



FORE  ER  
CHOCOLATE

GRI REPORT 2016/17

# GRI Report

## MATERIAL ISSUES – GRI STANDARDS MAPPING

Barry Callebaut AG 2016 GRI Index is based on the Global Reporting Initiative (GRI) Standards. GRI is the world's leading standard for corporate sustainability reporting ([www.globalreporting.org](http://www.globalreporting.org)). Through this GRI Index, together with the 2016/17 Forever Chocolate Progress Report and the 2016/17 Annual Report, Barry Callebaut reports in accordance with the Core option of the GRI Standards.

All material standards and indicators discussed are reported as fully as the available data allow.

**FOR FURTHER INFORMATION  
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	Relevant GRI Standard(s)
<b>CHILD LABOR</b>	408: Child Labor 412: Human Rights Assessment 414: Supplier Social Assessment
<b>FORCED LABOR</b>	409: Forced Labor 412: Human Rights Assessment
<b>POVERTY</b>	203: Indirect Economic Impact 413: Local Communities
<b>FARMER INCOME</b>	203: Indirect Economic Impact 413: Local Communities
<b>LOW YIELDS</b>	203: Indirect Economic Impact
<b>FUTURE COCOA SUPPLY</b>	201: Economic Performance 203: Indirect Economic Impact 304: Biodiversity
<b>TRACEABILITY</b>	308: Supplier Environmental Assessment 414: Supplier Social Assessment
<b>HEALTH AND SAFETY</b>	403: Occupational Health and Safety 414: Supplier Social Assessment
<b>TALENT AND DIVERSITY</b>	404: Training and Education 405: Diversity and Equal Opportunity
<b>EMPLOYEE ENGAGEMENT</b>	401: Employment
<b>CLIMATE CHANGE</b>	302: Energy 305: Emissions
<b>DEFORESTATION</b>	304: Biodiversity 308: Supplier Environmental Assessment
<b>CO<sub>2</sub> EMISSIONS</b>	302: Energy 305: Emissions
<b>AIR POLLUTION</b>	305: Emissions
<b>SOIL DEGRADATION</b>	304: Biodiversity
<b>WATER</b>	303: Water
<b>COMPLIANCE</b>	205: Anti-corruption 206: Anti-Competitive Behavior 307: Environmental Compliance 410: Security Practices 415: Public Policy 419: Socio-economic Compliance

## GENERAL STANDARD DISCLOSURES

Disclosure number	Disclosure title	Answer
<b>GRI 102: GENERAL DISCLOSURES</b>		
<b>ORGANISATIONAL PROFILE</b>		
<b>GRI 102-1</b>	Name of the organization	Barry Callebaut AG.
<b>GRI 102-2</b>	Activities, brands, products, and services	Barry Callebaut is the world's leading supplier of high-quality chocolate and cocoa products, with about 11,000 employees operating out of more than 30 countries. The main brands are Barry Callebaut, Callebaut, Cacao Barry, Carma, Van Leer and Van Houten for chocolate products; Barry Callebaut, Bendsdorp, Delfi, Van Houten and Chadler for cocoa powder; and Bendsdorp, Van Houten, Caprimo, Le Royal and Ögonblink for vending mixes.
<b>GRI 102-3</b>	Location of headquarters	Address of Barry Callebaut's headquarter office is: Barry Callebaut AG, West-Park, Pfingstweidstrasse 60 8005 Zurich, Switzerland.
<b>GRI 102-4</b>	Location of operations	Barry Callebaut operates in 33 countries: Belgium, Brazil, Cameroon, Canada, Chile, China, Côte d'Ivoire, Cuba, Czech Republic, Denmark, Ecuador, France, Germany, Ghana, India, Indonesia, Italy, Japan, Mexico, Netherlands, Poland, Russia, Serbia, Singapore, Spain, Sweden, Switzerland, Tanzania, Thailand, Turkey, United Kingdom, United Arab Emirates, United States.
<b>GRI 102-5</b>	Nature of ownership and legal form	The Company is registered in Switzerland and has been listed on the SIX Swiss Exchange (BARN, ISIN Number: CH0009002962) since 1998. The Company has not requested admission to trading of its shares on any other stock exchange. As at August 31, 2017, the total number of issued shares in the Company was 5,488,858, and thus Barry Callebaut's market capitalization based on issued shares was CHF 7,574.6 million.
<b>GRI 102-6</b>	Markets served	Barry Callebaut offers its products in 130 countries across the following regions: Europe, Americas, Asia Pacific. The company serves clients in the Food & Beverage industry. Barry Callebaut 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.
<b>GRI 102-7</b>	Scale of the organization	As of August 31, 2017, the total number of employees was 10528 and Barry Callebaut operated 55 factories. The net sales amounted to CHF 6,805.2 million. Barry Callebaut's market capitalization based on issued shares was CHF 7,574.6 million whereby the debt to equity ratio is 51.0%. Barry Callebaut has produced a total of 1,437,082 tonnes of chocolate & compound production.
