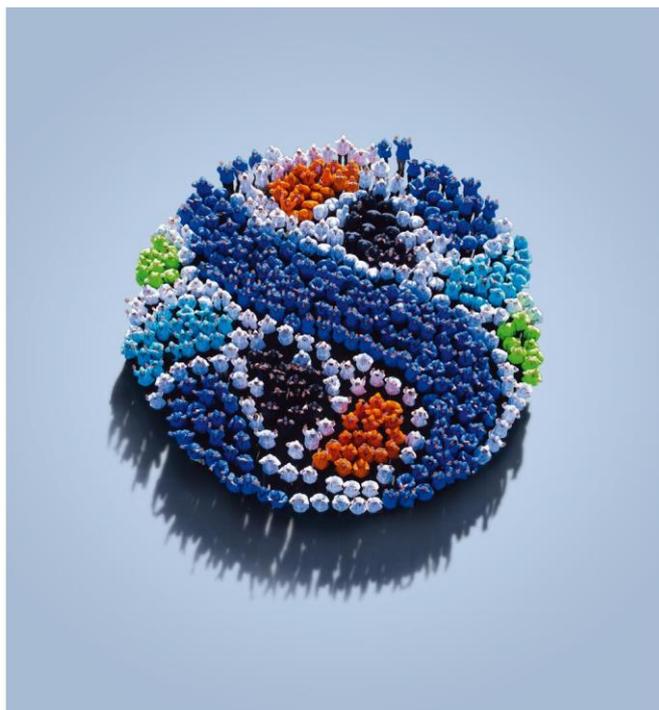


# **GROUPE SAVENCIA**



## **VIGILANCE PLAN**

**2021**

## Preamble

Leading the way to better food: this is the mission of our company, which we have been proud of since its creation in 1956.

With our history and a family culture steeped in human and social values, Groupe SAVENCIA strives to reconcile its international agri-food aspect with a deep-rooted attachment to local regions, as well as everyone who contributes to the true creation of value for sustainable and high-quality food.

In this context of economic globalization and strong international competition, SAVENCIA has expressed its values, identity and culture in its Ethics Charter, called “The Group and its culture” (**Appendix 1**).

To formalize its commitment, in 2003 SAVENCIA joined the United Nations Global Compact, a pact that encourages businesses, public bodies and civil society to adopt principles fostering a more viable and open economy.

Based on this foundation, the Group has developed its own ethical and responsible approach which incorporates all of the policies that contribute to the fulfillment of its commitments. SAVENCIA ensures that it conducts its operations with respect for human rights and the environment wherever it operates, whether these activities are carried out directly or as part of its commercial relations.

Our values and our civic and responsible ambition deeply shape our way of working and our objectives: well-nourished consumers, producers, suppliers and partners supported and encouraged to implement best practices, people working in a safe, ethical and sustainable environment. These values guide our way of protecting and promoting human rights and our desire to respect the environment. They also underpin our ever more committed action for the common good: team engagement with our values as we continued to deal with the health crisis in 2021 is a perfect illustration of this.

This document sets out the Groupe SAVENCIA’s vigilance plan in accordance with the French law of March 27, 2017 on the duty of vigilance. This plan concerns the vigilance measures taken by the Group, including those of the subsidiary SAVENCIA Fromage & Dairy as well as those of SAVENCIA Gourmet. We hope that this document will explain the sincere and voluntary commitment of all SAVENCIA employees.

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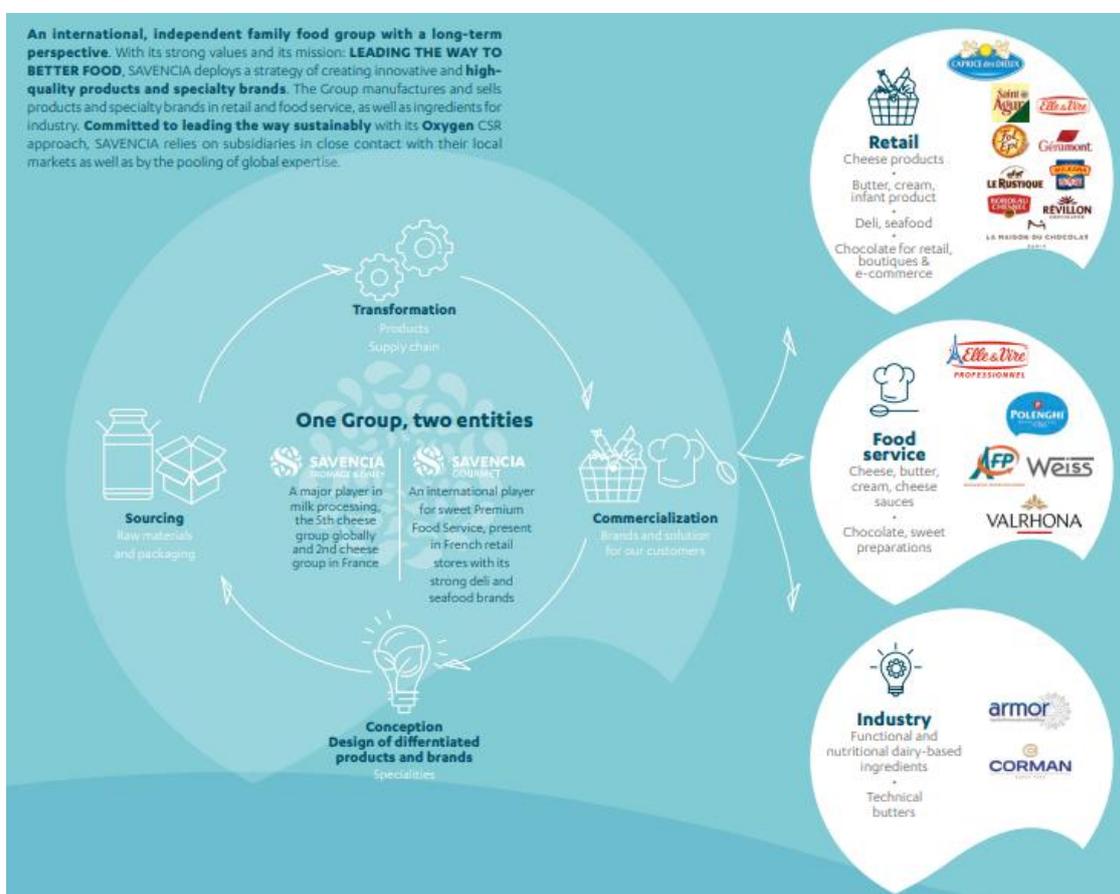
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# 1. The Groupe SAVENCIA Duty of Vigilance

