

**GRI Index to the 2012/13 Sustainability Report
of Barry Callebaut AG**



**Statement
GRI Application Level Check**

GRI hereby states that Barry Callebaut AG has presented its report "Sustainability Report 2012/2013" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level C.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 31 October 2013

A handwritten signature in blue ink, appearing to read "Nelmara Arbex".

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 23 October 2013. GRI explicitly excludes the statement being applied to any later changes to such material.

About the GRI Index of Barry Callebaut

The Sustainability Report 2012/13 of Barry Callebaut AG, is based on version G3 of the sustainability reporting guidelines of the Global Reporting Initiative (GRI). The report together with the GRI Index and the Annual Report 2012/2013 fulfills GRI Application Level C, as verified and confirmed by the GRI.

GRI is the world's leading standard for corporate sustainability reporting (www.globalreporting.org). Application of GRI Level C guidelines requires information relating to:

- all points in the "G3 Profile Disclosures", covering strategy and analysis, organizational profile, reporting parameters, governance, commitments and engagement
- and at least ten performance indicators relating to economic (EC), environmental (EN), human rights (HR), labor (LA), social (SO) and product responsibility (PR) issues.

Both sets of criteria are addressed in the following GRI Index. In the listing of the performance indicators, GRI content issues are discussed directly in this GRI Index or referenced to the relevant chapters and page numbers of the Sustainability Report 2012/13 or the Annual Report 2012/13, respectively.

All the indicators discussed are reported as fully as the available data allow. Specific reference is made ("partial information") where an indicator is only partly reported. Where an indicator is not reported this is also stated.

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DETAILED INDEX OF GRI CONTENT POINTS

Unless otherwise noted, the page numbers in this detailed index refer to Barry Callebaut's Sustainability Report 2012/13 or Annual Report 2012/13.

Strategy and Analysis

1.1

Statement from the CEO about the relevance of sustainability to the organization and its strategy.

Sustainability Report 2012/13, P. 2: CEO message
Annual Report 2012/13, P. 17: Interview with the Chairman and the CEO, "Sustainable Cocoa" with programs "Cocoa Horizons", "Chocovision"

1.2

Description of key impacts, risks and opportunities (impacts of the organization on sustainability and stakeholders, and impacts of sustainability trends on long-term prospects and financial performance of the organization).

Not reported, as not mandatory for Level C.

Organizational Profile

2.1

Name of the organization.

Barry Callebaut AG

2.2

Primary brands, products, and/or services.

Barry Callebaut AG and its subsidiaries ("The Group") is one of the world's leading cocoa and chocolate companies, serving the food industry, from food manufacturers to artisans and professional users of chocolate such as chocolatiers, pastry chefs or bakers, and products for vending machines. The Group offers a broad and expanding range of chocolate and other cocoa-based products with numerous recipes. It also provides a comprehensive range of services in the fields of product development, processing, training and marketing. The Group is fully vertically integrated along the entire value chain: from sourcing of raw materials to the production of the finest chocolate products.

The principal brands under which the Group operates are Barry Callebaut, Callebaut, Cacao Barry, Carma, Van Leer and Van Houten for chocolate products; Barry Callebaut, Bensdorp, Van Houten and Chadler for cocoa powder and Bensdorp, Van Houten, Caprimo, Le Royal and Ögonblink for vending mixes.

Annual Report 2012/13, P. 62: Organization and business activity

2.3

Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.

Annual Report 2012/13,
P. 62: Organization and business activity
P. 142-143: Group structure and shareholders

2.4

Location of the organization's headquarters.

Zurich, Switzerland.

2.5

Countries where the organization operates.

The principal countries, in which the Group operates, include Belgium, Brazil, Cameroon, Canada, China, Côte d'Ivoire, Ecuador, France, Germany, Ghana, Indonesia, Italy, Japan, Malaysia, Mexico, the Netherlands, Poland, Russia, Sierra Leone, Singapore, Spain, Sweden, Switzerland, Tanzania, Turkey, the United Kingdom and the U.S.

2.6

Nature of ownership and legal form.

Annual Report 2012/13, P. 124: Related parties

Barry Callebaut AG ("The Company") was incorporated on November 24, 1994 under Swiss Law, having its head office in Zurich, Switzerland, at Pfingstweidstrasse 60. Barry Callebaut AG is registered in Switzerland and has been listed on the SIX Swiss Exchange (BARN, ISIN Number: CH0009002962) since 1998. As of August 31, 2013, Barry Callebaut's market capitalization based on issued shares was CHF 4,805.5 million (August 31, 2012: CHF 4,671 million). Jacobs Holding AG holds 50.11% of the shares issued (August 31, 2012: 50.11%). Including individual members of the Jacobs family, this amounts to nearly 60%.

2.7

Markets served.

Annual Report 2012/13, P. 84: Segment information

The principal countries, in which the Group operates, include Belgium, Brazil, Cameroon, Canada, China, Côte d'Ivoire, Ecuador, France, Germany, Ghana, Indonesia, Italy, Japan, Malaysia, Mexico, the Netherlands, Poland, Russia, Sierra Leone, Singapore, Spain, Sweden, Switzerland, Tanzania, Turkey, the United Kingdom and the U.S.

The highest proportion of our sales is in Region Europe, followed by the Regions Americas and Asia-Pacific. Overall, we perceive an increasing shift of demands toward emerging markets, while growth in developed markets will be at a lower rate. We are also seeing a consolidation in the food manufacturing industry, which includes our top customers. This is an important area where Barry Callebaut can benefit from the outsourcing trend.

The globalization of the food supply chain and the shift from captive or integrated to more open and competitive markets in the chocolate industry means that customers are comparing the offerings of different suppliers more closely. An open and competitive market is an advantage to Barry Callebaut, which is uniquely positioned with its global footprint, innovative power and cost leadership position. We place high value on open and fair competition.

2.8

Scale of the reporting organization.

Annual Report 2012/13,

P. 8: Key figures

P. 57: Consolidated financial statements

P. 62: Organization and business activity

2.9

Significant changes during the reporting period regarding size, structure or ownership.

- The most significant change in the company's size is the acquisition of cocoa business of Singapore-based Petra Foods (see Annual Report 2012/13, P. 47)

- Other changes: See Annual Report 2012/13, P.76

2.10

Awards received in the reporting period.

- Sustainability Report 2012/13, P. 14: Rainforest Alliance Sustainable Standard-Setter Award
- KPMG Swiss M&A Award: Barry Callebaut won the award for the most impressive M&A transaction for its acquisition of the Cocoa Ingredients Division of Petra Foods.

Report Parameters

Report Profile

3.1

Reporting Period for information provided.

September 1, 2012 to August 31, 2013.

3.2

Date of most recent previous report.

This is Barry Callebaut's second GRI report. The first was published on October 24, 2012.

3.3.

Reporting cycle

Annually

3.4

Contact point for questions regarding the report or its contents.

Jens Rupp, CSR Communications. For contact details see, GRI Index, P. 2.

Report Scope and Boundary

3.5

Process for defining report content.