<b>GRI 102-8</b>	Information on employees and other workers	At the end of the fiscal year 2016/17, Barry Callebaut had 10528 employees. Information on employees is collected in Barry Callebaut's internal HR system (Global HRIS System Success Factors). Due to technical reasons, the system does not collect data on Marbach employees (59 employees). 10469 employees have an employee profile in the HR system. The Company had: 2651 permanent and 208 temporary female workers; 7242 permanent and 368 temporary male workers. Employees in EMEA: 4172 permanent and 276 temporary; Americas: 2731 permanent and 77 temporary; Asia: 1678 permanent and 67 temporary; Africa: 1312 permanent and 156 temporary. 2588 full time and 271 part time female employees; 7385 full time and 225 part time male employees. The following type of workers perform organization activities: Consultants, Agency Temps, Members of the Board of Directors, Contractors, Trainees, Volunteers/ Students.
<b>GRI 102-9</b>	Supply chain	Barry Callebaut is fully vertically integrated along the entire value chain: from sourcing of raw materials to the production of the finest chocolate products. <a href="#">Explore the visualisation of Barry Callebaut's core activities in the Annual Report 2016/17, p. 9.</a> The main brands are Barry Callebaut, Callebaut, Cacao Barry, Carma, Van Leer and Van Houten for chocolate products; Barry Callebaut, Bendsdorp, Delfi, Van Houten and Chadler for cocoa powder; and Bendsdorp, Van Houten, Caprimo, Le Royal and Ögonblink for vending mixes.
<b>GRI 102-10</b>	Significant changes to the organization and its supply chain	In the fiscal year 2016/17, the significant changes to the organization's size and structure include the following: <ul style="list-style-type: none"> <li>• (August 24, 2017) Changes in the Executive Committee of Barry Callebaut as of September 1, 2017.</li> <li>• (July 20, 2017) Barry Callebaut to acquire D'Orsogna Dolciaria, a leading Specialties and Decorations player.</li> <li>• (February 9, 2017) American Almond celebrates move to new facility.</li> <li>• (December 31, 2016) Barry Callebaut completes acquisition of chocolate production facility in Halle, Belgium.</li> <li>• (November 9, 2016) Andreas Jacobs stepping down.</li> <li>• (November 7, 2016) Expansion Plans for US West Coast Facility.</li> <li>• (October 2016) Barry Callebaut expands chocolate manufacturing facility in Singapore.</li> <li>• (October 2016) Barry Callebaut celebrates grand opening of its first chocolate factory in Indonesia.</li> </ul>
<b>GRI 102-11</b>	Precautionary principle or approach	Barry Callebaut considered the following references in development of the HACCP (Hazard Analysis and Critical Control Point) principles: Guidance on Food Allergen Management for Food Manufacturers Food Drink Europe (2013), Global Standard for Food safety: Guidelines for Allergen Management (2014), FARRP – International Regulatory Chart (2015), European Food Safety Authority, FAO/WHO Food Standards. Codex Alimentarius. General standard for the labeling of prepackaged foods (1991), Guidance on Allergen Management and Consumer Information. Best Practice Guidance on Managing Food Allergens with Particular Reference to Avoiding Cross-contamination and Using Appropriate Advisory Labeling, FSA (2006).
<b>GRI 102-12</b>	External initiatives	The Dutch Sustainable Trade Initiative (IDH), The German Development Finance Institution (DEG), Fairtrade, ILO Impact Insurance Facility, International Cocoa Initiative, International Finance Corporation (IFC), Jacobs Foundation, Livelihoods Fund for Family Farming, Mastercard Fund for Rural Prosperity, Opportunity International, Rain Forest Alliance, The Sustainable Agriculture Initiative Platform, United Nations Global Compact, UTZ Digital ICS, World Cocoa Foundation and Cocoa Initiative
<b>GRI 102-13</b>	Membership of Associations	<p><b>Cocoa relevant</b></p> <p>ABICAB, AIDEPIIT, AIPC, Alliance7, Amcham, Ania, Aschoko/Confimex, BDSI, BLL &amp; BVE, Belgian Confectionary Association (Choprabisco), Biscosuise, Bundesverband der Deutschen Sueswarenindustrie, China National Candy Association, Cholate and Cocoa Association of Japan, Chocosuisse, Cocoa Association of Asia, Cocoa Merchants Association of America (CMAA), EFOSZ, European Cocoa Association, European Confectionary Association (Caobisco), Federalimentare, FAARP, Federation of Malaysian Manufacturer, FEVIA, FDP, FIAL, FNL, GAPMM Indonesia, Hunbisco, Index Nuovo Leon, International Cocoa Initiative, International Cocoa Organization, INC International Nut and Dried Food, Indonesia Cocoa Association, Malaysia Cocoa Board, National Confectioners' Association, NCA, Polbisco, Produlce, SGLH, Singapore Manufacturing Federation, SVLQ, SVG, VBZ, Unione Ind. LI VCO, World Cocoa Foundation.</p> <p><b>Non-cocoa relevant</b></p> <p>Bonsucro, AIM-Progress, Dairy Sustainability Alliance, Sustainable Vanilla Initiative, Roundtable on Sustainable Palm Oil (RSPO), Palm Oil Innovation Group (POIG), Sustainable Agriculture Initiative Platform (SAI).</p> <p><b>Industry</b></p> <p>World Business Council on Sustainable Development.</p>