## 1.1 SAVENCIA vocation: Leading the way to better food

### Our value creation

Groupe SAVENCIA is an independent family agri-food group made up of close-knit companies united by a strong humanist and entrepreneurial culture with two main entities: SAVENCIA Fromage & Dairy and SAVENCIA Gourmet.



Present in 120 countries on five continents, the Group offers a portfolio of premium brands as well as a range of products and services for professionals in the catering and industrial markets (agri-food, dietetics, health, etc.).

It relies on its operating subsidiaries, the driving force of its development, and on shared organizations that ensure administrative, industrial and commercial synergies.

## ***Our vision***

As part of our quest for excellence, we strive for consumer and customer satisfaction and the satisfaction of all those who work in and for the Group.

Economic development, respect for people, conservation of natural resources: we aim for a balanced performance and make our decisions with long-term sustainability in mind.

As such, we believe that respect for human rights and the environment, food safety and the fight against corruption are exacting and unavoidable principles, not only compatible with striving for optimal economic performance, but also help to ensure the longevity thereof.

Our culture, described in the Groupe SAVENCIA's Ethics Charter, guides our behavior and decisions and enables all our employees to work harmoniously within SAVENCIA.

## **Appendix 1 - Groupe SAVENCIA's Ethics Charter**



## 1.2 Responsibilities of Groupe SAVENCIA

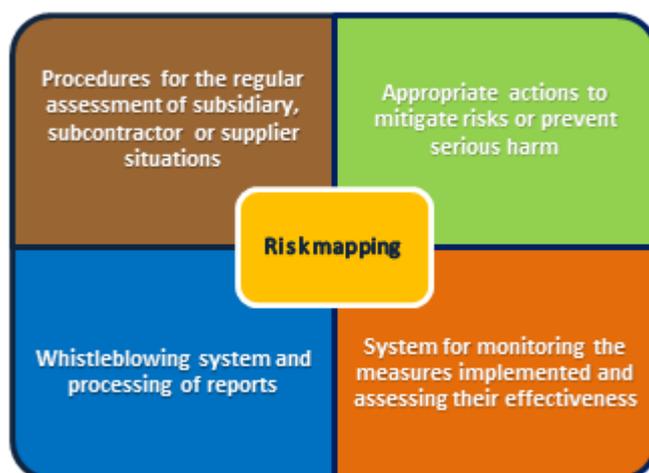
### ***Legal context of the duty of vigilance***

Law 2017-399 of March 27, 2017 on the duty of vigilance forms an obligation for eligible companies such as Groupe SAVENCIA to implement a vigilance plan and report on the actions they have taken to identify, prevent and mitigate impacts on human rights, fundamental freedoms, health & safety, and the environment.

The scope of vigilance within the meaning of the law covers the Group's companies and activities, as well as third parties that may be identified with regard to this scope, including suppliers and subcontractors.

This plan concerns the vigilance measures taken by SAVENCIA Saveurs et Spécialités, including those of the subsidiary SAVENCIA Fromage & Dairy as well as those of SAVENCIA Gourmet.

The expectations of the law concern the fundamental categories of actions to be implemented as part of the vigilance process within a company.



The application of these measures thus crosses the Groupe SAVENCIA's vigilance plan in a systemic way, without however distinguishing each category in a specially dedicated section of the document.