All performance indicator aspects of the GRI guidelines were assigned as potential content for chapters of the report. On the basis of the test questions in the "Materiality" section of the GRI "Reporting Principles for Defining Content," an external specialist supported us in assessing all aspects for their relevance or materiality, both from the perspectives of external stakeholders and the internal company perspective. Aspects that were found to be material both from an external and an internal point of view were treated as priority topics in developing the report. Such priority topics include for example: economic performance and market presence, energy, water, waste, health & safety, training & education, labor management, procurement, freedom of association, initiatives against child labor, forced & compulsory labor, community engagement, anti-corruption initiatives, customer health & safety, and product & service labelling.

The report was developed for the target audiences identified as primary stakeholders under 4.14 below. Reporting of included indicators complies with the GRI guidelines as much as data availability allows.

3.6

Boundary of the report.

The general boundaries of the report are all operations of Barry Callebaut Ltd. Concerning our staff, data on all global Barry Callebaut employees is included. As the majority of our resource use and emissions can be attributed to our production sites, our environmental reporting excludes our sales offices and head office, and focuses on our production sites. While we recognize that the environmental impacts from the transport of our products is also important, we do not currently have comprehensive data on transportation-related emissions and energy use.

The detailed CSR data of the new operations acquired with Delfi Foods are not yet integrated into our reporting, but will be from the next reporting cycle.

3.7

Specific limitations on the scope or boundary of the report, if any.

The detailed CSR data of the new operations acquired with Delfi Foods are not yet integrated into our reporting, but will be from the next reporting cycle.

3.8

Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.

Unless explicitly noted otherwise, in the year under review there were no major changes regarding sustainability matters in subsidiaries, leased facilities or outsourced operations that significantly affect comparability with information disclosed in the previous year's report.

3.9

Data measurement techniques and bases for calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.

Data presented in this report has been collected by central functions from the operations across the company.

3.10

Explanation of reasons for and effects of any restatements of information provided in earlier reports.

No such restatements

3.11

Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.

No such changes

GRI Content Index

3.12

Table identifying location of Standard Disclosures in the report.

The relevant information can be found in this GRI Index.

Assurance

3.13

Policy and current practice with regard to seeking external assurance for the report.

This report has been prepared by an experienced and qualified external consultant. We do not seek external assurance for the report.

Governance, Commitments, and Engagement

Corporate Governance

4.1

Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.

Annual Report 2012/13,
P. 142-143: Corporate Governance
P. 144-147: Board of Directors
P. 148-149: Functioning of the Board

4.2

Indicate whether the Chair of the highest governance body is also an executive officer.

The Chairman of the Board is not simultaneously CEO, nor member of the Executive Committee.

4.3

For organizations that have a unitary board structure state the number of members of the highest governance body that are independent and/or non-executive members.

The members of the Board of Director's are all non-executive. For more detailed information please see Annual Report 2012/13, P. 144.

4.4

Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.

Annual Report 2012/13, P. 158-159: Shareholder's participation

4.5

Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).

Not reported as not mandatory for Level C.

4.6

Processes in place for the highest governance body to ensure conflicts of interest are avoided.

Not reported as not mandatory for Level C.

4.7

Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.

Not reported as not mandatory for Level C.

4.8

Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.

Not reported as not mandatory for Level C.

4.9

Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.

Not reported as not mandatory for Level C.

4.10

Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.

Not reported as not mandatory for Level C.

Commitments to External Initiatives

4.11

Explanation of whether and how the precautionary approach or principle is addressed by the organization.

Not reported as not mandatory for Level C.

4.12

Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.

Not reported as not mandatory for Level C.

4.13

Memberships in associations (such as industry associations) and/or national/international advocacy organizations.

Not reported as not mandatory for Level C.

Stakeholder engagement

4.14

List of stakeholder groups engaged by the organization.

Main stakeholders are shareholders, customers, employees, business partners, the environment, and the neighbors of all company sites.

4.15

Basis for identification and selection of stakeholders with whom to engage.

Key stakeholder mentioned under 4.14 are selected based upon: The stakeholders' ability to significantly impact Barry Callebaut's economic, ecological and social performance. And where Barry Callebaut's economic, ecological and social performance significantly impacts stakeholders.

4.16

Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.

Not reported as not mandatory for Level C.

4.17

Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.

Not reported as not mandatory for Level C.

Economic Performance Indicators

Economic Performance

EC1

Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.

Partial information:

Annual Report 2012/13,

P. 56: Consolidated Income Statement

P. 86: Personnel expenses

Direct economic value generated	4'913'593
Economic value distributed	
Total Operating costs	-4'126'620
Total Employee wages and benefits	-422'638
Total Payments to providers of capital	-169'700
Total Payments to government	-35'508
Total Community investments	-9'994
Total economic value retained	149'133

EC2

Financial implications and other risks and opportunities for the organization's activities due to climate change.

Partial information:

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, bad weather conditions etc. can negatively impact the availability of these raw materials and affect our business (e.g. crop yields).

To better manage and assess such risks or opportunities, Barry Callebaut intends to diversify its supply sources as much as possible (sourcing beans and other raw materials from various origins). Additionally we act as a global player with back up possibilities in different countries and regions providing us the ability to compensate local issues through our global supply chain. Risk estimation for e.g. adverse weather conditions are estimated as good as possible. At this time, these risks (and opportunities) cannot be quantified in a meaningful manner. At this time, these risks and opportunities cannot be quantified in a meaningful manner. To mitigate the risks, Barry Callebaut continuously works on a well-diversified supply source for key raw materials.

EC3

Coverage of the organization's defined benefit plan obligations.

Pension provisions are calculated according to the same IAS19 valuation methodology for all Barry Callebaut entities but the management of the pension plans is regional and country specific. Recovery plans are put in place according to statutory funding requirements, which are different per country and legislation. Overall the necessary measures are put in place to ensure full coverage by the average maturity date/ duration of the plans.

The percentage of employees participating in a pension plan or a defined retirement benefit plan has increased from 25 % to 37 % due to the acquisition of the Petra Foods Cocoa Division. Coverage of defined benefit pension obligations varies between legal entities but is on average 61 % and the coverage percentage for all plans (funded and unfunded) amounts to 56 %.

In FY 2012/13 a number of unfunded defined benefit plans in Europe, Brazil and Asia were taken over due to the Petra Foods Cocoa Division acquisition. The overall materiality of these acquired liabilities is limited.

For the future the recovery plans for the funding gaps of defined benefits plans will be further implemented and updated regularly in order to improve the funding situation of the plans. Furthermore the conversion of certain defined benefit plans into defined contribution plans is under investigation. In terms of accounting standards, the revised IAS 19 reporting standard will be applied in our financial statements as of FY 2013/14.

Number of people in a DB pension plan	658
Number of people in a DC pension plan	3290
Number of people not enrolled in a co. pension	4710
Total	8658

EC4

Significant financial assistance received from government.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Market Presence

EC5

Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

EC6

Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.