Disclosure number	Disclosure title	Answer
<b>STRATEGY</b>		
GRI 102-14	Statement from senior decision-maker	<p><b>Introduction Statement by Antoine de Saint-Affrique, CEO of Barry Callebaut AG</b></p> <p>Forever Chocolate is Barry Callebaut's plan to make sustainable chocolate the norm. Barry Callebaut wants to make sustainable chocolate the norm, because this has been at the heart of its business from the beginning and it is the only way in which Barry Callebaut can continue to thrive. If it fails to tackle the structural challenges in the cocoa and chocolate supply chain, cocoa farmer poverty, child labor and climate change will impact the availability and quality of chocolate. Barry Callebaut needs to take action now, in order to continue to enjoy chocolate in the future.</p> <p>Forever Chocolate requires a new approach to cocoa farming which generates social and environmental benefits to cocoa farming communities. Lifting cocoa farmers out of poverty by increasing their productivity is its starting point. Cocoa farmer poverty directly impacts child labor and deforestation. For Forever Chocolate Barry Callebaut will be starting shortly with pilots in five key cocoa sourcing countries: Côte d'Ivoire, Ghana, Cameroon, Indonesia and Brazil. In these countries it will be testing its new approach to sustainable cocoa farming before it scales its efforts – essentially, learning to walk before it starts to run. Barry Callebaut will use all the resources and expertise it has at its disposal in the pilot countries to understand how it can bring the four pillars of Forever Chocolate to life.</p> <p>Barry Callebaut's first Forever Chocolate progress report reflects its progress and its learnings as it starts on this journey. Barry Callebaut wants to inspire the building of a movement to make Forever Chocolate a reality, because it knows the destination, but does not necessarily have a clear map on how to get there in the smartest way possible. Barry Callebaut requires industry partners, NGOs, governments, and academia to join on this journey. Since it launched Forever Chocolate, Barry Callebaut has seen numerous partners jump on the bandwagon, bringing new and fresh ideas to implement and scale-up sustainable chocolate. Take for example the Cocoa and Forest Initiative. Through this initiative Barry Callebaut has for the first time, industry, governments and NGOs at the table and the chance to define a structural solution to deforestation in the cocoa supply chain in West Africa. A great example of what is within reach when partners are moving together. For each of its targets Barry Callebaut is identifying the corresponding United Nations Sustainable Development Goals (SDGs), to ensure that Forever Chocolate is a part of the global agenda to transform our world.</p> <p>Through its Forever Chocolate progress report 2016/17 Barry Callebaut extends an invitation to any stakeholder to join on the journey to making sustainable chocolate the norm. If you have ideas or solutions how it can achieve its targets quicker or better, or if you want to join the movement to make sustainable chocolate the norm, I look forward to you being in touch.</p>
<b>ETHICS AND INTEGRITY</b>		
GRI 102-16	Values, principles, standards, and norms of behavior	<p>Barry Callebaut values are customer focus, entrepreneurship, team spirit, passion, and integrity. The Barry Callebaut Code of Conduct reflects these values and its belief that the best working environment is one built on mutual respect and trust.</p> <p>Barry Callebaut developed the Code of Conduct in 2002 (updates in 2011, 2013 and 2016). It was approved by the Executive Committee and signed by the CEO. Chairman of the Audit, Finance, Risk, Quality &amp; Compliance Committee (AFRQCC) is informed about compliance cases and completion of training by Executive Committee members; Chief HR Officer is a member of the AFRQCC.</p> <p>All employees of Barry Callebaut sign the Code of Conduct; the document is available in nine languages on its website.</p> <p>Barry Callebaut's business partners receive the Supplier Code. The Supplier Code includes a reference to its values.</p>
<b>GOVERNANCE</b>		
GRI 102-18	Governance structure	<p>As of November 2, 2016, the Barry Callebaut Group is organized into different regions: Region EMEA (Europe, Middle East, Africa), Region Americas and Region Asia Pacific. The globally managed Global Cocoa is, like a Region, reported as a separate segment. The Group's business can also be separated into three different Product Groups: Food Manufacturers Products, Gourmet &amp; Specialties Products, and Cocoa Products.</p> <p>Committees of the highest governance body include the Board of Directors; The Audit, Finance, Risk, Quality &amp; Compliance Committee; The Nomination &amp; Compensation Committee; and The Internal Audit.</p> <p>Barry Callebaut's sustainability agenda is driven from the top of the company. At corporate level, the cross-functional Steering Committee is chaired by the CEO and includes the heads of each sphere of its Sustainability strategy, all members of the Executive Committee and top managers of Barry Callebaut. The Committee meets quarterly to review sustainability strategy and progress.</p>
<b>STAKEHOLDER ENGAGEMENT</b>		
GRI 102-40	List of stakeholder groups	Main stakeholder groups include customers, suppliers, farmers, investors, media, governments, industry associations, NGOs, employees.
GRI 102-41	Collective bargaining agreements	Percentage of employees covered by collective bargaining agreements is 51%.
GRI 102-42	Identifying and selecting stakeholders	Barry Callebaut invited representatives of the stakeholder groups to participate in identifying Company's materiality topics. Barry Callebaut selected participants based on their expertise, sustainability commitment and initiatives and importance to Company's business. The selection was done by Barry Callebaut's senior management in collaboration with Forum for the Future, who facilitated the process.
GRI 102-43	Stakeholder Engagement	There are many players along the cocoa value chain. Barry Callebaut engages with these important business partners and other stakeholders to identify the key sustainability issues facing its business. In 2015, Barry Callebaut identified the materiality issues and have been working on these since then. Through regular dialogue with customers, suppliers, investors, media, governments, industry associations, and NGOs, Barry Callebaut is able to take into consideration their concerns and expectations and continuously improve its sustainability strategy and implementation work.
GRI 102-44	Key topics and concerns raised	<p>In March 2015, Barry Callebaut convened a stakeholder group, with 12 participants from customers, retailers, NGOs, and academia: Cococo, Divine Chocolate, Hershey's, M&amp;S, Mondelez, Oxfam, Rainforest Alliance, Rococo, Sainsbury's, Tesco, Unilever, UTZ, University of Leeds, World Cocoa Foundation. Following this, and through dialogue with customers, suppliers, investors, governments, NGOs, and academics, Barry Callebaut has updated its materiality matrix and reconfirmed the three key areas where it can make the most relevant positive difference to all stakeholders.</p> <p>Together with their stakeholders, Barry Callebaut identified the following key topics: Security of supply, Increase of productivity and yields; Child labor; Deforestation; Climate change – adaptation and mitigation; Landscape and infrastructure; Livelihoods – living wages, land tenure; Traceability; Profitability of cocoa farmers, Professionalizing the farmer, Access to credit; Empowerment of women farmers; Working with governments and broader range of stakeholders. To address these topics, Barry Callebaut developed a comprehensive sustainability strategy Forever Chocolate which was launched in November 2016. Barry Callebaut has conducted interviews with stakeholders to collect their positions on the topics. The interviews were carried out confidentially and therefore individual comments cannot be attributed and shared. In 2018, Barry Callebaut will revisit its materiality analysis from 2015 to continuously respond to concerns of Barry Callebaut stakeholders. Barry Callebaut aims to update its materiality matrix every three years.</p>