## ***SAVENCIA's commitment to human rights and the environment***

In addition to compliance with the law, SAVENCIA considers respect for human interests and environmental protection among the strategic focuses of its activities. Since 2003, the Group has been a signatory of the United Nations Global Compact, the largest initiative in favor of sustainable development, demonstrating its commitment to work on impact measurement and a sustainable development approach across its entire value chain.

In line with the UN's initiatives, the SAVENCIA Group's principles of responsibility are based on international reference texts that define the commitments to be respected, particularly in terms of human rights:

- the Universal Declaration of Human Rights, the Sustainable Development Goals (SDGs) and the Principles of the United Nations Global Compact;
- the OECD Guidelines for Multinational Enterprises;
- the International Labor Organization (ILO) Tripartite Declaration on Multinational Enterprises;
- the national legislation, particularly in terms of the duty of care to respect human rights and the environment.

Building on the strength of its values and culture as set out in its Ethics Charter, Groupe SAVENCIA has developed its corporate social responsibility (CSR) approach on the basis of the Oxygen plan, which presents its ambition to combine meaning with performance, to work together with our partners and to innovate for an ethical and sustainable world.

The Oxygen plan incorporates the expectations expressed by the Group's Stakeholders reflected in a materiality analysis, and strengthens the Group's CSR efforts based on four major areas of progress, with a global ambition and by encouraging its subsidiaries to carry out action locally.



## **Appendix 2 - Presentation of the Oxygen plan**

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The actions of the Oxygen plan are thus aligned with the duty of vigilance plan which aims to preserve the fundamental rights of individuals and the environment.

### ***Governance and compliance organization***

The Group's Compliance Governance seeks to ensure compliance with the standards in force as part of an approach to control identified risks.

Similar to the Law on the Duty of Vigilance, it also relates to compliance with Law No. 2016-1691 of December 9, 2016 on transparency, the fight against corruption and the modernization of economic life, known as the "Sapin 2 Law", and the protection of personal data, governed in France by Law No. 78-17 of January 6, 1978 ("Data Protection Act") and by European Regulation No. 2016-679 of April 27, 2016 known as the General Data Protection Regulation (GDPR).

The operational organization of Compliance is carried out at several levels.

The Risk Management and Compliance Department is led by the Chief Compliance Officer who reports to the Group's Corporate Secretary. The purpose of this team is to design, deploy, coordinate and monitor Group-wide compliance programs and activities.

With regard to the duty of vigilance, the Compliance Department works closely with all heads of the Group's cross-functional departments, and in particular with the purchasing, CSR and communication, finance, legal, operations and human resources departments. Also involved are the various managerial heads according to the Group's own organizational structure (account managers for each geographical region and product or business category managers) and their main employees.

The Compliance Department supports and promotes the main actions implemented or to be implemented by the Group's subsidiaries in order to reduce their impact on human rights, health, safety and the environment. It thus contributes to the roll-out of compliance and vigilance measures within the subsidiaries, and shares their best practices in a virtuous and exemplary manner.

The Compliance Department relies on a network of Subsidiary Compliance Coordinators (SCC) responsible for coordinating compliance measures at local company level.

Compliance actions are validated by the Group Ethics and Culture Committee (GECC), which meets at least twice a year, and whenever necessary based on events at that time. It is composed of the Chairman of the Group, the Corporate Secretary, Chairman of the Committee, the Chief Financial Officer, the Chief Legal Officer, the Head of Human Resources and the Chief Compliance Officer. Compliance actions are led by a steering committee made up of the management teams.

## 1.3 SAVENCIA's approach to vigilance

### ***Risk identification as the basis of the vigilance system***

Risks of violations of human rights, health and safety of people and the environment are monitored as part of the Group's overall risk management procedure.

The Group has chosen to conduct a dedicated risk mapping exercise on the duty of vigilance to identify the impacts of our activities on human and environmental rights, and to remedy the resulting negative effects.

A risk assessment methodology has been extended and enhanced, based on work and studies previously carried out with expert firms.

- The categorization of human rights and environmental risks

Risk mapping carried out by the consulting firm GreenFlex in 2018 made it possible to identify the following vigilance issues in the Group's activities and operations:

- Human rights and fundamental freedoms:
  - non-discrimination,
  - the abolition of forced and child labor,
  - harassment,
  - freedom of association and the right to collective bargaining,
  - fair compensation,
  - working conditions;
- Health and safety:
  - workers' health and safety,
  - consumer health and safety;
- The environment:
  - biodiversity, water, soil and climate conservation,
  - non-deforestation,
  - responsible use of resources and reduction of pollution.

The identification of these issues relating to human rights and the environment for the Group is also corroborated by a geographical analysis, as well as an activity-based approach.

- Risk assessment structured around the Group's activities

Based on this identification of human rights and environmental issues, an analysis of the risks of rights holders impacted by activity, led to the identification of three areas of vigilance.

### Supply chains

This includes the activity of all suppliers and subcontractors. In this document, the term “supplier” includes both suppliers of raw products (producers) and supply chain intermediaries (processors, collectors, traders, transporters, etc.).

Within the supply chain, these are people working for suppliers. And externally, these are the populations and the environment potentially impacted by supplier activities.

