

Sustainability update 2025

Because we continue to take our responsibility.

March 2026



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Introduction

This 2025 Sustainability Statement provides an update on the continued development of our cocoa sourcing and outlines progress made across our broader sustainability priorities. While many of our core sourcing structures remain consistent with previous years, we have focused on strengthening implementation, expanding transparency, and building the foundations for more systematic impact across our supply chain.

Since Cémoi joined our group in 2021, close collaboration remains central to our cocoa sourcing approach. Stollwerck continues to source cocoa via [Transparence Cacao](#) for our own brands Schwarze Herren and Eszet. For detailed information on our direct cocoa supply chains in Côte d'Ivoire, Ecuador, Peru, the Dominican Republic and São Tomé and Príncipe, we refer to the latest [Transparence Cacao update](#).

During the past year, two developments have been particularly significant.

First, our climate targets were officially validated by the Science Based Targets initiative (SBTi) in 2025. With this validation, we have moved from commitment to implementation and have begun executing reduction measures, including optimisation of standby times and the renewal of inefficient machinery. At the same time, we are developing a structured reduction roadmap to guide our progress toward our Net Zero targets.

Second, we have advanced to phase two of our project “Strengthening Child Protection Systems of Cocoa Cooperatives in Côte d'Ivoire.” Building on the findings of the first phase, which analysed root causes of child labour across four cooperatives, the project now expands to nine cooperatives. The new phase combines awareness-raising activities, the establishment of Child-Friendly Spaces and Bridge Classes to support school reintegration, the strengthening of child labour monitoring systems, and financial empowerment measures for women through VSLAs. This expansion reflects our continued commitment to addressing systemic drivers of child labour through locally grounded approaches.

Recognising that a significant share of our cocoa volumes is sourced through indirect supply chains, we have in 2025 expanded our data collection efforts beyond our direct sourcing. We requested additional information from suppliers covering our indirect supply chain in order to improve transparency, better understand risks, and identify priority areas for engagement. While data availability and quality remain uneven, this marks an important step toward more comprehensive monitoring across our full cocoa supply base.

In parallel, we have further developed our sustainability strategy and initiated work to strengthen our policies and due diligence processes. These efforts aim to enhance clarity, accountability and alignment with evolving regulatory requirements. Although the regulatory landscape continues to evolve, we view this development as an opportunity to strengthen the resilience and transparency of our supply chain over the long term.

As we move forward, we remain committed to working closely with our customers, suppliers and partners to drive steady, practical progress within our supply chain and beyond.

We take pride
in **caring** for
our people, our
products and our
environment.



1. We care

We care about our people, our products and our environment.

An important document in light of our business is the Code of Conduct. This reflects the adoption of corporate responsible business practices, which is an essential element in fostering a culture of ethics and integrity within our business.

Our ethical values are founded on integrity, righteousness and respect for all. Integrity is intrinsic to how we conduct our business. We act with integrity whether engaging with internal or external contacts. This is the foundation for all transactions in the company.

Our Code of Conduct is based on the following **three guiding principles: we care, take our responsibility and connect**. These principles reflect the values of Stollwerck, which are:

- Strive for excellence on quality and efficiency
- Simplicity in execution
- Passion for our products
- Sustainable entrepreneurship
- Ambition

Our Code of Conduct can be found [here](#).

1.1 Supply Chain Transparency & Traceability

The first step in addressing sustainability topics in the cocoa supply chain is to develop a traceable and transparent supply chain. We work on this through several interventions, such as sourcing Fairtrade or Rainforest Alliance certified cocoa and the sourcing of segregated, farm level traceable cocoa from the Transparence Cacao programme.

The cocoa beans that we are processing in our own site in Berlin are sourced from the following 4 origins: Côte d'Ivoire, Ecuador, Nigeria, and the Dominican Republic. The cocoa beans represent 45% of the total cocoa volume purchased, the remaining 55% consist of cocoa bean derivatives and products such as cocoa mass, butter, powder and chocolate.

Stollwerck operates a direct sourcing model across selected cocoa origins, with Côte d'Ivoire representing the largest share. We are transparent about the cooperatives from which we source and provide the information about the origins in this update. Over the past years the direct supply chain has increased from 1% in 2022 to **23%** in 2025. The 23% exist out of 91% sourced from Côte d'Ivoire, 8% from Ecuador and 1% from the Dominican Republic with the following split: 63% sourced as Fairtrade certified, 32% Rainforest Alliance certified and 6% sourced as Transparence Cacao. The volumes are sourced through the Cémoi supply chain.