Disclosure number	Disclosure title	Answer
<b>REPORTING PRACTICE</b>		
<b>GRI 102-45</b>	Entities included in the consolidated financial statements	<p>All 74 active subsidiaries of Barry Callebaut are included in the financial statement: Barry Callebaut Manufacturing France SAS, Barry Callebaut SSC Europe Sp. Z.o.o., Barry Callebaut Nord Cacao SAS, La Morella Nuts S.A.U., Barry Callebaut Cocoa Asia Pacific Pte Ltd., Barry Callebaut Management Services AG, Barry Callebaut Sweden AB, Barry Callebaut Manufacturing Polska Sp. z o.o., Barry Callebaut Italia S.p.A., Barry Callebaut Europe Holding Pte Ltd., Barry Callebaut Chile SpA, Barry Callebaut (UK) Ltd., Dings-Décor B.V., Barry Callebaut Schweiz AG, Cocoa Ingredients (Philippines) Inc., Selbourne Food Services Sdn Bhd, Barry Callebaut Manufacturing Halle BVBA, Barry Callebaut Holding (UK) Ltd., Hoogenboom Benelux B.V, Barry Callebaut NL Russia, Barry Callebaut Manufacturing (UK) Ltd., Barry Callebaut Ghana Ltd., Barry Callebaut Sourcing AG, Barry Callebaut Mexico, S. de R.L. de CV, Barry Callebaut Iberica SLU, Barry Callebaut Beverages UK Ltd., Barry Callebaut Belgium N.V., Barry Callebaut Servicios, S.A. de C.V., International Business Company Belgium B.V.B.A., Nyonkopa Cocoa Buying Limited, Dolphin S.r.l., GOR Trade LLC, D'Orsogna Dolciaria S.r.l., P.T. Barry Callebaut Indonesia, Barry Callebaut Manufacturing Iberica SA, Barry Callebaut South East Europe d.o.o., Barry Callebaut Chocolates, S. de R.L. de C.V., Barry Callebaut Mexico Distributors SA de CV, Barry Callebaut Malaysia Sdn Bhd, Barry Callebaut Manufacturing Norderstedt GmbH &amp; Co. KG, Omnigest SAS, Barry Callebaut Services Asia-Pacific Sdn Bhd, Société Africaine de Cacao SA, ASM Foods AB, Barry Callebaut Japan Ltd., Société Industrielle Camerounaise des Cacaos SA, Barry Callebaut (Suzhou) Chocolate Co., Ltd., Barry Callebaut (Suzhou) Chocolate R&amp;D Center Co., Ltd., Barry Callebaut Services N.V., Barry Callebaut Manufacturing Malaysia Sdn Bhd, Barry Callebaut AG, Barry Callebaut Brasil Indústria e Comércio de Produtos Alimentícios Ltda., Barry Callebaut Manufacturing Italia S.p.A., D'Orsogna Sweet Ingredients Private Limited, Barry Callebaut Polska Sp. z o.o., Barry Callebaut Cocoa Germany GmbH, Barry Callebaut Chocolate Asia Pacific Pte Ltd., Barry Callebaut Eurasia Gida Sanayi Ve Ticaret Ltd.Sti., P.T. Barry Callebaut Comextra Indonesia, Barry Callebaut Cocoa Netherlands B.V., Barry Callebaut Decorations B.V., Barry Callebaut Cocoa AG, P.T. Papandayan Cocoa Industries, Biopartenaire SA, Barry Callebaut Denmark ApS, Barry Callebaut India Private Ltd., Barry Callebaut Canada Inc., Barry Callebaut Czech Republic s.r.o., Barry Callebaut Canada Inc., Siam Cocoa Products Co., Ltd, Barry Callebaut Canada Inc., Barry Callebaut Canada Inc., Barry Callebaut France SAS, Barry Callebaut Négoce SA.</p> <p>Barry Callebaut has some dormant companies which are not enclosed as principal subsidiaries, e.g. Barry Callebaut Manufacturing Germany GmbH, Barry Callebaut Holding (UK) Ltd., Barry Callebaut Nigeria, Adis Holding Inc., Barry Callebaut USA Holding, Inc., Omnigest SAS.</p>
<b>GRI 102-46</b>	Defining report content and topic Boundaries	<p>This GRI Report reflects Barry Callebaut's sustainability strategy Forever Chocolate thematic pillars. In addition to that, Barry Callebaut included additional indicators to complement the GRI Reporting Principles and Standard Disclosures – Core.</p> <p>Principle 1 – Stakeholder Inclusiveness: Barry Callebaut has identified representatives from all stakeholder groups to contribute to its materiality matrix. The materiality matrix therefore represents a set of topics relevant for the whole stakeholder universum of Barry Callebaut.</p> <p>Principle 2 – Sustainability Context: Barry Callebaut takes into consideration its size and reach (it is a company with operations in more than 30 countries and about 11,000 employees, it directly works with more than 150,000 cocoa farmers and a number of third-party suppliers). Barry Callebaut's materiality matrix, and therefore its activities, include themes which cover its supply chain from farmer to factory and to its clients.</p> <p>Principle 3 – Materiality: This report represents a holistic materiality universe equivalent to other food and beverage companies.</p> <p>Principle 4 – Completeness: Barry Callebaut aims for continuous and transparent reporting on its sustainability activities. In specific areas, where it is expanding its activities, it presents future outlook and plans to reach the goals it has set itself in its sustainability strategy.</p>
<b>GRI 102-47</b>	List of material topics	Child Labor, Forced Labor, Poverty, Farmer income, Low yields, Future cocoa supply, Traceability, Health and Safety, Talent and Diversity, Employee engagement, Climate Change, Deforestation, CO <sub>2</sub> emissions, Air pollution, Soil degradation, Water. Compliance is not a topic specifically identified in Barry Callebaut's materiality matrix, but it does consider this important for GRI reporting as it co-defines how the company lives its corporate values, serves its customers, and honors its commitments.
<b>GRI 102-48</b>	Restatements of information	None.
<b>GRI 102-49</b>	Changes in reporting	None.
<b>GRI 102-50</b>	Reporting period	September 1, 2016 – August 31, 2017.
<b>GRI 102-51</b>	Date of most recent report	Annual Report 2016/17 (November 2, 2016). GRI Report 2014/15 (November 2015).
<b>GRI 102-52</b>	Reporting cycle	Annual
<b>GRI 102-53</b>	Contact point for questions regarding the report	Christiaan Prins, Head of External Affairs. Phone: +41 43 204 03 76. Email: christiaan_prins@barry-callebaut.com
<b>GRI 102-54</b>	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.
<b>GRI 102-55</b>	GRI content index	See individual GR Indicators as reported in this GRI Table <a href="http://forever-chocolate.barry-callebaut.com">forever-chocolate.barry-callebaut.com</a>
<b>GRI 102-56</b>	External assurance	Barry Callebaut aims to publish a Forever Chocolate Progress Report (GRI Report) on an annual basis. This GRI Report is verified by an external auditor at least on the GRI Standards: Core option. An assurance report and statement will be publicly available as an integral part of the GRI Report and also on its website in the sustainability section. Barry Callebaut's auditing partner, denkstatt GmbH, also audited its Chocolate Sustainability Report 2014/15. Barry Callebaut has additional existing commercial contracts with the Company.

