

## Barry Callebaut AG (Barry Callebaut)

TICKER BARN MARKET CAPITALIZATION US\$12.5 billion HEADQUARTERS Switzerland

#### DISCLOSURES

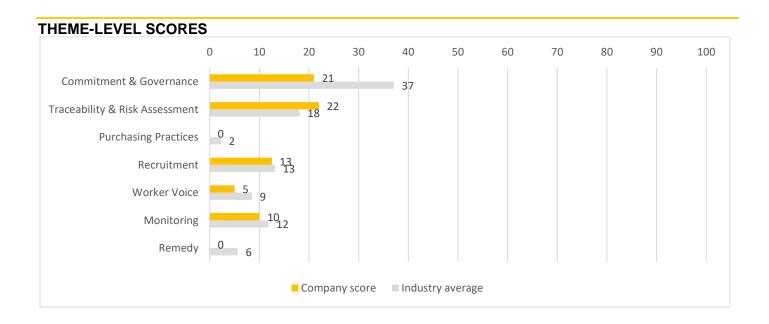
UK Modern Slavery Act: Yes

California Transparency in Supply Chains Act: Yes

Australia Modern Slavery Act: Not determined

# overall ranking **28** OUt Of **60**

overall score 13 Out Of 100



### **KEY DATA POINTS**

FIRST-TIER SUPPLIER LIST

**RISK ASSESSMENT** Yes (Limited)

ENGAGED WITH KNOWTHECHAIN<sup>1</sup> Yes / PNo NO-FEE POLICY

🏴 No

REMEDY FOR SUPPLY CHAIN WORKERS

HIGH-RISK COMMODITIES<sup>2</sup> Palm oil, cocoa, beans



### SUMMARY

Barry Callebaut AG (Barry Callebaut), a Belgian-Swiss cocoa processor and chocolate manufacturer, ranks 28 out of 60 companies. The company's score is based its higher-than-average performance on the theme of Traceability and Risk Assessment disclosing partial supplier lists across second tier and raw commodity sourcing and limited information on its risk assessment process and findings. It also scores in line with average on the theme of Recruitment, providing details of how it supports responsible recruitment in its supply chains. It scores below average on the themes of Commitment and Governance, Worker Voice and Monitoring. Most notably it does not demonstrate robust management or accountability of supply chain forced labour risks, not that it engages with unions to support freedom of association in its supply chain.

KnowTheChain identified one additional allegation of forced labor in the company's supply chains. The company discloses that it interrupted its relationship with the supplier once the alleged abuse was uncovered. However, the company neither discloses engagement with affected stakeholders, nor remedy outcomes for workers.

The company is encouraged to improve its performance and disclosure on the themes of Commitment and Governance, Purchasing Practices and Remedy.

#### LEADING PRACTICES None.

#### **OPPORTUNITIES FOR IMPROVEMENT**

**Commitment & Governance:** While the company discloses a supplier code of conduct that addresses all five ILO core labour standards the company does not demonstrate training or capacity building on the code for suppliers, nor does it disclose a clear chain of accountability for the implementation of suppl chain policies that address forced labour. The company is encouraged to establish responsibilities and accountability for the implementation of such a standards and train suppliers and internal staff on this standard.

**Purchasing Practices:** To address forced labour risks in its supply chains, the company is encouraged to adopt purchasing practices that decrease the risk of forced labour, such as improving planning and forecasting and prompt payment. The company may further consider ring-fencing labour costs such that they are not impacted during pricing negotiations. The company should consider integrating responsible buying practices in its contracts with suppliers, to ensure that the responsibility for respecting human rights is shared.

**Remedy:** The company may consider establishing a process to ensure that remedy is provided to workers in its supply chains in cases of forced labour and disclosing details on this process, such as responsible parties, approval procedures, timeframes, and, crucially, engagement with affected stakeholders. To demonstrate to its stakeholders that it has an effective remedy process in place, the company is encouraged to disclose examples of remedy provided to its suppliers' workers, including with respect to specific allegations in its supply chains.

<sup>&</sup>lt;sup>1</sup> Research conducted through January 2023 or through April 2023, where companies provided additional disclosure or links. For more information, see the full dataset <u>here</u>. For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre <u>website</u>.

<sup>&</sup>lt;sup>2</sup> For further details on high-risk raw materials and sourcing countries, see KnowTheChain's 2023 <u>food & beverage benchmark</u> <u>findings report</u>.