### Operations

These are all activities carried out by the Group’s subsidiaries before the sale of products: these are essentially production or processing activities, and any upstream or downstream activities (transport, for instance).

The identified rights holders are the Group’s employees but can also relate to the environment surrounding subsidiaries’ business sites, particularly local residents.

### Sales and consumption

These include direct sales to consumers (B2C or Business to Consumer activities) as well as sales to professionals (B2B or Business to Business activities).

The Vigilance Plan devotes a specific chapter to rights holders who are the consumers of the Group’s products, whether they have obtained their product from a subsidiary or a distributor / reseller.

According to this risk-based approach (see **Appendix 3**: list of potential risks), a value chain analysis conducted by GreenFlex led to the presentation in the Vigilance Plan of the main raw materials processed by the Group: milk, cocoa, meat, fish and nuts.

## ***Relationship with stakeholders***

Firmly believing that a collaborative approach helps to build and implement its vigilance approach, SAVENCIA strives to broaden its collaboration with stakeholders in terms of risk prevention and thus ensures that all people, structures and organizations potentially affected by its activities are involved.

Stakeholders are regularly consulted, both locally and nationally, in order to implement action plans and priority measures to prevent risks related to the Group’s activities.

- **Consultation with trade unions**

Quality of life at work and social relations are an absolute priority for the Group. It considers them a source of fulfillment and sustainable performance. The promotion of social dialog is thus encouraged through employee representation at all levels of the Group:

- within the representative bodies of each subsidiary;
- as part of the Employee Representative Committee for France, a representative body that meets twice a year;

- as part of joint committees in France, which manage the systems put in place through agreements (personal risk insurance, healthcare costs, collective retirement savings plan);
- and through the organization of a European Works Council, which meets once a year, governed by an operating agreement, amended on October 16, 2019, in accordance with the provisions defined by Directive 2009/38/EC of the European Parliament and of the Council of May 6, 2009 and its transposition into French law by Order No. 2011-1328 of October 20, 2011, transposing the Directive.

In France, a negotiations roadmap “towards a societal foundation” was launched in 2021 with the social partners. By the year 2025, it will endeavor to open negotiations on the topics of human resources development, and in particular, internal mobility within the Group, social relations, management of jobs and career paths, gender equality, as well as diversity and inclusion. These human resources development foundation, shared by all subsidiaries in France, will be recommended for the Group’s international subsidiaries.

- **Stakeholders relations at operational level**

To prevent and effectively manage the impacts of its activities on human rights and the environment, Groupe SAVENCIA forges and maintains dialog with stakeholders at operational level.

These discussions are part of the Group’s desire to build a lasting relationship with its ecosystem and include concrete actions as part of its commitment to global initiatives. In 2021, SAVENCIA Fromage & Dairy joined the Sustainable Agriculture Initiative (SAI Platform), as part of the Dairy Sustainability Framework initiative.

In addition, SAVENCIA Gourmet, with the companies Valrhona, Weiss and Révillon, is participating in the Cacao Forest project, which brings together partners from a variety backgrounds to develop a more responsible and sustainable sector.

Lastly, SAVENCIA became a member of the Roundtable on Sustainable Palm Oil (RSPO) in 2021.

### ***Ongoing training***

Ongoing training is a key area of focus for the Group in terms of promoting its culture and policies to its employees, notably with regard to vigilance in respecting human rights and fundamental freedoms.

E-learning modules adapted to the languages of the countries in which the Group operates have been developed over a number of years on the following topics:

- the fight against corruption and ethical decision-making as part of a Compliance program;
- the General Data Protection Regulation, in particular raising awareness of the concept of sensitive personal data;

- the prevention of moral and sexual harassment, and sexist behavior.

The training course corresponding to these compliance topics is largely followed by the employees concerned, with 96.5% of staff having received the e-learning training in 2021.

A draft module dedicated to the challenges of the duty of vigilance to be integrated within the compliance process will be rolled out Group-wide in 2022.

### ***Monitoring and reporting on the implementation of the vigilance plan***

To achieve the duty of vigilance objectives, Groupe SAVENCIA monitors and controls the actions taken to remedy the impacts generated by its activities in the context of respect for human rights and the environment. For this, it has various tools and mechanisms in place.

- [Social reporting](#)

The Group's social reporting data is analyzed in detail to measure the effectiveness of the Group's actions or policies, and to identify any changes to be made.

With respect to the duty of vigilance, the following in particular are monitored:

- annual headcount (permanent and non-permanent), with details of hires and departures;
- the age of the workforce;
- gender equality in the workplace;
- the employment and integration of people with disabilities;
- working hours;
- absenteeism;
- training;
- and finally wages and expenses.

Details relating to these actions and the corresponding monitoring are set out in part 2.3 of the plan, in the chapter on respect for human rights and fundamental freedoms.

- [The direct expression of employees and the measurement of wellbeing](#)

Concerned about the wellbeing of its employees, the Group has introduced a tool for assessing the wellbeing at work of the Group's employees through periodic internal opinion surveys and the implementation of improvement plans.