Cocoa bean cultivation is only possible in a narrow geographic region. Where possible, we strive to source directly from cooperatives or farmers in this region, and buy from local operators anytime for the purpose of feeding our local processing presence in origin countries which have local crop (especially Ivory Coast, Ghana, Brazil, and Indonesia). Approximately 65% of our cocoa is sourced from cooperatives, farmer organizations, local cocoa supply chain intermediaries and national cocoa marketing bodies.

In 2012, Barry Callebaut named “Sustainable Cocoa” as the fourth pillar in our overall corporate strategy, joining the existing pillars of Expansion, Cost Leadership and Innovation. With this strategic pillar, Barry Callebaut aims to intensify its efforts in direct cooperation with the farmer communities to increase cocoa yields and the respective quality our customers require.

For the rest of the supply toward factories located in consuming countries we have no strict policy in place. Our approach is a balanced handling of local exporters and international traders, depending what fits best to balance supply needs and capture price opportunities.

EC7

Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Indirect Economic Impacts

EC8

Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.

Barry Callebaut has not performed a formal community needs assessment. However, extensive community programs have been conducted. Barry Callebaut operations in Ivory Coast, Cameroon, Ghana and Brazil continue to contribute to select initiatives, focused on education and health, mainly in cocoa farming communities. The activities reflect the CSR Cocoa strategy, and in particular the focus areas of the Education and Health pillars of Cocoa Horizons. Relevant criteria for the selection of activities are aligned with community needs based on dialogue with suppliers (cooperatives in Ivory Coast and Ghana, and farms in Brazil) and Ministry of Education in Ghana. Internal stakeholders are informed about such programs and initiatives through BCnet and Hot Chocolate (internal newsletter), external stakeholders as follows: community members informed by cooperative leaders and elders in the community; analysts and media may be informed via press releases, interviews, meetings.

Program highlights

- Ivory Coast (since 2007): 1 college and 8 primary schools built – providing educational facilities for approx. 650 secondary school students and 1,200 primary school students. In addition, 5 canteens, 1 medical center, 2 infirmaries on or near school premises, 8 boreholes and 2 water towers, and school latrines, contribute to basic health care and nutrition of community members. The construction of teacher housing at 5 primary schools provides a total of 15 housing units for teachers, to help attract and retain quality teachers to rural communities.
- Cameroon (since 2012): new classroom block of 4 classrooms – providing educational facilities for 200 primary school students, plus borehole and water tower to serve community's water needs.
- Ghana (since 2010): renovation and refurbishments, including furniture, libraries and computer rooms provided to 6 schools (selection coordinated with Ministry of Education). Scholarship program for women and children provided business skills training to women and coverage of basic school expenses (30 women, 60 children in 4 rural communities were beneficiaries).
- Brazil: educational program on 5 cocoa plantations serves 143 children. After-school educational and sports program in Ilheus near Barry Callebaut factory serves 255 local children including 47 children of Barry Callebaut employees.

Challenges and Barry Callebaut's approach to meet them

The schools are public schools. They are managed and directed by Ministry of Education in the respective country. Maintenance of the facilities long-term is the responsibility of the local community. Through its business relationships with cooperatives in the area and regular contact, Barry Callebaut maintains regular contact with the communities and provides guidance and suggestions upon request of the community.

Outlook and objectives for 2013/2014

Continued focus on education and health interventions in target communities, including infrastructure and products - new rural primary school/community learning center construction (2 anticipated in Ivory Coast), sanitation system construction at 2 schools in Ghana, and approximately 1,500 water filters distributed in Ivory Coast and Ghana. Ongoing continuation of educational support programs in Brazil, and expansion of training programs in agriculture and food production for women.

Sustainability Report 2012/13, P. 12-17: Sustainable Cocoa

EC9

Understanding and describing significant indirect economic impacts, including the extent of impacts.

Our business impacts various actors in the economy, from smallholder cocoa farmers and other suppliers to employees, contractors, customers, providers of capital and tax authorities. We believe that our business generates and captures value and shares this value with the stakeholders mentioned. We have not performed socio-economic studies which would help to quantify this impact.

An example is the training of farmer trainers in Ivory Coast (Cocoa Center of Excellence, more information can be found here: <http://www.barry-callebaut.com/51?release=10624>).

Also refer to EC8

Environmental Performance Indicators

Materials

EN1

Materials used by weight or volume.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

EN2

Percentage of materials used that are recycled input materials.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Energy

EN3

Direct energy consumption by primary energy source.

Non-renewable energy consumption	GJ
Natural gas	1'208'871
Heating oil, diesel	28'175
Renewable energy consumption	
Biomass: cocoa bean shells	633'292
Total	1'870'338

EN4

Indirect energy consumption by primary source.

Total electricity consumption for FY 2012/13 was 1'262'998 GJ.

EN5

Energy saved due to conservation and efficiency improvements.

Energy savings from innovative conching technology: A new conching technology developed in-house allows us to reduce the energy consumption by more than 30% compared to the traditional process while making the process more compact and efficient. This new technology also incorporates several enhancements previously tried and tested by our teams over the years. The energy savings translate directly into a reduction of our carbon footprint. This technology has been tested on an industrial scale in our plant in Poland. We confirmed the viability of this innovation and have implemented this new technology in our largest chocolate factory in late 2013. This technology will also be the basis for all new production plants.

Total energy savings for FY 2012/13 were 54'454 GJ.

EN6

Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

EN7

Initiatives to reduce indirect energy consumption and reductions achieved.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Water

EN8

Total water withdrawal by source.

Water used in Barry Callebaut operations is taken mainly from municipal sources. Water consumption for FY 2012/13 was 1,889,838 m³.

EN9

Water sources significantly affected by withdrawal of water.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

EN10

Percentage and total volume of water recycled and reused.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Biodiversity

EN11

Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

EN12

Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

EN13

Habitats protected or restored.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

EN14

Strategies, current actions, and future plans for managing impacts on biodiversity.

Barry Callebaut leads a project to protect biodiversity in the largest remaining part of the old rainforest: cocoa farmer training program in joint initiative with the Rainforest Alliance to help protect Taï National Park in Côte d'Ivoire. The involved parties aim to develop long-term solutions for preventing further degradation of rainforest and fragile ecosystems near Taï National Park, which is one of the last major remnants of the vast primary tropical forest that once spanned across present-day Ghana, Côte d'Ivoire, Liberia and Sierra Leone, and is the largest island of forest remaining in West Africa, according to the UNESCO World Heritage Center.

In cooperation with the Rainforest Alliance, Barry Callebaut is also establishing nurseries for indigenous shade trees, launching a tree planting program, creating nurseries for cocoa seedlings, and setting up demonstration plots to showcase good agricultural practices. Cocoa farms with a more diverse vegetation than monocultures, such as intercropping with various trees, bushes and plants, in the long-term have a higher yield, lower disease load and soil quality which does not degrade over time.

