barry Callebaut had 13,138 employees. The company had: 4,090 female employees, 9,035 male employees and 13 employees without gender identification. Employees in Western Europe: 4,371; employees in Central and Eastern Europe: 1,565; employees in North America: 2,874; employees in Latin America: 1,186; employees in Asia Pacific, Middle East and Africa: 3,142.
2-7-b	Number of employees by type of employment	At the end of the fiscal year 2024/25, Barry Callebaut had 13,138 employees: 3,989 permanent and 101 temporary female employees; 8,917 permanent and 118 temporary male employees; 11 permanent and 2 temporary employees without gender identification. Employees in Western Europe: 4,273 permanent and 98 temporary; Central and Eastern Europe: 1,525 permanent and 40 temporary; North America: 2,864 permanent and 10 temporary; Latin America: 1,150 permanent and 36 temporary; Asia Pacific, Middle East and Africa: 3,105 permanent and 37 temporary; 3,813 full time and 277 part time female employees; 8,813 full time and 222 part time male employees; 11 full time employees without gender identification and 2 part time employees without gender identification.
2-7-c	Methodologies and assumptions for data compiling	Data related to employees are reported in headcounts and as at 31 August 2025. Data are collected through our HCM system and elaborated through queries.
2-7-d	Contextual information	The population includes internal employees with following employee class: assignees, apprentices, employees, graduates, interns.

2-7-e	Fluctuations	<p>The total turnover of employees was 19%. The turnover of employees by geozone and gender:                  Western Europe: 17% female and 15% male                  Central and Eastern Europe: 14% female and 17% male                  North America: 29% female and 31% male                  Latin America: 21% female and 17% male                  Asia Pacific, Middle East and Africa: 18% female and 16% male</p> <p>The turnover of employees by age and gender:                  Below 30 years old: 30% female and 33% male                  Between 30-50 years old: 17% female and 17% male                  Above 50 years old: 21% female and 18% male</p>
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<b>2-8 Workers who are not employees</b>		
2-8-a	Number of workers not employees	Due to the sensitive nature of certain data, specific details within GRI Standards 2-8 regarding organizational impacts, risks, and opportunities have been omitted from this report to ensure the protection of confidential information.

Governance

<b>2-9 Governance structure and composition</b>		
2-9-a	Governance structure	<a href="#">Governance</a>
2-9-b	Committees of the highest governance body	<a href="#">Governance</a>
<b>2-12 Role of the highest governance body in overseeing the management of impacts</b>		
2-12-a	Role of the highest governance body and of senior executives: organization's purpose, value or mission statements, strategies, policies, and goals;	<a href="#">Governance</a>

Strategy, policies and practices

<b>2-22</b>	<b>Statement on sustainable development strategy</b>	
2-22-a	Statement about relevance of sustainable development to the organization and its strategy	<a href="#">Letter to Stakeholders</a>
<b>2-23</b>	<b>Policy commitments</b>	
2-23-a	Policy commitments for responsible business conduct	<a href="#">Business Conduct</a>
2-23-b	Policy commitment to respect human rights	<a href="#">Human Rights</a>
2-23-c	Links to the policy commitments	<a href="#">Cross reference to relevant policies</a>
2-23-d	Approval of policy commitments within the organization	<a href="#">Governance</a>
2-23-e	Extent of application	<a href="#">Navigating a changing regulatory environment</a>
2-23-f	Communication of policy commitments	<a href="#">Business Conduct</a>
<b>2-24</b>	<b>Embedding policy commitments</b>	
2-24-a	Embedding throughout activities and business relationships	<a href="#">Business Conduct</a>
		<a href="#">Human Rights</a>
		<a href="#">Prospering Farmers</a>
		<a href="#">Thriving Nature</a>
		<a href="#">Sustainable Ingredients</a>
		Talent, diversity, employee engagement and health and safety is detailed in <a href="#">Our People</a> section. - 35% women at Director level, (2024/25: 31%) - 18% women at Director level in Sales (2024/25: 29%) We are committed to continue nurturing an inclusive environment where everyone is given the opportunity to learn, fulfil their potential and be at their best.
<b>2-25</b>	<b>Processes to remediate negative impacts</b>	
2-25-a	Commitments in remediation of negative impacts	<a href="#">Ceasing, preventing and mitigating adverse human rights impacts</a> <a href="#">Remediating adverse human rights impacts</a>