In 2022, Stollwerck started direct sourcing from the Transparence Cacao programme. The 100% traceable and segregated cocoa is used for some of our own brands, starting with Eszet and Schwarze Herren, with a first market launch in 2023. We also offer Transparence Cacao to our Private Label customers. The cooperatives from which Stollwerck is sourcing in Côte d'Ivoire are all disclosed on the Transparence Cacao [website](#). The cocoa sourced includes traceability until farm level. We are looking forward to further increasing these volumes in the coming years.

The traceability **outlook** for the coming years is mainly focused on achieving our target of 100% farm level traceability for all our cocoa sourcing by 2026. This is in line with the upcoming EU

Deforestation regulation, all importers of cocoa beans and derivatives have to fulfil traceability and deforestation requirements.

As part of our commitment to the German Initiative for Sustainable Cocoa (GISCO), Stollwerck has set goals for traceability and certified cocoa, which are published on the [website](#) of the German Initiative on Sustainable Cocoa.

1.2 Reporting, Governance & Due Diligence

Building a transparent and responsible cocoa supply chain requires continuous improvements in reporting structures, governance, and due diligence processes.

77% of our cocoa supply chain is sourced indirectly. In 2025, we therefore placed a stronger focus on engaging with our indirect suppliers to collect additional information relevant to supply chain transparency and key sustainability indicators, including those referenced in the Chocolate Scorecard. While our direct supply chain continues to provide more detailed insights, expanding data collection in the indirect supply chain marks an important step forward and a positive development this year.

Over the past year, we further strengthened our internal governance structures. We developed a sustainability strategy that defines our key focus areas and are currently working on translating this strategy into concrete action plans. This process supports clearer responsibilities, structured target setting, and improved internal coordination on sustainability topics.

We are reviewing and updating relevant internal policies to better reflect evolving sustainability requirements and expectations. This includes aligning policies with our strategic priorities and ongoing due diligence efforts.

The regulatory landscape for sustainability and supply chain due diligence continues to evolve at EU and national level. We are continuously monitoring these developments and working to ensure compliance with applicable requirements, including traceability and due diligence obligations. We generally support initiatives aimed at strengthening transparency, environmental protection, and human rights in global supply chains, while acknowledging that implementation remains an ongoing process.

It is a **shared
responsibility**
for every single
one of us.



2. We take our responsibility

2.1 Human rights

Stollwerck recognises the ability that we, together with our stakeholders, have to contribute to strengthening human rights in our supply chains. We observe and support the principles of the UN, ILO and OECD in relation to fundamental human rights, throughout our supply chain. Our Code of Conduct and business policies are based on the 9 principles of the Ethical Trade Initiative (ETI) Base Code as described in our Code of Conduct.

2.2 Living income

Earning a living income is a fundamental human right and a key principle guiding our sustainability approach in cocoa. We are committed to contributing to enabling cocoa farmers in our supply chains to earn a living income by 2030.

Our time-bound living income roadmap is based on five key principles. First, we aim to build better knowledge for stronger impact through regular data collection and surveys that help us understand income gaps and monitor progress. Second, we focus on responsible purchasing practices. Third, we promote risk sharing and retailer engagement to distribute responsibility across the value chain. Fourth, we support yield improvement, and fifth, we work towards cost reduction and improved access to services for farmers.

In practice, our purchasing approach aims to contribute to higher farm gate prices, primarily through paying premiums for certified and verified cocoa and by offering customers the option to pay the Fairtrade Living Income Reference Price (LIRP) as part of the Transparency Cacao programme.

We also seek long-term supplier relationships. Within our direct supply chain, three- to five-year contracts are in place with cooperatives, with annual volume agreements defined jointly. In addition, we engage in partnerships and industry forums to collaboratively explore scalable solutions to improve farmers' incomes.

2.3 Child labour, Forced labour and Human Trafficking

We respect and embrace clear standards on human rights. We adhere to the corresponding laws and standards such as prevention of forced and child labour, human trafficking and other illegal practices. We condemn and reject child labour, illegal, abusive or forced labour. Any kind of exploitation of children or adolescents is not tolerated by our business. If at any point we have concern over our supply chain, immediate action will be taken, our relevant partners will be informed, and we will cooperate with relevant authorities.