General aspect with regard to biodiversity management at Barry Callebaut:

- Research program ambition: Becoming a worldwide respected knowledge partner in cocoa growth and productivity understanding the influence parameters to increase cocoa yield in a sustainable manner.
- Strategy: identify best agricultural practices and agronomic systems design to increase yield and quality of cocoa at plantation level in the most strategic countries.
- Objectives: increase productivity, quality and sustainability (by means of introducing new organic techniques to improve soil structure and fertility).

Reporting efforts:

- Address agronomic knowledge gap and ensure accurate and validated knowledge transfer towards our farmers through training material.
- Build credibility towards our customers and external partners on one of the main topics of the moment: sustainability by communicating on conferences, customer meetings and scientific journals.
- Transfer all the know-how and research output to the sustainable sourcing team for on farm implementation and follow up.

Outlook and objectives 2013/14:

- Focus on knowledge build-up in West-Africa and South-East Asia
- Cooperation with local/national research institutes
- Focus on yield and quality increase, and pest/disease decrease
- Improve farmer income whilst applying agroforestry models

EN15

Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Emissions, Effluents, and Waste

EN16

Total direct and indirect greenhouse gas emissions by weight.

Sustainability Report 2012/13, P. 19: Reducing greenhouse gas emissions

EN17

Other relevant indirect greenhouse gas emissions by weight.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

EN18

Initiatives to reduce greenhouse gas emissions and reductions achieved.

Partial information:

Energy savings from innovative conching technology: A new conching technology developed in-house allows us to reduce the energy consumption by more than 30% compared to the traditional process while making the process more compact and efficient. This new technology also incorporates several enhancements previously tried and tested by our teams over the years. The energy savings

translate directly into a reduction of our carbon footprint. This technology has been tested on an industrial scale in our plant in Poland. We confirmed the viability of this innovation and have implemented this new technology in our largest chocolate factory in late 2013. This technology will also be the basis for all new production plants.

EN19

Emissions of ozone-depleting substances by weight.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

EN20

NO₂, SO_x, and other significant air emissions by type and weight.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

EN21

Total water discharge by quality and destination.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

EN22

Total weight of waste by type and disposal method.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

EN23

Total number and volume of significant spills.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

EN24

Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

EN25

Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Products and Services

EN26

Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

EN27

Percentage of products sold and their packaging materials that are reclaimed by category.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Compliance

EN28

Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.

There have been no significant fines and no material non-monetary sanctions in FY 2012/13.

Transport

EN29

Significant environmental impacts of transporting products and other goods and materials used for the organization’s operations, and transporting members of the workforce.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Overall

EN30

Total environmental protection expenditures and investments by type.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Labor Practices and Decent Work Performance Indicators

Employment

LA1

Total workforce by employment type, employment contract, and region.

Employees per region	Africa	Americas	Europe	Asia	Totals	Percentage
Top Management (Senior & Exec)	4	11	70	22	107	1.2%
Management	44	221	354	176	795	9.2%
Administrative & Professional	323	675	1432	420	2850	32.9%
Blue Collar	415	1373	1795	1323	4906	56.7%
Total	786	2280	3651	1941	8658	100.0%
Percentage	9.1%	26.3%	42.2%	22.4%	100.0%	

In FY 2012/13 there were 588 temporary employees (5.8% of the total workforce).

See also Annual Report 2012/13, P. 22-23: Who are Barry Callebaut’s employees?

LA2

Total number and rate of employee turnover by age group, gender, and region.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

LA3

Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Labor/Management Relations

LA4

Percentage of employees covered by collective bargaining agreements.

Number/percentage of people covered by a union or collective bargaining agreement		
Africa	230	29%
Americas	1309	57%
Asia-Pacific	414	21%
Europe	2515	69%
Total	4468	52%

LA5

Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Occupational Health and Safety

LA6

Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.

Sustainability Report 2012/13, P. 24: A Safer Workplace

LA7

Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.

Partial information:

Sustainability Report 2012/13, P. 24: A Safer Workplace

Category	Number
Accidents	205
Lost work days due to accidents	4'186

LA8

Education, training, counseling, prevention, and risk-control programs in place to assist work-force members, their families, or community members regarding serious diseases.

Sustainability Report 2012/13, P. 25: Benefits to employees in origin countries

Concerning the protection against serious diseases, Barry Callebaut provides education, counseling, prevention programs, and treatment for workers at our own factories and at our supplier organizations in cocoa producing regions.

Ghana

We offer annual medical examination to our employees. During "Winning Together" activities, we organize voluntary counseling & testing for HIV and other communicable diseases. We also cover the cost of medical treatment for employees and their registered dependents.

Cameroon

Each year at the International AIDS Day, we are organizing awareness for staff and their families with educational lectures, free testing and condom distribution. Under the QPP, we distribute mosquito nets to families of cocoa farmers from participating cooperatives

Ivory Coast

Personnel training (training before starting work for newcomer, health sensitization). The training includes safety matters. Safety measures: sensitization, distribution of personal protective equipment. CSR department: sensitization of our cooperative members to let their children attend school. Distribution of school kits to children, school construction in communities to support and encourage the education of children (since 2007, 5173 school kits distributed). Construction of secondary and eight primary schools.

LA9

Health and safety topics covered in formal agreements with trade unions. Aspect: Training and Education

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Training and Education

LA10

Average hours of training per year per employee by employee category.

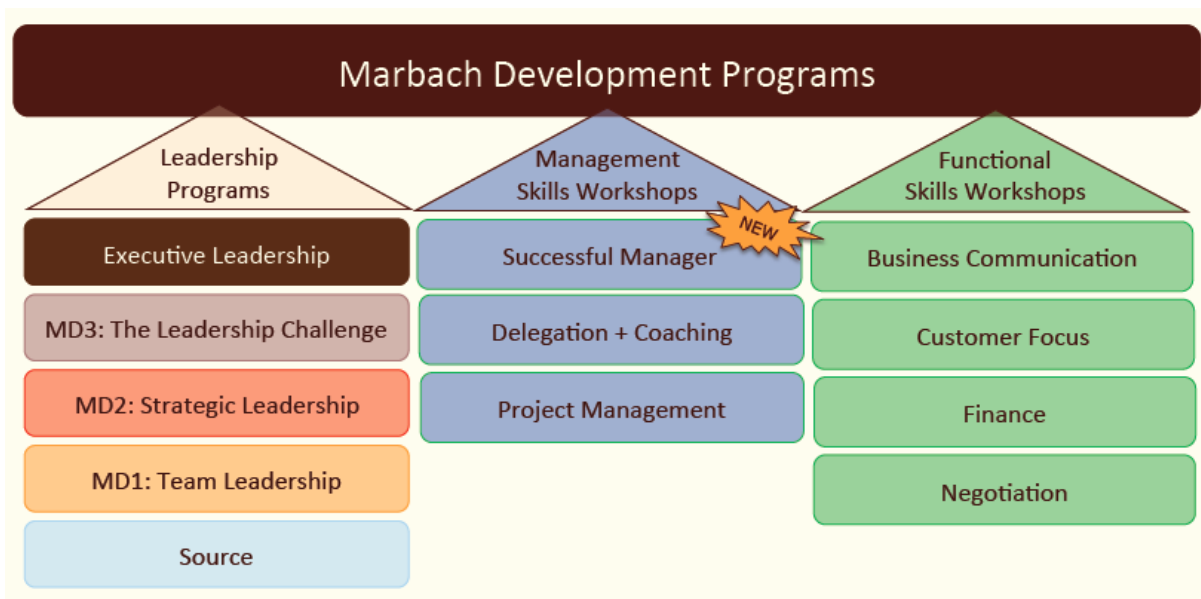
This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

LA11

Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.