2-25-b	Approach to identify and address grievances	<a href="#">Embedding responsible business conduct into policies and management systems</a> <a href="#">Identifying and assessing adverse human rights impacts</a>
2-25-c	Processes for remediation of negative impacts	<a href="#">Remediating adverse human rights impacts</a>
2-25-d	Stakeholder involvement	<a href="#">Ceasing, preventing and mitigating adverse human rights impacts</a> <a href="#">Remediating adverse human rights impacts</a>
2-25-e	Effectiveness of grievance mechanisms and remediation processes	<a href="#">Our measured impact in Human Rights</a>
<hr/>		
<b>2-27</b>	<b>Compliance with laws and regulations</b>	
2-27-a	Number of instances of non-compliance with laws and regulations	Barry Callebaut has not identified significant fines or non-monetary sanctions for non-compliance with laws in the social and economic area in the fiscal year 2024/25.
2-27-b	Number and monetary value of fines	<a href="#">GRI 2-27-a</a>
2-27-c	Description of instances	<a href="#">GRI 2-27-a</a>
2-27-d	Determination of instances	<a href="#">GRI 2-27-a</a>
<hr/>		
<b>2-28</b>	<b>Membership associations</b>	
2-28-a	Participation in significant role	Cocoa relevant: Belgian Confectionary Association (Choprabisco), Beyond Chocolate, Biscouisse, Bundesverband der Deutschen Suesswarenindustrie, China National Candy Association, Chocolate and Cocoa Association of Japan, Chocosuisse, Cocoa Association of Asia, Cocoa Merchants Association of America (CMAA), DISCO, EFOSZ, European Cocoa Association (ECA), European Confectionary Association (Caobisco), Federalimentare, FRISCO, GISCO, FAARP, Federation of Malaysian Manufacturer, FEVIA, FDP, FIAL, FNL, GAPMM Indonesia, GEPEX, Hunbisco, Index Nuovo Leon, International Cocoa Initiative, International Cocoa Organization, INC International Nut and Dried Food, Indonesia Cocoa Association, Japan International Cooperation Agency (JICA), Malaysia Cocoa Board, National Confectioners Association, Polbisco, Produlce, SGLH, Singapore Manufacturing Federation, SWISSCO, SVLQ, SVG, VBZ, Unione Ind. LI VCO, World Cocoa Foundation (WCF).

## Stakeholder engagement

<b>2-29</b>	<b>Approach to stakeholder engagement</b>	
2-29-a	Approach to engaging with stakeholders	<a href="#">Our approach to materiality</a>
<b>2-30</b>	<b>Collective bargaining agreements</b>	
2-30-a	Percentage of employees covered by collective bargaining agreements	Percentage of employees covered by collective bargaining agreements is 46%.
2-30-b	Conditions for employees not covered by collective bargaining agreements	Barry Callebaut's <a href="#">Labor Policy</a> complements our <a href="#">Code of Conduct</a> and specifies our main principles on how we treat our people. It defines minimum benchmarks in respect of practices, measures and controls to be respected by and within our entities worldwide. The implementation of this policy is mandatory for all our entities and applies to all Barry Callebaut employees worldwide. With the implementation of this policy, we put in place a foundation for adherence to the Universal Declaration of Human Rights, the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, ETI Base Code, local, national and international laws and standards, as well as to customers' expectations and requirements.

## GRI 3 Material Topics

### Disclosures on material topics

<b>3-1</b>	<b>Process to determine material topics</b>	
3-1-a	Description of the process for determining material topics	<a href="#">Our approach to materiality</a>
3-1-b	Stakeholders and Experts consulted	<a href="#">Our approach to materiality</a>
<b>3-2</b>	<b>List of material topics</b>	
3-2-a	List of material topics	<a href="#">Our approach to materiality</a>
3-2-b	Changes to previous reporting period	<a href="#">Our approach to materiality</a>
<b>3-3</b>	<b>Management Approach</b>	
3-3	Management of material topics	<a href="#">Our approach to materiality</a>

