

GROUPE SAVENCIA

2020 VIGILANCE PLAN

Table of contents

1. FOREWORD	4
2. PRESENTATION OF THE GROUP	4
2.1. GENERAL REMARKS	4
2.2. THE GROUP'S SUBSIDIARIES	5
2.3. CULTURE AND VALUES	5
2.4. IMPLEMENTATION OF THE DUTY OF CARE WITHIN THE GROUP	5
2.5. THE GROUP'S APPROACH TO CSR	6
3. CHANGES TO THE PLAN.....	6
3.1. SOME REMINDERS.....	6
3.1.1. CONCERNING THE GROUP'S APPROACH	6
3.1.2. CONCERNING THE CLASSIFICATION OF SUBSIDIARIES.....	8
3.2. 2020 FINANCIAL YEAR.....	8
4. THE GROUP'S "UPSTREAM EXTERNAL ACTIVITY"	8
4.1. THE PROMOTION OF RESPONSIBLE PURCHASING	9
4.1.1. THE PRACTICES IN FORCE.....	9
4.1.2. ACTION PLANS AND MONITORING OF RESULTS	10
4.2. SUPPLIES OF AGRICULTURAL RAW MATERIALS	11
4.2.1. MILK.....	11
4.2.1.1. THE PRACTICES IN FORCE.....	11
4.2.1.2. ACTION PLANS AND MONITORING OF RESULTS	13
4.2.2. COCOA	13
4.2.2.1. PRELIMINARY REMARKS.....	13
4.2.2.2. THE PRACTICES IN FORCE.....	14
4.2.2.3. ACTION PLANS AND MONITORING OF RESULTS	15
4.2.3. MEAT	16
4.2.3.1. THE PRACTICES IN FORCE.....	16
4.2.3.2. ACTION PLANS AND MONITORING OF RESULTS	16
4.2.4. FISH.....	16
4.2.4.1. THE PRACTICES IN FORCE.....	16
4.2.4.2. ACTION PLANS AND MONITORING OF RESULTS	17
4.2.5. DRY FRUIT	17
4.2.5.1. PRELIMINARY REMARKS.....	17
4.2.5.2. THE PRACTICES IN FORCE.....	18
4.2.5.3. ACTION PLANS AND MONITORING OF RESULTS	18
5. THE GROUP'S "INTERNAL PRODUCTION ACTIVITY"	18
5.1. RISKS POSED FOR THE INTERNAL HOLDERS OF RIGHTS	19
5.1.1. THE PRACTICES IN FORCE.....	19
5.1.2. ACTION PLANS AND MONITORING OF RESULTS	21
5.2. RISKS POSED FOR THE EXTERNAL HOLDERS OF RIGHTS	22
5.2.1. GENERAL REMARKS	22
5.2.2. THE PRACTICES IN FORCE.....	22
5.2.3. ACTION PLANS AND MONITORING OF RESULTS	25

6. CONSUMERS	25
6.1. INFORMATION OF CONSUMERS	25
6.2. CONSUMER HEALTH (EXCLUDING NUTRITIONAL ASPECTS)	26
6.2.1. THE PRACTICES IN FORCE	26
6.2.2. ACTION PLANS AND MONITORING OF RESULTS	27
7. THE GROUP'S INTERNAL AUDIT DEPARTMENT	28
8. THE ALERT MECHANISM	28
 APPENDIX 1: THE GROUP AND ITS CULTURE.....	 29
APPENDIX 2: "OXYGEN", THE CSR APPROACH OF GROUPE SAVENCIA.....	44
APPENDIX 3: NOMENCLATURE OF POTENTIAL RISKS.....	46
APPENDIX 4: RISK-MAPPING METHOD.....	47
APPENDIX 5: CHARTER FOR GOOD AGRICULTURAL PRACTICES	48
APPENDIX 6: CHARTER FOR RESPONSIBLE SUPPLIER RELATIONS.....	52
APPENDIX 7: GROUPE SAVENCIA BUYERS' CODE OF CONDUCT	57
APPENDIX 8: THE CHARTER FOR SUSTAINABLE PURCHASING	61
APPENDIX 9: HEALTH & SAFETY AT WORK CHARTER	73
APPENDIX 10: WHISTLEBLOWING PROCEDURE	74

GROUPE SAVENCIA 2020 VIGILANCE PLAN

1. Foreword

Groupe Savencia (hereafter the “Group”) meets the criteria set by French law n° 2017-399 dated March 27, 2017 (the “Law”) on the duty of care of parent companies and contracting companies.

The Group must therefore prepare and implement an effective Vigilance Plan incorporating appropriate measures for the identification of risks, and the prevention of significant breaches, in the areas of human rights, fundamental liberties, health and safety and the environment, resulting from:

- Its activities and those of the companies it controls;
- The activities of its subcontractors or other suppliers with which it entertains established commercial relationships, whenever those activities are impacted by that relationship.

The present document constitutes the Group’s Vigilance Plan (the “Plan”).

NB: the subsidiary Savencia SA published its own Vigilance Plan in 2018 and 2019. From 2021 (2020 Plan), Savencia SA will no longer distribute a Vigilance Plan and will, therefore, be covered by the Group’s Plan.

2. Presentation of the Group

2.1. General remarks

Groupe Savencia has been an independent family group since its creation in 1956. It comprises two entities:

- Savencia SA (whose trade name is Savencia Fromage & Dairy), an international dairy player and the 5th cheesemaker in the world;
- Savencia Gourmet, which proposes brands of reference in the worlds of chocolate, delicatessen and seafood products.

The Group is present in 120 countries, spanning the five continents, and offers both a portfolio of premium brands and a range of products and services designed for catering professionals and industrial markets specializing in the areas of food, diet, health etc.

The Group comprises human-scale enterprises united by a humanistic, family and entrepreneurial culture. It has the support of decentralized managements and of operating subsidiaries which are the engine of its development. Shared service centers provide administrative, industrial and commercial synergies.

2.2. The Group's subsidiaries

The Group is organized into subsidiaries which are technically classified into four categories:

- Service & Holding companies which hold securities and real estate assets, engage in the provision of transversal services etc.,
- Industrial & Commercial companies,
- Industrial companies,
- Commercial companies.

2.3. Culture and values

The Group has long believed that respect for human rights, labor and environmental legislation, as well as food safety and the fight against corruption, are demanding and imperative requirements which remain compatible with the quest for optimal economic performance whose sustainability is thereby ensured.

The Group's commitment is notably reflected in:

- Its ethical charter entitled "The Group and its Culture", which describes the action principles and rules of behavior which must inspire, guide and unite all Group employees in their action (see **Appendix 1**);
- Its "Oxygen" plan for Corporate Social Responsibility (CSR) which embodies the Group's ambition of innovating in favor of a sustainable world by combining meaning and performance in conjunction with its stakeholders (employees, producers, customers, consumers, suppliers, investors and society at large) (see § 2.5);
- Its support for the UN's Global Compact. Since 2004, each year the Group has renewed its commitment to support and implement, within its scope of influence, the Global Compact's ten fundamental principles.

2.4. Implementation of the duty of care within the Group

The preparation and implementation of the Group's Vigilance Plan have been delegated to its Compliance Department ("Group Compliance") which is equally responsible for:

- The implementation of France's law n°2016-1691 dated December 9, 2016 on transparency, combating corruption and modernizing the economy (the so-called "Sapin 2" law);
- The protection of personal data, as provided for in France by data protection law n°78-17 dated January 6, 1978 and by European regulation n°2016-679 dated April 27, 2016 and known as the General Data Protection Regulation.

Group Compliance involves itself in the duty of care in close collaboration with:

- All managers in charge of the Group's transversal functions including purchasing, CSR and communication, finance, legal, operations and human resources;
- All operating managers with responsibility for the Group's specific geographical markets, product categories or activities, as well as with their main colleagues.

In respect of subsidiaries, Group Compliance monitors their principal autonomous initiatives already undertaken, or envisaged, in the interests of reducing their impact on individuals and the environment, with the aim of:

- Improving its knowledge of each operating area's stakeholders;
- Contributing to disseminating such initiatives to other subsidiaries engaged in similar activities;
- Envisaging adopting certain initiatives at the level of the Group for the purpose of their coordination and development.

2.5. The Group's approach to CSR

The Group's Oxygen Plan materializes its approach to Corporate Social Responsibility (CSR) by:

- Reflecting Group stakeholders' expectations via materiality analysis;
- Reinforcing the Group's efforts in the area of CSR based on global ambition backed up by local action on the part of subsidiaries.

The actions provided for by the Oxygen Plan, analyzed under four major focuses for progress, meet the requirements of France's law on the duty of care designed to protect persons and the environment (see **Appendix 2**). The Vigilance Plan incorporates those actions most directly contributing to mitigating the most severe breaches.

The duty of care must be seen as an extension of the Group's existing commitments and not merely as another compliance requirement. The Group sees the duty of vigilance as a vector for the development of sustainable businesses and as a driver for innovation and competitiveness.

3. **Changes to the Plan**

3.1. Some reminders

3.1.1. Concerning the Group's approach

In 2018, the Group deployed a macroscopic approach focusing on each of its raw materials. By analyzing the value chains for the 5 main raw materials (milk, cocoa, meat, dry fruit and fish) processed by the Group, it was thus possible to:

- Identify the holders of rights potentially impacted by the Group's activities; and
- Identify the risks generated for these holders of rights.

The results for that approach are presented in **Appendix 3**.

In 2019, it was decided to pursue that approach:

- By complementing the horizontal reading of each activity by a vertical reading with three focuses (upstream external activity, internal "production" activity and internal "sales" activity) presented in detail below;
- By distinguishing between the various types of holders of rights.

With this new approach (see **Appendix 4**), the Plan's structure evolves: instead of four chapters devoted to each of the measures imposed by law (risk-mapping, action plan for attenuation and prevention, monitoring and measurement of the measures, process for assessment of subsidiaries and suppliers), the 2019 Plan includes a chapter for each activity which refers as appropriate to each of the measures imposed by law.

Upstream external activity

Upstream external activity encompasses all the activities engaged in by our suppliers and subcontractors. In the present document, the term "supplier" includes both suppliers of raw materials (producers) and any and all intermediaries present within each supply chain (processors, collectors, traders, carriers etc.). The corresponding holders of rights are all external to the Group: some are within the supply chain – suppliers' employees – whereas others are outside the supply chain: the populations and environment potentially impacted by the suppliers' activities.

Internal "production" activity

Internal "production" activity encompasses all the activities engaged in by Group subsidiaries prior to sale of their products. They include manufacturing or processing activities as well as ancillary upstream or downstream activities such as transport. The corresponding holders of rights are as follows:

- Internal to the Group: employees;
- External to the Group: the environment and local residents of the subsidiaries' manufacturing facilities.

Internal "sales" activity

Internal "sales" activity is of two types:

- Direct sales to consumers (*BtoC = business to consumer activity*);
- Sales to other professionals (*BtoB = business to business activity*).

The Vigilance Plan devotes a specific chapter to the holders of rights embodied by consumers of the Group's products, whether they obtained the products directly from a subsidiary or from a distributor/reseller.

NB:

- Downstream external activity (the transactions engaged in by distributors/resellers of the Group's products after delivery by subsidiaries) is not covered by the duty of care, but the Group nevertheless pays great attention to those transactions with regard to its responsibilities in respect of the final customers (i.e. consumers);
- Certain Group subsidiaries supply other subsidiaries, in which case "Vigilance" risk for each subsidiary is only analyzed once in the context of the subsidiary's internal activity.

With this new approach (see **Appendix 4**), the Plan's structure has evolved: instead of four chapters devoted to each of the measures imposed by law (risk-mapping, action plan for attenuation and prevention, monitoring and measurement of the measures, process for assessment of subsidiaries and suppliers), the 2019 Plan was structured

around chapters for each activity, each of which refer to these measures as appropriate.

3.1.2. Concerning the classification of subsidiaries

After analysis of the activities of the various types of subsidiary, the Group has determined that:

- The main risks are generated its “Industrial” and “Industrial & Commercial” subsidiaries. The risks are present at the level of each company’s supply chain (upstream external activity), of its internal manufacturing activity (with particular regard to environmental impacts) and of consumers (mainly with regard to health);
- The purely “Commercial” subsidiaries engage in the purchase and resale essentially of Group products for which the associated “Vigilance” risk is located:
 - o For the most part, at the level of the supply chain (upstream external activity, analyzed as internal activity in the case of Group products);
 - o At the level of consumers;
- “Service & Holding” companies only generate very weak “Vigilance” risk in comparison to other subsidiaries. They are not therefore subject to any particular measures.

3.2. 2020 financial year

As for all companies, the COVID-19 crisis impacted all the Group’s activities, including those relating to the vigilance plan.

Although it was possible to finalise and disseminate the 2019 version of the Plan, the 2020 work has not proceeded as initially planned:

- The analysis of the risks at the level of the supply chain (external activity upstream) was expected be furthered by raw material. This analysis could only be continued for dry fruit and cocoa, without actually leading to results directly translatable in the 2020 Plan.
- Thoughts on ways of improving the methods for evaluating sub-contractors and subsidiaries continued but at a slower pace.

4. The Group’s “upstream external activity”

The structure of this chapter has evolved in relation to the 2019 Vigilance Plan:

- the first part presents the general methods for promoting a supply chain that respects human rights and the environment.
- the second part deals more specifically with the main agricultural raw materials used in the Group's products.

4.1. The promotion of Responsible Purchasing

4.1.1. The practices in force

The Group's commitments

The Group's ethical charter entitled "The Group and its Culture" (see § 2.3) is the foundation of the Group's commitments and overall approach, which the Group has reinforced in the area of purchasing by:

- Signing on January 10, 2012 the "Charter for Responsible Supplier Relationships" attached as **Appendix 6**;
- Implementing the "Code of Conduct for Group Savencia Buyers" the latest version of which dated May 26, 2015 is attached as **Appendix 7**.

The commitment requested by the Group

The Group selects its suppliers on the basis of criteria of quality, safety, service, competitiveness and of their capacity to provide long-term support. It prefers lasting relationships and wishes its suppliers to participate in a momentum of shared progress. To that end, since 2010 it has requested that its main suppliers subscribe to its business culture and values by signing its "Charter for Responsible Purchasing" (**Appendix 8**) prepared on a basis consistent with the Group's ethical charter.

The "Overall Supplier Vigilance Plan"

To ensure the consistency of its purchasing practices with the requirements in respect of combating undeclared labor, transparency and the prevention of corruption and breaches of human and environmental rights, in 2018 the Group's Purchasing Department ("Group Purchasing") implemented an "Overall Supplier Vigilance Plan" consisting in:

- Mapping its supplier exposures taking into account:
 - o The level of country risk assessed in-house on the basis of the environmental, healthcare, social, human rights and governance ratings attributed to each country by EcoVadis, an independent agency;
 - o The level of purchase category risk assessed in-house on the basis of CSR and operating criteria;
- Evaluating its suppliers subject to the greatest exposure (since 2010, that work has equally been performed by EcoVadis on the Group's behalf);
- Engaging in continuous monitoring of suppliers' performance;
- If necessary, auditing and/or placing under surveillance the most sensitive or least well performing suppliers.

Given their number, the selection and solicitation of the suppliers the Group wishes to assess is undertaken in successive waves the timing and content of which reflect:

- The requirements expressed by Group Purchasing (in terms of its mapping of exposures and objectives for coverage of purchases) and other Group departments including Group Compliance for the Vigilance Plan;
- The requirements expressed by subsidiaries.

4.1.2. Action plans and monitoring of results

Deployment of the Charter for Responsible Purchasing

Deployment of the "Charter for Responsible Purchasing" is undertaken:

- In the context of requests for tender;
- In successive waves piloted by Group Purchasing.