This perception is monitored by an internal opinion survey using the Great Place To Work methodology which makes it possible to measure the following every three years for each Group employee: confidence in management, respect and fairness, pride at work, and conviviality within the Company. The next Great Place To Work survey will be conducted at Group level in 2022. The priority today is to implement the action plans prepared within each subsidiary since the last Group survey conducted in 2019.

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In addition, on all matters relating to respect for fundamental human rights and labor relations, the whistleblowing system set up within the Group and communicated regularly, enables each employee to contact the Compliance Department as and when they need to (see paragraph 3 and appendix 9).

- **Internal audit**

In the performance of its duties, SAVENCIA Internal Audit Department is required to review the means and controls put in place within the subsidiaries covered by this Vigilance Plan.

The Internal Audit methodology is based on the internal control reference framework defined by the Committee of Sponsoring Organizations (COSO).

The purpose of this internal control framework is to assess internal control according to 17 principles integrated into five components according to the 2013 model. These principles are assessed using a set of interview guides, co-constructed with the business line experts, and help to assess the risks associated with processes relating to the environment, social relations, ethics and responsible purchasing within the subsidiaries of SAVENCIA.

These assessments are:

- complementary to the audits carried out by the business lines (Quality, OHS, Insurance audits, etc.) and external audits;
- cross-functional and therefore concern all subsidiary processes and activities;
- periodic, each subsidiary being audited every three to four years. However, the audit plan may be adapted according to the risk assessment carried out upstream including the country risk assessments carried out by EcoVadis in the areas of “human rights” and “health / social”, and feedback from the Group whistleblowing system, as well as any other relevant internal or external feedback.

Feedback from audit visits is shared with the Group’s Executive Management and the Compliance Department. In the event of a point of attention, the Compliance Department highlights uncontrolled risks that need to be covered by action plans and in some cases, additional controls.

- **Group certification**

The Groupe SAVENCIA has its Human Resources processes, practices and tools audited annually by an independent body, enabling it to be labeled “Top Employer”. This label recognizes companies that apply best practices in the field of Human Resources. SAVENCIA is renowned for its policies and programs, particularly in terms of talent management, recruitment, onboarding, training and skills development. SAVENCIA is officially Top Employer 2022 in Europe and in four countries outside of Europe: China, India, Korea and Brazil.

## 1.4 The specific context of the COVID-19 health crisis

### **SAVENCIA remained committed to addressing the health crisis in 2021**

During this period, which remained particularly difficult, the meaning and importance of the agri-food business could still be measured, in line with the Group's mission of "Leading the way to better food".

Our responsibility has been to continue to produce and market safe food products, to allow the continuity of the food chain for the common good, whilst guaranteeing the safety of all our employees involved, through adaptation, agility, and solidarity.

The health and safety of employees, service providers and external workers has been SAVENCIA's priority since the outbreak of the crisis; this concern continues to guide all the measures taken by the Group and remains at the heart of the Business Continuity Plans that have been rolled out at the sites to enable working under appropriate and enhanced safety conditions.

Thus, during this health crisis, social dialog and communication with employees was particularly intense at all levels of the organizations, in order to ensure a good understanding of the protection measures put in place.

Throughout the health crisis, solidarity operations in subsidiaries and at Group level made it possible to play an active role in supporting the most disadvantaged.

## 2. Vigilance Plan actions

### 2.1 Supplies of sustainable agricultural raw materials

#### Milk

In 2021, SAVENCIA Fromage & Dairy purchased 4.7 billion liters of milk worldwide from cattle, sheep and goat farms.

All of the milk processed by the Group's French subsidiaries is purchased in France. Buyers have precise knowledge of this supply chain, which represents a large part of the Group's global dairy supplies: the farms and farmers are all members of a producer organization or cooperative.

The collection of milk from producers, its transportation and delivery to the Group's subsidiaries are managed internally:

- either by its own means;
- using the cooperatives' own resources;
- or by external service providers with whom a "transport safety protocol" has been signed in order to guarantee that working and safety conditions comply with the regulations in force in France.

It is in this operational context of dairy supplies that Groupe SAVENCIA has defined its commitments relating to human and environmental risks.

#### Current practices

##### ***Co-development of more sustainable milk sourcing***

In 2021, SAVENCIA Fromage & Dairy continued its policy of promoting the dairy sector within the context of the EGalim law in France and prepared for the implementation of the Besson-Moreau law, known as EGalim2.

Specific financial measures and support have also been implemented. Their aim is to:

- promote investments made in farms. Investment support programs have been set up in France with various partner structures. This system supports projects carried out on farms, whether they relate to equipment (materials and livestock related to the dairy) or non-equipment (training) investments;
- help young producers get their businesses off the ground. To help in the management of their projects, young farmers benefit from a "Support in setting up" pack which enables them, among other things,

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to benefit from financial assistance and a long-term contractual commitment. This pack also includes technical support: an individual assessment and a 10-day training program (operational management, environmental considerations, etc.). Two hundred and forty-four young farmers benefited from set-up support this year.