We are educated in the risks associated with the origins we procure from, and the supply chains involved in cocoa. Our organisation adopts a socially responsible approach to business and is sensitive to threats within the industry we operate. Together with our stakeholders we work closely, to ensure that there is no modern slavery or human trafficking happening in any element of our business.

Stollwerck's initial approach towards child labour was, due to the mainly indirect supply chains, based on purchasing volumes of Fairtrade and Rainforest Alliance cocoa. Both standards have systems in place to address child labour, such as the assess and address approach.

Since 2021, alongside the development of our direct supply chain in Côte d'Ivoire, we have increased our focus on directly supporting cooperatives in strengthening child protection systems. In 2023, together with Cémoi and the Fund against Child Labour of the Netherlands Enterprise Agency (RVO), we launched the first phase of the project "Strengthening Child Protection Systems of Cocoa Cooperatives in Côte d'Ivoire." This phase focused on identifying the root causes and prevalence of child labour through field research and close engagement with four cooperatives, covering 2,289 farmers across more than 50 villages.

The assessment confirmed that child labour remains a complex issue requiring local understanding and tailored responses. Beyond poverty, communities identified contributing factors such as cultural norms, limited access to schools, lack of awareness, missing birth certificates, and weaknesses in existing child labour monitoring and remediation systems (CLMRS). These findings provided the basis for scaling the project further.

In 2025, the project entered its second phase and was expanded to nine cooperatives. This phase places stronger emphasis on implementation and remediation. Activities include awareness-raising sessions with farmers, children and school staff; the establishment of nine Child-Friendly Spaces to provide safe and educational care for children of cocoa farmers; and the creation of nine "Classe Passerelle" (bridge classes) to support the reintegration of children aged 5 to 17 who are out of school or at risk of child labour into the national education system. In addition, an enhanced child labour monitoring system is being implemented, and women are supported through financial education and Village Savings and Loan Associations (VSLAs).

The overall objective remains to strengthen existing systems and implement effective monitoring and remediation mechanisms within our direct supply chain.

Recognising that poverty is one of the root causes of child labour, our efforts are closely linked to our commitment to enabling cocoa farmers in our supply chains to earn a living income by 2030.

2.4 Gender Equality

Our strategy for gender equality in cocoa is twofold. In our direct supply chain, we focus on empowering women through education and entrepreneurship, creating opportunities for greater economic independence. In our indirect supply chain, we prioritize sourcing Fairtrade and Rainforest Alliance certified volumes, as both certifications actively promote gender equality. This includes policies that strengthen women's rights, support their participation in decision-making, and enhance access to resources and training.

2.5 Climate & Environment

Complying with all applicable environmental laws and regulations forms the foundation of our operations. Beyond compliance, we are committed to managing natural resources responsibly and reducing the environmental footprint of our business. Employees across our sites are provided with guidance and resources to address environmental matters appropriately and to continuously improve performance.

We pursue a precautionary approach to environmental challenges and promote environmental responsibility both internally and in collaboration with external partners. Waste and water management are addressed at site level, allowing measures to be adapted to local conditions.

Across our group, we employ a range of technologies and initiatives to improve environmental performance, including the use of hydropower and partnerships with local businesses to achieve “zero to landfill” solutions.

Energy efficiency is a key lever in reducing our environmental impact. Stollwerck has been certified according to ISO 50001 Energy Management since 2013. Since then, we have continuously implemented measures to reduce energy consumption, including upgrading machinery to optimise performance, minimising standby times and downtime, and ensuring processes operate as efficiently as possible.

Following our comprehensive CO₂ assessment in 2022, we further developed our climate strategy and defined science-based reduction targets. Our group committed to the Science Based Targets initiative (SBTi) with the objective of reaching Net Zero by 2050.

In 2025, our emission reduction targets were officially validated by the SBTi. This validation marks an important step from commitment to implementation and confirms that our targets are aligned with the latest climate science. Building on this milestone, we are working on a structured reduction roadmap and continue implementing concrete measures across our operations, including efficiency improvements and machinery upgrades.

Reducing our carbon footprint remains a long-term objective that requires continuous optimisation, investment and collaboration along the value chain.

Climate considerations and evolving consumer expectations also influence our product portfolio. At our site in Saalfeld, we have established a dedicated plant-based production area to respond to growing demand for plant-based chocolate products. Our Veitshöchheim plant has produced vegan chocolate products since 2015, including lactose- and gluten-free options, products without added sugar, and high-protein varieties. These developments reflect our intention to align product innovation with changing consumer preferences, including those related to health, animal welfare and climate awareness.