On 31 December 2020, more than 700 charters were signed, covering 63.2% of the Group's external expenditure coordinated by the Purchasing organization (*).

	2018	2019	2020	Objectif 2025
% of the Group's external expenditure coordinated by the Purchasing organisation and implemented with major suppliers under the Charter for Responsible Purchasing (*)	61.0%	63.0%	63.2%	80%

(*) Group's external expenditure coordinated by the Purchasing organisation and implemented with major suppliers (the annual expenditure of which with the Group exceeds €1 million), excluding agricultural raw materials outside Japan, India, Ukraine, Serbia, Romania, Poland and Russia, the purchasing expenditure of which cannot be consolidated automatically to date.

Process of regular assessment of level 1 suppliers

On 31 December 2020, 610 suppliers had completed an EcoVadis assessment, covering 69% of the Group's expenditure coordinated by the Purchasing organization (*).

	2018	2019	2020	Objectif 2025
% of the Group's external expenditure coordinated by the Purchasing organisation and implemented with major suppliers * via EcoVadis' assessments (*)	68.0%	68.0	68.7%	80%

(*) Group's external expenditure coordinated by the Purchasing organisation and implemented with major suppliers (the annual expenditure of which with the Group exceeds €1 million), excluding agricultural raw materials outside Japan, India, Ukraine, Serbia, Romania, Poland and Russia, the purchasing expenditure of which cannot be consolidated automatically to date.

In 2019, the average score for the Group's suppliers assessed was 48.8/100 compared with an average of 42.4/100 for the Food & Beverage sector panel monitored by EcoVadis.

In 2020, it was 51.3/100 compared with an average of 42.9/100 for the same sector panel.

At the end of 2019 and with the assistance of an external firm, the Group undertook a review designed to determine how best to engage in continuous monitoring of its suppliers and find solutions for certain problems including:

- How to engage in alternative assessment of any supplier refusing to be evaluated by EcoVadis?

-
- How to perform further assessment of any supplier receiving a poor rating from EcoVadis?
 - How to transition from a poor EcoVadis rating to the identification of the effective risks generated by the supplier?
 - How, and with help from which stakeholders, to encourage a supplier to commit to improvement of its rating and reduction of any risks identified?

These works were suspended in 2020 owing to the crisis. They will recommence in 2021.

Supply chain risk-mapping for suppliers below level 1

Alongside its subsidiaries, the Group continues to engage in supply chain risk-mapping for suppliers below level 1 monitored directly by the subsidiaries. Priority is given to Industrial or Industrial & Commercial subsidiaries processing the Group's four main raw materials other than milk, i.e. chocolate, fish, dry fruit and meat.

The work performed includes, so far as possible, as inputs the third party surveys performed on behalf of the Group in 2018 and 2019 and those engaged in at the initiative of the subsidiaries. The results are presented in the next part.

4.2. Supplies of agricultural raw materials

4.2.1. Milk

4.2.1.1. The practices in force

General remarks

Milk procurement comprises purchases of (cow's, ewe's or goat's) milk and of cream. The Group processes all the milk it procures in the country of purchase. The dairy supply cycle is a short one.

In France

All the milk processed by the Group's French subsidiaries is purchased in France. The buyers are very knowledgeable since their purchases represent a large part of the Group's global dairy purchases:

- The farms and cattle breeders are all members of a producers' organization or cooperative;
- The farms concerned are spread over 44 departments of France.

Collection of the milk from producers, its transport and delivery to Group subsidiaries are all managed internally:

- Either in-house using Group resources;
- Or using the resources of cooperatives;
- Or via third party service-providers subject to the signature of transport safety agreements designed to ensure working conditions and safety in line with the regulatory requirements applicable in France.

Better to meet its customers' expectations with regard to the conditions applicable to milk production, the Group has implemented an approach of responsible dairy procurement reposing on the following foundations:

- Its Charter for Best Farming Practices developed by farmers (see **Appendix 5**) to subscribe to which a farmer must comply with all 41 of its requirements. Following subscription, the farmer's practices are audited every other year and any failing must be corrected within six months, failing which the farmer's subscription lapses and (by contract) the Group suspends its purchases;
- The possibility of preparing a Sustainable Milk Production Diagnosis covering ten drivers for improvement: the producer's quality of life, carbon footprint, the herd's food autonomy, animal wellbeing, biodiversity, soil fertility, sustainable management of water resources and three farming factors (management, financial autonomy and profitability). The diagnosis enables the farmer to identify the strengths and areas for improvement of the farm and to define focuses for progress with assistance from the Group's dairy resource technicians.

Outside France:

Milk is purchased outside France in the countries where the Group disposes of manufacturing facilities.

In 2021, the Group will pursue deployment of the identical approach to that implemented in France:

- The Charter for Best Farming Practices, in progress since early 2019;
- The Sustainable Milk Production Diagnosis, with finalization of the training of the technicians who will perform the diagnoses and commencement of the actual diagnoses beginning, so far as possible, with the largest farms.

Point for attention: soy and GMOs

In France, soy is only a minor feed component for the cattle supplying milk to the Group (whose feed mainly comprises farm produce).

Soy is identified as mainly sourced from South America and, therefore, potentially responsible for deforestation and a carrier of GMOs.

In 2019, the Group implemented policy designed to increase the proportion of its milk procurement from herds with the benefit of GMO-free feeding. To that end, it helps its farmers replace GMO soy by:

- European soy not responsible for deforestation and free from GMOs;
- Colza produced in Europe;
- Proteins produced on the farm.

Outside France, the bases of feeding the cattle providing milk for the Group's subsidiaries will be better understood after commencement of our Sustainable Milk Production Diagnoses. As in France, measures of support for our farmers are in the process of implementation in Germany, Belgium, the Czech Republic and Slovakia.

4.2.1.2. Action plans and monitoring of results

Deployment plan for the Charter for Best Farming Practices

The first stage of the plan was to deploy the Charter in France. All the Group's French milk suppliers have signed this charter (obligation inserted in the procurement contracts with milk producers since 2012).

The second stage is to deploy the Charter outside France. The Group's objective is for the Charter to apply to 100% of its worldwide dairy procurement by 2025. The level of deployment had reached 83.1% by December 31, 2020 (including 100% in France).

	2018	2019	2020	2025 objective
Worldwide deployment of the Charter in % of the volume of milk collection	73.0%	80.0%	83.1%	100%

Deployment plan for the Sustainable Milk Production Diagnosis

Deployment began in France in 2010 and continued outside France in 2020 after training of the personnel required for performance of the diagnoses.

The current plan objective is defined worldwide as 50% of worldwide suppliers of milk, including France, by the end of 2025.

As at 31/12/2020, the deployment rate for the procedure worldwide is 19.2%.

	2018	2019	2020	2025 objective
Worldwide deployment of the Diagnosis in % of the volume of milk collection*	16,4 %	19,0 %	19.2 %	50%

(*) The volume of milk collected with deployment of the diagnosis is estimated on the basis of a volume of milk collected per form for a given area (with contractual milk supply from the Compagnie des Fromages & RichesMonts - CF&R – of 37%)

Group Milk Purchasing Charter

To complement the aforementioned plans, for the end of 2020 the Group envisaged the drafting of a Group Milk Purchasing Charter comparable to the charter already in place for non-dairy purchases (see § 4.1).

Owing to the health crisis, work on this charter was unable to progress as hoped.

4.2.2. Cocoa

4.2.2.1. Preliminary remarks

In order to contribute to an ever fairer and more sustainable cocoa sector, the Group and the subsidiaries concerned by this agricultural raw material have carried out several studies since 2018 on the risks generated by this sector for people and the environment. These studies show that:

- The sector's efforts should, as a priority, focus on:
 - o Improving the living and working conditions of cocoa farmers:

- Contribute to a fair income
- Contribute to community development
- Develop long-term partnerships
- Fight against forced labour and child labour
- Contribute to the protection of women's rights
- Protecting the environment:
 - Protect forests
 - Promote good farming practices
 - Support farmers towards agroforestry practices.

The implementation of the two pillars of this policy must be conducted via managerial organisation that is more in line with these issues.

Therefore, a working group was set up in 2020 to draw up and implement a plan for changes to this managerial organisation with the aim of:

- Optimising cross-cutting working methods between the various brands.
- Improving the pooling of knowledge, skills and processes, particularly in the area of procurement (development and deployment of a common procurement policy integrating the management of fundamental risks, widespread application of traceability).
- Building and implementing common benchmarks and goals.

4.2.2.2. The practices in force

Improving living and working conditions

To meet this objective, Valrhona:

- Has been working exclusively since 2013 in Côte d'Ivoire with a cooperative that has set up committees to combat child labour. These committees include Fairtrade certification officials, Ivorian child protection policymakers and youth leaders that are an essential part of the local monitoring system.
- Initiated a vast programme in 2015, with its partners and the authorities of Ghana and Côte d'Ivoire, to improve access to education through the construction or renovation of schools.
- Financed a training centre in Daloa (Côte d'Ivoire) in 2017. This centre has since provided training to farmers and community stakeholders on the fight against child labour, labour law, the decent treatment of workers, women's rights, non-discrimination, freedom of association, and occupational health and safety.
- Joined the International Cocoa Initiative Foundation in 2018, devoted to child protection in cocoa farming communities.
- Launched, in 2020, the funding of a farm based on the tried and tested model implemented by the Equity programme of the NGO "Agronomes et Vétérinaires Sans Frontières" (AVSF). This model of poultry farms run by women participates in their empowerment, the diversification of their income and the production of natural fertilisers for the cocoa fields.

Villars, our Swiss subsidiary, has committed to the Swiss Sustainable Cocoa Platform to obtain at least 80% of its cocoa supplies from sustainable sources by 2025.

- The percentage of raw materials from UTZ (Rain Forest Alliance) certified cocoa (beans, cocoa mass and cocoa butter) increased from 11.5% in 2018 to 30.2% in 2020.
- Traceability from the plantation or cooperative has increased over the past two years and represents almost 25% of cocoa bean supplies. The other main raw materials of Swiss chocolate, milk and sugar, are sourced locally in Switzerland.

Protecting the environment

To ensure the protection of the environmental heritage of cocoa-producing countries and unite its partners around the construction of a responsible agricultural model, Valrhona has adopted a "Cocoa Forest and Agroforestry" policy formalised by the following commitments:

- No sourcing of cocoa from protected areas of forest, newly deforested areas, or partners who are turning areas of forest into cocoa farming areas.
- Support for farmers towards agroforestry practices.

These commitments are implemented via several projects and approaches:

- The traceability of cocoa beans: identification of farmers, geolocation of their plots of land and their detailed mapping. Thus, by the end of 2020:
 - o 100% of cocoa beans purchased by Valrhona were traced back to the farmer, including beans purchased from farmer organisations.
 - o 37% of the plots were geolocated, and 76% of these plots were fully mapped.
- An agroforestry partnership in Haiti: in 2018, Valrhona joined forces with AVSF to support members of the federation of cocoa cooperatives in the north of the country in renovating plantations. A pilot project covering an area of 50 hectares aims to highlight the positive impact of a diversified cocoa crop on the income and food security of communities.
- An agroforestry partnership in Madagascar: since 2018, Valrhona has led a project in association with the company Millot on diversifying and securing income through the implementation of agroforestry models that associate cocoa with various annual crops (corn, rice, coffee, vanilla, fruit trees, etc.).
- A training programme for farmers in good agricultural and environmental practices in Côte d'Ivoire. For the 2019-2020 harvest, an average of 82.5% of farmers were able to follow the various training modules.

4.2.2.3. Action plans and monitoring of results

To date, the Group's only indicator for cocoa is the percentage of beans purchased via long-term partnerships. The initial target of 90% by 2025 was met and exceeded in 2019, and this percentage was improved in 2020.

	2018	2019	2020	Objective 2025
% of cocoa purchased via long-term partnerships	66.0%	93.0%	98.0%	90.0%

As mentioned in § 4.2.2.1, the plan to transform the governance structure of the cocoa activity should allow the Group to benefit from new common guidelines and objectives for this activity focused on the main risks within two years.

4.2.3. Meat

4.2.3.1. The practices in force

The business's brands relating to meat are committed to developing trustworthy partnerships favouring proximity and permanence with French and European suppliers. These suppliers are subject to prior evaluation and regular audits by the quality and purchasing departments, which, in particular, make it possible to validate the effectiveness of the traceability systems back to the farms.

In the frame of their sustainable development policy, these brands are also committed to developing programmes with their supplier partners and farmers to build more sustainable supply chains. These progressive programmes aim to guarantee fair remuneration for farmers and improve farming practices: better consideration of animal welfare and plans to reduce the environmental impact of farms.

Thus:

- a programme comprising a direct contracting scheme with French pig farmers was set up in 2018.
- a programme to develop a more sustainable and responsible chicken industry will be developed in 2021 with partner suppliers. This is an initiative focused on progress that includes elements such as the integration of farms into the landscape, the preservation of water and energy resources and waste recycling.

4.2.3.2. Action plans and monitoring of results

In 2020, more than a hundred farmers were committed to the partnership for a sustainable pork sector.

	2018	2019	2020	Objective 2025
% of supplies from the regional pork rillettes sustainable quality supply chain	1.7%	19.0%	30.0%	90.0%

The partnership programme for a sustainable chicken industry is in the process of being rolled out.

4.2.4. Fish

4.2.4.1. The practices in force

The business's brand relating to fish sources wild fish, mainly Alaskan hake and Pacific hake.

This fish comes solely from sustainably managed fisheries audited by an independent body. The sustainable fishing standard is based on three fundamental principles:

- Sustainability of stock: fisheries must be run in a way that allows fishing to continue indefinitely, without overexploitation of the resource.
- Minimal environmental impact: fishing operations should be managed in a way that preserves the structure, productivity, function and diversity of the ecosystem on which fishing depends, including other species and habitats.
- Effective management: fisheries must comply with all local, national and international laws and have a management system that allows them to adapt to different changes.

Furthermore, each intermediary company in the supply chain must comply with a set of standards designed to guarantee the origin and traceability of the fish through to the business brand's workshops. The application of this standard is also monitored by an independent body.

Thus, all companies involved in the value chain are assessed by independent certification bodies.

On 31/12/2020, more than 90% of fish supplies came from suppliers that have signed the Group's Charter for Responsible Purchasing.

4.2.4.2. Action plans and monitoring of results

In 2020, 100% of the fish in the surimi range came from sustainable fisheries, monitored by an independent body.

	2018	2019	2020	Objective 2025
% of fish in the surimi range from sustainable fishing	100%	100%	100%	90%

4.2.5. Dry fruit

4.2.5.1. Preliminary remarks

The business's brands relating to dry fruit are faced with supply chains that have many intermediaries due to the fragmentation of production. Work on identifying suppliers beyond level 1 continued in 2020 but at a slower pace owing to travel restrictions resulting from the health crisis. These trips were actually essential for creating the conditions of trust necessary for obtaining the required information among level 1 suppliers.

4.2.5.2. The practices in force

The "dry fruit" subsidiaries implement the commitments defined by the Group in § 4.1.1. They complete these commitments by an audit carried out by Sedex according to the SMETA 4-pillars checklist.

At the same time, they contribute to deployment among suppliers not monitored centrally or by other subsidiaries:

- of the Group's Charter for Responsible Purchasing,
- of the regular evaluation process of level 1 suppliers by EcoVadis by also opening it to the service provider Sedex.

Thus, on 31/12/2020, 14 suppliers had accepted the EcoVadis evaluation and 11 the SEDEX evaluation.

They also implement pre-financing operations for purchasing campaigns with historical suppliers with a very low cash flow that request it. On 31/12/2020, one supplier file in Eastern Europe was being processed.