**Material Disclosures**

GRI 300: Environmental Standards

<b>302</b>	<b>Energy</b>	
302-1	Energy consumption within the organization	Energy consumption refers to the energy consumed by our factories and which was in total grid 1,388,530 MWh. Out of this consumption, 696,143 MWh is coming from renewable sources, representing 50% of Barry Callebaut's consumption. Renewable sources include renewable electricity from the grid, onsite produced and self-consumed solar and wind electricity, biogas and energy produced by shell boilers. The total gas consumption was 541,120 MWh. Total electricity consumption from non-renewable sources was 144,570 MWh. See also <a href="#">Factories</a> and <a href="#">Transport</a> .
302-3	Energy intensity	Energy intensity ratio per metric ton (Mt) of activity is 270 kWh (using as denominator, the activity in Mt developed at factory level).
<b>303</b>	<b>Water</b>	
303-1	Water withdrawal by source	Water usage is covered in our Environmental Audits. We monitor our water consumption on a monthly basis and analyze the trends to reduce consumption through improvement projects. Water consumption and management of water effluents are key components of our Environmental Risk Assessment standard, which was published in July 2023 and is being implemented across all our factories. Total volume of water withdrawn was 2,019,724 m <sup>3</sup> from municipal water supplies, artesian wells and other public or private water utilities. Barry Callebaut has committed to reduce water consumption, with a 4% reduction year-on-year, and, be environmental water neutral by 2030. In addition, Barry Callebaut continues to work on a new and integrated strategic water management approach. This will allow reporting on water withdrawal, per source, in the future. Overall, growth in consumption is mainly related to the progressive incorporation of sites. Barry Callebaut's Water Risk Management was developed 2017/18 and is based on WWF criteria. Barry Callebaut's overall water usage is limited and primarily focused on utilities such as steam generation, warm/cold water for tracing, and general hygiene purposes. Regarding water discharge, we ensure that our water effluents are either treated in our own wastewater treatment plants or sent to municipality or site enclaves that have control measures in place for wastewater treatment. We prioritize raising awareness among our teams and implementing various local initiatives, such as investments in reverse osmosis units and smart water metering. Whilst water was not identified as material by stakeholders in our latest <a href="#">double materiality assessment</a> , we do recognize and adapt to the risk posed by potential water shortage from the effects of climate change. For example, we are mitigating the effects of climate change with the work we are doing in <a href="#">agroforestry</a> .
<b>304</b>	<b>Biodiversity</b>	
304-3	Habitats protected or restored	<a href="#">Agroforestry and shade management in cocoa</a>
<b>305</b>	<b>Emissions</b>	
305-5	Reduction of GHG emissions	<a href="#">Advancing on our Net Zero Journey</a> in Thriving Nature section
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Barry Callebaut respects legal requirements for emission levels in each country of operation. In 2024/25, the Company has not received significant fines for exceeding the legal limits. At the moment, Barry Callebaut does not track NOx and SOx emissions in their eco-footprinting tool. Measures of different parameters are followed depending on the equipment, size and local legislation so a variety of frequencies of control and parameters are tracked, in many cases beyond NOx or SOx, i.e. dust or smoke with TSP/SPM or PM10.

<b>308</b>	<b>Supplier Environmental Assessment</b>	
308-2	Negative environmental impacts in the supply chain and actions taken	<a href="#">Thriving Nature</a>

GRI 400: Social Topics

<b>408</b>	<b>Child Labor</b>	
408-1	Operations and suppliers at significant risk for incidents of child labor	<a href="#">Human Rights</a>

<b>411</b>	<b>Rights of Indigenous Peoples</b>	
411-1	Incidents of violations involving rights of indigenous peoples	<a href="#">Embedding responsible business conduct into policies and management systems</a>

<b>412</b>	<b>Human Rights Assessment</b>	
412-1	Operations that have been subject to human rights reviews or impact assessments	<a href="#">Identifying and assessing adverse human rights impacts</a> <a href="#">Progress in Numbers on Human Rights</a>

<b>413</b>	<b>Local Communities</b>	
413-1	Operations with local community engagement, impact assessments, and development programs	<a href="#">Identifying and assessing adverse human rights impacts</a> <a href="#">Ceasing, preventing and mitigating adverse human rights impacts</a>

<b>414</b>	<b>Supplier Social Assessment</b>	
414-2	Negative social impacts in the supply chain and actions taken	<a href="#">Sustainable Ingredients</a>

**Non-Material Disclosures**

GRI 200: Economic Topics

<b>201</b>	<b>Economic Performance</b>	
201-1	Direct economic value generated and distributed	<p>Direct economic value generated and distributed (EVG&amp;D) in thousands: Economic value generated: CHF 14,788,581.</p> <p>Economic value distributed: Cost of goods sold: CHF -13,369,412; Marketing and sales expenses: CHF -177,027; General and administration expenses: CHF -600,453; Other expenses/income (net): CHF -6,580; Net finance expense: CHF -376,924; Income tax expenses: CHF -69,807.</p> <p>Net profit attributable to: Shareholders of Barry Callebaut AG: CHF 185,867 Non-controlling interest: CHF 2,511</p> <p>Economic value retained: CHF 188,378.</p>
201-2	Financial implications and other risks and opportunities due to climate change	<a href="#">Risk Overview</a> and <a href="#">TCFD</a>
<b>203</b>	<b>Indirect economic impact</b>	
203-2	Significant indirect economic impacts	<a href="#">Risk Overview</a>
<b>205</b>	<b>Anti-corruption</b>	
205-1	Operations assessed for risks related to corruption	<a href="#">Business Conduct</a>
205-2	Communication and training about anti-corruption policies and procedures	<a href="#">Communication and training about anti-corruption policies and procedures</a>
205-3	Confirmed incidents of corruption and actions taken	<a href="#">Communication and training about anti-corruption policies and procedures</a>
<b>206</b>	<b>Anti-competitive Behavior</b>	
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There were no cases of legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which Barry Callebaut has been identified as a litigant.