Disclosure number	Disclosure title	Answer
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## GRI 103: MANAGEMENT APPROACH

### MANAGEMENT APPROACH

Covering GRI 201 Economic Performance, GRI 203 Indirect Economic Impact, GRI 302 Energy, GRI 303 Water, GRI 304 Biodiversity, GRI 305 Emissions, GRI 308 Supplier Environmental Assessment, GRI 401 Employment, GRI 403 Occupational Health and Safety, GRI 404 Training and Education, GRI 408 Child Labor, GRI 409 Forced Labor, GRI 412 Human Rights Assessment, GRI 413 Local Communities and GRI 414 Supplier Social Assessment.

<p><b>GRI 103-1</b></p>	<p>Explanation of the material topic and its Boundary</p>	<p><b>Child Labor</b> As a direct result of cocoa farmer poverty, it is estimated that there are more than two million children working on cocoa farms in Côte d'Ivoire and Ghana. Despite investments in education and awareness raising in the past years, and despite higher school attendance, the cocoa industry and cocoa origin countries have not succeeded in structurally eradicating child labor. The impacts of this topic fall primarily within the supply chain.</p> <p><b>Forced Labor, Poverty, Farmer Income, Low Yields, Future of Cocoa Supply, Traceability, Soil Degradation</b> As a result of low yields due to poor farming practices, aging trees and limited access to inputs such as fertilizer and planting materials, the average cocoa farmer's income is significantly below the World Bank's extreme poverty line of USD 1.90/day. Such low income makes it impossible for farmers to invest in their farms, or to hire staff to work the fields. Barry Callebaut works with farmers across its main sourcing regions to ensure the future of cocoa supply and improve their livelihoods. The impacts of this topic fall primarily within the supply chain.</p> <p><b>Climate Change, CO<sub>2</sub> Emissions, Air Pollution, Deforestation</b> Deforestation is one of the biggest causes of global warming. It emits carbon dioxide into the atmosphere through the 'slash and burn' method for clearing forests, and at the same time reduces the amount of trees that will absorb carbon dioxide. At the same time, considerable amounts of CO<sub>2</sub> emissions are emitted through chocolate production itself. Therefore, Barry Callebaut has a holistic approach towards managing its CO<sub>2</sub> footprint and understanding impacts of climate change. The impacts of this topic fall with Barry Callebaut and its subsidiaries at an operational level and within the supply chain.</p> <p><b>Water</b> Water is the source of all life, and too often we take its availability for granted. Barry Callebaut's cocoa processing and chocolate factories are dependent on water supply and timely availability. For example, in Brazil Barry Callebaut has been struggling with some serious water shortages in the past years. Subsequently, its sites have identified the necessity to save water. The impacts of this topic fall with Barry Callebaut and its subsidiaries at an operational level and within the supply chain.</p> <p><b>Health and Safety, Talent and Diversity, Employee Engagement</b> Attracting the best talents from across the world is the basis for Barry Callebaut's growth and prosperity. It aims to offer a safe, engaging and collaborative workplace for its people, as well as the development and career growth opportunities they require to deploy their full potential. Barry Callebaut is fully committed to a working environment where business is conducted with integrity and in a manner where employees feel fully engaged and supported, and are continuously working towards preventing injuries to any employee, contractor or visitor. The impacts of this topic fall with Barry Callebaut and its subsidiaries.</p>
<p><b>GRI 103-2</b></p>	<p>The management approach and its components</p>	<p>In order to deliver on its Forever Chocolate targets, Barry Callebaut has set up a program structure to ensure focus and alignment around the activities it needs to perform. The Forever Chocolate program is supported by the full Executive Committee, who sit in the Steering Committee together with key stakeholders. Barry Callebaut have identified two exco members to sponsor the program, and have a program management team consisting of the VP sustainability and the sustainability program director.</p> <p>The program has been structured around the four pillars of Forever Chocolate: Zero Child Labor (eradicate child labor from the supply chain), Prospering Farmers (lift 500,000 farmers out of poverty), Thriving Nature (be carbon and forest positive) and Sustainable Chocolate (100% sustainable ingredients in all of Barry Callebaut's products). Each of these pillars is led by a business expert with deep knowledge of the topic, and a project manager to drive and steer the different projects and programs. The program has dedicated resources responsible for strategic planning, implementation and for the review process.</p> <p><b>Child Labor</b> Barry Callebaut aims to have zero children involved in its supply chain by 2025. It will measure this by the number of child labor cases identified and remediated in its supply chain. Tackling poverty is a long-term solution to child labor, but in the short term it needs to put in place solid monitoring and remediation systems, in order to identify and forever eliminate child labor. In addition, Barry Callebaut needs to work with governments, community leaders and the development community in origin countries to enforce existing laws and regulations against child labor, to provide an adequate school infrastructure, ensuring school attendance and availability of financial support in cocoa farmer families to send children to school. It needs to support awareness raising and a change in the perception in the communities themselves. In addition, Barry Callebaut piloted a Child Labor Monitoring and Remediation System (CLMRS) together with the International Cocoa Initiative. Also, it aims to identify and implement new methodologies and ensure enabling environment.</p> <p><b>Prospering Farmers (Forced Labor, Poverty, Farmer Income, Low Yields, Future of Cocoa Supply, Traceability, Soil Degradation)</b> Aligned with the industry's CocoaAction strategy, Barry Callebaut commits to tackling farmer poverty by empowering farmers to earn a better income through access to training, coaching, financing and planting material. It will also reach out to governments in origin countries and work with donors to create an enabling environment for the sustainable replanting of cocoa farms. Barry Callebaut commits itself to lifting 500,000 farmers out of poverty by 2025. It will measure this against the World Bank's USD 1.90/day threshold for extreme poverty. Barry Callebaut aims to set up robust sustainability services, robust farm services/farm finance model, develop most effective R&amp;D to get farmers out of poverty, assess macroeconomic impacts and provide best-in-class farmer finance investment products.</p> <p><b>Thriving Nature (Climate Change, CO<sub>2</sub> Emissions, Air Pollution, Deforestation, Water, Soil Degradation)</b> Barry Callebaut aims to be carbon and forest positive by 2025. It measures this primarily by the full organizational carbon footprint of its supply chain from farm to customer and number of hectares of forest regenerated. It engages in initiatives to reduce carbon footprint in its factories and its transportation. Barry Callebaut reduces its cocoa and non-cocoa ingredients carbon footprint. At the same time it defines its offsetting and landscaping approach.</p> <p>Specifically for water, Barry Callebaut set itself a target in the past (4% reduction in m<sup>3</sup>/t of water usage). Yet, it was not fully incorporated in Barry Callebaut's energy policy. Therefore from the fiscal year 2017/18 onwards, it will work on a comprehensive water management plan.</p> <p><b>Sustainable Chocolate (Traceability)</b> Barry Callebaut aims to have 100% sustainable ingredients in all of its products by 2025. It walks on this path and sources sustainable cocoa and non-cocoa ingredients, it aligns with existing sustainability standards and ensures an effective supply chain management. Barry Callebaut engages with its suppliers in a continuous dialog to drive positive change in the cocoa and chocolate industry. Therefore it has developed ingredient specific sustainable sourcing policies which integrates its material topics.</p> <p><b>Talent, Diversity, Employee Engagement and Health and Safety</b> Barry Callebaut's Talent Management Process helps employees to focus on – and prepare for – the next step in their career. Its goal is to fill 60% of its key positions with internal candidates. Barry Callebaut supports employees at every stage of their career with services, programs, benefits, healthy and safe working environment. As a company with operations in developing economies, Barry Callebaut understands the importance of assisting its employees locally, based on their specific needs. In cocoa growing countries, it aims to offer programs which provide a broad range of services, including medical care, housing and education.</p>



Disclosure number	Disclosure title	Answer
GRI 103-3	Evaluation of the management approach	In the fiscal year 2016/17 Barry Callebaut run a number of projects along the four Forever Chocolate pillars. The results and progress of these projects are being reviewed on a quarterly basis by the executive committee members who provide feedback and guidance. This guidance includes advice on how to improve results and also how to organize resources and teams to reach these goals. Barry Callebaut has a sustainability advisory council consisting of a senior team of external experts who annually evaluate and challenge Company's progress. In the future, and for selected projects, Barry Callebaut will also include external validation and guidance by external research institutes. Barry Callebaut aims to develop evaluation process further and to tailor them to different themes and initiatives.