Finally, at the end of 2020, they started work on reviewing the structure of their procurement contracts so that the request for a commitment by suppliers to human rights and the environment was as clear and detailed as their own commitments.

4.2.5.3. Action plans and monitoring of results

Concerning the evaluation of level 1 suppliers the "dry fruit" sectors are developing a more detailed monitoring plan for the deployment of EcoVadis and Sedex in liaison with the Group's subsidiaries with common suppliers.

For suppliers who did not want to or could not be assessed by EcoVadis or Sedex, the "dry fruit" subsidiaries favoured independent audits based on a questionnaire drawn up with an external service provider, which includes aspects relating to human rights and the environment.

The finalisation of these tools, planned for 2020, was delayed by the health crisis. They should be implemented by the end of the first half of 2021 with feedback from suppliers expected before the end of the year.

At the same time, the subsidiaries drew up a plan to find stakeholders (associations, NGOs, etc.) able to guide or communicate actions locally to remedy or reduce the risks identified in the nut sector in Eastern Europe. 20 organisations were identified with the support of an external service provider. 4 were studied in 2020: they do not meet the required criteria. Studies will continue in 2021 with a possible extension of the scope of the research (to other geographic areas or other dry fruit).

5. The Group's "internal production activity"

As mentioned at § 3, this chapter solely addresses the risks generated by Group subsidiaries' "production" activity. The holders of rights potentially impacted by the

activity may be internal to the Group (employees) or external to the Group (the environment and local residents of the subsidiaries' operating locations).

5.1. Risks posed for the internal holders of rights

5.1.1. The practices in force

The risks for Group employees posed by the Group's activities are all work-related (see **Appendix 3** for a classification of the potential risks):

- Workers' health and safety;
- The legal framework for employment, compensation, forced labor, work performed by migrants and child labor (excluding health and safety for the remainder of this section).

The Group's human resource management and administration framework is applied to all its subsidiaries. The Group's employee reporting includes all the indicators required for monitoring this area of the Group's activity.

Risks for employees' health and safety

Health and safety in the workplace is a foremost focus for the Group's efforts and a value shared with all partners intervening at its sites (such as service-providers and temporary employment agencies).

The Group's approach to health and safety, deployed since 2009, was renewed in 2016 with the slogan "Safety is OUR business", underlining the importance of collective action and shared responsibility. The approach is co-piloted at Group level by the Group's Human Resources Department ("Group HR") and by its Operations Department.

It is underpinned by:

- A Charter for Health and Safety at Work (**Appendix 9**) co-signed by the Group's Chairman and communicated to all subsidiaries. The Charter supports the objective of achieving zero work-related accidents;
- A "Framework for Health and Safety at Work" designed to implement, at all Group locations, a system for the management of health and safety:
 - o Applicable to all activities, functions and professional, physical or psychological risks;
 - o Covering all employees, subcontractors and visitors;
 - o Encouraging employees' professional and social wellbeing by improving their safety and providing working conditions mindful of their health;
 - o Giving precedence to prevention in all areas, from the design of new projects to the daily implementation of tasks;
- Transversal organization of piloting, coordination and monitoring;
- Health and safety initiatives with several components:
 - o The annual organization of our World Week for Health and Safety involving all Group subsidiaries. In 2020, it could not be held in its usual format due to the health crisis. Therefore, it was turned into a "Safe Autumn Meeting" that took place from mid-October to mid-December.

-
- Training (1):
 - Mandatory training in response to regulatory requirements;
 - Training imposed by the Group to meet the managerial requirements of Group departments and subsidiaries, or performed in the framework of specific health and safety programs;
 - Voluntary training at the request of employees or performed in the framework of the World Week for Health and Safety;
 - Awareness-raising via the diffusion of a monthly information bulletin²;
 - Internal health and safety audits aimed at assessing sites' levels of compliance with the Framework's directives and recommendations and implementing any corrective measures required. In 2020, these Health and Safety audits were frozen owing to our health and lockdown protocols.

(1) The training is dispensed equally to permanent and temporary employees, in the latter case in collaboration with the temporary employment agencies and on a job-specific basis.

(2) The bulletin has two sections:

- *A quantitative section summarizing the following indicators:*
 - *The accident frequency rate for permanent and temporary employees (= the number of work-related accidents leading to absence from work x 1,000,000 / the number of hours worked);*
 - *The accident severity rate for permanent and temporary employees (= the number of days' absence from work following industrial injury x 1,000 / the number of hours worked);*
- *A qualitative section designed to share best practices and provide feedback on developments within the Group.*

In order to complete this prevention system, at the "Safe Autumn Meeting" the Group launched the "10 Savencia Safety Essentials". This is a set of operational rules designed to prevent the risk of potentially serious accidents. Each "Essential" comprises 4 simple visual rules that can be applied by everyone in all circumstances. The deployment of these "Essentials" started in 2020 in all subsidiaries. They are being implemented via a deployment and coordination kit developed especially in all the Group's languages.

Risks **other than** for employee health and safety

The Group's annual social reporting provides details, inter alia, of:

- Annual (permanent and temporary) headcount including details of hires and departures;
- The breakdown of employees by age;
- Gender equality and the employment and insertion of handicapped persons;
- Working hours and absenteeism;
- Training;
- Compensation and social contributions.

The applicable data is analyzed in detail as a means of measuring the effectiveness of initiatives or policies and determining any requisite corrective measures.

In parallel, the Group attaches great importance to the quality of life at work and to social relations conceived of as a source of wellbeing and lasting performance. Social dialogue is encouraged via employee representation at all levels of the Group, with:

- Local representative bodies at the level of each subsidiary;
- An Employee Representative Committee for France which meets twice yearly;
- Joint employer/employee committees in France charged with monitoring the contractual arrangements for providence and health benefits and collective retirement savings schemes;
- a European Works Council (EWC), that meets once a year, managed by an operating agreement, revised by an amendment on 16 October 2019, in accordance with the provisions defined by Directive 2009/38/EC of the European Parliament and of the Council of 6 May 2009 and its transposition into French law by Ordinance No. 2011-1328 of 20 October 2011, transposing the Directive.

Attentive to its employees, the Group, via its subsidiaries, regularly conducts opinion polls based on the GPTW (Great Place To Work) methodology. 78% of employees participated to the poll conducted in October 2019.

Finally, the Group has its Human Resources processes, practices and tools audited by an independent body every year, which led to it being awarded the "Top Employers" label in eight countries in 2020 (Belgium, Czech Republic, France, Germany, Poland, Slovakia, Spain and China), and benefit from the "Top Employer Europe" label.

To take into account and reduce residual risks, in 2020, the Group's human resources department, along with the Group's internal audit department, started to update the HR section of the audit grids. At the same time, EcoVadis' country assessments in the fields of "Human Rights" and "Health / Social" were included in the subsidiaries' audit calendar

5.1.2. Action plans and monitoring of results

Health and safety risks at work for employees

The key safety indicators are consolidated each month so as to monitor the effectiveness of the actions undertaken. They are communicated to all the Group's subsidiaries via the OHS newsletter (see § 5.1.1).

The deployment of "Savencia Safety Essentials" was launched in October 2020 and is progressing at a rate of one "Essential" a month. It is monitored regularly by various steering bodies and adjusted accordingly, in particular in light of health constraints. The aim is to have completed the launch of the 10 "Essentials" by the end of 2021.

Residual risks for employees **excluding** health and safety

Despite the practices in force, there may be residual risks for the Group's employees, in particular:

- In the case of subsidiaries with an industrial activity (given the nature of the jobs involved, the number of employees and the potentially significant use of seasonal or temporary employees);
- In countries with the lowest EcoVadis scores for “human rights” and “health and social benefits” (use of the average of the two applicable scores).

Therefore, at the end of 2020, the Group started to draw up a “Human Rights Vigilance” plan with the various existing staff bodies, starting with countries most at risk. This plan should be finalised in the third quarter of 2021 and implemented as soon as possible according to the evolution of the health crisis.

5.2. Risks posed for the external holders of rights

5.2.1. General remarks

For many years the Group has aimed to reduce its environmental footprint. The applicable risks are the subject of a major focus for improvement within the Group’s CSR Plan (see **Appendix 2**).

Manufacturing activity is seen as the main source of risks for the environment and for local residents. The Group’s Operations Department has thus:

- Defined 5 priority focuses for effort aligned with the major “environmental footprint” Oxygen focus:
 - o The prevention of pollution;
 - o The reduction of water drawn from the natural environment;
 - o The reduction of energy consumption;
 - o The reduction of greenhouse gas emissions;
 - o The reinforcement of the sorting and recycling of waste;
- Implemented a form of organization designed to define and implement applicable policies and monitor their deployment.

The Group’s Vigilance Plan concentrates on the first two focuses perceived as applicable to the potentially most serious impacts in the short term. The other focuses for effort are detailed in the Oxygen Plan.

5.2.2. The practices in force

Best practice guides

Best practice guides for each area of focus have been prepared for use by the Group’s manufacturing locations. They constitute as many internal frameworks enabling production sites to optimize their processes and make their facilities safer and more efficient. The best practices reflect both industry practices and experience accumulated in the field. The guides include the industrial component of our CSR Guide, the Water & Energy Guide, the Damage Prevention Guide and the Clean-in-Place Guide. Our best industrial practices are the subject of regular training for all applicable Group employees. In particular, the Savencia Academy fulfils this mission for the benefit of the Group’s managers.

NB: best practices are common to all the Group's subsidiaries, but each subsidiary remains fully responsible for compliance with the regulatory requirements of its country of implantation.

Environmental Meetings

The Group's Environmental Meetings are organized twice per year to enable its environmental correspondents to discuss topics aligned on recent developments and/or the Group's requirements. They provide the occasion for presentations by external specialists, sharing of best practices and feedback, and updates in respect of regulatory requirements, the progress of projects and developments underway. In 2019, two major topics were discussed:

- Water and the processing of effluents, with a focus on issues of hydric stress;
- The preparation of European sites for changes in European regulatory requirements.

In 2020, in the frame of the health crisis, these meetings were limited to a few remote updates on topical subjects.

CSR Energy and Raw Materials Meetings

The meetings, held every two years, are designed to review the results of CSR initiatives of the previous year and the initiatives conducted during the current year.

The prevention of pollution

With regard to Group subsidiaries' areas of activity, the two most important risks identified (in terms of their probability of occurrence and/or impact) are:

- The release of chemical products into the environment in the event of accidental leakage;
- The release of unwanted organic effluents to the natural environment and in particular, to the hydrographic network around any particular site.

Such risks may arise as a result of internal causes (equipment malfunctioning, fire, human error etc.) or external causes (in particular, associated with climatic factors).

To limit internal and technical causes, the Group conducts a policy of production and effluent treatment equipment maintenance, renovation and adaptation taking due account of:

- The envisaged volumes of production;
- The age of equipment and audits of its condition;
- The measurement of Chemical Oxygen Demand.

To limit internal human causes, subsidiaries are required to implement training plans adapted to the applicable functions and responsibilities.

Note in respect of fire risk:

Fire risk assessments are conducted at the Group's industrial sites and result in the attribution of a grade and the preparation of a report including any measures required to improve the grade. The measures are of two types:

- Measures of prevention including the implementation or development of organizational or managerial best practices;

-
- Measures of physical protection (extinguishers, fire hose stations, sprinkler networks, fireproof doors, use of specific materials, etc.) requiring investment.

Note on COD:

COD (chemical oxygen demand) is measured by the Group:

- For the gross effluents entering water treatment systems. Its comparison with the volume of site production enables the identification of any equipment incident (a peak in COD) or deterioration (a gradual increase in COD);
- For effluents following treatment and prior to their rejection into the natural environment when the Group is responsible for the process of purification. This COD is subject to regulation.

In the case of a non-conform analysis, corrective actions are implemented without delay.

Note on other forms of pollution:

The Group also takes account of noise, olfactory and airborne pollution (particles in the atmosphere). The overall level of such pollution is slight and is treated on an ad hoc basis.

The reduction of water drawn from the natural environment

Water plays an important role in the various processes implemented by the Group's industrial subsidiaries:

- As a technological adjunct to product manufacture;
- In cleaning, necessary to preserve a high standard of hygiene and food safety;
- As a warming or cooling fluid;
- As a component of fire prevention or firefighting equipment.

The Group has implemented a certain number of measures designed to reduce such water consumption:

- The optimization, renovation or complete renewal of existing cleaning equipment;
- Training in and awareness-raising as to best practices for personnel in charge of manual cleaning;
- Recuperation, by evaporation or inverse osmosis, of part of the water contained in milk or whey which can then be used as a warming fluid or, after treatment, for external cleaning of equipment.

In parallel:

- The Group engages in concertation with the French dairy and cheese-making industry with a view to defining more effective practices and technologies for the use of water;
- Every project for the renovation or renewal of the Group's manufacturing infrastructure must take this issue into account.

And finally, each subsidiary regularly and precisely measures the quantities of water drawn from the natural environment as a means of:

- Identifying any accidental excess consumption and implementing the necessary corrective action;

- Monitoring the long-term effectiveness of the measures implemented.

5.2.3. Action plans and monitoring of results

The prevention of pollution

Over and above its organizational measures, the Group undertakes significant investment:

- For purifying stations. The complete renovation of 5 important sites commenced in 2019.
- For fire prevention systems.

The reduction of water drawn from the natural environment

The Oxygen Plan's objective is to reduce, by 2025, the Group's water consumption for its industrial sites, in m³ per ton produced, by 25% in comparison with 2015.

The variation in this indicator is a result of the change in scope in 2020 with the integration of new subsidiaries and the increase in cleaning procedures as a result of the health crisis. The development of products from differentiated milk requires more frequent cleaning which also results in an increase in our water consumption.

	2018	2019	2020	2025 objective
Reduction of water consumption (in m ³ per ton produced)	2.3%	0.3%	1.7%	-25%

6. Consumers

Consumers are holders of rights external to the Group (see § 3) potentially impacted by its activity either directly (direct sales by a subsidiary to consumers) or indirectly (products acquired by consumers via resellers). Their rights are the following:

- The right to information in respect of the products they consume;
- The right to food safety.

6.1. Information of consumers

All Group subsidiaries comply with the consumer information requirements applicable to all the markets in which its products are manufactured and sold.

The requirements are of two types:

- Requirements applicable to the safety of consumption of products: declaration of allergens, conditions (notably of temperature) applicable to product conservation and periods of conservation (use-by dates or best-before dates);
- Requirements applicable to the characteristics of the product purchased: sale description, list of ingredients, nutritional tables, quantity etc.

Over and above regulatory compliance, the Group is attentive to providing consumers with sincere and clear product information, not suggesting inexistent or exaggerated product benefits and not inducing the consumer into error in respect of products' characteristics. Responsible communication is a component of the Group's CSR commitments in the framework of its Oxygen program.

Verification of the regulatory compliance of labels and any and all other supports of consumer communication, and of compliance with the Group's commitments in respect of responsible communication, is performed by subsidiaries and more precisely, by compliance or quality managers or by legal specialists in the case of certain markets. Assistance may be provided as necessary by the Group's Food Law Department and may, if required, be based on its regulatory watch tool set up in 2020.

Within the Legal department, the Food Law Department engages in the following activities:

- Regulatory watch;
- Training;
- Assistance to subsidiaries in the identification, interpretation and application of regulations;
- The provision of advice to other Group departments in respect of regulatory strategy and representation of the Group on the regulatory commissions of industry federations;
- Coordination of the Group's community of interlocutors dealing with regulatory matters.

The Group believes that this form of organization and functioning mode suffice to avoid any significant breach of consumers' rights.