In terms of the quality of production and farming conditions, compliance with the Charter for Good Agricultural Practices (**Appendix 4**) is contractually required from all French cow's milk suppliers. This requirement is gradually being extended to all dairy collections worldwide.

In 2021, 85.8% (*versus* 83.1% in 2020) of the Group's global dairy volumes were already compliant with this charter or with standards recognized as equivalent by country or sector.

This charter includes six commitments for sustainable and responsible supplies: to ensure the traceability of animals on the farm, to protect the health of the herd, to guarantee the animals a healthy, balanced and monitored diet, to protect the quality of the milk through rigorous hygiene practices, to look after the wellbeing of the animals and the safety of the people working on the farm, and to contribute to the protection of the environment.

In order to better meet the expectations of its customers with regard to milk production conditions, and to implement a progress strategy that goes beyond the charters of best practices, the Group also engages producers in the implementation of its Sustainable Dairy Production Assessment, based on 10 indicators.

Introduced in 2011, this assessment allows for the assessment of practices from an economic, social and environmental standpoint, by examining the following indicators: operating profitability, sustainable management of water resources, carbon footprint, animal welfare, herd food autonomy, biodiversity, soil fertility, quality of life for producers, access to the outdoors, and herd health.

After having carried out the Sustainable Dairy Production Assessment, the farmer selects one or more areas of progress, with support from the Group, notably by means of a training proposal that meets the sustainability objectives of the farm and the quality of life at work for producers. In 2021, 450 training days were provided to the Group's milk suppliers in France.

At the end of 2021, 21.6% of the Group's global volumes came from farms that had completed the Sustainable Dairy Production Assessment (*versus* 19.2% in 2020).

### ***Promotion of value-enhancing sourcing***

France accounts for the majority of the Group's global dairy supplies, and all of the milk processed in France is of French origin.

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The quality system implemented in this context ensures the safety of food products, in accordance with customer expectations, and a high-quality dairy supply.

Resolutely committed to maintaining this high level of excellence to satisfy our customers whilst promoting dairy producers, SAVENCIA is the national cheese group that has paid the highest price for milk for several years. In 2021, the price of milk paid by the Group was 2.2% higher than the average price in France (price including all 38/32 quality premiums, comparison with the average price of the France AgriMer monthly dairy survey at the end of December 2021). Dairies and milk collection points are located in the heart of the regions. Processing favors proximity: 89% of dairy collection is carried out less than 70 km from the dairies and 66% less than 30 km away.

The Group thus ensures the creation of value and the dynamism of its collection and processing sites by maintaining jobs in often less attractive rural areas.

To encourage this value creation, 30.4% of the volumes collected by the Group worldwide in 2020 came from a so-called differentiated channel:

- goat and sheep;
- under Protected Designation of Origin (PDO);
- from organic farming;
- from GMO-free fed herds (VLOG certification);

Technical support offered by the dairy resources coordinators, as well as financial support, enable producers who so wish to switch to these differentiated sectors.

### ***Development and progress together with stakeholders***

The dairy resources coordinators are in daily contact with producers to support them in the development of their practices. They visit the farms at least once a year, assess the quality of the milk and provide technical support as needed.

SAVENCIA Fromage & Dairy is also committed to the prevention of risks to farmer safety. In France, since 2012, the Group has rolled out a transport safety protocol to all dairy farms to analyze the risks associated with the maneuvering of collection tanks. Thanks to the improvement of traffic flows and access to the milk tank, safe collection is ensured.

In order to contribute to the future of the sector and share its practices, SAVENCIA Fromage & Dairy works with all players in the value chain in France: the National Federation of Dairy Industries (FNIL), the French Milk Processors' Association (ATLA), the French National Association of Food Industries (ANIA); SAVENCIA Fromage & Dairy sits on the Boards of Directors of the CNIEL (French Dairy Interprofessional Organization for cow's milk), ANICAP (National Umbrella Organization for the French Goat Industry), France Brebis Laitière (FBL or Interprofessional Organization for sheep milk), and their regional bodies.

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On an international level, SAVENCIA Fromage & Dairy is also an active member of the International Dairy Federation (FIL-IDF), the Sustainable Agriculture Initiative (SAI) and the Dairy Sustainability Framework (DSF).

### ***Promotion of biodiversity***

SAVENCIA is aware of the need to protect biodiversity on dairy farms, as a source of added value for ecosystems as well as for farmers and milk suppliers.

This is one of the areas for improvement identified as part of the Sustainable Dairy Production Assessment offered to all our milk suppliers, measured using the indicator developed by Céréopa (Centre for Studies and Research on the Economy and Organization of the Livestock Industry). This indicator is defined on the basis of the proportion of permanent pasture on the farm, areas of ecological interest (trees, hedges, bodies of water and ditches) as well as the diversity of animal and plant species on the farm. Once this assessment has been carried out, solutions are presented to producers to:

- preserve soil fertility;
- safeguard the natural environment;
- adopt favorable crop practices.