## GRI 200: ECONOMIC STANDARDS

### ECONOMIC PERFORMANCE

GRI 201-1	Direct economic value generated and distributed	<p>Direct economic value generated and distributed (EVG&amp;D) in thousands of CHF:</p> <p>The sales revenue: 6,805,156</p> <p>Economic value distributed: Cost of goods sold: 5,818,406; Marketing and Sales expenses: 137,862; General and Administration Expenses: 377,073; Other operating expenses/income (net): 16,349 (income);</p> <p>Finance costs (net): 121,645</p> <p>Income tax expenses: 63,596</p> <p>Dividend payout to Shareholders of the parent company: 85,077</p> <p>Dividend payout to non-controlling interest: 635</p> <p>Economic value retained: 217,211</p> <p>(*Total personnel expenses included in functional expenses: 547,566)</p>
GRI 201-2	Financial implications and other risks and opportunities due to climate change	The business of Barry Callebaut depends primarily on the availability of key raw materials such as cocoa, sugar and dairy. Events such as changes in temperatures, poor weather conditions etc. can negatively impact the availability and price of these raw materials and affect its business (e.g. crop yields). The risk is physical in nature. Climate change has a severe impact on the world in general and agricultural regions in particular. Droughts mean that farmers can no longer rely on the rainfall that's crucial to farming. And on top of all of this, deforestation leads to soil degradation, accelerating the downward spiral. If industry does not commit to reducing its carbon footprint and achieve zero net deforestation in its supply chain, the ecosystem that provides chocolate ingredients will rapidly erode. Barry Callebaut engages in activities to support its farmers in adopting climate friendly practices through farmer services, in replanting projects and awareness raising activities (See Indicator 203-2).

### INDIRECT ECONOMIC IMPACT

GRI 203-2	Significant indirect economic impacts	As a result of low yields due to poor farming practices, aging trees and limited access to inputs such as fertilizer and planting materials. The average cocoa farmer's income is significantly below the World Bank's extreme poverty line of USD 1.90/day. Such low income makes it impossible for farmers to invest in their farms, or to hire staff to work the fields. Barry Callebaut has set itself a goal to lift 500,000 farmers out of poverty. In the fiscal year 2016/17, it has developed a baseline for Côte d'Ivoire, Ghana and Indonesia. In Côte d'Ivoire the farmers that received these inputs saw an average increase in productivity of 23%. Barry Callebaut succeeded in replanting 175.5 hectares of cocoa. It has approximately 157,000 farmers involved in one of its sustainability programs on good agricultural practices in 2016/17. At the same time 5,814 farmers benefited from its services, such as access to coaching, seedlings, input and financial services. In 2016/17 it has also started mapping of 90,000 farmers in its supply chain, to understand where they are farming and how they are farming. Enhancing cocoa farmer livelihoods is high on the agenda of many stakeholders. Barry Callebaut is partnering with the following organisations to work on the topic: the Dutch Sustainable Trade Initiative (IDH), International Finance Corporation, The Jacobs Foundation, Livelihoods Fund for Family Farming, Mastercard Fund for Rural Prosperity, Opportunity International, and World Cocoa Foundation.
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### ANTI-CORRUPTION

GRI 205-1	Operations assessed for risks related to corruption	Total number and percentage of Barry Callebaut's operations assessed for risks related to corruption was 87 (100%). Significant bribery and corruption risks are mainly present in certain geographies. The risks are defined as follows: (1) Public corruption & bribery – bribes: Risk of public bribery schemes (payments to foreign public officials) done within the Barry Callebaut 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 public exposure 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. (2) Public corruption & bribery – facilitation payment: Payment of typically low amounts to foreign officials (e.g. speed money) Barry Callebaut is assessed as a lower risk. (3) Private corruption and 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.
GRI 205-2	Communication and training about anti-corruption policies and procedures	Total number and percentage of governance body members that the organization's anti-corruption policies and procedures have been communicated to, broken down by region: 17, (100%). Total number and percentage of employees that the organization's anti-corruption policies and procedures have been communicated to: white-collar population: 4,289 employees (96.4%). Total number and percentage of governance body members that have received training on anti-corruption: 16 (94%). Total number and percentage of employees that have received training on anti-corruption: White-collar population: 3,842, (86.51%).
GRI 205-3	Confirmed incidents of corruption and actions taken	Barry Callebaut investigated 15 cases of corruption leading to 11 confirmed incidents of corruption in the fiscal year 2016/17. There were 6 cases where employees were disciplined or dismissed and 4 incidents where contracts were terminated or not renewed. There were no public legal cases brought against the company or its employees.
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There were zero cases of legal actions pending or completed during the reporting period regarding anti-competitive behavior, violations of anti-trust and monopoly legislation in which Barry Callebaut has been identified as a participant.

Disclosure number	Disclosure title	Answer
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## GRI 300: ENVIRONMENTAL STANDARDS

### ENERGY

<b>GRI 302-1</b>	Energy consumption within the organization	The total fuel consumption from non-renewable sources was 7,552,949 kWh and the total gas consumption was 573,899,525 kWh within Barry Callebaut's production. Total fuel consumption from renewable sources: 0 kWh; Total electricity consumption: 704,040,440 kWh; Heating and cooling consumption: 0 kWh; Steam consumption: 109,226,218 kWh; Total electricity, heating, cooling and steam sold: 0 kWh. Total energy consumption: 1,394,719,132 kWh. In 2009, Barry Callebaut rolled out a new corporate energy system, which was revised last year to a new software. At the end of fiscal year 2016/17, 9 sites use the new system. An Energy Management System (EMS) roll out plan is in place for further sites, with an average implementation rate of 4-5 new sites per fiscal year.
<b>GRI 302-3</b>	Energy intensity	Energy intensity ratio per ton of activity is 299.43kWh. Energy consumption includes electricity, gas, fuel, steam and renewable energy. The energy ratio uses energy consumption within the organization.