6.2. Consumer health (excluding nutritional aspects)

6.2.1. The practices in force

The Group's Quality Department analyzes the risks for consumer health induced by the Group's activities and, in liaison with the Group's various other players (Activity directors, subsidiaries' directors, plant directors, experts), defines the appropriate policy of prevention and implements plans for reduction of those risks.

The risks for consumer health (excluding nutritional aspects) are essentially related to the potential contamination of the Group's products by:

- Pathogenic micro-organisms which may be responsible for food poisoning;
- Foreign bodies;
- Chemical contaminants (e.g. pesticides);
- Food allergens (substances liable to generate allergic reactions) identified by the applicable regulations.

To reduce those risks, the Group has implemented procedures, best practices, control plans and a policy of certification.

Procedures

Procedures exist for all areas of the Group's production:

- Pre-delivery inspection: all Groupe Savencia product batches transferred outside the Group are subject to an inspection, based on one or more food safety microbiological criteria, which conditions their release;
- Specific approvals: for launch of a new product, significant modification of an existing product or transfer of product manufacture between two sites.

Best practices

Best practices for controlling the aforementioned risks reflect capitalization of the experience of the Group's experts and operating personnel. Whether shared or function-specific, they allow the subsidiaries to discuss the problems encountered and provide corrective solutions.

Certification policy and system for managing food safety

Several food safety certification frameworks exist:

- ISO 22000, issued by the International Organization for Standardization;
- Private frameworks, some of which meet the requirements of the Global Food Safety Initiative (GFSI), such as:
 - o FSSC 22000 (the Food Safety System Certification), which is based on ISO 22000;
 - o The BRC (British Retail Consortium's) standard;
 - o IFS (International Featured Standards);
- "National" standards imposed for certain import markets.

With regard to food safety, the Group's certification policy established in 2016 requires each production site to be certified in accordance with an international framework recognized by the Group. Group Quality assists sites in implementing the requisite management systems and associated audits, and equally centralizes the list of all certifications held or in process of acquisition in the field of food safety. A new inventory system will be tested in 2021.

Control over supplier risks associated with food safety

The Group has developed audit procedures for its strategic suppliers of raw materials and MICAÉ (*Matériaux Incorporables, Consommables, Additifs & Emballages*, i.e. additional ingredients, consumables, packaging and other supplies). The audits are performed by joint purchasing/quality teams on the basis of a checklist reflecting the Group's specific requirements. Their results are monitored over time.

The audit programme was suspended in 2020 as a result of the restrictions relating to the health crisis.

6.2.2. Action plans and monitoring of results

The Group will pursue its certification policy in 2021.

7. The Group's Internal Audit Department

The Group's Internal Audit Department reports to the Group Chairman and is in regular contact with the Audit & Risks Committee of the Group's Board of Directors. Via its recommendations, it contributes to improving the organization's safety and overall performance. Its missions are as follows:

- To identify and control risk exposures via a structured approach focusing on the issues faced by the Group, and its businesses, for the purpose of safeguarding its assets;
- To assess the Group's degree of control over its operating and functional processes and its operating performance with regard to the organization's strategic, operating and financial preoccupations;
- To assess the relevancy and effectiveness of those processes in terms of their compliance with the applicable rules, standards, procedures and legal and regulatory requirements;
- To verify the integrity, reliability, completeness and traceability of the information produced;
- To propose focuses for improvement or progress by sharing the best practices observed for each business or function;
- Eventually, to contribute to certain missions of assistance notably in the context of acquisitions.

In the exercise of its functions, Internal Audit thus has occasion to review the resources devoted and controls implemented by Group subsidiaries, including those within the scope of the present Vigilance Plan. Its action in this respect is:

- Complementary to the Group's functional (Quality, Health & Safety, Insurance etc.) audits and to its external audit;
- Transversal (i.e. covering several business cycles or topics);
- Periodic (each subsidiary is audited every 3-4 years).

8. The alert mechanism

Group Compliance has implemented a unified technical system for receiving Compliance alerts consisting in:

- A telephone number : + 33 1 34 58 64 14
- An email address : compliance@savencia.com
- A postal address :

The Compliance Director of Groupe SAVENCIA
42 rue Rieussec
78223 Viroflay Cedex
FRANCE

The bases for processing any alert in respect of the duty of care transmitted via the aforementioned channels, whether by stakeholders internal or external to the Group, are defined in **Appendix 10** to the present document.

APPENDIX 1: THE GROUP AND ITS CULTURE

THE GROUP AND ITS **CULTURE**



**GROUPE
SAVENCIA**
Saveurs & Spécialités

CONTENTS

- 03 The importance of culture in our Group**
- 04 The fundamentals of our Group's culture**
 - Our vocation
 - Our goals
 - Our values
 - Our principles for action
 - How we operate
- 06 Shared responsibilities**
 - Our main policies: a reminder
 - Human resources management and respect for others
 - Food safety and product quality
 - Respect for the environment
- 10 Our rules of proper professional conduct**
- 12 Implementation of our culture**
 - Applying our culture
 - You, as a Group employee
 - You, as a supervisor or a manager
 - Whistle-blowing
- 14 The United Nations Global Compact**

THE IMPORTANCE OF CULTURE IN OUR GROUP

OUR FAMILY GROUP BRINGS TOGETHER COMPANIES
ON A HUMAN SCALE BOUND BY A STRONG CULTURE
SHARED BY ALL, AT ALL LEVELS.

In our strive towards excellence, we seek **the satisfaction of our customers and consumers and of all those who work in and for the Group.**

Economic development, respect for others and the preservation of natural resources: we seek balanced performance and take decisions **with a view on the long-term.**

We consider the respect of human rights and of environmental and labor laws, food safety and fighting corruption as both demanding and essential, and compatible with the quest for sustainable performance.

Our culture guides our behavior and decisions, and allows each and every one to work harmoniously within the Group.

Alex BONGRAIN

Armand BONGRAIN

THE FUNDAMENTALS OF OUR GROUP'S CULTURE

OUR CULTURE INSPIRES, GUIDES AND UNITES IN
THEIR ACTION THE WOMEN AND MEN WHO WORK
IN GROUPE SAVENCIA.

OUR VOCATION

LEADING THE WAY TO BETTER FOOD

OUR GOALS

- Manufacture and sell products and services of very high quality, that perfectly meet consumer and customer expectations, and are subject to constant innovation.
- Encourage the professional and personal wellbeing of the women and men working in and for the Group.
- Secure and reward the Group's capital employed and preserve its independence and autonomy of decision.
- Participate in the economic and social development of the countries in which the Group is established and serve the common good.



Groupe SAVENCIA Saveurs & Spécialités - THE GROUP AND ITS CULTURE



OUR VALUES

Our values provide a moral basis for the actions and behavior of all. Working in our Group implies recognizing these values and applying them.

- **Tolerance**

Accepting and understanding others.

- **Courage**

Exercising one's responsibilities fully and recognizing one's errors.

- **Honesty**

Respecting the truth and not masking it.

- **Loyalty**

Being true to the Group, which, in turn, supports its members.

OUR MANAGEMENT METHODS

These are tools helping enhance our individual and collective efficiency.

- **The strategic process**

It sets the goal and how to achieve it.

- **The budget process**

The budget allows for a formalization of action plans and provides detailed numbers for the first year of the Long Range Plan (LRP).

- **The joint review of goals**

It allows for delegation and responsabilization of all, through the setting of objectives for improvement.

OUR PRINCIPLES FOR ACTION

Our principles for action help cement the Group's identity and cohesion. To work effectively in the Group requires an understanding of, and compliance with, three fundamental and inseparable principles.

- **Subsidiarity**

Not doing at a higher level what can be satisfactorily accomplished at a lower level.

- **Collegiality**

Sharing information and preparing decisions with others, in order to obtain the best advice.

- **Autonomy**

Fully exercising one's responsibilities within the framework of a clear and precise delegation of authority.

The constant quest for progress in all fields, through the implementation of our culture, allows for progress towards Excellence.

SHARED RESPONSIBILITIES

OUR CULTURE AND VALUES GUIDE US IN ALL OUR PROFESSIONAL ACTIVITIES AND DECISIONS.

More particularly so in the following areas:



OUR MAIN POLICIES: A REMINDER

The Group complies with its legal obligations in all the countries in which it operates. Management's focus is on:

- **The Group's men and women**, via team management emphasizing advice, assistance, training and personal development.
- **Our products and brands**, from design to distribution, aiming for optimal quality and price and real product differentiation, with reliable standards of hygiene and food safety.
- **Our consumers and customers**, by permanently seeking to satisfy their expectations through product quality, source of their wellbeing.



HUMAN RESOURCES MANAGEMENT AND RESPECT FOR OTHERS

People management is based on the Group's culture, its goals, its values and its principles for action. The Group applies a dynamic, open and responsible human resources policy.

● The Group's commitment and the example set by management

The Group's human resources policy is set out and communicated to all the managers in charge of its implementation at their respective levels.

They are responsible for perpetuating the Group's culture and ensuring social cohesion and the highest possible competency and motivation on the part of all.

● Respect for others

Relationships between employees are based on trust, mutual respect and the will to treat each individual with dignity.

● Non-discrimination and diversity

The Group offers its employees equal opportunity as regards access to employment, remuneration, development, professional mobility and personal wellbeing.

Given the specific nature of its geographical presence, the Group takes into account local and cultural diversity when recruiting.

The Group employs apprentices and encourages its subsidiaries to mobilize on behalf of disabled persons and other disadvantaged populations.

● Employee development

The Group is attached to developing the talents of all its employees and implementing appropriate training.

Mobility, both geographic and crossfunctional, is considered a major pillar of people development and is encouraged through career development policies.

● Responsible management of restructuring

When restructuring is necessary, the Group undertakes "never to leave an employee alone when faced with an employment problem", through promoting deliberate and positive internal mobility policies.

● The social climate

Relationships and dialogue with employee representatives are based on mutual respect and attentiveness, with the goal of joint development of both the company and its staff.

● Privacy and health and safety at work

Providing each of its employees with safe working conditions, ensuring their physical and mental integrity, and respecting their privacy, is a dear priority for the Group.

Preventive measures are taken by all companies, and health and safety at work are everyone's concern.

● Compliance with prevailing laws and practices

The Group's Human Resources policy abides by the laws and practices of the countries in which it operates.



FOOD SAFETY AND PRODUCT QUALITY

Hygiene, food safety and quality are imperative necessities that take precedence over economic considerations.

All Group products must strictly conform to the regulations applicable in each country where they are sold.

● **Food safety**

Hygiene and food safety must be taken totally into account at all stages of the business: purchasing, production, distribution, etc.

The search for savings must always be subordinated to compliance with our objectives in respect of hygiene, safety and quality. These must never be compromised.

General Management organizes regular reviews of hygiene and product safety at both its plants and warehouses.

● **Product compliance**

Products are regularly evaluated in terms of standard, production quality regularity and market fit.

General Management approves the Group's quality control methods.

Quality managers are independent from Industrial managers.

● **The precautionary principle and risk prevention**

The precautionary principle and risk prevention must be applied by all, at all times.

The Group's plants prepare for the unexpected by designing recovery action plans.

Product quality superiority is a «must», constantly sought, from design to distribution.

RESPECT FOR THE ENVIRONMENT

Taking into account the environmental impact of our activities, based on transforming natural, quality raw materials, is an imperious necessity as manifested by the Group's environmental commitments and in the initiatives implemented at its subsidiaries, worldwide.

● From eco-design to eco-management

The protection of the environment is taken into account when designing our products and managing our manufacturing facilities.

Our approach is one of continuous improvement and is founded in the training and empowerment of each Group employee.

It is designed to optimize our natural resources' consumption by improving the energy efficiency of our production processes, limiting waste and pollution and reducing the environmental footprint of each of our sites.

● Environmental issues

Our main environmental issues relate to the consumption of water, energy and raw materials, as well as to packaging and transport.

Particular attention is paid to controlling and treating discharges into the air and water, especially via wastewater treatment and its discharge into the natural environment.

OUR RULES OF PROPER PROFESSIONAL CONDUCT

THE GROUP, ITS SUBSIDIARIES AND ALL ITS EMPLOYEES APPLY IMPERATIVE RULES OF PROPER PROFESSIONAL CONDUCT.

1 CORPORATE GOVERNANCE

The Group complies with strict standards in matters of corporate governance, internal control and risk management.

2 REGULATIONS

The Group respects applicable regulations, in all the countries where it operates. For listed securities, it ensures compliance with its internal procedure designed to prevent insider trading. The procedure requires employees holding privileged information not to make use thereof for their personal profit, to protect it and not to divulge it.

3 INFORMATION MANAGEMENT

We believe that the honesty, exactitude and precision of our financial, legal, economic, industrial, commercial, social and environmental information are essential to preserve our Group's credibility and reputation, and ensure its effective and profitable development. Confidential information such as intellectual property, manufacturing know-how, analyses, strategic plans and financial, technical and commercial information are the object of specific and very strict protective measures.

4 CONFLICTS OF INTEREST

Group employees must avoid any situation liable to present a conflict of interest or give the impression of influencing their judgment and acts and inform their superiors and obtain approval of their conduct whenever confronted with such a situation. They must not accept gifts or invitations liable to influence their judgment or unreasonable in amount.

5 PREVENTION OF FRAUD AND CORRUPTION

The Group is committed to strict compliance with international laws against terrorism and money-laundering. Corruption in all its forms is unacceptable and incompatible with the Group's culture.



**6 RELATIONSHIPS
WITHIN THE GROUP**

Interpersonal relationships must always give precedence to the collective interest as opposed to individual interests.

**7 RELATIONSHIPS
WITH
SHAREHOLDERS**

The Group provides its shareholders with sincere and reliable information, and communicates while maintaining the necessary strategic and commercial confidentiality.

**8 RELATIONSHIPS
WITH PARTNERS**

The Group wishes to build solid and lasting relationships with its partners, founded in honesty, co and mutual interest.

It respects its partners' title to any goods or intellectual property entrusted to it, as well as the confidentiality of any information shared. It encourages all its partners to share its own commitments.

•Consumers, customers and distributors

The Group is committed to promoting its goods and services in an honest and loyal manner and attaches importance to the correctness of its declarations, presentations and other communications and to the trust that can be placed therein.

•Vendors and sub-contractors

The Group selects its vendors on the basis of open and competitive tenders, all of which it reviews on an equitable basis.

The Group prefers those vendors that share its commitments and accept the associated constraints in particular as regards working conditions and respect of human rights and the environment.

•Financial partners

The Group regularly communicates with its financial partners and provides them with reliable financial data.

**9 RELATIONSHIPS
WITH COMPETITORS**

The Group acts on the basis of loyal competition, fully respecting all applicable laws.

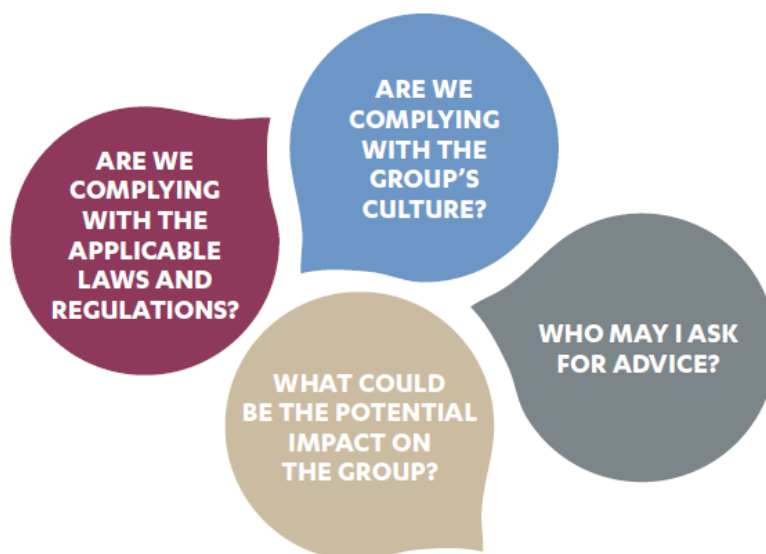
**10 COMMUNITY
RELATIONSHIPS**

The Group encourages its entities and their employees to support local initiatives in favor of solidarity, health, education, economic and social development, culture and sport.