GRI 400: Social Topics

<b>401</b>	<b>Employment</b>	
401-1	New employee hires and employee turnover	In the reporting period, Barry Callebaut hired 2,292 new employees: Split by age: 838 employees below 30 years old, 1,259 employees between 30-50 years old, 195 employees above 50 years old. Split by gender: 734 female and 1,531 male employees, 27 with no gender indication. Split by region: 408 in Western Europe, 399 in Central and Eastern Europe, 848 in North America, 221 in Latin America, 416 employees in Asia Pacific, Middle East and Africa. For employees turnover see <a href="#">GRI 2-7-e</a>
<b>403</b>	<b>Occupational Health &amp; Safety</b>	
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	<a href="#">Fostering a safe and unique workplace</a>
<b>404</b>	<b>Training and Education</b>	
404-2	Programs for upgrading employee skills and transition assistance programs	This year, our main focus in people development was to enable leaders and employees to thrive through transformation, to implement BC Next Level throughout all levels of the organization, and to build and retain critical functional capabilities. We equipped our leaders to drive cultural and organizational change through operating model workshops, a change management toolkit, and cultural awareness training - particularly with the launch of our Global Business Services (GBS) hub in India. A new, interactive Individual Development Plan (IDP) workbook was launched to support meaningful career conversations and self-driven growth and a global mentoring policy was created to foster growth through traditional, peer, and reverse mentoring. Trained mentors are now available to support career development and knowledge exchange. To strengthen functional capabilities, we launched the Commercial Excellence Learning Academy, reaching 400 Customer Business Development (CBD) colleagues with tailored learning mapped to key roles. This served as a blueprint for further Academies including Digital, Marketing, and more. As part of the Barry Callebaut Operating System (BCOS) we introduced a People & Capability Pillar to standardize global development practices and drive capability building in each of our sites. Finally, the GBS Academy was established to equip our four hubs with the right expertise and mindset for scalable impact. These initiatives reflect our commitment to empowering employees, driving transformation, and building future-ready capabilities across the organization.
<b>405</b>	<b>Diversity and Equal Opportunity</b>	
405-1	Diversity of governance bodies and employees	Board of Directors: 6 male members and 2 female member. 0 member under 30 years old, 1 member between 30-50 years old and 7 members above 50 years old. Executive Committee: 4 male members and 1 female member. 0 member under 30 years old, 1 member between 30-50 years old and 4 members above 50 years old. The Company had 31% female and 69% male employees. 14% of employees are below 30 years old, 64% of employees are between 30-50 years old, 23% of employees are above 50 years old.

# CROSS REFERENCE TO RELEVANT POLICIES

At Barry Callebaut our values represent a mindset and way of doing business that is committed to generating sustainable earnings over time and creating long-term value for all stakeholders. We are dedicated to running all our operations with transparency and integrity, including reporting on our Environmental, Social and Governance (ESG) management and risks. We are committed to maintaining robust procedures that foster consistent, transparent communication. The below table highlights some of our most requested policies. For a comprehensive list of our policies and position statements, please visit [our dedicated page](#).

<b>Group policies</b>	<b>Policy description</b>
<a href="#">Environmental Policy</a>	Our Global Environmental Policy sets out the directions and commitment to monitor and understand the environmental impact of our business activities. It also envisages the risks and possible impact of our Barry Callebaut sites and locations, production activities and supply chain.
<a href="#">Net Zero Roadmap</a>	This roadmap outlines our strategy to decarbonize our entire value chain, aligning with worldwide efforts to limit global warming to 1.5 degrees Celsius by setting mid-term targets for 2030 and achieve Net Zero by 2050
<a href="#">Quality Mission</a>	Our Quality Mission is integrated with both the Barry Callebaut values and the Triple Zero program - zero accidents, zero defects, zero delays.
<a href="#">Code of Conduct</a>	Our Code of Conduct is a practical guide for all employees; it explains how to manage potential conflicts of interests and other ethical dilemmas our company may face in our business lives. The principles and guidelines for behavior are set forth in our Code of Conduct
<a href="#">Supplier Code and Sustainable Sourcing Policies</a>	Our Supplier Code and Sustainable Sourcing Policies lay out the framework for our sustainable sourcing activities and reflect our Forever Chocolate strategy and ambitions.
<a href="#">Global HR Labor Policy</a>	This policy defines minimum benchmarks in respect of practices, measures and controls to be respected by and within our entities worldwide. The implementation of this policy is mandatory for all our entities and applies to all Barry Callebaut employees and managers worldwide
<a href="#">Human Rights Statement</a>	This statement describes Barry Callebaut's approach and efforts toward safeguarding human rights and ensuring that slavery and human trafficking are not taking place in any part of our business and our supply chain. It is updated annually, and is made in accordance with Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act 2023, the United Kingdom's Modern Slavery Act 2015 and the California Transparency in Supply Chains Act of 2010.