Numerous actions in favor of biodiversity have also been developed at Group sites as part of the Oxygen plan:

- the Tessier subsidiary, in Cornillé-les-Caves, felled the former poplar grove in order to prepare for reforestation in 2022 with endemic species specific to wet and cool environments. Ponds and spaces dedicated to biodiversity have been created to promote the development of biodiversity. Two beehives have also been newly installed on the site. Supported by a local beekeeper and volunteers from the Rucher École, 14 employees were trained in looking after the colonies and in safety around the beehives. This interactive project is part of an initiative to raise employee awareness of biodiversity-related issues. These “apiarist employees” will then be able to observe the evolution of the swarms and ensure the maintenance of the beehives;
- the Elvir site, in Condé-sur-Vire, is made up of grassy areas and riverbanks that are favorable to the development of biodiversity (birds, small mammals and insects). In order to protect it, Elvir has made a commitment to the French Biodiversity Office (OFB), a public body devoted to the protection and restoration of biodiversity in France. In 2021, it joined the French "Companies committed to nature" program which is part of the government's Biodiversity plan led by the OFB to engage companies in the protection of biodiversity. It aims to develop, recognize and promote action plans. A partnership with the Normandy Conservatory for Natural Environments was entered into to identify the species present on the site, whilst carrying out educational and awareness-raising actions

among employees. A first action based on the consultation with these various bodies was launched. Elvir has decided to make the plot of the former wastewater treatment plant a freely evolving area, allowing it to revegetate naturally;

- With its Le Rustique brand, CF&R is committed to the association "Pour une Agriculture du Vivant", which promotes agroecology. Several employees in management positions (plant, marketing, human resources, etc.) underwent training and a farm visit to understand the challenges of agroecology in the dairy industry;
- a seed ball distribution campaign was launched by the plant-based team. The distribution was carried out in France to the Group's employees and in-store customers, with the aim of planting 1 million flowers to revegetate the environment;
- in France and abroad, flowers are growing in uncultivated land and the green spaces at certain sites are being sustainably managed. Trees have been planted at a site in Slovakia.

## Monitoring and assessing actions

	2019	2020	2021	2025 Target
Extend the Charter for Good Agricultural Practices worldwide (% volume of milk collected)	80.0%	83.1%	85.8%	100%

	2019	2020	2021	2025 Target
Roll out the Sustainable Dairy Production Assessment (% volume of milk collected *)	19.0%	19.2%	21.6%	50%

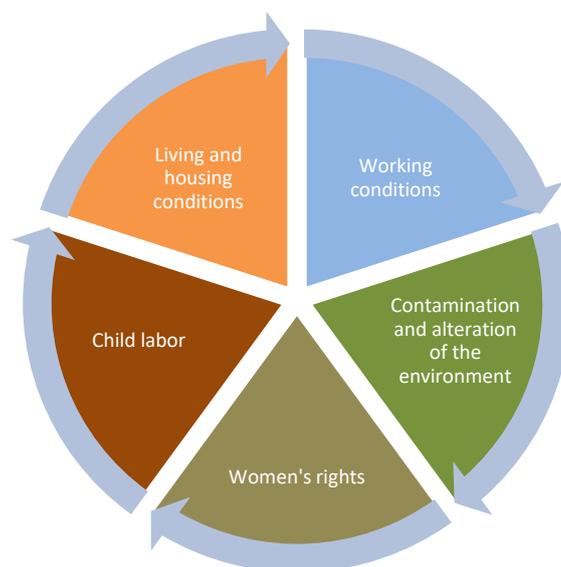
(\*) The volume of milk collected with the roll-out of the assessment is estimated on the basis of the average volume of milk collected per farm in the scope (with the contractual milk supply of Compagnie des Fromages & RichesMonts - CF&R - at 37%).

## Cocoa

### Valrhona committed to a fair and sustainable cocoa industry

The Valrhona subsidiary, through the Live Long Cacao plan implemented in 2015, supports the development of producer organizations and contributes to improving the living conditions of communities.

In the same vein, in 2018 Valrhona mapped the human rights risks in its cocoa supply chains in 19 countries. This study was supplemented by a study of risks classified in seven countries according to their likelihood of occurrence and led to the identification of five areas of vigilance.



This approach has led to structured ambitions for SAVENCIA's cocoa sector, particularly in terms of improving living and working conditions and protecting the environment with a view to creating a fair and sustainable cocoa sector.

Long-term partnerships, with a minimum duration of three years, are signed jointly with each of the partner producers (private companies and cooperatives). They set a framework for cross-functional collaboration, from the quality of the cocoas and the promotion of local products to the implementation of projects for the benefit of the communities with whom we are involved. They represent a mutual desire to grow and learn together, towards greater sustainability and resilience. Each country, each partnership relationship, each context is unique, and is based on its history, risks and needs: education, health, income diversification, preservation of rare varieties, the fight against deforestation.

In 2021, the partnerships in Belize, Peru and Sao Tome were all renewed for 10 years. The average duration of all partnerships is now over 8 years.

The traceability of supplies is an essential element in the quality control of the beans. In 2021, 100% of Valrhona's bean supplies could be traced back to the producer. Close and direct relationships with producers are vital to controlling the quality of the beans and their impact on the life of communities and their environments.