IMPLEMENTATION OF OUR CULTURE

ADHERENCE TO THE GROUP'S CULTURE IS
REQUIRED OF ALL EMPLOYEES.

If you are confronted with an ethical issue,
ask yourself the following questions:



*In doubt, voice your preoccupations,
and request advice from your colleagues
or management.*



APPLYING THE GROUP'S CULTURE

The Group's culture should be the concern of all Groupe SAVENCIA employees worldwide. It is of particular importance to Management and the members of Management Committees, at both the head office and the subsidiaries, who must ensure its proper implementation.

In the framework of its mission throughout the Group, the Internal Audit department assesses compliance with the Group's policies, principles for action and recommendations and more particularly, with those fundamental to our culture.

● YOU AS A GROUP EMPLOYEE

You must comply with and apply the Group's culture.

It is designed to guide you in your decisions and in answering the questions you may ask yourself during your day-to-day professional duties.

● YOU AS A SUPERVISOR OR A MANAGER

You must be an example, and promote knowledge of the Group's culture and ensure it is complied with by all.

Your staff may ask you for help and advice and if so, it is your duty to respond.

WHISTLE-BLOWING

When a Group employee believes that the Group's ethics are being breached, he or she has the duty of alerting his or her direct superior or, if necessary, a Manager of his company or, a Group Manager.

THE UNITED NATIONS GLOBAL COMPACT

GROUPE SAVENCIA ADHERED TO THE UN'S GLOBAL COMPACT IN 2004 AND IS COMMITTED TO SUPPORTING AND IMPLEMENTING, WITHIN ITS AREA OF INFLUENCE, THE COMPACT'S TEN FUNDAMENTAL PRINCIPLES SET OUT ON THE FOLLOWING PAGE.

THE TEN FUNDAMENTAL PRINCIPLES

The UN Global Compact's principles are derived from:

- The Universal Declaration of Human Rights.
- The Declaration on Fundamental Principles and Rights at Work.
- The Rio Declaration on Environment and Development.
- The United Nations Convention against Corruption.

HUMAN RIGHTS

1 Businesses should support and respect the protection of internationally proclaimed human rights.

2 Businesses should make sure they are not complicit in human rights abuses.

LABOR LAWS

3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

4 Businesses should uphold the elimination of all forms of forced and compulsory labor.

5 Businesses should uphold the effective abolition of child labor.

6 Businesses should uphold the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

7 Businesses should support a precautionary approach to environmental challenges.

8 Businesses should undertake initiatives to promote greater environmental responsibility.

9 Businesses should encourage the development and diffusion of environmentally friendly technologies.

FIGHT AGAINST CORRUPTION

10 Businesses should work against corruption in all its forms, including extortion and bribery.

APPENDIX 2: "OXYGEN", THE CSR APPROACH OF GROUPE SAVENCIA

Oxygen: 4 major progress focuses by 2025



Offer healthy pleasure & responsibility

Improve the nutritional quality and design of our products and promote responsible consumption.

- Provide clear nutritional information for 100% of our branded products.
- Deploy a clean label approach for 100% of our branded new products.
- Each company to propose plans for progress, products or packaging compliant with Savencia's responsible Design Charter.
- Support consumers in developing practices of healthy and responsible consumption practices.
- Deploy staff training in nutrition and responsible consumption plans to 100% of the Group's companies by 2025.

Co-develop sustainable agriculture

Co-develop more sustainable supplies in conjunction with our agricultural raw material suppliers and promote responsible purchasing.

- Extend the Best Farming Practices Charter to all our milk collection areas worldwide by 2025.
- Deploy our "Sustainable Milk Production" diagnosis, with 10 drivers for improvement, with 50% of our milk producers by 2025.
- Co-develop milk produced from herds fed GMO-free diet and from organic agriculture.

-
- 90% of our cocoa beans come from long-term partnerships with our farmers in 2025.
 - 90% of regional sustainable quality sector supplies for pork rillettes in 2025.
 - Responsible purchasing for the majority of our strategic agricultural raw materials by 2025.
 - Develop responsible purchasing from all suppliers except agricultural raw materials via the Group Charter for Responsible Purchasing.

Reduce our environmental footprint

Reduce the greenhouse gas emissions of our activities, control our water resources, optimize waste management, develop the eco-design of our packaging.

- Reduce our energy consumption and greenhouse gas emissions for production and transport by 25% by 2025 (per ton vs 2015).
- With fuel consumption reduced by 25% by 2025 (per km vs 2015).
- By increasing our consumption of renewable energies.
- Reduce water consumption captured in the natural environment by 25% by 2025 (per ton vs 2015).
- Reduce the carbon footprint of our milk collection by 300,000 tons of CO₂ equivalent by 2025 (vs 2010).
- Develop sorting and recycling of industrial waste and contribute to more circular solutions.
- Aim for 100% of recyclable or biodegradable packs for our branded products.

Foster our employees' wellbeing

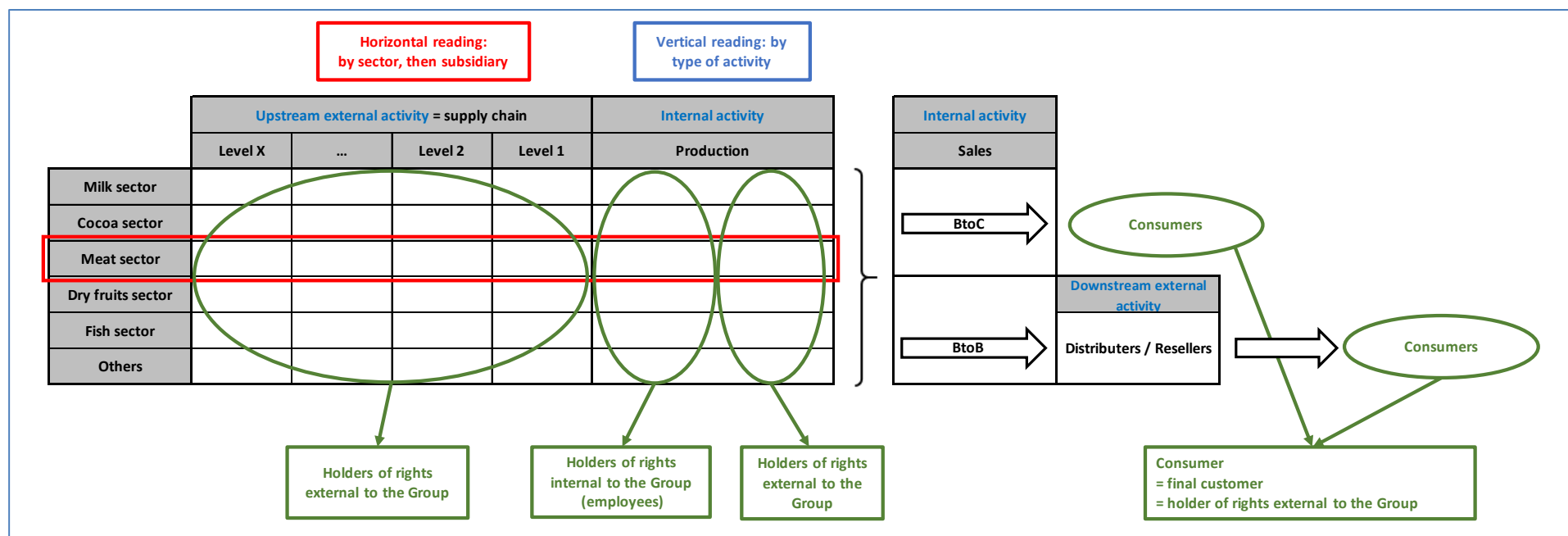
Guarantee the safety of our employees, improve the quality of life at work, develop skills, commit to diversity and inclusion, and foster a solidarity commitment.

- Improve Health and Safety at Work with the goal of 0 accident.
- Perform opinion surveys and implement plans for progress in 100% of our companies to improve quality of life at work.
- Commit to diversity and inclusion. Reach gender parity for managers by 2025.
- Develop skills. Double the number of apprentices by 2025.
- Each subsidiary to achieve an action of solidarity related to our mission of "Leading the way to better food".

APPENDIX 3: NOMENCLATURE OF POTENTIAL RISKS

Classification of Vigilance risks potentially generated by Groupe Savencia's operations			
Risk categories	Examples	Holders of rights	Rights impacted
Employment	Working conditions	No employment contract, excessive hours, no holiday leave etc.	<ul style="list-style-type: none"> - Right to employment - Right not to be subjected to forced labour - Right to equitable remuneration - Right to equal protection against all forms of discrimination - Right to equitable working conditions (including in matters of safety and hygiene) - Right to set up/join the trade union of one's choice - Right to rest periods, to periodic holiday, to respect of official working and leisure hours - Right to health, social security and other social insurance - Right to education (children)
	Remuneration	No payment, no application of any minimum wage, monopolistic imposition of slave wages etc.	
	Forced labour	Intimidation, violence, retention of identification documents, denunciation to migration authorities etc.	
Health and safety	Employees	Non-compliance with infrastructure requirements, manipulation of chemicals, absence of safety equipment, no access to care in the event of injury etc.	<ul style="list-style-type: none"> - Right to equitable working conditions (including in matters of safety and hygiene) - Right to health and healthcare access - Right to social security - Right to information
	Consumers	Health impact of products	Right to health and to information on products consumed
The environment	Pollution (air, water, land)	Pollution by industrial, farming etc. effluent Pollution by use of chemical products (pesticides etc.)	<ul style="list-style-type: none"> - Right to live in a healthy environment - Right to food - Right to water - Land rights - Right to health - Right of access to justice - Right to information
	Reduction of human and animal habitats	Deforestation Expropriation to extend farming, mining etc. activities	
	Excessive use of resources	Deforestation Exhaustion of fishing resources Exhaustion of water resources	

APPENDIX 4: RISK-MAPPING METHOD



APPENDIX 5: CHARTER FOR GOOD AGRICULTURAL PRACTICES



Charter in 2012



41 sections organized in 6 chapters

Evolutions on the contents

IDENTIFICATION OF ANIMALS



1 To guarantee total traceability of my animals, I make sure they are identifiable according to current legislation.

1.1 - To ensure the traceability of my animals, I make sure the tagging of all my cattle is thorough and up-to-date.

Evolution

1.2 - To facilitate the permanent follow-up of cattle in France, my identification papers are up-to-date.

1.3 - To enable the follow-up of animals once they have left my holding, I keep information on their destination.

HERD HEALTH



2 Out of respect for both public health and my animals, I make sure my herd is in good health.

NEW

2.1 - I globally manage the sanitary risks in the light of the conclusions of the latest cattle health visit to my farm.

NEW

2.2 - To guarantee the good use of medicines, I have had my veterinarian carry out a health assessment of my holding. He has drawn up a treatment protocol. I can produce the prescription for all prescription medicines I am using.

Evolution

2.3 - To keep a trace of all sanitary events and any treatments carried out, I keep an up-to-date sanitary log. I ensure any sanitary instructions are transferred.

2.4 - To avoid contamination within my herd, I may isolate sick animals.

2.5 - For preventative measures, I keep my installations clean.

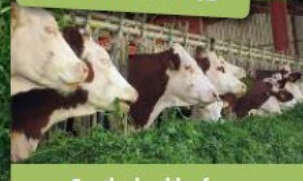
Evolution

2.7 - So that there are no residues of medicines in the products I sell, I respect the scheduled waiting periods for milk and meat, and I implement a system to identify treated animals until the end of the waiting period.

2.8 - To limit contamination risks, I have animal carcasses and veterinary waste removed via the organised procedures.

2.9 - For consumer protection, I inform my buyer of any sanitary problem. I undertake not to put any product on the market that I know could be dangerous for human health and to inform my clients as soon as possible if the product has already been delivered.

FEEDING THE ANIMALS



3 For the health of the consumer and that of my animals, I guarantee my herd is given feed that is healthy, balanced and traceable.

3.1 - I feed my animals in accordance with their needs, and they are in good physical condition. My veal calves are given good quality milk and fibrous feed in sufficient quantity.

Evolution

3.2 - So that the feed I distribute does not harm the health of my animals or consumers, I control the hygiene of its production, conservation and distribution.

3.3 - To avoid accidental contamination of my herd or the environment, I ensure separate and appropriate storage of feed destined for different species, and of feed in relation to potentially toxic products.

Evolution

3.4 - For their health and to protect watering holes, I ensure my animals are well watered, according to their needs.

Evolution

3.5 - To ensure the traceability of feed produced outside my holding, I keep the documents detailing their nature, quantity and origin.

“
**Take the farmers’
word for it!**

The new points of the Charter make sense. They highlight simple and obvious practices in our profession. I also appreciate the fact that it includes concerns linked to our safety as farmers.

”

For further information:

contact@charte-elevage.fr

www.charte-elevage.fr



Charter for good agricultural practices

PROUD TO PRESENT GOOD PRACTICES

The Charter gets a facelift:

- The Charter sports a new logo that symbolises both the farmer, proud of his profession, and the animal.
- The website www.charte-elevage.fr/en gives the general public access to the scheme.
- The documents given to farmers are more inviting and more informative.

MILK QUALITY



4 For the health of my cows and the sanitary quality of the milk I deliver, I guarantee it is produced hygienically via my practices.

4.1 - To avoid mastitis, to preserve my cows' teats and to ensure the quality of my milk, I ensure my milking apparatus is in good working order. I ensure an annual Optitrait® check-up is carried out and execute any recommended repairs.

4.2 - Out of concern for hygiene and safety, I ensure my milk storage unit is clean and tidy. The lighting enables the installations to be monitored visually and ensures the safety of people working there.

4.3 - To avoid germs developing or the presence of foreign bodies in the milk, I correctly maintain, observe and keep the milk refrigeration equipment in good condition.

4.4 - To ensure the hygiene of the milk and to avoid it containing any residue, I ensure all equipment that comes into contact with the milk is clean and I use authorized products to clean it. In the case of a private water catchment, I test its bacteriological quality once a year.

4.5 - For good hygiene, I ensure my milking premises are clean. The premises are sufficiently well lit to enable the examination of both udders and milk and to enable human safety.

4.6 - Out of concern for hygiene, and for the welfare of my cows, I ensure that the teat of each cow is clean and healthy before milking.

Evolution **4.7** - To follow the situation of my herd and adapt my hygiene and prevention practices, I use the results of analysis carried out on my milk.

ANIMAL WELFARE AND HUMAN SAFETY



5 For my animals, and for the safety of those who work in contact with them, I ensure my herd has good hygiene and welfare conditions.

5.1 - For their hygiene and comfort, I guarantee my animals have an appropriate level of cleanliness, in all seasons.

Evolution **5.2** - For the animals' comfort, so they can be treated, and for the safe working conditions of humans, I house my animals in a sufficiently aired and sufficiently lit building, and in conditions that are in accordance with their needs.

5.3 - For their comfort and my safety, I handle my animals gently, using appropriate equipment.

5.4 - To limit stress to my animals and ensure the safety of external actors, if I practice dehorning, I use appropriate techniques.

5.5 - For their comfort, in the case of open-air farming, my animals have access to a natural or artificial shelter.

Evolution **5.6** - For my animals' welfare, I ensure they avoid injury.

NEW **5.7** - To ensure human safety, I analyse the risks on my holding.