Programs to maintain and improve the general qualifications of employees and their employability

The Marbach programs offer Barry Callebaut colleagues a unique development opportunity. The programs continue to grow in year-over-year participation from all Barry Callebaut regions and sites. Participants rate the value of their learning ever higher, and we continue to see more positive impacts on the business. In the 2012-13 season, we expanded to 16 programs at Marbach, and 4 in Chicago. We offered updated leadership programs and workshops, and introduced a brand new workshop series focusing on the critical skills of managing and developing people. The Marbach programs will continue to give you the tools to succeed. Last year we have trained 355 employees (approx. 1420 days) in Marbach, Germany.



Leadership Programs

- Source is for the group of young professionals identified by management as a “source” of our success, today and in the future. It is designed to improve personal effectiveness and broad-en business insight. Participants must be nominated by their direct managers, supported by HR, and approved by their regional presidents or ExCo leaders.
- Management Development 1: Team Leadership is the core program in leadership practice. Participants focus on key people management skills with exercises in leadership and teamwork, and improve their business insight through finance and project management.
- Management Development 2: Strategic Leadership builds business acumen by examining the larger strategic issues outside participants’ functional areas, improving their skills in assessing business and organizational challenges, and leading in leading their people to collaborative responses.
- Management Development 3: The Leadership Challenge gives experienced Barry Callebaut managers the opportunity to deeply explore and expand their leadership capabilities and apply them to current business challenges. Includes a 360-degree assessment.
- Executive Leadership is the annual session for senior managers to sharpen their strategic skills and become more effective organizational leaders and developers of management talent. The program introduces new topics each year, giving executives a regular opportunity to refresh their view of leadership in action.

Management Skills Workshops

- Being the Boss is a program for new and recently appointed managers and supervisors, focusing on building person-to-person relationships, exercising constructive influence, and creating and guiding a real team. Assessments and activities are designed to encourage the self-reflection and insight required to master the craft of leading people to achieve successful outcomes.
- Delegation and Coaching provides real-world practice in delegation and coaching skills that will reduce stress, empower colleagues and build morale. Taken together, these techniques are “power tools” for effective management that can maximize individual and team productivity.
- Project Management provides in-depth practice in using the tools necessary to deliver a successful project. Participants learn how to deliver results by defining clear objectives and building powerful plans and a team climate that understands milestones and executes, despite barriers.

Functional and Skills Workshops

- Business Communication focuses on developing concise communications, making effective presentations and confidently presenting ideas to internal and external stakeholders. Participants also focus on communicating more effectively in a diversified, multicultural environment.

- Customer Focus enables all Barry Callebaut professionals dealing with internal or external customers to develop their skills to successfully discover and deliver what customers really want. Through recent Barry Callebaut cases, participants will examine what "customer focus" means in practice.
- Finance gives non-financial managers and professionals the knowledge and tools necessary to more successfully analyze and understand financial issues involved with their department or function.
- Negotiation is for managers and professionals in all areas where success depends on developing solutions by cooperating with others -- business clients, suppliers, internal departments, colleagues and other stakeholders. Participants learn how to set goals and prepare effectively, understand the needs and interests of all parties, and conclude better agreements.

Furthermore we offer training programs for employees including training courses focused on maintaining our standards for quality, health and safety as well as technical and on the job skills training. On a case to case basis Sabbaticals may be granted to any employee, whenever possible in view of company requirements.

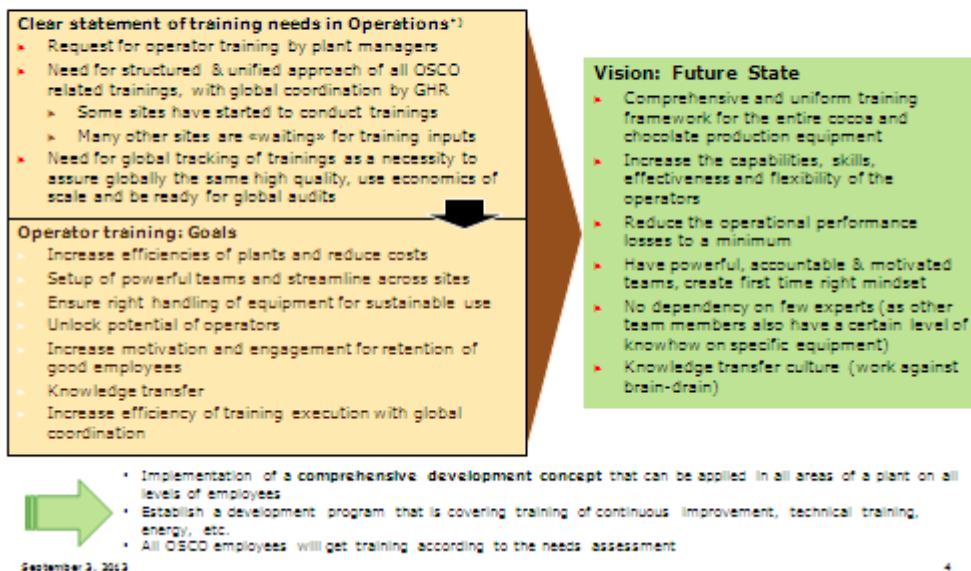
Key initiatives

- We offered updated leadership programs and workshops, and introduced a brand new workshop series focusing on the critical skills of managing and developing people (being the boss, delegation and coaching, see above).
- Global HR together with Operations developed of a comprehensive program that is covering training of continuous improvement, technical training, energy, etc. with the goal to facilitate knowledge transfer in all plants. It is planned that all OSCO employees will get training according to the needs assessment (see slide below) A successful pilot has been pilot carried out in our Eddystone plant (see slide below).

