



**FERRERO**

# GRI CONTEXT INDEX

Ferrero Group  
Sustainability Report 2020

GRI Standards	Disclosure	Location	Direct Answers FY19/20
<b>GRI 101: FOUNDATION (2016)</b>			
<b>GRI 102: GENERAL DISCLOSURES (2016)</b>			
<b>Organizational profile</b>			
102-1	Name of the organization	Governance (page 86)	
102-2	Activities, brands, products, and services	About us (pages 5-7)	
102-3	Location of headquarters	Governance (page 86)	Company Headquarter is located in Luxembourg, 16, Route de Trèves L-2633 Senningerberg.
102-4	Location of operations	About us (page 5)	
102-5	Ownership and legal form	Governance (page 85)	
102-6	Markets served	About us (page 5)	
102-7	Scale of the organization	About us (pages 5-6)	
102-8	Information on employees and other workers	Key data (page 96)	
102-9	Supply chain	About us (page 7) How we source ingredients sustainably (pages 32-34)	
102-10	Significant changes to the organization and its supply chain	About this Report (page 87)	
102-11	Precautionary Principle or approach	How we protect the environment (page 17) Climate action (pages 19-20)	
102-12	External initiatives	Climate action (page 19) Manufacturing plants' compliance and certification (page 24) Packaging (page 26) Cocoa (pages 35-36, 39-40) Palm Oil (pages 48, 50) Milk and eggs (page 52) Responsible communications, marketing and labelling (page 64-65) Human Rights (page 77)	
102-13	Membership of associations	Packaging (page 26, 29) Cocoa (page 36) Palm Oil (page 48) Milk and eggs (page 52) Sugar (page 53-54) Shea and Sal (page 55) Responsible communications, marketing and labelling (page 64)	

GRI Standards	Disclosure	Location	Direct Answers FY19/20
<b>Strategy</b>			
102-14	Statement from senior decision-maker	Executive Chairman and CEO statement (page 3)	
102-15	Key impacts, risks, and opportunities	Executive Chairman and CEO statement (page 3) Materiality analysis (page 84) Building out our new strategy (page 10-14) Governance (pages 85-86)	
<b>Ethics and integrity</b>			
102-16	Values, principles, standards, and norms of behavior	Governance (page 86)	
<b>Governance</b>			
102-18	Governance structure	Governance (pages 85-86)	
<b>Stakeholder engagement</b>			
102-40	List of stakeholder groups	Materiality (pages 83-84)	
102-41	Collective bargaining agreements	Employee rights (page 73)	
102-42	Identifying and selecting stakeholders	Materiality (pages 83-84)	The stakeholders have been identified through an internal analysis.
102-43	Approach to stakeholder engagement	Materiality (pages 83-84)	
102-44	Key topics and concerns raised	Materiality (page 84)	

GRI Standards	Disclosure	Location	Direct Answers FY19/20
<b>Reporting Practice</b>			
102-45	Entities included in the consolidated financial statements	About this Report (page 87)	
102-46	Defining report content and topic Boundaries	Materiality (page 84) About this Report (page 87)	

**Topic Boundaries**

In order to identify where an issue generates an impact and consequently determine its relevance, a perimeter was defined and applied for each of the 7 issues that emerged as material.

Topic	Where the impact occurs	Type of involvement
1. Climate action	Production plants, Warehouses, Employee travels, Suppliers	Generated by the Group and directly linked through the Group's business relationships
2. Product design, packaging and the circular economy	Production Plants, Warehouses, Consumers, Suppliers	Generated and contributed by the Group
3. Supplier engagement and transparency	Ferrero Group, Suppliers	Contributed by the Group and directly linked through the Group's businessrelationships
4. Human rights in supply chain	Ferrero Group, Suppliers, Farmers, NGOs	Generated, contributed by the Group and directly linked through the Group's business relationships
5. Biodiversity, deforestation prevention and sust. Agriculture	Production plants, Warehouses, Consumers, Suppliers, Farmers	Generated by the Group and directly linked through the Group's business relationships
6. Nutrition, health and lifestyles	Ferrero Group, Consumers, Consumer associations and NGOs, Institutions, Government and regulators	Generated and contributed by the Group
7. Diversity and Inclusion	Ferrero Group	Generated by the Group

