



Message from the CEO



Peter Feld

I am delighted to share with you our latest [Forever Chocolate Progress Report](#), marking the seventh edition of our approach and progress to make **sustainable chocolate** the norm.

This past year has been a time of reflection and in-depth analysis. It has given us a new outlook on advancing best-in-class sustainability, positioning us at the forefront of innovation and inspiring modern cocoa farming practices. We're not just envisioning the future; we're sculpting it. Our commitment propels us to lead the charge in igniting industry-shaping change toward an unprecedented era for a sustainable cocoa supply chain. With the support of our customers, we're accelerating toward a future where sustainability is not just a goal but the differentiator that sets us apart and propels the entire industry into a new era of excellence. Our results this year speak for themselves. For our Forever Chocolate pillars - Prospering Farmers, Thriving Nature and Sustainable Ingredients we have achieved progress across the board against our key metrics, and for Human Rights, we extended the coverage of our Human Rights Due Diligence approach.

In May, we presented our [sharpened Forever Chocolate targets](#). We also published a comprehensive [white paper](#) that lays the foundation for our vision of a transformative cocoa farming model in Côte d'Ivoire and beyond, throughout West Africa. Additionally, we crafted innovative sustainability solutions tailor-made for our customers, including our labor teams program and agroforestry inseting approach. In a nutshell, our sustainability strategy combines ambitious targets, thought leadership, customer-centric solutions, and operational excellence.

Our key achievements for 2022/2023 underline our dedication to fostering tangible impact through collaboration with customers, industry partners, and society at large. Overall we have significantly grown our sustainability program, aligned with

our promise to customers and society, that we do not buy, but produce, sustainability. We added almost 120,000 new cocoa farmers to our sustainability programs, expanding our reach by 35%. All while upholding our commitment to mapping farm plots and maintaining traceability at nearly 80% for the cocoa volumes in our direct supply chain. We will continue to advance end-to-end traceability, one of the key pillars in our *BC Next Level* program, as we are convinced that combining traceability with sustainability delivers a sustainable impact. We simultaneously increased the proportion of products sold, which contain 100% sustainable cocoa or chocolate, to 52%. This is a direct result of the commitment of both our customers and suppliers to a sustainable cocoa supply chain and Barry Callebaut's aspiration to deliver the most sustainable and high-value solutions.

In Côte d'Ivoire, Ghana, and for the first time, in Cameroon, we have supported cocoa farmers with the cost of production through paid labor teams, over a combined area of 19,326 hectares, more than doubling the size of the program. This great example of pre-harvest intervention supports farmers to improve their quality yield per hectare and lift them out of poverty. As such, in 2022/23, we reached 269,762 farmers, in line with our trajectory to have 500,000 cocoa farmers in our supply chain lifted out of poverty by 2025. Under our Human Rights pillar, we have placed great emphasis on fortifying community systems to better safeguard children. Our efforts have resulted in the implementation of child labor-focused due diligence systems in 76.5% of the farmer groups within our direct supply chain. Additionally, we have extended the coverage of our intensified agroforestry approach, which includes payment for ecosystem services, adding 18,066 hectares, representing 76.8% growth compared to the previous year. Notably, our commitment to agroforestry insetting has allowed us to reduce our net carbon footprint by 4% to 7.62 million tCO₂e. Since the commencement of Forever Chocolate in 2016 we have reduced our overall carbon intensity per tonne of product by almost 20%.

This year, we have also remained steadfast in our advocacy to make sustainable chocolate the norm. We are proud to be a leading industry voice in these developments. Together with other companies, industry associations and NGOs, we have publicly endorsed legislation on human rights and environmental due diligence for the cocoa sector. However, legislation should not be seen as permission for companies to lower their ambitions. As governments set the minimum requirements, we aspire to continue raising the bar for excellence.

I want to express my gratitude to our employees. Their expertise, dedication and skills is THE ingredient for our continued success as the world's best chocolate solutions company. I also want to extend our appreciation to our partners, suppliers, and customers for embracing our sustainability journey. Each and every achievement we have accomplished is a testament to their unwavering dedication and passion. I warmly invite other stakeholders to join the Forever Chocolate movement. Together we can make sustainable chocolate the norm.



Peter Feld