News Release

Towards more traceability and sustainability in cocoa farming Barry Callebaut collaborates with SAP to offer an innovative app to boost sustainability data management

- New collaboration on a groundbreaking data management tool
- Innovative tool for cocoa bean traceability and better farm impact measurement
- 65,000 cocoa farmers to participate across Côte d'Ivoire

Zurich/Switzerland – June 20, 2016 – Barry Callebaut, the world's leading manufacturer of highquality chocolate and cocoa products, has announced a collaboration with SAP, the market leader in enterprise software to help enable sustainable cocoa farming. Coupled with this announcement is the launch of an innovative cloud-based solution for cocoa bean traceability and better sustainability data management using solutions from SAP.

The solution was developed with SAP and combines desktop and mobile access, allowing usage in the most remote locations. Information on farmers, their farms and their communities can be recorded digitally at every level of the supply chain.

Farmer registration, cocoa buying, processing and transportation records enable the traceability of cocoa beans from the farmer to Barry Callebaut's warehouse.

Additionally, sustainability-related activity records allow for assessment of individual farmer and community needs and analysis, resulting in higher quality and higher impact support. Beyond the usual services, farmers now have improved access to seedlings, fertilizer and training that cater to their specific needs. This approach is at the foundation of Barry Callebaut's strategy to monitor and foster the adoption of sustainable cocoa and social practices and enhance impact on the ground.

Nicko Debenham, Vice-President Cocoa Sustainability at Barry Callebaut, comments: "This is an essential step in our commitment to make cocoa more sustainable. This tool will allow us to approach sustainability in an unprecedented way, providing the right advice to farmers, driving adoption of best practices, and improving yields and livelihoods. It will help farmers better manage their farms and professionalize cocoa farming in order to sustain it into the future."

"Barry Callebaut is an excellent example of how digital transformation in the agribusiness industry can simplify business processes and improve people's lives ", said Anja Strothkaemper, vice president, SAP Agribusiness and Commodity Management. "Working together, SAP and Barry Callebaut can help make agriculture easier for small-scale farmers, farmer cooperatives, and cocoa buyers with a cloud-based solution that helps improve productivity, quality and transparency."

The project has been called "Katchilè" by the Barry Callebaut team implementing it on the ground, a word from the local Baoulé language in Côte d'Ivoire, meaning "change". Katchilè is changing the way information is being collected, transmitted and used. "Katchilè completely changed the way we work: we can better plan our activities and we receive better information, faster", says Adjéhi Jean-Jacques, Barry Callebaut field agent working near Yamoussoukro, who

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has been using the SAP Rural Sourcing Management Solution running on the SAP HANA® Cloud platform since the beginning of the pilot in October 2015.

The system went live on June 13th 2016 with the ambition to cover all cocoa farmers participating in Barry Callebaut's sustainability activities in Côte d'Ivoire – currently about 65,000 farmers.

Read more about Barry Callebaut's sustainability initiatives in the <u>2014/15 Chocolate</u> <u>Sustainability Report</u>.

About Barry Callebaut Group (<u>www.barry-callebaut.com</u>):

With annual sales of about CHF 6.2 billion (EUR 5.6 billion / USD 6.6 billion) in fiscal year 2014/15, the Zurich-based Barry Callebaut Group is the world's leading manufacturer of high-quality chocolate and cocoa products – from sourcing and processing cocoa beans to producing the finest chocolates, including chocolate fillings, decorations and compounds. The Group runs more than 50 production facilities worldwide and employs a diverse and dedicated global workforce of more than 9,000 people. The Barry Callebaut Group serves the entire food industry, from industrial food manufacturers to artisanal and professional users of chocolate, such as chocolatiers, pastry chefs, bakers, hotels, restaurants or caterers. The two global brands catering to the specific needs of these Gourmet customers are Callebaut® and Cacao Barry®. The Barry Callebaut Group is committed to sustainable cocoa production to help ensure future supplies of cocoa and improve farmer livelihoods. It supports the Cocoa Horizons Foundation in its goal to shape a sustainable cocoa and chocolate future.

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About SAP (<u>www.sap.com</u>):

As market leader in enterprise application software, SAP (NYSE: SAP) helps companies of all sizes and industries run better. From back office to boardroom, warehouse to storefront, desktop to mobile device – SAP empowers people and organizations to work together more efficiently and use business insight more effectively to stay ahead of the competition. SAP applications and services enable approximately 300,000 customers to operate profitably, adapt continuously, and grow sustainably. For more information, visit www.sap.com.

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