GRI Standards	Disclosure	Location	Direct Answers FY19/20
102-47	List of material topics	Materiality (page 84)	
102-48	Restatements of information	About this Report (page 87) About our environmental data (page 100)	
102-49	Changes in reporting		There have been no significant changes from previous reporting periods with regards to the list of material topics and topic Boundaries
102-50	Reporting period	About this Report (page 87)	
102-51	Date of most recent report	About this Report (page 87)	
102-52	Reporting cycle	About this Report (page 87)	
102-53	Contact point for questions regarding the report	About this Report (page 87)	group.communications@ferrero.com
102-54	Claims of reporting in accordance with the GRI Standards	About this Report (page 87)	
102-55	GRI content index	The GRI content index is available in the section "Sustainability Reports" of our website <a href="http://www.ferrerosustainability.com">www.ferrerosustainability.com</a>	
102-56	External assurance	Assurance statement (page 105)	

## MATERIAL TOPICS

### Climate action

#### GRI-103: Management Approach (2016)

103-1	Explanation of the material topic and its Boundary	Materiality (page 84) How we protect the environment (page 17)	See topic boundaries table under GRI 102-46 of this GRI Content Index.
103-2	The management approach and its components	How we protect the environment (page 17) Climate action (pages 19-20)	
103-3	Evaluation of the management approach	Climate action (pages 19-20)	

GRI Standards	Disclosure	Location	Direct Answers FY19/20
<b>GRI-305: Emissions (2016)</b>			
305-1	Direct (Scope 1) GHG emissions	Key data (page 91)	Biogenic emissions FY 17/18: 64,952.32 tCO <sub>2</sub> e FY 18/19: 75,032.72 tCO <sub>2</sub> e FY 19/20: 75,043.61 tCO <sub>2</sub> e
305-2	Energy indirect (Scope 2) GHG emissions	Key data (page 91)	
305-3	Other indirect (Scope 3) GHG emissions	Key data (page 91)	Biogenic emissions for Scope 3 currently not available.
305-4	GHG emissions intensity	Climate action (page 20)	GHG Emissions intensity ratio (including Scope 1, 2 and 3) FY 17/18: 5.42 tCO <sub>2</sub> e/ton prod. FY 18/19: 5.35 tCO <sub>2</sub> e/ton prod. FY 19/20: 5.09 tCO <sub>2</sub> e/ton prod.
305-5	Reduction of GHG emissions	Climate action (pages 19-20)	
305-6	Emissions of ozone-depleting substances (ODS)	Key data (page 93)	
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions		Ferrero doesn't produce other significant air emissions
<b>GRI-307: Environmental Compliance (2016)</b>			
307-1	Non-compliance with environmental laws and regulations		No significant cases of failure to comply with regulations and voluntary codes reported.
<b>Product design, packaging and the circular economy</b>			
<b>GRI-103: Management Approach (2016)</b>			
103-1	Explanation of the material topic and its Boundary	Materiality (page 84) How we protect the environment (page 17)	See topic boundaries table under GRI 102-46 of this GRI Content Index.
103-2	The management approach and its components	How we protect the environment (page 17) Packaging (pages 26-30)	
103-3	Evaluation of the management approach	Packaging (pages 26-30)	
<b>GRI-301: Materials (2016)</b>			
301-2	Recycled input materials used	Key data (page 93)	

GRI Standards	Disclosure	Location	Direct Answers FY19/20
<b>Supplier engagement and transparency</b>			
<b>GRI-103: Management Approach (2016)</b>			
103-1	Explanation of the material topic and its Boundary	Materiality (page 84) How we source ingredients sustainably (page 32)	See topic boundaries table under GRI 102-46 of this GRI Content Index.
103-2	The management approach and its components	How we source ingredients sustainably (pages 32-34) Cocoa (pages 35-40) Hazelnuts (pages 41-46) Palm oil (pages 47-50) Milk and eggs (pages 51-52) Sugar (pages 53-54) Shea and Sal (page 55) Soy Lethicin and Paper (page 56)	
103-3	Evaluation of the management approach	How we source ingredients sustainably (pages 32-34) Cocoa (pages 36-40) Hazelnuts (pages 43-46) Palm oil (pages 48-50) Milk and eggs (pages 51-52) Sugar (pages 53-54) Shea and Sal (page 55) Soy Lethicin and Paper (page 56)	
<b>GRI-204: Procurement practices (2016)</b>			
204-1	Proportion of spending on local suppliers		The disclosure is not applicable due to the Purchasing structure of the Group.
FP2	Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible production standards, broken down by standard	Building out our new strategy (pages 10-13) How we source ingredients sustainably (pages 32-34) Cocoa (page 36) Palm Oil (page 48) Sugar (pages 53-54) Soy Lecithin and Paper (page 56)	
<b>GRI-308: Supplier Environmental Assessment (2016)</b>			
308-1	New suppliers that were screened using environmental criteria	How we source ingredients sustainably (pages 32-34)	The percentage of new suppliers screened is not available yet
<b>GRI-414: Supplier Social Assessment (2016)</b>			
414-1	New suppliers that were screened using social criteria	How we source ingredients sustainably (pages 32-34)	The percentage of new suppliers screened is not available yet



