

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 tCO₂e (+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