PROTECTION OF THE ENVIRONMENT



6 I contribute to environmental protection.

Evolution **6.1** - Because the appearance of my holding contributes to the image of my profession, and out of concern for hygiene and human safety, the approach roads are presentable and the farm surroundings are welcoming.

6.2 - To preserve water resources, I stock farm effluent in such a way as it does not contaminate the surroundings.

Evolution **6.3** - For water protection, I plan and record my fertilisation practices. I rationalise fertilisation from farm fertiliser that I produce. I respect the schedule and spreading distances for animal excrement.

6.4 - To preserve the health of humans and animals, and to protect the environment, I rationalise and record my phytosanitary treatment and take care to use these products efficiently and in accordance with regulations.

Evolution **6.5** - To ensure human safety and avoid leaks into the surroundings, I store phytosanitary products in a closed area. I use protective clothing when handling phytosanitary products.

Evolution **6.6** - Out of respect for the environment and landscape, I have identified and use the appropriate treatment procedures for the different waste produced on my holding.

NEW **6.7** - For water protection, my rivers have grass borders (or trees).

NEW **6.8** - To preserve biodiversity and because they stock carbon, I respect my holding's "semi-natural" zones and permanent grasslands.

NEW **6.9** - To save water, I keep an eye on my consumption. I limit leaks and implement thrifty practices.

NEW **6.10** - To save energy, I am careful about my consumption of fuel oil, gas and electricity.

“
**Take the farmers' word
for it!**

The Charter has a very attractive new image
and the documents make you want
to read them.”

The Charter: spreading awareness and supporting farmers to help them progress

The farm is the first link in a chain of quality that runs "from the farm to the fork". Cattle farmers carry out a profession requiring many skills and solid vocational training. The Charter is there to support them and help them progress in their professional practices.

ADHERING TO THE CHARTER IS A FARMER'S VOLUNTARY AND INDIVIDUAL CHOICE

Farmers who sign the Charter respect precise criteria that very often help them anticipate regulations. In adhering to the Charter, cattle farmers make 6 key commitments:

- to ensure the traceability of the animals on their farm;
- to supply them a healthy, balanced and monitored diet;
- to ensure their welfare and health;
- to supervise the safety of people working on the farm;
- to contribute to the protection of the environment;
- to protect product quality through meticulous hygiene.

PRACTICALITIES OF THE CHARTER: HOW TO ADHERE?

1: The farmer meets a farming technician with whom he discusses his situation and seeks ways he could possibly improve his practices. It is an opportunity for him to assess his situation and to see what level he is at in relation to the Charter's requirements.

2: Depending on the results of the audit, his membership can either be validated, or deferred until he has reached the required level.

3: He then receives a visit (every 2 years) from the farming technician to validate his skills and to study the points on which he need to make further progress.

A QUALITY SYSTEM - WITH INDEPENDENT INTERNAL AND EXTERNAL AUDITS - ON ALL LEVELS.

“The Charter groups 110,000 farmers who are proud of their profession and expertise, and who want people to know it.”

A POTTED HISTORY OF THE CHARTER AND A LOOK TO THE FUTURE

“ After more than 10 years of existence,
the Charter has evolved and has reinforced
its strengths and priorities
for securing the cattle sectors
and preserving the environment.

The Charter: a collective success, incontestable achievements, and a necessary adaptation

Launched in 1999, the Charter was reviewed in 2003 to include regulations on the farming register and the emergence of Reasoned Agriculture. It was edited once again in 2007 to take into account regulations on the hygiene package, requirements linked to the conditionality of CAP subsidies, and to widen its scope to include veal farmers.

The Charter defines good practices to be respected by all farmers whatever their production system and product destination, and has provided guarantees on the farming stage of the sector for over ten years. The scheme provides unification and structure, and is the joint foundation for quality specifications of the milk and meat sectors.

The Charter is a veritable development tool for progress thanks to the vast involvement of a technical network mobilising over 2,500 technicians, and has contributed to very concrete improvements in farmers' practices (keeping a sanitary log, the traceability of food and feed, milk production hygiene, etc.).

The different regulations governing the profession of farmer continue to involve in France and in Europe. One way to respond to demands made on the cattle sectors (milk and meat) is to further adapt the Charter. It was therefore necessary to update its content.

CREATED IN 1999 IN A VERY SPECIFIC
CONTEXT

Food crises, in particular the "mad cow" food crisis, not only unsettled farmers, they also generated a need among consumers - who are increasingly urban and removed from nature and agriculture - for reassurance via improved information on the way farmers carry out their profession.

Aware of these expectations, farmers began a period of active reflection that resulted in the creation of the Charter for Good Agricultural Practices in 1999. For the farmer that adheres to the Charter, it is a tool for progressing in and self-evaluating his practices. For the general public, it is a tool for information, a sort of highly transparent "open book" for all, about the way farmers carry out their profession.

The 2012 version: a more precise charter, adapted to today's profession of farmer

1. Ever increasing demands regarding the sanitary safety of products:

The good practices linked to product safety, which are at the heart of the farming profession and are a priority for processors, remain the Charter's number one priority. In this new version, the good practices of animal health and their link to the quality of products are reaffirmed and reinforced.

2. Introduction of the safety of people on the form:

Farmers who have signed the Charter are now aware of and have committed to concerns such as ensuring the working safety of farmers (handling animals, milking cows, etc.), ensuring the safety of external actors (dairy drivers, animal purchasers, etc) and carrying out an assessment of dangers on the farm.

3. The powerful rise of environmental issues:

Carried by the "Grenelle de l'environnement," environmental issues have occupied a major position in the cattle sectors for some years now. The new version of the Charter puts environmental basics back at the heart of good practices (water quality, landscape, waste management, biodiversity preservation, carbon storage, and energy saving).

4. Census of all persons working on farms that adhere to the Charter:

The number of cattle farms tends to diminish year after year. This partly masks the real number of farmers and people who live from cattle farming. It has therefore been decided to carry out a census of people working today on farms that adhere to the Charter.

For further information:

contact@charte-elevage.fr

www.charte-elevage.fr/en

or find us on Facebook:
www.facebook.com/charte.elevage

CHARTER STATISTICS



90 %

of milk produced in France of cattle raised in France

comes from farms adhering to the Charter. These high percentages are a measure of just how committed farmers and its related channels are to the quality and transparency of their practices in relation to the general public.

77 %

of cattle raised in France.

50

It is the average number of cows that the farmers adhering to the Charter hold.

APPENDIX 6: CHARTER FOR RESPONSIBLE SUPPLIER RELATIONS



Charte RELATIONS FOURNISSEURS RESPONSABLES

Charter for responsible supplier relations

PREAMBLE

A study of applications filed with the Credit Mediation Department, *Médiation du crédit*, since its establishment in November 2008 has revealed a certain number of problems in SMEs' relations with their major contractor customers.

This Charter has been drawn up jointly by *Médiation du crédit* and the CNA (national purchase council) to solve these problems. It commits the large contractors that have signed the charter to work on improving their relations with their suppliers, especially when these are small and medium-sized enterprises (VSE-SMEs).

The signatory contractors affirm that they are resolved to apply the good practices described below and to discharge their responsibilities in an environment of mutual trust with the suppliers, based on the full knowledge of and respect for each party's rights and obligations.

It is clearly established for all the signatories that:

- All of this Charter's commitments, and their implementation, are to be understood in the frame of the market economy legislation in force and the European and national provisions governing business relations (French commercial code) as well as, for the companies and bodies concerned, public procurement legislation;
- Some of the signatories already apply all or part of the Charter's principles;
- The Charter concerns on the whole:
 - Companies and bodies with a large purchasing volume;
 - Large purchases, for both buyer and seller (the term "strategic suppliers" in Article 2 refers to suppliers selling one or more products or services which are of strategic importance for one of the purchaser's lines of business).

CHARTER OF “TEN COMMITMENTS FOR RESPONSIBLE PURCHASING”

1. Guarantee fair financial treatment for suppliers

The large contractor's responsible attitude consists of making payment in keeping with the Economic Modernisation Act (LME), strictly and faithfully applying its provisions. The signatories undertake to refrain from distorting the spirit of the act and to refrain, in their dealings with small and medium-sized enterprises, from practices such as:

- Imposing excessive discount rates in return for compliance with the LME's payment terms;
- Unilaterally applying an unreasonable deduction for disputes when they make payment, except where otherwise stipulated by contractual provisions;
- Withholding information from the supplier in the event of a dispute;
- Deliberately delaying the handling of a dispute.

2. Promote co-operation between large contractors and strategic suppliers

The large contractors intend to co-operate with their strategic suppliers by, for example:

- Sharing qualification and final approval costs;
- Helping their core SME strategic suppliers with their business performance (production, purchasing, etc.);
- Helping SMEs to make the most of existing arrangements;

With full respect for the management of the companies concerned.

Customer and supplier will embark upon this approach in good faith, by means of an agreement as the case may be, refraining from any practice resembling de facto management and aiming solely to establish a partnership relationship.

3. Reduce the risks of mutual dependence between contractors and suppliers

A contractor that accounts for too much weight in an SME's business could represent a risk in the event of a sudden change in order volumes. Consequently, any actions that SMEs may take (diversification, internationalisation and improved expertise) will be positive initiatives for the contractors.

A large contractor's withdrawal will be notified in advance and phased to take into account the long-standing nature of relations with the business and, where applicable, the extent of dependence and its possibilities for diversification and adaptation.

A supplier that acquires a de facto technical monopoly may put a contractor's supplies at risk. In this case, the contractor will logically require a second supply source, which could be negotiated, for example, in the form of a normally remunerated licensing agreement.

4. Involve the large contractors in their sector

In their bilateral relations with their sector's suppliers, large contractors undertake to seek :

- To establish a relationship of trust with the company's management and, in particular, the company head, who will be asked, in keeping with this principle, to give their customer the necessary visibility over their activity;
- To develop forward management of purchasing to give suppliers visibility by notifying them in advance of discontinuations of orders and medium-and long-term business level forecasts, thereby fostering the adjustment of capacities;
- To protect the sector by refraining, as far as possible, from suddenly bringing operations back in-house in periods of crisis, and to be attentive to maintaining the subcontracting capacities and expertise required in recovery and growth periods.

Large purchasers will be attentive to the consolidation of production sectors, especially in the case of technological edge, and will promote their international deployment.

5. Evaluate the total purchase cost

When evaluating the competitiveness of supplies from different sources, large contractors will endeavour as far as possible:

- **To take into account all the cost elements** (not just compare the price of the good or the service, but include all the other costs) such as:
 - The related logistical costs borne directly by the purchaser (transport, storage, etc.),
 - The entire length of the technical development process, all back and forth processes being considered,
 - Training and upskilling time,
 - The after-sales costs calculated on the basis of equivalent services,
 - The costs of quality audits and CSR.
- **To incorporate, especially when subcontracting, all the unknowns in the evaluation of these total costs such as:**
 - Breaks in supply,
 - Product and service compliance,
 - Risks associated with handling disputes,
 - Currency fluctuations,
 - Social and political risks not covered by insurance,
 - The reliability of the after-sales service, with their potential repercussions in terms of operating losses and impact on corporate image.

6. Incorporate environmental concerns

Large customers need to anticipate sustainable development considerations and especially the environmental impacts of their purchasing policy, supply sources and their product/service technical specifications in order to prepare themselves for a probable increase in regulatory obligations in this area, future increases in fossil fuel prices and the probable taxation of emissions:

- End-of-life recycling,
- Waste treatment, pollution and energy consumption,
- Carbon footprint.

Large contractors also need to set the example to build their suppliers' awareness of their sustainable development responsibilities. They will include suppliers' performances in this area in their selection criteria.

7. Corporate regional responsibility

It is every business's responsibility to:

- Build a fabric of relations that fosters its growth while maintaining good business relations with customers and suppliers in the same region;
- Seek, in the region in which it conducts its business, to contribute as much as possible to developing economic activity.

8. Purchases: a function and a process

If a business is to comply day to day with all the principles stated, its purchasers need to be professional and:

- Be trained in purchasing techniques;
- Be personally committed to the ethics, show impartiality and objectiveness, and be able to avoid any situation that could generate conflicts of interest;
- Be briefed to use free and fair competitive tendering to ensure efficiency in keeping with the following rules: open access to calls for tender, equality of treatment for bidders, transparency and traceability of procedures, and factoring in of the total cost as defined in point 5.

The same principles apply to purchases made by third-party representatives.

9. A purchasing function tasked with steering the supplier relationship as a whole

Purchasing function players in large contractor set-ups are not solely purchasers, but also prescribers and users potentially in daily contact with the suppliers. The quality of the relationship with the suppliers is the result of teamwork, where each player's contribution is decisive. This is a collective mission.

The purchasing function steers and co-ordinates the entire commercial, financial and accounts relationship with suppliers by:

- Managing a customer-supplier relationship based on mutual respect,
- Setting up the tools needed to monitor suppliers,
- Providing information on its purchasing policy with the utmost transparency,
- Prioritising negotiations to solve commercial disputes.

The purchasing function steers and co-ordinates the business plans required to implement this Charter in addition to tracking the associated indicators and any corrective actions called for.

The contractors will appoint one or more "SME correspondent(s)" who can be contacted by the suppliers to mediate in the event of failure to solve conflicts with local purchasers.

10. Define a consistent purchaser remuneration policy

The setting of targets for purchasers – both contractors' in-house purchasers and third-party representatives — and even the structure of the variable part of the purchaser's remuneration will take in all of the economically, financially, environmentally and regionally responsible purchasing principles contained in this Charter.

IMPLEMENTATION OF THE CHARTER


The CNA and the B to B Mediation Department, *Médiation des entreprises*, will co-operate to disseminate this Charter and promote its effective application in liaison with the signatories.

In particular, the CNA will encourage all CNA member purchasers to sign this Charter.

To this end, the two bodies have undertaken to set up a steering committee, which they will co-chair and which will meet regularly at least twice a year.

These meetings will develop this Charter further, if required.

APPENDIX 7: GROUPE SAVENCIA BUYERS' CODE OF CONDUCT



**GROUPE
SAVENCIA**
Saveurs & Spécialités

CORPORATE PURCHASING

C2

**GROUPE SAVENCIA
BUYERS'
CODE OF CONDUCT**

FOREWORD :

The Groupe Savencia Saveurs & Spécialités is made up of human-sized companies, united by a strong culture that is implemented by everybody, at every level.

As part of our quest for excellence, we aim to satisfy consumers and customers and, more generally, all of those who work within and for the Groupe Savencia Saveurs & Spécialités.

Whether in terms of economic development, respect for others or the conservation of natural resources, we seek to achieve a balanced performance, adopting a long-term outlook when we make decisions. It is our view that respect for human rights, compliance with employment and environmental laws, adequate protection of personal data, food safety, the fight against corruption and influence peddling, are demanding and mandatory requirements, which are compatible with the quest for optimal economic performance and also ensure its sustainability.

The GROUPE SAVENCIA buyers' code of conduct aims to guide the buyers in performing their day-to-day role in order to fulfil the Group's societal and environmental commitments.

All of the players in the Purchasing role at GROUPE SAVENCIA are accountable for the proper application of this code of conduct.

THE 5 PILLARS OF THE PURCHASING CODE OF CONDUCT

1. BUY ETHICALLY AND WITH INTEGRITY

- Act in strict compliance with laws and regulations.
- Comply with the values, procedures and working principles of the Group.
- Ensure the Group's continued interests, banning any behaviour or action that may harm these.
- Respect our suppliers' intellectual property rights and maintain the confidentiality of technical or sales information.
- Ensure fair and open competition.
- Treat all bids fairly – on the basis of predefined and clear criteria as to both quantity and quality.