GRI Standards	Disclosure	Location	Direct Answers FY19/20
<b>GRI-301: Materials (2016)</b>			
301-1	Materials used by weight or volume	Key data (page 93)	The materials used include: Raw materials (including water used in the product recipe), Packaging materials, Surprises materials, Warehouse packaging materials, Auxiliary materials used in plants

## Human rights in supply chain

<b>GRI-103: Management Approach (2016)</b>			
103-1	Explanation of the material topic and its Boundary	Materiality (page 84) How we source ingredients sustainably (page 32) How we empower people (page 67)	See topic boundaries table under GRI 102-46 of this GRI Content Index.
103-2	The management approach and its components	How we source ingredients sustainably (page 32-34) Cocoa (pages 39) Hazelnuts (page 42-43, 46) Palm oil (pages 49-50) How we empower people for the better (page 67) Human rights (page 77) Employee rights (page 73)	
103-3	Evaluation of the management approach	Human rights (page 77) Employee rights (page 73)	

<b>GRI-402: Labor/Management Relations (2016)</b>			
402-1	Minimum notice periods regarding operational changes		The minimum notice period applied by the Group in the event of significant operational changes is in accordance with national or regional collective bargaining agreements; said notice period ranges from a minimum of 15 days to a maximum of 6 months.

<b>GRI-408: Child Labor (2016)</b>			
408-1	Operations and suppliers at significant risk for incidents of child labor	Cocoa (page 39) Hazelnuts (page 43) Palm oil (page 49)	Our due diligence based approach comprises three steps: 1. Prioritisation to identify major risks based on ESG risk scoring 2. Supplier assessment 3. Verification and audit to monitor and mitigate high risk issues



GRI Standards	Disclosure	Location	Direct Answers FY19/20
<b>GRI-409: Forced or Compulsory Labor (2016)</b>			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Cocoa (page 39) Hazelnuts (page 43) Palm oil (page 49)	Our due diligence based approach comprises three steps: 1. Prioritisation to identify major risks based on ESG risk scoring 2. Supplier assessment 3. Verification and audit to monitor and mitigate high risk issues
<b>GRI-412: Human Rights Assessment 2016</b>			
412-1	Operations that have been subject to human rights reviews or impact assessments	Cocoa (pages 39) Hazelnuts (pages 42-43, 46) Palm oil (pages 49-50) Human rights (page 77)	Due to complexity of our supply chains the total number and the percentage of operations are not available data yet.
<b>Biodiversity, deforestation prevention and sust. agriculture</b>			
<b>GRI-103: Management Approach (2016)</b>			
103-1	Explanation of the material topic and its Boundary	Materiality (page 84) How we protect the environment (page 17) How we source ingredients sustainably (page 32)	See topic boundaries table under GRI 102-46 of this GRI Content Index.
103-2	The management approach and its components	How we protect the environment (page 17) Packaging (pages 26-30) How we source ingredients sustainably (pages 32-34) Cocoa (page 40) Palm Oil (pages 47-50)	
103-3	Evaluation of the management approach	Cocoa (page 40) Palm Oil (pages 47-50) Key data (page 89)	
<b>GRI-304 Biodiversity (2016)</b>			
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Key data (page 89)	
304-2	Significant impacts of activities, products, and services on biodiversity	Cocoa (page 40) Palm Oil (pages 47-50)	304-2b currently not available.