### WATER

<b>GRI 303-1</b>	Water withdrawal by source	Total volume of water withdrawn was 2.35 mln m <sup>3</sup> from municipal water supplies, artesian wells and other public or private water utilities. In the next fiscal year Barry Callebaut aims to integrate strategic water management approach in to its operations and thus will be also able to report on water withdrawal per source.
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### BIODIVERSITY

<b>GRI 304-3</b>	Habitats protected or restored	The ISLA landscape project Barry Callebaut is working on with the IDH, The Sustainable Trade Initiative, focuses on increasing the productivity of cocoa farmers around Tai National Park and the Cavally Forêt classé. Increasing cocoa productivity on existing farmland prevents farmers from expanding into protected forest areas. In addition, the project works with the local farmer communities on the importance of forest protection, as well as to strengthen the capacity of authorities in detecting encroachment into forests and taking remediation action. Barry Callebaut works furthermore with IDH on increasing cocoa farmer access to farm services, such as planting materials and fertilizers, as well as access to financial credit. The baseline determined area to be monitored is 1,539.38ha. In the fiscal year 2016/17, 114 farms have been mapped and 2.5ha of agroforestry plots installed. The project is implemented in collaboration with IDH, Wild Chimpanzee Foundation and SODEFOR.
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### EMISSIONS

<b>GRI 305-5</b>	Reduction of GHG emissions	The carbon footprint of Barry Callebaut's supply chain from farm to customer was 8.23 million tonnes CO <sub>2</sub> e. This is an increase of 11% compared to its previous measured footprint. This increase is due to an increase in volume. However, its CO <sub>2</sub> e intensity per tonne of average products decreased from 4.4 tonnes in 2014/15 to 4.23 tonnes in 2016/17. This decrease is due to energy efficiency activities implemented at factory level as well as an increased share of renewable energy sources coupled with an increased production efficiency rate in cocoa factories. Barry Callebaut continues to invest in energy efficiency and renewable energy sources. In 2016/17 the number of factories using only renewable electricity sources increased by 7, to 13 factories in 2016/17. It started to measure its organizational carbon footprint in the fiscal year 2008/09 and included impact originating from land use change in 2014/15. Since then, Barry Callebaut is continuously improving its methodology. It is participating in a multistakeholder project on methodology harmonization; it is continuously improving availability of primary data needed for detailed calculations. Improved calculations with reduced uncertainty are expected in one to two years. Barry Callebaut uses an eco-foot printing tool developed and tailored specifically to its needs.
<b>GRI 305-7</b>	Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ), and other significant air emissions	Barry Callebaut does not systematically track other pollutants but CO <sub>2</sub> emissions. It will work on the topic as it further develop its eco-footprinting tool in 2017/18. Barry Callebaut sticks to the local legal emission requirements.

### COMPLIANCE

<b>GRI 307-1</b>	Environmental compliance	Barry Callebaut has received neither any significant fines nor any non-monetary sanctions. During the reporting process, it has identified the following cases of environmental non-compliance on the factory level: 1. Cocoa bean processing factory in Zone 4, Abidjan, Côte d'Ivoire: The biomass boiler for burning cocoa shells currently exceeds emission limits. Optimizations were carried out in the past with some progress. Local public authorities are informed about the situation and Barry Callebaut will invest into a new technology by 2020. 2. Chocolate factory in Meulan, France: The annual wastewater analysis performed by a third party shows that values of phosphor exceeded allowed limits. It was recommended to Barry Callebaut to increase the water traceability and take corrective actions. 3. Chocolate factory in Banbury, UK: In May 2017, weekly analysis of wastewater by the factory's service provider, Thames Water, show that limits for unsaponifiable as well as saponifiable materials are exceeded. Barry Callebaut has started to document corrective measures and continues improvement of the wastewater process.
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### SUPPLIER ENVIRONMENTAL ASSESSMENT

<b>GRI 308-2</b>	Negative environmental impacts in the supply chain and actions taken	Barry Callebaut identified hotspots of actual and potential negative environmental impacts in the cocoa supply chain. They include GHG emissions due to land use change, transport, usage of dairy products and sugar, production in cocoa factories and cocoa farming. Other negative environmental impacts can include soil degradation due to deforestation and usage of fertilizers in cocoa farming, water usage during chocolate production and others. Currently Barry Callebaut uses sustainability certification as a way to manage negative environmental impacts in its supply chain. Of all the raw materials it is sourcing, 33% have been sustainably produced. In 2016/17 it sourced 36% of cocoa through sustainability programs, which is an increase of +13.0% compared to the previous year. This percentage includes its own Cocoa Horizons program, together with external certification such as UTZ Certified, Rainforest Alliance, Fairtrade and Organic. Barry Callebaut sourced 30% of its non-cocoa agricultural raw materials sustainably. In the fiscal year 2017/18 Barry Callebaut will introduce a new supplier management system which will help to better track supplier performance on an individual level.
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Disclosure number	Disclosure title	Answer
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## GRI 400: SOCIAL DISCLOSURES

### EMPLOYMENT

<b>GRI 401-1</b>	New employee hires and employee turnover	In the reporting period, Barry Callebaut hired 2,231 new employees (6.3% growth): Split by age: 813 employees below 30 years old, 1,092 employees between 30-50 years old, and 326 employees above 50 years old. Split by gender: 618 female and 1,613 male employees. Split by region: 468 employees in Africa, 650 employees in Americas, 231 in Asia Pacific, 32 in EEMEA and 850 employees in Western Europe. The total turnover of employees was 15%. The turnover of employees by geozone and gender: Africa: 21% female and 23% male. Americas: 14% female and 20% male. Asia Pacific: 16% female and 15% male. EEMEA: 20% female and 23% male. Western Europe: 12% female and 11% male. The total turnover of employees was 15%. The turnover of employees by age and gender: Below 30 years old: 21% female and 25% male. Between 30-50 years old: 9% female and 12% male. Above 50 years old: 12% female and 14% male.
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### OCCUPATIONAL HEALTH & SAFETY