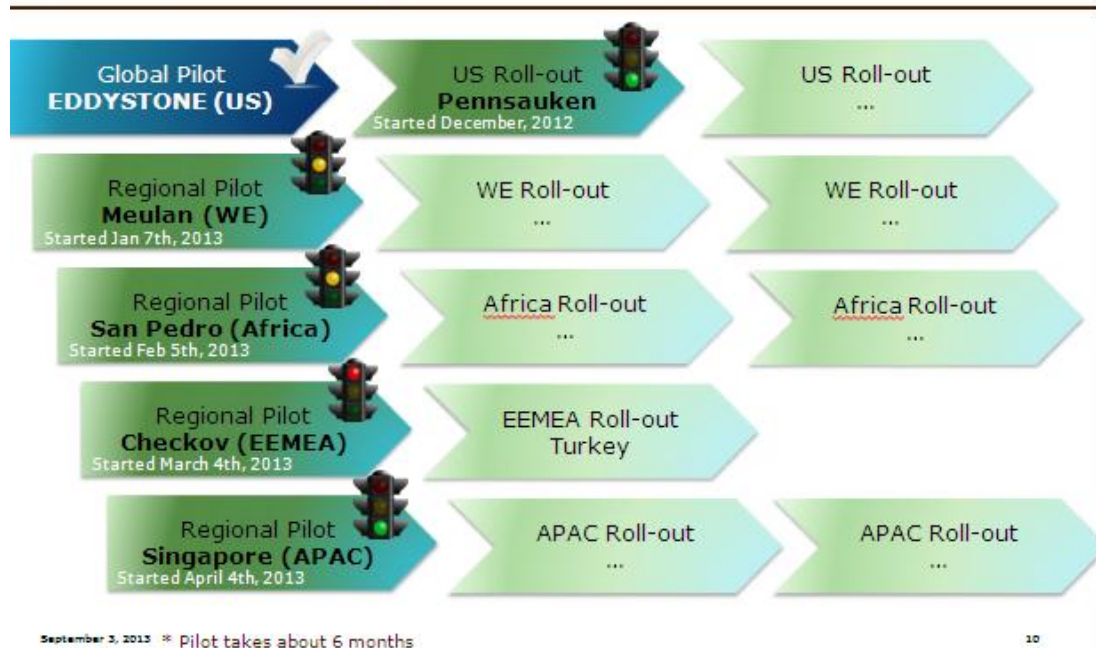


Goal

Facilitate Knowledge Transfer in Plants



Program Implementation
Sequenced Regional Pilots*



Programs to help employees prepare for retirement or post lay off
 To help employees approaching retirement our HR Staff offers one-to-one support for preretirement planning. We are also conducting presentation with Pension Plan experts to explain important aspects of retirement benefits and scenarios. Post lay off or outplacement support is provided on a case by case bases.

LA12

Percentage of employees receiving regular performance and career development reviews.

All of our employees have at least one annual appraisal discussion with their direct line manager or supervisor. Employees in managerial or technical roles have these discussions based on our internal "Performance Management and Development Process" (PMDP), which includes target-setting and assessment, a bonus structure tied to individual and Group performance as well as career and personal development perspectives. This is aligned with expected actions and behavior associated with Barry Callebaut's corporate values.

Diversity and Equal Opportunity

LA13

Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.

Employee diversity	Gender		Age			Total
	Female	Male	<30	30-50	>50	
Blue collar	12.3%	87.7%	24%	58%	18%	4906
Admin. & professional	48.0%	52.0%	26%	60%	14%	2850
Management	26.4%	73.6%	4%	73%	23%	795
Senior management	9.6%	90.4%	0%	64%	36%	94
Executive	15.4%	84.6%	0%	54%	46%	13
Total	25.3%	74.7%	23%	60%	17%	8658

LA14

Ratio of basic salary of men to women by employee category.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Human Rights Performance Indicators

Investment and Procurement Practices

HR1

Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

HR2

Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.

Supplier Code distributed to suppliers of all categories representing 70 to 100 % of category spend, with collection of signed Supplier Declarations. Not all responses have yet been received, we expect in time all suppliers to return a signed agreement.



Supplier Code – Status

Category	Sent	Signed	Declined	Tot. Response	% Response
Non-Cocoa					
<i>Zurich</i>					
Vanilla, Flavorings	19	6	1	7	37%
Dairy	15	5		5	33%
Equipment, Packaging	11	1	1	2	18%
Hazelnuts	10	10		10	100%
Sugar	10	5	1	6	60%
Oils/Fats	7	7		7	100%
Emulsifiers	3	3		3	100%
<i>Countries</i>					
Brazil	19	16		16	84%
Antarctic as	11	3		3	27%
Russia	21	5		5	24%
Japan	23	2		2	9%
China	15	2		2	13%
Malaysia	6			0	0%
Singapore	8	1		1	13%
Total Non-Cocoa	178	66	3	69	39%
Cocoa					
GSC					
SACO - QPP	61				0%
SACO - Non-QPP					
SICC	80	25		25	31%
BC Brazil	3500	194	1	195	6%
BC Malaysia				0	
Biolands Group	3	2		2	67%
Total Cocoa	3644	221	1	222	6%

Non-cocoa

- ▶ Goal to send to 70% of spend in each category met or surpassed by non-cocoa
- ▶ Response rate higher for Zurich non-cocoa
- ▶ Process for following up in place

Cocoa

- ▶ Focus to be redirected on obtaining signatures from most important cocoa suppliers in each geography
- ▶ Responsibility for prioritizing and sending remains with supplier-contacts

No knowledge of issue with specific Barry Callebaut suppliers, but general categories of raw materials including cocoa, as well as hazelnuts and vanilla, have historically had issues with child labor; i.e. children working in forms of Worst Forms of Child Labor, as defined by ILO. Seat on Board of ICI and commissioning of ICI child labor sensitization activities with target coops.

HR3

Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.

Partial information:

Formal implementation of Code of Conduct (CoC) for employees (document can be accessed [here](#), cf. p. 9)

CoC is an integrated part of the employment contract and employees confirmed in writing that they have read the CoC and agreed to uphold its provisions. Part of the onboarding training (welcome day) in most locations and the corporate legal team has conducted training sessions using the compliance game. The aim of the "Ethical Dilemma Game" is to raise awareness of dilemma situations relevant to daily work, increase the openness to address such dilemmas, stimulate debate, challenge each participant's choice, create insights into other people's perspectives and prompt discussion about other dilemmas. In addition, the CoC is communicated to employees via Intranet and "Hot Chocolate" (Barry Callebaut newsletter).

Sustainability Report 2012/13, P. 11: Code of Conduct

Non-discrimination

HR4

Total number of incidents of discrimination and actions taken.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Freedom of Association and Collective Bargaining

HR5

Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.

Across our organization, we have a strong commitment to respect the ILO provisions on freedom of association and support freedom of association in line with local laws and regulations. More than half (53.6%) of our permanent contract employees participate in collective bargaining agreements.

Examples of how the right to exercise freedom of association and collective bargaining are implemented are the following:

- Ghana: The constitution and the labor laws of Ghana stipulate that individuals have the right to exercise freedom of association. As a law abiding organization, Barry Callebaut recognizes this and our employees are unionized. Management does not interfere in this process. Furthermore, the employees are covered by a Collective Bargaining Agreement.
- Ivory Coast: The presence of staff representatives and trade union is in accordance with the national law and international convention. They have their organization and we help them doing their meetings. The management have meeting with this personnel representatives.

Child Labor

HR6

Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.

On all of our sites we display our commitment to fight against child labor and all of our employees have a contract that must include a proof of age. As an example, at Ivory Coast the watchmen of our sites control that no people under 18 enter to work in the plants.

In November 2012, Barry Callebaut obtained the Sedex certification after an audit carried out by Nestlé Group. Sedex stands for "Supplier Ethical Data Exchange", and is a non-profit membership organization dedicated to driving improvements in responsible and ethical business practices in global supply chains. It has provisions on forced labor and children labor.