GRI Standards	Disclosure	Location	Direct Answers FY19/20
<b>Nutrition, health and lifestyles</b>			
<b>GRI-103: Management Approach (2016)</b>			
103-1	Explanation of the material topic and its Boundary	Materiality (page 84) How we promote responsible consumption (page 58)	See topic boundaries table under GRI 102-46 of this GRI Content Index.
103-2	The management approach and its components	How we promote responsible consumption (page 58) Nutrition (page 62-63) Responsible communications, marketing and labelling (pages 64-65)	
103-3	Evaluation of the management approach	Nutrition (page 62-63) Responsible communications, marketing and labelling (pages 64-65)	
<b>GRI-417: Marketing and Labeling (2016)</b>			
417-3	Incidents of non-compliance concerning marketing communications	Responsible communications, marketing and labelling (page 65)	
<b>Diversity and Inclusion</b>			
<b>GRI-103: Management Approach (2016)</b>			
103-1	Explanation of the material topic and its Boundary	Materiality (page 84) How we empower people (page 67)	See topic boundaries table under GRI 102-46 of this GRI Content Index.
103-2	The management approach and its components	How we empower people (page 67) Diversity and inclusion (page 70)	
103-3	Evaluation of the management approach	Diversity and inclusion (page 70)	
<b>GRI-401: Employment (2016)</b>			
401-1	New employee hires and employee turnover	Key data (pages 98-99)	
<b>GRI-405: Diversity and Equal Opportunity (2016)</b>			
405-1	Diversity of governance bodies and employees	Diversity and inclusion (page 70)	The governance bodies mentioned in the paragraph "Corporate Governance" (page 85) are composed of 18 members, who belong to the following age groups: 33% in the "over 60 group" and 67% in the "51 to 60" group. In these governance bodies, the female presence corresponds to the Chairman of the Board of Directors and to a member of the GMT and GLT.

GRI Standards	Disclosure	Location	Direct Answers FY19/20
<b>GRI-406: Non-Discrimination (2016)</b>			
406-1	Incidents of discrimination and corrective actions taken	GRI Content Index	No incidents of discrimination occurred in the reporting year

To facilitate the fruition of content the GRI Content Index includes additional Topic Specific Disclosures that are linked with relevant topics identified in the 2020 materiality assessment.

## Industrial and food waste

<b>GRI-103: Management Approach (2016)</b>			
103-1	Explanation of the material topic and its Boundary	Materiality (page 84) How we protect the environment (page 17)	
103-2	The management approach and its components	How we protect the environment (page 17) Waste (page 23)	
103-3	Evaluation of the management approach	Waste (page 23)	
<b>GRI-306: Effluents and Waste (2016)</b>			
306-2	Waste by type and disposal method	Key data (page 92)	

## Water management

<b>GRI-103: Management Approach (2016)</b>			
103-1	Explanation of the material topic and its Boundary	Materiality (page 84) How we protect the environment (page 17)	
103-2	The management approach and its components	How we protect the environment (page 17) Water (page 22)	
103-3	Evaluation of the management approach	Water (page 22)	
<b>GRI-303: Water and Effluents (2018)</b>			
303-3	Water withdrawal	Water (page 22) Key data (page 92)	303-3b, c currently not available.
303-4	Water discharge	Water (page 22) Key data (page 92)	303-4b, c, d currently not available.

GRI Standards	Disclosure	Location	Direct Answers FY19/20
<b>Employee occupational health and safety and well being</b>			
<b>GRI-103: Management Approach (2016)</b>			
103-1	Explanation of the material topic and its Boundary	Materiality (page 84) How we empower people (page 67)	
103-2	The management approach and its components	Employee rights (page 73) Health and safety and wellbeing (pages 74-75)	
103-3	Evaluation of the management approach	Employee rights (page 73) Health and safety and wellbeing (page 76)	
403-1	Occupational health and safety management system	Employee rights (page 73) Health and safety and wellbeing (pages 74-75)	
403-2	Hazard identification, risk assessment, and incident investigation	Employee rights (page 73) Health and safety and wellbeing (pages 74-75) Governance (page 86)	
403-4	Worker participation, consultation, and communication on occupational health and safety	Employee rights (page 73) Health and safety and wellbeing (page 74-75)	
403-6	Promotion of worker health	Health and safety and wellbeing (pages 74-75)	
<b>GRI-403: Occupational Health and Safety (2018)</b>			
403-9	Work-related injuries	Health and safety and wellbeing (page 76) Key data (page 95)	Absolut values currently not reported. Disclosure will be further extended in the next reporting cycles.