GROUPE SAVENCIA Saveurs & Spécialités - Buyers' Code of Conduct
Version: 20210504

1

- Conduct negotiations in a professional manner with respect for people and businesses.
- Provide clear and transparent justification if a supplier that meets the selection criteria of the referencing system is not deployed by a subsidiary.
- Give suppliers the opportunity to express themselves periodically on their objective assessment of their business relationship with the various entities of the Group.
- Decline any gift or invitation of an unprofessional, inappropriate or unreasonable nature.

2. COMMUNICATE AND COLLABORATE EFFICIENTLY AND HONESTLY

- In the context of calls for tender, identify needs based on reliable and, if possible, functional data in order to facilitate the emergence of innovative and competitive solutions.
- Ensure that deadlines given for responses are reasonable and adequate.
- Ensure the identical flow of information to all suppliers consulted, to afford them the same knowledge base.
- Take into account the impact of TCO (Total Cost of Ownership) in the assessment of supplier performance and in selecting their services.
- Provide successful suppliers with confirmation of their selection and the scope of the business relationship.
- Ensure that our commitments are met and help to resolve difficulties in deployment.
- Communicate the reasons for non-selection to unsuccessful suppliers.

3. BUY SUSTAINABLY AND ETHICALLY

- Ensure that agreed payment terms and conditions are effectively respected, insofar as the suppliers have fulfilled their obligations. Alert the Corporate Purchasing Department in the event of a problem.
- Assess all situations of excessive economic dependency, particularly with regard to the law of competition, and if necessary propose appropriate measures to limit or reduce this dependency.
- Ensure the sustainability of supplier sources and put in place, if necessary and in collaboration with the suppliers concerned, solutions that will guarantee continued supply.
- Promote, if necessary and applicable, local suppliers to contribute to the strength of the local economy.
- Deploy the signature of the Groupe SAVENCIA's Charter for Sustainable Purchasing by the suppliers.

- Take CSR (Corporate Societal Responsibility) criteria into account in the selection of our suppliers.
- Do not encourage concentration on the supplier market, ensuring a fine balance in the supplier pool and encouraging economical and sustainable innovation.
- Appeal, where possible, to organisations from the sheltered or subsidised employment sector to meet certain products or services purchasing needs.

4. PROMOTE PROGRESS AND PERFORMANCE PLANS:

- Build long-term strategic approaches to relations with our suppliers, based on mutual interest.
- Look for mutual financial durability, ensuring that our economic objectives are achieved without demanding conditions that may place our suppliers under strain.
- Encourage the search for innovative, economical and durable solutions in our suppliers.
- Deploy and present to the suppliers the Group tools that demonstrate performance Quality, Service, Competitiveness and EcoVadis CSR assessments. Integrate the results of these assessments into the business relationship.
- Share changes in our requirements with the suppliers, while complying with confidentiality rules, to enable them to research optimal solutions.
- Assess, along with our suppliers, the common development strategies, encouraging the consideration of societal and environmental stakes.
- Support our suppliers in their continuous improvement process.

5. RESPECT THE PROTECTION OF PERSONAL DATA:

- Respect the absolute confidentiality of the personal data processed, in particular by limiting the persons who access it to what is strictly necessary and by not disclosing this data;
- Never collect or process more data than necessary;
- Never divert the purposes described by the Data Controller;
- Scrupulously apply the directives of the Data Controller, in particular as regards the retention period of data;
- Immediately inform the Data Controller in the event of a suspected violation of personal data;
- Facilitate the exercise of the rights of the persons concerned by the processing carried out.

SUPPORT MATERIAL PROVIDED

NEW ENTRANT

The Corporate Purchasing Department provides all new entrants to the Purchasing sector with a Group Purchasing Reference Framework and offers mentoring, allowing the entrant to benefit from the guidance of a Group senior buyer in implementing good practices.

The structure and policy of Group Purchasing is presented to new entrants during New Executive Training.

RAISING AWARENESS

In addition to workshops raising employees' awareness of purchasing good practice, the code of conduct is sent to all General Managers of the Group's Subsidiaries for distribution to those potentially placing orders within their organisation, and especially to employees in charge of Purchasing.

GROUP CONTACT

For any questions relating to the Sustainable and Ethical Purchasing initiative:

achats.responsables@lalliance.com

APPENDIX 8: THE CHARTER FOR SUSTAINABLE PURCHASING



CORPORATE PURCHASING

THE CHARTER FOR SUSTAINABLE PURCHASING BETWEEN THE GROUPE SAVENCIA SAVEURS & SPECIALITES AND ITS SUPPLIERS

FOREWORD :

The Groupe Savencia Saveurs & Spécialités is made up of human-sized companies, united by a strong culture that is implemented by everybody, at every level.

As part of our quest for excellence, we aim to satisfy consumers and customers and, more generally, all of those who work within and for the Groupe Savencia Saveurs & Spécialités.

Whether in terms of economic development, respect for others or the conservation of natural resources, we seek to achieve a balanced performance, adopting a long-term outlook when we make decisions. It is our view that respect for human rights, compliance with employment and environmental laws, adequate protection of personal data, food safety, the fight against corruption and influence peddling, are demanding and mandatory requirements, which are compatible with the quest for optimal economic performance and also ensure its sustainability.

The present Charter is designed to inform our suppliers of our commitment and to set out our expectations for the business relationships established with the entities affiliated to our Group.

The Groupe Savencia Saveurs & Spécialités Purchasing Department asks its suppliers to work alongside it in this approach, by signing up to this Charter for Sustainable Purchasing, which is taken into account in the selection criteria during our tendering procedures.

COMMITMENT OF THE GROUPE SAVENCIA SAVEURS & SPECIALITES

AS A SIGNATORY TO THE UNITED NATIONS GLOBAL COMPACT, THE GROUPE SAVENCIA SAVEURS & SPECIALITES UNDERTAKES TO COMPLY WITH ITS 10 FUNDAMENTAL PRINCIPLES

HUMAN RIGHTS:

- Promote and comply with the protection of international law pertaining to human rights within its sphere of influence.
- Ensure that its own companies are not involved in breaches of human rights.

Charte Achats Responsables du Groupe Savencia Saveurs & Spécialités
Version du 12/2020

1

EMPLOYMENT LAW:

- Respect the right to freedom of association and recognize the right to collective negotiation.
- Eliminate all forms of forced or obligatory work.
- Effectively abolish child labour.
- Eliminate discrimination in terms of jobs and professions.

ENVIRONMENT:

- Use a cautious approach when dealing with environmental-related issues.
- Take initiatives that are likely to promote greater responsibility in terms of the environment.
- Encourage the development and widespread use of environmentally friendly technologies.

FIGHT AGAINST CORRUPTION:

- Fight against corruption in all of its forms, including the extortion of funds and the payment of bribes.

AS A SIGNATORY, IN FRANCE, OF THE BEST PRACTICE CHARTER GOVERNING THE QUALITY OF CUSTOMER-SUPPLIER RELATIONSHIPS, THE GROUP UNDERTAKES TO CONSTRUCT BALANCED RELATIONSHIPS WITH ITS SUPPLIERS

Under the auspices of the Ministry of the Economy, Finance and Industry and of the National Mediator of Inter-company Relationships, the Charter sets out all of the principles that contribute to forming balanced and sustainable relationships between Customers and Suppliers, i.e.:

- Abide by the rules of financial fair play;
- Encourage collaborative relationships;
- Reduce the risks of reciprocal dependency;
- Involve principal parties in their sectors;
- Assess the Total Cost of Ownership;
- Integrate environmental issues;
- Ensure that the company behaves responsibly within its territory;
- Develop the professionalization of Purchasing;
- Provide global oversight of Supplier relationships.

In this regard, the Groupe Savencia Saveurs & Spécialités has appointed an internal mediator whom Suppliers can contact in the event of a deadlock in the resolution of a dispute. Contact: mediateur.charte.achats@lalliance.com

COMMITMENT OF THE GROUPE SAVENCIA SAVEURS & SPECIALITES'S BUYERS

AS GUARANTORS OF THE PURCHASING CODE OF CONDUCT, THE GROUP'S BUYERS SPECIFICALLY UNDERTAKE TO:

BUY WITH REGARD FOR INTEGRITY AND ETHICAL VALUES

- Act in strict compliance with laws and regulations;
- Ensure that all bidding processes are fair;
- Respect confidentiality and intellectual property rights;
- Treat all bids fairly;
- Conduct negotiations professionally.

COMMUNICATE AND WORK TOGETHER EFFICIENTLY AND FAIRLY

- Define needs on the basis of reliable and functional data;
- Ensure that the same level of information is provided to the whole panel of suppliers consulted;
- Assess the impact of Total Cost of Ownership when evaluating Suppliers' performance;
- Provide feedback on consultations;
- Ensure that commitments made are met.

PURCHASE SUSTAINABLY AND ETHICALLY

- Ensure that all agreed payment deadlines are met;
- Identify and manage situations of economic dependency;
- Ensure the continuity of procurement sources;
- Discourage concentration of the Supplier market;
- Integrate Social and Environmental Responsibility criteria in the selection of suppliers.

PROMOTE PROGRESS AND PERFORMANCE PLANS

- Construct long-term relationships with our strategic Suppliers, based on mutual interests;
- Attempt to achieve reciprocal financial continuity;
- Encourage our Suppliers to search for innovative, profitable and sustainable solutions;
- Roll out and oversee the Group's Supplier performance assessment tools;
- Allow suppliers to express their appreciation of the business relationship quality and potential areas for progress.

Charte Achats Responsables du Groupe Savencia Saveurs & Spécialités
Version du 12/2020

3

COMMITMENTS WE EXPECT FROM OUR SUPPLIERS IN TERMS OF EMPLOYMENT LAW:

To introduce and promote fundamental employment principles and rights as described in the International Labour Organisation's Declaration, and to comply with legislation in force in all countries where it operates. But also, to ensure that their own suppliers implement best practices.

- Respect the right to freedom of association and recognize the right to collective negotiation;
- Eliminate all forms of forced or obligatory work;
- Eliminate all forms of concealed working;
- Effectively abolish child labour;
- Eliminate discrimination in terms of jobs and professions.

COMMITMENTS WE EXPECT FROM OUR SUPPLIERS IN TERMS OF CORPORATE GOVERNANCE AND ETHICS:

Guarantee ethical behaviour in commercial relationships, leveraging a model for behaviour that is of the highest standard.

Ensure that the interests of their stakeholders are taken into account, and that a form of corporate governance that complies with the laws and regulations of the countries in which they are active is adhered to.

FIGHT AGAINST CORRUPTION

Suppliers shall ensure that they put in place relevant policies, and that they raise employee awareness, in order to prevent and fight against corruption in all of its forms. Accordingly, Suppliers undertake to comply with the Anti-Corruption Charter established by Groupe Savencia Saveurs & Spécialités (see Appendix).

Suppliers are informed that the practice of giving corporate gifts and invitations can in no way alter the impartiality of a decision to be made, and that the Group's employees will be forced to decline such gifts and invitations if they are not of a professional nature, suitable and reasonable, and valued at less than the threshold value set by Groupe Savencia Saveurs & Spécialités for the country concerned.

INVOLVEMENT IN THE LOCAL COMMUNITY

We encourage Suppliers to factor in the local economy, and to pay attention to their interactions with its various communities, in terms of the potential impacts of their

investment decisions as well as their outsourcing choices, in terms of their hiring policy or equally, for the purposes of the development or functioning of their activities.

FAIR COMPETITION

All employees involved must be aware of the importance of compliance with competition law and of the consequences in the event of failure to comply with such rules. In this regard, any practices that are anti-competitive should be proscribed, and especially all attempts at price fixing.

PROMOTION OF CORPORATE RESPONSIBILITY

Suppliers are invited to encourage their stakeholders to engage in corporate responsibility, in order to implement best practice throughout the value chain.

COMPLIANCE WITH INTELLECTUAL PROPERTY RIGHTS

As part of the Universal Declaration of Human Rights, the recognition of intellectual property rights plays a fundamental role in advancing innovation and encouraging investment. Suppliers should help to encourage compliance with intellectual property law, and should also ensure that they have the necessary rights to use or to sell items protected by intellectual property law.

COMMITMENTS WE EXPECTED FROM OUR SUPPLIERS IN TERMS OF PROTECTION OF PERSONAL DATA:

Establish and promote a culture aimed at giving adequate protection to personal data processed by the company.

- Respect the absolute confidentiality of the personal data processed, in particular by limiting the persons who access it to what is strictly necessary and by not disclosing this data;
- Never collect or process more data than necessary;
- Never divert the purposes described by the Data Controller (Savencia);
- Scrupulously apply the directives of the Data Controller (Savencia), in particular as regards the retention period of data;
- Immediately inform the Data Controller (Savencia) in the event of a suspected violation of personal data;
- Facilitate the exercise of the rights of the persons concerned by the processing carried out.

COMMITMENTS WE EXPECT FROM OUR SUPPLIERS IN TERMS OF COMPLIANCE WITH ENVIRONMENTAL PROTECTION:

Comply with environmental laws and regulations in force, implement an environmental management system, set up a contingency plan to cope with any incident, and encourage their own suppliers to take such steps.

ENVIRONMENTAL MANAGEMENT

Suppliers should organize their activities in such a way as to reduce and limit the impact thereof on the environment. With the aim of improving their environmental performance, measures should be taken aimed at gradually reducing the impact of any direct or indirect pollution caused by their activities.

SUSTAINABLE USE OF RESOURCES

Suppliers should assess their CO2 emissions and measure the consumption of energy and water resulting from their activities. They should put in place programs to improve their energy efficiency, optimize the use of water and reduce their CO2 emissions.

AIR EMISSIONS

Suppliers should identify and measure any emissions of pollutants such as, for example, lead, mercury, volatile organic compounds, combustion waste etc. Action plans must be set up to control, minimise and treat these emissions appropriately.

DIRECT OR INDIRECT DISCHARGES TO WATER

Suppliers should control discharges to water resulting from their activity. They should monitor them in such a way that they maintain control over them and avoid any accidental release to water.

WASTE MANAGEMENT

Suppliers should ensure that they implement a responsible waste management policy by working towards the reduction of waste at source, for example by exploring ways of processing, recycling or reusing waste.

USE AND DISPOSAL OF CHEMICAL, TOXIC AND HAZARDOUS PRODUCTS

The use, manipulation, storage and destruction of such products by the Supplier must be handled using suitable procedures and controlled by qualified staff.

LIFE CYCLE APPROACH

Suppliers are invited to consider innovative products or solutions that encourage the reduction of the environmental impact of their products throughout the whole of their life cycle.

COMMITMENTS WE EXPECT FROM OUR SUPPLIERS IN TERMS OF THE MANAGEMENT OF FOOD SAFETY RISKS:

Assess the environmental risks of their activities on eco-systems and on public health.

PRINCIPLE OF PRECAUTION

We invite Suppliers to consider the consequences of their actions for society or on the environment.

Suppliers should measure and analyse potential damage or risks and implement appropriate actions or solutions to reduce or eliminate the impacts thereof.

If there is any doubt over the environmental or health impact of an action or a product, it is preferable to discontinue it in the short term rather than risk irreversible damage to people or to the environment.

HEALTH AND SAFETY

Suppliers should ensure that their activities do not damage the health and safety of their employees, of their own suppliers, of local populations and more generally, of the users of their products or equipment.

They should take care to eliminate all consequences harmful to health of any manufacturing process, product or service relating to their activities.

They shall endeavour to implement an active policy for the prevention of health and safety risks in the workplace, shall ensure that it is continuously applied via suitable control structures and shall provide their staff with adequate training and protective clothing and equipment.

FOOD SAFETY

Food safety means the right of all people to healthy and nutritious food.

