



EU CODE OF CONDUCT ON RESPONSIBLE FOOD BUSINESS AND MARKETING PRACTICES

FERRERO

REPORT SUBMITTED ON 29TH APRIL 2022

Type of business/sector <i>(E.g. retail, dairy)</i>	Sustainability dimension <i>(E.g. environmental, social)</i>	Code aspirational objective <i>(1-7)</i>	Individual commitments with baseline	Progress on KPIs and goals (qualitative and/or quantitative)	Additional information (optional) <i>(E.g. partnerships, geographical coverage, sharing best practices, links with other COM initiatives, with other reporting initiatives)</i>	Comments (optional) <i>(E.g. enablers, ideas on how to improve)</i>
Confectionery	Environmental	6-7	Eggs supply chain We commit to globally source 100% cage free eggs by 2025	OUR PROGRESS Sourced 100% cage-free eggs in EU and UK (EU and UK accounts for around 95% of our total sourcing) and we are on track to reach 100% by 2025.		
Confectionery	Environmental/Social	5-6-7	Hazelnuts supply chain We commit to increase traceability of hazelnuts supply chain We require our suppliers to meet requirements and	OUR PROGRESS Redesigned and strengthened our traceability approach in partnership with Sourcemap, a leading provider in supply chain transparency Supply chain is around 60% traceable to farm level	<u>FERRERO FIRST HUMAN RIGHTS REPORT</u>	

			<p>promote practices in our Hazelnuts Charter</p>	<p>We have extended the CAOBISCO-ILO PPP for another three years (2021-2023), expanding it into two new regions: Giresun and Samsun. We will also be investing €3.5 million in a direct partnership with the ILO to complement the CAOBISCO coverage through activities in Trabzon and Zonguldak.</p> <p>The Ferrero Farming Values team of more than 100 people has reached 55,000+ farmers to date in Turkey FERRERO SUSTAINABILITY REPORT 2020</p>		
Confectionery	Environmental/Social	5-6-7	<p>Cocoa supply chain We commit to source 100% cocoa through independently managed standards 100% of our cocoa chain will be covered by the Child Labour Monitoring and Remediation Systems 100% of mapping and tracing of our cocoa supply chain to farm-gate level to address deforestation</p>	<p>OUR PROGRESS Achieved 100% cocoa sourced through leading certifications schemes and other independently managed standards, reached 96% traceability to farm gate level COCOA CHARTER ACTION PLAN</p> <p>More than 95% farmer groups in our supply chain is covered with a Child Labour Monitoring and Remediation System (CLMRS) - or equivalent system</p>	<p>In February 2022, we published our Cocoa Charter and Cocoa Action Plan, which set out Ferrero’s continued ambition for a cocoa industry that is good for people and nature</p> <p>In March 2022, we disclosed our 20/21 cocoa supply chain, as part of our commitment to transparency on where our cocoa comes from. FERRERO FIRST HUMAN RIGHTS REPORT</p>	
Confectionery	Environmental	5-6-7	<p>Palm Oil supply chain Suppliers meet the targets of our Palm Oil charter We commit to 100% traceable segregated, RSPO-certified palm oil</p>	<p>OUR PROGRESS Achieved 99.6 % traceable segregated, RSPO-certified palm oil</p>	<p>In December 2021, we disclosed Ferrero's latest palm oil mills and plantations list FERRERO FIRST HUMAN RIGHTS REPORT</p>	

<p>Confectionery</p>	<p>Environmental</p>	<p>4</p>	<p>Reusable, Recyclable or Compostable Packaging We commit to make 100% of our packaging reusable, recyclable or compostable by 2025</p>	<p>OUR PROGRESS Nearly 83% of the way to 100% reusable, recyclable or compostable packaging, with around 35% using recycled materials</p>	<p><u>Kinder Joy’s new paper spoon:</u> Starting in 2022, the spoons in Kinder Joy eggs are made from high-quality paper from certified supply chains.</p> <p><u>Ferrero Rocher new eco-designed plastic box</u> made from polypropylene, a material which is easier to recycle globally.</p> <p><u>Nutella</u> has partnered with the leading reuse platform, Loop and Carrefour, for a reusable jar pilot in France.</p>	
<p>Confectionery</p>	<p>Health/Social</p>	<p>1</p>	<p>Elimination of iTFAs We keep committing to eliminate partially hydrogenated fats in our products fully aligned with recent WHO requests of limiting industrial trans fats at a global level.</p>	<p>OUR PROGRESS We stopped using partially hydrogenated fats in our products in 2006. * All raw materials are selected and evaluated using a clearly defined set of criteria and subjected to rigorous controls. As part of its suppliers specification Ferrero is requesting all suppliers to fill in a ‘certification & ingredient statement’ to confirm that the raw materials supplied do not contain partially hydrogenated oils. FERRERO SUSTAINABILITY REPORT 2020</p>	<p>Ferrero follows the global trans-fat elimination target, as required by WHO https://www.who.int/news/item/07-05-2019-who-welcomes-industry-action-to-align-with-global-trans-fat-elimination-targets</p> <p>This is in line with our IFBA (International Food and Beverage Alliance) joint commitment on product formulation and innovation https://ifballiance.org/news/international-food-beverage-companies-align-with-who-standard-in-global-commitment-on-industrially-produced-trans-fat/</p>	

Confectionery	Environmental	3-4	Emissions Scope 1-2 We commit to reduce absolute Scope 1 and 2 emissions by 50% from a 2018 base year by 2030 at global level	OUR PROGRESS -13.5% (2020 vs. 2018 baseline) FERRERO SUSTAINABILITY REPORT 2020		
Confectionery	Environmental	3-4	Emissions Scope 1-2-3 Reduce Scope 1, 2 and 3 emissions intensity by 43% per tonne of product produced from a 2018 base year by 2030 at global level	OUR PROGRESS -4.2% (2020 vs. 2018 baseline) FERRERO SUSTAINABILITY REPORT 2020	More than 80% of the purchased electricity for manufacturing plants comes from renewable sources (100% in European Union and UK)	