Our Code of Conduct has provisions on the prohibition of child labor and prohibition of forced or compulsory labor. Suppliers are compelled to sign Barry Callebaut's charter of commitment to the fight against child labor.

In Cameroon, according to Cameroonian law and requirements, Barry Callebaut signed and released a social engagement program. This program especially aims in prohibiting child labor in our enterprise. To ensure compliance with local and international regulatory requirements, CIS CACAOS invites its partners, suppliers and subcontractors to comply strictly with the principles and rules denouncing forced labor and all forms actions that can harm the health, safety and morals of children and people.

Child labor is an issue in cocoa farming communities and of concern to all industry members. While it is not unusual for all members of a family, including children, to help on a family-run cocoa farm, Barry Callebaut strongly condemns slavery, forced labor and any practices that exploit, endanger, or harm children.

According to the International Labour Organization (ILO), among the most pressing industry-specific child labor concerns are related to potentially hazardous conditions children may be exposed to in the cocoa fields and the limited access to education.

Barry Callebaut adheres to the ILO Conventions. The following measures have been taken to minimize the risk of child labor/forced labor by suppliers:

- QPP Charter on Child Labor (relevant to QPP coops, in Ivory Coast and Cameroon)
- Child labor sensitization activities with community members by ICI local NGOs (Ivory Coast)
- Child labor module included in Farmer Field School curriculum

In addition to items listed above, provision of classrooms and schools addresses the educational infrastructure gap, widely regarded as contributing to the elimination of child labor by the CLCCG (government of USA, Ivory Coast, Ghana).

Forced and Compulsory Labor

HR7

Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.

See indicator HR6

Security Practices

HR8

Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Indigenous Rights

HR9

Total number of incidents of violations involving rights of indigenous people and actions taken.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Society Performance Indicators

Community

SO1

Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.

See indicator EC8 for additional information (description of programs and outcomes).

The impacts from our own direct operations fall below the materiality threshold. In our supply chain, we have high impacts on communities from which we source cocoa, in terms of generating income resulting from the farmer's production of cocoa beans. We aim to increase the positive impacts we have on communities through our farmer education and farmer health programs, especially in remote areas of cocoa growing.

Corruption

SO2

Percentage and total number of business units analyzed for risks related to corruption.

Partial information

Barry Callebaut's legal & compliance department has continued to roll out the Group's Compliance Program and conducted compliance trainings in all material sites of the Group in 2013. Compliance awareness is fostered by a full page of compliance information in each issue of the Group's employee magazine and on the Group's intranet, including an interactive compliance dilemma case.

To manage risks related to corruption, Barry Callebaut's internal audit evaluates corruption risks based on standard fraud detection methodology applied in the regular site audits. When corruption "red flags" are identified, additional risk evaluations or investigations are conducted with support from the Legal Department. The Legal Department conducts face-to-face compliance trainings in all regions every year. In addition, corruption risks are considered as part of the Group's annual risk assessment and in the planning of the internal audit and compliance training cycle.

	2011/ 2012	2012/ 2013
How many business units/facilities were analyzed for organizational and corruption risks?	During 2011 Barry Callebaut conducted a global risk analysis to assess specific regional/local risks	During 2013 Barry Callebaut conducted a global risk analysis to assess specific regional/local risks

SO3

Percentage of employees trained in organization's anti-corruption policies and procedures.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

SO4

Actions taken in response to incidents of corruption.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Public Policy

SO5

Public policy positions and participation in public policy development and lobbying.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

SO6

Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Anti-Competitive Behavior

SO7

Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.

No cases in FY 2012/13. Competition law forms part of the Group's regular compliance trainings. Awareness for competition law compliance is maintained by respective dilemma cases in the "Dilemma of the Month"-series divulged by the Group's intranet and in articles in the Group's employee magazine.

Compliance

SO8

Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Product Responsibility Performance Indicators

Customer Health and Safety

PR1

Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.

Product quality is an absolute priority at Barry Callebaut and we have put great emphasis on establishing quality assurance programs that cover all customer relationships. All of our products are systematically assessed for quality and food safety and along life cycle stages such as:

- Product development
- Research and Development
- Certification
- Manufacturing and Production

- Marketing and
- Storage distribution and supply
- Use and service
- Disposal

All of our plants hold Global Food Safety Initiative (GFSI) certification, typically delivered by compliance with the British Retail Consortium (BRC) standard or ISO 22000. All plants maintain Hazard Analysis Critical Control Point (HACCP) plans for products in order to comply with national regulations and International food safety best practice.

In addition Barry Callebaut has a set of corporate policies and additionally at region and site level further policies and procedures can be added to the mandated global requirements.

We use “food safety by design” principles to assure safe processes and products so in fact all our products are designed to be food safe and of a consistent quality. We monitor continuously the Critical Control Points (CCPs) in our processes to ensure that we maintain control.

Non conformances are logged and we review these on a regular basis to identify areas for improvement. Locally we monitor complaints and investigate for the root cause of issues in order to increase customer satisfaction and have continuous improvement programs in place.

In FY 2012/13 we maintained a significant project (Project Spring) to improve service to customers, focused in Western Europe.

To meet consumers’ increasing demand to be informed about food additives, and to be alerted to potential allergens including nuts, soy or wheat, we work with our customers to provide comprehensive information on all our products.

PR2

Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Product and Service Labeling

PR3

Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.

Partial information:

Being a purely Business-to-Business company, the information required by our customers varies from customer to customer. We endeavor to provide all the information required by our customers.

PR4

Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.

In FY 2012/13 Barry Callebaut experienced two incidents of non-compliance with regulations that were resulting in a warning (no fine or penalty). There were no incidents of non-compliance with voluntary codes concerning product information or labeling.

PR5

Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.

Partial information:

Locally Barry Callebaut monitors complaints and investigates for the root cause of issues in order to increase customer satisfaction and have continuous improvement programs in place.

Customers can give feedback through our Customer Service groups and also gather feedback via our Quality Assurance teams at plant level. We also monitor all comments made on the corporate website that every Quality and Food Safety related comment is assessed by our global Head of Quality and Regulatory Affairs.

Marketing Communications

PR6

Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

PR7

Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Customer Privacy

PR8

Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Compliance

PR9

Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Food Processing Sector Supplements

Sourcing

FP1

Purchased supplies compliant with company's sourcing policy.

Partial information:

Assuring safety and consistency starts with the procurement and supply of raw materials. 100 % of our products are assessed for our compliance standards.

We specify the materials that meet our requirements and request that suppliers meet those specifications. We purchase only from approved suppliers that have been screened in our supplier management process. We continue to monitor the quality and performance of the supplied materials throughout the contract period using our Supplier Evaluation System (SES). We provide feedback on the quality of the supply to our Procurement team and the suppliers.

In order to ensure that we can manufacture quality assured and safe finished products, we demand transparency and management of data over the supply network upstream from our manufacturing plants. In order to be able to manage quality in an expanding and complex supply network, we populate our databases with data from the suppliers and the supplied materials. We use SAP software to support this work.