Depending on their sector of activity, Suppliers can contribute to improving food safety by developing production methods that conserve the fertility of soil, by ensuring the safety of food supplies, by adapting processing methods in order to avoid reducing the nutritional quality of food and by encouraging local food resources in order to reduce the distances that food has to be transported.

MANAGING HEALTH AND SAFETY OF FOOD

When not mandatory, Suppliers are strongly encouraged to introduce an HACCP type approach. This approach is vital for ensuring the health of foodstuffs and hygienic conditions throughout the food chain.

COMMITMENTS WE EXPECT FROM OUR SUPPLIERS IN TERMS OF CONTINUOUS IMPROVEMENT:

Suppliers shall put in place suitable measurement and reporting procedures that are necessary for guaranteeing compliance with the commitments contained in this Charter.

EVALUATIONS – AUDITS

As part of its duty of care, the Groupe Savencia Saveurs & Spécialités ensures that its Suppliers observe the provisions of this Charter.

The Suppliers accordingly consent to be evaluated at a frequency agreed upon by the parties.

The Groupe Savencia Saveurs & Spécialités has chosen :

- The company EcoVadis, an independent service provider, to evaluate the environmental, societal, ethical, anti-corruption and supply chain aspects of its suppliers' practices, using an established risk map;

Should the evaluation yield an unsatisfactory result, Groupe Savencia Saveurs & Spécialités may carry out an audit of the Supplier, either directly or through a duly mandated third party, on mutually agreed terms and conditions.

In the event of an identified non-compliance, the Suppliers are required to take the necessary steps to correct the identified non-compliance and prevent its recurrence.



In the event of a proven recurrence of a recorded non-compliance and if there is no corrective action plan in place, the Purchasing Department will be led to review the conditions of its business dealings with the Suppliers concerned.

As a Supplier of the Groupe Savencia Saveurs & Spécialités,

The Company:.....

undertakes to comply with the terms and conditions of this Charter for Sustainable and Ethical Purchasing, to circulate it and to ensure that its employees adhere to it.

Company Representative:

Capacity:

Executed in: on:

Signature and commercial stamp:



CONTACT

achats.responsables@lalliance.com

REFERENCES AND INSPIRATION

Universal Declaration of Human Rights

www.un.org/en/documents/udhr/

ILO Declaration and key guidelines

www.ilo.org

United Nations Global Compact

www.unglobalcompact.org

Rome Declaration on World Food Security

<http://www.fao.org/docrep/003/W3613E/W3613E00.HTM>

ISO Standard 14001: Environmental Management Systems – requirements and guidelines for its use

www.iso.org

ISO Standard 22000: Food Safety Management Systems – requirements for all bodies operating on the food chain

www.iso.org

Codex Alimentarius

www.codexalimentarius.net

Charter for Best Practice governing the quality of customer-supplier relationships

www.charte-interentreprises.fr

APPENDIX



CHARTER REFLECTING GROUPE SAVENCIA'S COMMITMENT TO COMBATING CORRUPTION AND INFLUENCE PEDDLING IN ITS RELATIONSHIPS WITH ITS COMMERCIAL PARTNERS

In accordance with the provisions of French law n°2016-1691 dated 9 December 2016 (the so-called "Sapin II law") on the subject of transparency and combating corruption, but equally of the international agreements and national legislations applicable in the countries where it operates, Groupe Savencia deploys a policy of prevention and detection of risks imputable to acts of corruption and trading in influence in the framework of its relationships with its customers and main and intermediate suppliers.

The present Charter is designed to inform our co-contractors of our commitment to combating corruption and influence peddling, and to set out our expectations for the business relationships established with the entities affiliated to our Group.

The identification of illicit practices

Under French law, practices distorting the conduct of business are sanctioned as criminal offences.

This is notably the case of corruption and trading in influence which constitute offences punishable by imprisonment and/or fine and/or exclusion from public procurement. Both legal entities and individuals may incur criminal liability in this respect.

Active corruption implies the fact of offering, at any given time and directly or indirectly, to a **public official** (person in a position of public authority, responsible for the discharge of a public service mission or holding a public elective office) or to a **private individual** (acting in the framework of a professional or social function, or of a position of management or other form of employment), inducements, promises, contributions, gifts or other benefits, for the benefit of the person approached or of another person, in return for the agreement of that person to accomplish or refrain from accomplishing a particular act within the power of the person's mission or mandate (or because the person has already so accomplished or refrained from accomplishing).

Passive corruption implies the fact of soliciting or welcoming, unrightfully, at any given time and directly or indirectly, inducements, promises, contributions, gifts or other benefits, for the benefit of the individual or of another person, in return for the individual's agreement to accomplish or refrain from accomplishing a particular act within the power of his or her mission or mandate (or because he or she has already so accomplished or refrained from accomplishing).

Influence peddling implies the fact of any person soliciting or welcoming, at any given time and directly or indirectly, inducements, promises, contributions, gifts or other benefits, for the benefit of the individual or of another person, in return for abusing or having abused the person's actual or imagined influence with a view to obtaining the conferral by a public authority or administration of

1



distinctions, employment, contracts or any other form of favourable decision. The fact of giving in to such solicitation is sanctioned by the same penalties.

French law aims to repress such practices whether committed in France or abroad.

Foreign legislations incorporate similar prohibitions.

Our policy of prevention

Groupe Savencia, consistent with its business culture as documented in its ethical charter "The Group and its culture", ensures effective compliance with its policy of prevention and detection of risks imputable to acts of corruption and trading in influence by the deployment of:

- A **Code of conduct** distributed to all employees and which presents the various unacceptable forms of behaviour;
- A **system of provision of training and information to its managers and other employees** most exposed to such risks;
- A **disciplinary system** enabling failings of employees to be sanctioned;
- A **whistle-blowing procedure** enabling the receipt of alerts emanating from employees;
- **Risk-mapping of risks imputable to corruption and trading in influence;**
- A **procedure of assessment of the situation, with regard to that risk-mapping, of the Group's customers and main and intermediate suppliers;** as well as
- **Accounting procedures and controls.**

The commitments expected from Groupe Savencia's commercial partners

We expect our commercial partners to comply with all applicable regulatory requirements as set out in the present charter.

We thus request them to undertake:

- To proscribe any such illicit practices in the framework of their activities and implement, with regard to their employees and co-contractors, appropriate measures to identify risks of corruption and influence peddling and prevent their occurrence, in accordance with the applicable legal and international requirements.
- To comply with the means of assessment implemented by our Group.


Claude Championnet
Company secretary
Savencia Saveurs & Spécialités

2

APPENDIX 9: HEALTH & SAFETY AT WORK CHARTER



Health & Safety At Work Charter

Our family group brings together people-oriented companies, united by a strong Culture that guides our actions and behaviour.

The well-being and protection of the physical integrity and health of the men and women who work in and for the Group should be the concern of all and at all levels of the organisation.

This charter is a reminder of our responsibility and our aim where safety is concerned:

ZERO accidents in the workplace

Together, through our commitment, let's ensure that:

- The Group's regulations and good practices are **RESPECTED**;
- We behave in an **EXEMPLARY** manner;
- We constantly improve through **DISCUSSION**;
- We are **VIGILANT** towards ourselves and others.


Together, let's build on our goal.

"Safety, it's OUR business!"


Armand BONGRAIN

Alex BONGRAIN

APPENDIX 10: WHISTLEBLOWING PROCEDURE



**GROUPE
SAVENCIA**
Saveurs & Spécialités



C2

**“COMPLIANCE”
WHISTLEBLOWING
PROCEDURE**

***IN THE FRAMEWORK OF THE
DUTY OF CARE***

Updated on: 14 January 2020

Internal “compliance” whistleblowing procedure / the duty of care
Page 1 of 7



1. Preamble

Groupe Savencia Saveurs & Spécialités (Savencia S&S or the "Group") meets the criteria defined by Law n° 2017-399 dated 27 March 2017 and governing the duty of care of parent companies and companies acting as principals.

As such, the Group is required to prepare and implement effectively a vigilance plan including measures of a nature to identify risks and prevent material breaches in the areas of human rights and fundamental liberties, health and safety and the environment, associated with:

- Its activities and those of the companies it controls;
- The activities of its suppliers or subcontractors.

The law requires the plan to include in particular a "whistleblowing procedure for the purpose of being alerted to the existence or occurrence of any such risks (...)".

Within the Group, the preparation and deployment of its vigilance plan have been conferred on Group Compliance which also has responsibility for:

- Implementation of Law n° 2016-1691 date 9 December 2016 on the subject of transparency, combating corruption and modernisation of the economy (the "Sapin 2 law");
- The protection of personal data, governed in France by Law n° 78-17 dated 6 January 1978 ("France's data protection law") and by European regulation n° 2016-679 dated 27 April 2016 known as the General Data Protection Regulation (GDPR).

Group Compliance has thus decided to implement a unified whistleblowing procedure for the purpose of being alerted to the existence or occurrence of any and all Compliance risks. The associated technical system includes:

- A telephone number : + 33 1 34 58 64 14
- An email address : compliance@savencia.com
- A postal address:

*Groupe SAVENCIA Director of Compliance
42 rue Rieussec
78223 Viroflay Cedex
France*

The aforementioned fixed telephone number is solely answered by the Director of Compliance (during working hours in metropolitan France and depending on his or her effective presence). The email address is monitored by both of the Group's Director of Compliance and Head of Compliance.

The present document specifies the bases of processing of alerts relating to the sole duty of care transmitted via the aforementioned channels whether by persons concerned within the Group or by stakeholders external to the Group.



2. Procedure for use of the whistleblowing mechanism

2.1. Who is entitled to submit alerts?

2.1.1. Stakeholders internal and external to the Group

The present document is distributed within the Group and included in the Group's vigilance plan which is accessible via the Group's website.

The whistleblowing procedure may thus be used both by a Group employee and by any natural person or legal entity outside the Group.

2.1.2. In respect of the identity of natural persons

Anonymous alerts will not be processed.

In the case of alerts submitted by a natural person, the Group undertakes to take any and all requisite measures to protect the identity of the issuer of an alert and of any person targeted on the basis of the alert and the nature of the applicable facts. For that reason, elements enabling the identification of any such persons are only communicated to the persons specifically charged with processing such alerts and are only communicated to the extent necessary. Persons so informed are subject to a particular requirement of confidentiality.

If an alert does not give rise to any disciplinary or judicial procedure, elements enabling identification of the issuer of the alert, or of any persons targeted by the alert, are destroyed, or anonymised and archived, within two months of closure of the processing of the alert. The issuer of the alert, and any persons targeted by the alert, are duly informed of said closure.

If an alert gives rise to a disciplinary or judicial procedure, the applicable data are retained until completion of the procedure.

2.2. What must be included in an alert?

Any alert must be clear, objective and as detailed and documented as possible.

Any alert must not include information subject to military or medical secrecy or to the confidentiality of a relationship between a lawyer and the lawyer's client.

It must be submitted in all good faith and disinterestedly:

- "In all good faith" means that at the time the alert is submitted, the information supplied must be honest and exact. Should the issuer of the alert subsequently realise that the alert was mistaken, he or she must immediately so inform the person to whom the alert was submitted;



- “Disinterestedly” means that the issuer of the alert must be acting in the general interest and not expect any form of benefit or recompense as consideration for the alert.

3. Procedure for processing alerts

3.1. Phase 1: confirmation of receipt and analysis

3.1.1. Information received by telephone

Phone contact may only serve to make initial contact and to provide guidance and advice. Any person submitting an alert to Groupe Savencia by phone will thus be invited to confirm the alert preferably by email, or failing which by post, clearly indicating in the email's title or in the postal address that an alert relating to the Duty of Care is involved, and appending to the communication any and all elements providing relevant details.

If the elements communicated orally appear to justify such action, the Group's Director of Compliance may eventually draft an initial memo summarising the conversation.

3.1.2. Information received by email or post

On receipt, the Group's Director of Compliance:

- Acknowledges receipt to the issuer using the same medium;
- Organises as rapidly as possible, and if possible within 48 working hours, an initial internal meeting of the Group's Compliance Director, Head of Compliance and Duty of Care Delegate for the purpose of reviewing the content of the alert and determining its scope;
- Issues an email to the Group executives and other internal stakeholders with a need to know.

3.2. Phase 2: preparation of an action plan

Group Compliance:

- Organises rapidly, and if possible within 5 working days of the first internal meeting, a meeting with said Group executives and other internal stakeholders for the purpose of discussing the action required;
- Coordinates subsequent meetings, eventually including external interested parties, for the purpose of defining an action plan in response to the alert.

Should the Group's Compliance Director deem it to be necessary on the basis of the content of the alert, or of the action plan required, he or she may convene an extraordinary meeting of the Group Committee for Ethics & Business Culture to which may be adjoined any and all other persons judged indispensable.



Once an action plan has been approved, Group Compliance so informs the internal and external interested parties (including the whistle-blower) providing details of the action plan's implementation and timing.

3.3. Phase 3: implementation of the action plan

Group Compliance coordinates the implementation of the action plan retained and informs the internal and external interested parties on its progress as often as required by the action plan's complexity and duration.

4. Follow-up of alerts

Group Compliance follows up on alerts on the basis of the following elements:

- Date and means of receipt, origin and subject of the alert;
- Dates of subsequent meetings, details of participants and summary of the decisions taken;
- Monitoring of the chronology of implementation of the action plan and assessment of any variances.

Group Compliance also maintains statistics in respect of alerts (number of alerts, means of receipt, origin, subject, types of action taken etc.).

Finally, a summary of action plans in progress and annual/YTD statistics are included in the annual report on implementation of the Group's vigilance plan.



APPENDIX

INFORMATION NOTICE ON THE PROTECTION OF PERSONAL DATA

In the framework of the present whistleblowing procedure, the Group collects and retains data relating to persons identified during the applicable process (issuers of alerts, persons eventually targeted, persons involved in processing alerts etc.).

All such persons identified dispose of:

- Rights of access, rectification, erasure, interrogation, restriction of or opposition to processing with regard to their data, as well as the right to formulate directives for the conservation, erasure and communication of their data in the event of their decease;
- A right to restrict or oppose processing of their data for just cause, as well as a right to data portability.

All the aforementioned rights may be exercised by addressing an email to the Deputy Group DPO at the following address: dpo@savencia.com.

Any person targeted by an alert is informed of the recording of the data applicable to them to enable them to exercise their rights.

Information collected in the framework of the Group's whistleblowing procedure is used solely for the purpose of processing alerts in order to meet the applicable legal requirements.

Personal data transmitted in the framework of the Group's whistleblowing procedure are subject to processing conducted by the Group in its quality of data controller and are only communicated to persons expressly authorised to receive said data and to any competent authorities possessing the right to request communication of the information.

The applicable data processing has been the subject of authorisation by the French *Commission Nationale de l'Informatique et des Libertés* (CNIL) or by the equivalent supervisory authorities in each country.

For the purposes of implementation of the present whistleblowing procedure, personal data processed may be transferred to or from the following countries: Argentina, Austria, Belgium, Brazil, Chile, China, the Czech Republic, Denmark, Ecuador, Egypt, Finland, France, Germany, Hong Kong, Hungary, India, Ireland, Italy, Japan, Luxembourg, the Netherlands, Norway, Poland, Rumania, Russia, Serbia, Slovakia, Spain, Sweden, Switzerland, the UAE, the UK, Ukraine, Uruguay and the USA.



To ensure an adequate level of protection, the Group implements binding corporate rules or else, has signed contracts for the transfer of personal data incorporating the relevant model clauses developed by the European Commission.

Personal data are retained by the Group for the full period of processing of each alert, without prejudice for the legal requirements for conservation of data and of periods of limitation.

Persons identified in the framework of the Group's whistleblowing procedure also have the right to complain to the CNIL.