<b>GRI 403-2</b>	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	<p>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), First Aid accident (recordable accident without lost days), Near miss (an incident that did not result in an injury that required first aid and all situations being observed that have a potential risk to result in an accident). In addition to that Barry Callebaut conducts Safety talks (activities that meet compliance requirements and promote safety awareness).</p> <p>The injury rate in the fiscal year 2016/17 was 1.9 incidents per 100 FTE's; the lost day rate was 52.13 days per 100 FTE's; the absentee rate was 3%; no work related fatalities. At the moment Barry Callebaut collects information on its employees across its 55 production sites. In 2018, it will assess how to increase the scope to all employees of Barry Callebaut.</p> <p>Barry Callebaut has a global reporting system which each of the 55 factories is part of. In the fiscal year 2018/19, it aims to collect information on absenteeism for its global operations. At the same time, it will explore how to include (1) full scope of the injury reporting for global operations (i.e. to include other types of operation but production sites), (2) specific statistics on temporary workers, (3) separate statistics on occupational disease rate and (4) reporting break down by gender and geography.</p>
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### TRAINING AND EDUCATION

<b>GRI 404-2</b>	Programs for upgrading employee skills and transition assistance programs	Barry Callebaut offers a wealth of training programs across the organization to both junior and senior staff. These include technical and on-the-job skills development, as well as quality, health and safety courses in the reporting year. In fiscal year 2016/17, 361 managers and other professional associates took part in one of its Marbach talent and management development programs. In the same fiscal year 12 college graduates completed its two-year Graduate Trainee Program Yourfuture@BC.
<b>GRI 404-3</b>	Percentage of employees receiving regular performance and career development reviews	100% of employees received regular performance and career development review.
		Barry Callebaut did not provide transition assistance programs in the fiscal year 2016/17.

### DIVERSITY AND EQUAL OPPORTUNITY

<b>GRI 405-1</b>	Diversity of governance bodies and employees	<p>Board of Directors: 9 members (1 female and 8 male). 0 members under 30 years old; 2 members between 30-50 years old and 7 members above 50 years old.</p> <p>Executive Committee: 8 members (1 female and 7 male). 0 members below 30 years old; 2 members between 30-50 years old and 6 members above 50 years old.</p> <p>Split of Barry Callebaut's employees function by gender: Management split 35.4% female and 64.6% male; Office split 48% female and 50% male and 2% N/A; Production split 14% female and 86% male.</p> <p>Split of Barry Callebaut's employees function by age: Management split 5.5% under 30 years old, 22% between 30-50 years old, 72.5% above 50 years old; Office split 22.5% under 30 years old, 17% between 30-50 years old, 59% above 50 years old, 1.5% N/A; Production split 21% below 30 years old, 22% between 30-50 years old, 57% above 50 years old.</p>
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### CHILD LABOR

<b>GRI 408-1</b>	Operations and suppliers at significant risk for incidents of child labor	<p>Barry Callebaut expects that some of its suppliers could have a risk of child labor; at the same time it has reported on child labor cases in its own supply chain in Côte d'Ivoire. Barry Callebaut does not consider its own operations to have significant risk for incidents of child labor. Its suppliers (farmer level) are considered to have a risk of child labor. At the moment, it is working towards a robust supplier management strategy and system to assess the risk of child labor.</p> <p>With the support of the International Cocoa Initiative, Barry Callebaut has piloted a Child Labor Monitoring and Remediation System (CLMRS) covering two cooperatives and 494 farmers. 38 cases of children involved in hazardous child labor were identified in those communities monitored in 2016/17. In addition, Barry Callebaut surveyed the 103 farmer groups it directly sources from in Côte d'Ivoire and established that in 2016/17 3.2% have an equivalent system to CLMRS in place. Through the survey, it has found 209 additional cases of hazardous child labor.</p> <p>As Barry Callebaut is rolling out CLMRS, it expects to see this number grow in the coming years. CLMRS data will help it to better target those communities where child labor awareness raising and remediation efforts have to be prioritized. As it aims to eradicate child labor from its entire supply chain, not just cocoa, Barry Callebaut is creating a heat map to identify those commodities at risk of including child labor in their supply chains. In addition it has updated its supplier code to incentivize suppliers of non-cocoa ingredients to have systems in place which are equivalent to CLMRS. Barry Callebaut expects to see this reflected in its enabling KPI on third-party suppliers as of 2017/18.</p>
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### FORCED LABOR

<b>GRI 409-1</b>	Operations and suppliers at significant risk for incidents of forced or compulsory labor	<p>Barry Callebaut Code of Conduct expressly prohibits child labor, forced or compulsory labor. Suppliers are asked to sign Barry Callebaut's Supplier code of conduct. At the moment, Barry Callebaut is developing geographical heat maps to identify areas with a risk of forced labor and child labor.</p> <p>Barry Callebaut adheres to the ILO Conventions. Since 2012, Barry Callebaut has held certification from Sedex, the Supplier Ethical Data Exchange. At the same time it aims to have all its factories SMETA (Sedex Members Ethical Trade Audit) audited. By end of the 2016/17 fiscal year, 37 factories were audited.</p>
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Disclosure number	Disclosure title	Answer
<b>HUMAN RIGHTS ASSESSMENT</b>		
<b>GRI 412-1</b>	Operations that have been subject to human rights reviews or impact assessments	Human rights assessments will be integrated into any new SMETA audit performed at Barry Callebaut's factories starting with July 2017.
<b>LOCAL COMMUNITIES</b>		
<b>GRI 413-1</b>	Operations with local community engagement, impact assessments, and development programs	Currently Barry Callebaut concentrates its community development activities in its supply chain on Côte d'Ivoire and Ghana. The development activities cover themes of child labor, education and women empowerment. At the moment it does not systematically track environmental and social impacts. In the fiscal year 2017/18, Barry Callebaut is planning to use heat maps relevant for its material topics and geographies where it sources cocoa and other ingredients from.
<b>SUPPLIER SOCIAL ASSESSMENT</b>		
<b>GRI 414-2</b>	Negative social impacts in the supply chain and actions taken	Barry Callebaut identified hotspots of actual and potential social environmental impacts in cocoa supply chain. Most importantly, they include low average income of cocoa farmers, child labor and forced labor. Currently the Company uses sustainability certification as a way to manage negative social impacts in its supply chain (See the indicator 308.2 for a further explanation). In the fiscal year 2017/18 Barry Callebaut will introduce a new supplier management system which will better help to track supplier performance on an individual level.
<b>GRI 415-1</b>	Public Policy	To the best of its knowledge, Barry Callebaut does not make any financial and in-kind political contributions directly and indirectly. As of the fiscal year 2017/18, it will issue a specific policy to cover this topic. This policy will be a special section in the new anti-bribery and corruption policy.
<b>GRI 419.1</b>	Socioeconomic compliance	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 2016/17.