Elements that are part of the database highlight the importance of full integration of all plants, tollers and co-manufacturers and are part of Barry Callebaut's global template. New suppliers and materials are also approved by full integration of raw material/vendor approval process in process of R&D in all SAP plants:

1. View up-to-date profiles of all suppliers (using Google+ software)
Approval status; certification status (GFSI and special certifications: AS8000, Kosher, Halal, UTZ, Fair Trade, RSPO, etc.; audit status (Barry Callebaut audit/third party audits)
2. Central governance of all master data vendor/raw material related
List approved supplier; raw material, packaging, co-making specifications; master data raw materials, packaging materials, co-making materials; legal data raw materials; nutritional profile raw materials; allergen profile raw materials
3. Assess compliance and manage supply risk
Check compliance contract/call-off towards List Approved Suppliers; Check of CoA, certification (IP, batch kosher, etc.) at goods receipt; positive release implementation for all sensitive raw materials; incoming goods inspection conform to corporate procedures; out of specification recording via SAP notifications
4. Monitor and manage supplier performance
Supplier evaluation from trader down to Good supplier; SES in Region West Europe on multi-level: Vendor/OA = ordering address, GS = good supplier; Automatic Supplier Evaluation reporting
5. Approve new suppliers/raw materials
Sample analysis; Evaluation of sample/documentation

As a means of imparting our expectations to our suppliers regarding general labor standards, Barry Callebaut's Quality Assurance team requests that suppliers complete an Ethical Audit Questionnaire based on the Social Accountability International's auditable social certification standard for decent workplaces, SA8000. We have developed a Supplier Code that outlines the minimum requirements expected from our suppliers. These include compliance with all laws and regulations, compliance with international labor standards, notification of incidents, background checks and drug-free workplaces, no engagement in corrupt practices, and monitoring of compliance.

FP2

Purchased supplies verified according to responsible production standards.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Labor/Management Relations

FP3

Working time lost due to industrial disputes, strikes and/or lock-outs

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

FP4

Programs promoting healthy lifestyles; the prevention of chronic disease; access to healthy, nutritious and affordable food; and improved welfare for communities in need.

Most material to our business and especially its locations in origin countries is the malnutrition which is often prevalent in remote areas. In order to help these employees manage a nutritious diet, we provide canteens which serve wholesome meals. In addition, we support health services where needed.

Concrete examples are:

Ghana: We have a canteen that ensures that the individual has a well-balanced meal each day of assuming duty. Furthermore, the Nurse on site offers education on diet and healthy lifestyles.

Cameroon: Each year at the International AIDS Day, we are organizing an awareness for staff and their families with educational lectures, free testing and condom distribution. Under the QPP, we distribute mosquito nets to families of cocoa. We created 2 points of potable water distribution for our neighbors.

Ivory Coast:

- Distribution of 726 medical kits to farmers cooperatives.
- Distribution of 3163 mosquito nets in the fight against malaria
- The installation of two water towers in the communities of our producers.
- The installation of 8 boreholes in the communities of our producers.
- The construction of five canteens for children schools built.
- The construction of two infirmaries for schools built.
- The construction of a health center for producers.

Sustainability Report 2012/13, P. 25: Benefits to employees in origin countries

Customer Health and Safety

FP5

Products manufactured in sites third party certified according to internationally recognized food safety management system standards.

All Barry Callebaut plants hold Global Food Safety Initiative (GFSI) certification, typically delivered by compliance with the British Retail Consortium (BRC) standard or ISO 22000. All plants maintain Hazard Analysis Critical Control Point (HACCP) plans for products in order to comply with national regulations and International food safety best practice. The percentage of production volume certified corresponds to 100% of the total production volume of our production sites.

FP6

Products that are lowered in saturated fat, trans fats, sodium and sugars.

Partial information:

Sustainability Report 2012/13, P. 26: Rebalancing products for health

FP7

Products that contain increased fiber, vitamins, minerals, phytochemicals or functional food additives.

Partial information:

Sustainability Report 2012/13, P. 26: Enhancing natural benefits, Rebalancing products for health

Labeling

FP8

Practices on communication to consumers about ingredients and nutritional information.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

Animal Welfare

FP9

Animals raised and/or processed, by species and breed.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

FP10

Practices related to physical alterations and use of anaesthetics on animals.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

FP11

Animals raised and/or processed, per housing type.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

FP12

Practices on antibiotic, anti-inflammatory, hormone and/or growth promotion treatments.

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

FP13

Incidents of non-compliance with laws and regulations, and voluntary standards related to transportation, handling, and slaughter practices

This indicator is not reported as the materiality test, conducted in accordance with the GRI Guidelines, determined it to be not particularly relevant to Barry Callebaut and its stakeholders.

GRI Guideline Application in the Sustainability Report 2012/13

The Sustainability Report 2012/2013 and the GRI Index together with the Annual Report 2012/2013 of Barry Callebaut AG integrate elements of sustainability reporting based on the guidelines disseminated by the Global Reporting Initiative (GRI). These guidelines suggest that certain information be provided not only on the overall profile of the company and its report, but also on management approach and performance indicators regarding economic, environmental, human rights, labor, society, and product responsibility issues (see www.globalreporting.org).

There are different application levels companies can choose for GRI reporting. These range from C-Level with only some elements of GRI sustainability reporting included to A-Level where all indicators developed by GRI are reported on.

Report Application Level	C	C+	B	B+	A	A+
G3 Profile Disclosures <small>OUTPUT</small>	Report on: 1.1 2.1 - 2.10 3.1 - 3.8, 3.10 - 3.12 4.1 - 4.4, 4.14 - 4.15		Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5 - 4.13, 4.16 - 4.17		Same as requirement for Level B	
G3 Management Approach Disclosures <small>OUTPUT</small>	Not Required	Report Externally Assured	Management Approach Disclosures for each Indicator Category	Report Externally Assured	Management Approach Disclosures for each Indicator Category	Report Externally Assured
G3 Performance Indicators & Sector Supplement Performance Indicators <small>OUTPUT</small>	Report on a minimum of 10 Performance Indicators, including at least one from each of: Economic, Social and Environmental.	Report Externally Assured	Report on a minimum of 20 Performance Indicators, at least one from each of Economic, Environmental, Human rights, Labor, Society, Product Responsibility.	Report Externally Assured	Report on each core G3 and Sector Supplement* Indicator with due regard to the Materiality Principle by either: a) reporting on the Indicator or b) explaining the reason for its omission.	Report Externally Assured

*Sector supplement in final version

GRI A-Level is the highest standard for sustainability reporting and challenging even for extended, dedicated sustainability reports. While this standard was not deemed practical for Barry Callebaut's integrated Annual Report, the GRI-G3.0 guidelines were applied at C-Level in order to be as ambitious as possible in this context. GRI has checked the application of their guidelines in Barry Callebaut's Sustainability Report 2012/13, and has confirmed that the report qualifies as Application Level C under those guidelines.

IMPRINT

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