2.6 Deforestation & Agroforestry

We are committed to zero-deforestation sourcing across all our cocoa supply chains. This commitment applies to both our direct and indirect cocoa sourcing. While the implementation timeline of the EU Deforestation Regulation (EUDR) has been postponed, our objective remains unchanged. We continue to work towards compliance in close collaboration with our suppliers and partners, aligning our due diligence efforts with EUDR requirements and strengthening traceability and risk assessment processes where necessary.

To support responsible sourcing, Stollwerck maintains a general grievance mechanism that can also be used to raise concerns related to deforestation or land-use change. Stakeholders may contact our sustainability team directly or use the dedicated ethics channel (ethics@baronie.com). This mechanism is available to business partners and other relevant stakeholders and forms part of our broader due diligence approach.

Agroforestry is an important lever to promote climate resilience, biodiversity, and diversified farmer income. Within our direct supply chain, agroforestry practices are promoted through farmer training and awareness-raising activities.

As Côte d'Ivoire is our main sourcing country, developments there are particularly relevant. In 2025, 62% of cocoa volumes sourced through the Transparency Cacao programme in Côte d'Ivoire were produced under agroforestry systems. These activities include guidance on integrating shade trees and diversified cropping systems into cocoa farms to strengthen long-term farm sustainability.

For further details on agroforestry implementation in our direct sourcing regions, we refer to the [Transparency Cacao 2025 update](#).

2.7 Chemical Management & Pesticides

Stollwerck strictly complies with applicable European legislation on pesticide residues, including Regulation (EC) No 396/2005 on maximum residue levels. Compliance with these requirements forms the basis of our raw material specifications and supplier expectations.

In addition, we engage in relevant cocoa stakeholder initiatives, which provide platforms for exchange on responsible agricultural practices and regulatory developments.

A significant share of our cocoa volumes is sourced under certification schemes such as Rainforest Alliance, Fairtrade and Organic. These standards include requirements on pesticide use, restrictions on hazardous substances, and monitoring mechanisms at farm and cooperative level. Through certification audits and controls, compliance with applicable pesticide requirements is verified within these supply chains.

While certification does not replace our own responsibility, it provides an additional level of assurance regarding the responsible management of agrochemical inputs.

Stollwerck has been BIO certified since 2013. Organic certification includes stricter limitations on synthetic pesticide use and promotes environmentally responsible farming practices.

We intend to increase our organic sourcing over time. However, the market for organic chocolate remains challenging, and availability and demand fluctuate. We are therefore exploring pragmatic opportunities to expand our organic cocoa volumes where commercially and operationally feasible.

We fulfil our
commitments,
because we
connect with our
people.



3. We connect

Stollwerck fulfils its commitments because we connect with our people, employees, suppliers, customers, consumers and other stakeholders. This enables us to create products, which are safe, produced under fair conditions and contribute to a more sustainable world.

Business obligations are honoured, and our stakeholders are expected to do the same. Based on a relationship of mutual trust we create long lasting partnerships during which we strive to connect entities in the supply chain through open and honest communication. Stollwerck has several partnerships out of which two important for cocoa sustainability are highlighted below.

3.1 Partnerships & Collective Action

Since 2021, we are a proud partner of the Transparence Cacao program. This program guarantees the traceability of the cocoa from the bean to the finished chocolate and enables a direct relation with everyone in the supply chain; from the farmer to the consumer. It integrates traceability, aromatic quality and respect for the environment in the cocoa supply chain. But above all, it initiates an approach to generating wealth and transforming rural cocoa farming areas in order to contribute to an improved quality of life of the cocoa farmers. The farmers are our main business partners who produce the most important raw material of our unique tasting chocolate. More information about Transparence Cacao available [here](#).

3.2 Collaboration & Industry Engagement

Stollwerck has been a founding member of the German Initiative on Sustainable Cocoa (GISCO) since 2012. This platform brings stakeholders in the chocolate industry together to actively promote sustainability in the cocoa value chain, learn from each other and address important issues.

The main objectives of the platform are to improve living conditions of cocoa farmers and their families and to contribute to a secure living. To conserve and protect natural resources and biodiversity in cocoa producing countries and to increase cultivation and commercialization of sustainably produced cocoa. The key topics are traceability, living income, child labour, certified cocoa and deforestation. Further information can be found [here](#).

And **we will**
continue to care,
connect and take
our responsibility.