### ***Improvement of living and working conditions***

Understanding the needs of producers is at the heart of the teams' day-to-day work. These needs are supported by Valrhona's partners, who are the primary guarantors of the legitimacy and relevance of these actions.

- Participatory approach to understanding needs in Madagascar

Since 2016, Valrhona has supported the sustainability program of Millot, an exclusive partner in Madagascar. This support takes the form of bonuses granted to 1,179 producers and Millot employees on three main topics: Quality, Traceability and Responsibility.

As part of the ongoing improvements to this program, in 2021, Valrhona and Millot decided to clearly define the needs of producers and employees: two questionnaires on the themes of health / water and education were sent to identify ways to improve access to healthcare and good quality education, and to boost income.

- Children's education

Child labor is a major risk facing the entire cocoa sector. Firmly of the belief that to have the biggest impact, action must be collective, Valrhona has joined the International Cocoa Initiative (ICI), a foundation dedicated to the protection of children in cocoa-growing communities that works to ensure a better future for children and their families.

In addition to the implementation of locally-managed child protection systems, the International Cocoa Initiative has identified community development, women's empowerment and access to education as the main levers for preventing child labor.

- Schooling for children

In collaboration with the CAPEDIG agricultural cooperative, two public primary schools financed by the Valrhona Solidarity Fund were opened in 2021 in Nadjette and Kouaméblekro in Côte d'Ivoire, ensuring good educational conditions. Also financed by the Valrhona Solidarity Fund, the Kouaméblekro school now has a school canteen with a 120-seater dining hall and a fully-equipped kitchen. The lack of on-site catering is a major factor in school absenteeism.

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In Ghana, the existing school in Bosomtwe consisted of a nursery school and a middle school but suffered from the lack of pedagogical continuity for students without a primary school. As part of a project financed by the Valrhona Solidarity Fund, a new primary school was delivered to the community on November 18, 2021, providing the option for six primary classes (*i.e.* 270 additional places) in the village.

The primary school in the community of Guayabal in Venezuela did not meet the minimum conditions of the safety and wellbeing of children and the teaching team. The Fundación San José, of the partner Casa Franceschi, was recommended to the Valrhona Solidarity Fund to help finance rehabilitation work on the establishment.

- Support for producers

- Entrepreneurial strengthening project in Venezuela

In northeastern Venezuela, in one of the cocoa purchasing areas south of Lake Maracaibo, 30 farming families benefit from a cross-functional support program developed by the United Nations Development Program (UNDP). The methodology applied aims to support families in launching or developing a more entrepreneurial vision in the conduct of their agricultural activities and more specifically those related to cocoa. Management tools adapted to local contexts must enable beneficiaries to secure their activities, optimize their revenues and contribute to the sustainability of the sector.

- Female empowerment

The Fonds Solidaire Valrhona financed the development of a poultry farm in Pona Ouinlo, Côte d'Ivoire. This entrepreneurial project involved the construction of a livestock building, the provision of the necessary equipment, and training and monitoring for the 30 women appointed by the association to run the farm. The creation of 30 jobs thus contributes to the empowerment of women and the diversification of incomes through the sale of chicken eggs and meat. The farm also contributes to the community's food sovereignty, and the chicken droppings are used as natural fertilizers in cocoa plantations.

### ***Environmental protection***

SAVENCIA is aware that the cultivation of cocoa can be a major factor in deforestation and biodiversity loss. This environmental damage contributes to climate change and threatens the livelihoods of producers. This is why its subsidiary Valrhona ensures that cocoa supply chains are free from deforestation and supports sustainable agriculture by working with its cocoa partners to promote agroforestry and train producers in good agricultural practices.

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With the B Corp® label, Valrhona is committed to protecting forests in all cocoa origin countries, notably by guaranteeing traceability from the plot.

- Mapping of the plots of Millot producers in Madagascar

In 2021, the 1,270 plots of the 1,179 producers affiliated with its partner Millot were mapped. The contours of the plots have been shown onto the map of the Sambirano basin, including protected areas. At the same time, a risk analysis was carried out on areas of high conservation value (HCV) in terms of biodiversity and areas of high carbon stock (HCS). This mapping is a prerequisite to effectively combatting deforestation.

- Training and awareness-raising for producers in Côte d'Ivoire

In 2021, as part of an annual training plan, the producers of the partner cooperative attended several training courses on climate change, the benefits of shade trees, fighting erosion and the protection of bodies of water and forests: 1,789 producers attended this training (82%).

- Agroforestry partnership in Haiti

The partnership with Agronomes et Vétérinaires Sans Frontières (AVSF) was renewed for an additional three years, to support members of FECCANO (Federation of Cocoa Cooperatives in northern Haiti) in the renovation of plantations.

- Carbon neutrality

Valrhona analyzes the carbon footprint of these activities in the cocoa sector, ensures that greenhouse gas (GHG) emissions are reduced as much as possible and contributes to carbon capture efforts.

Cocoa accounts for a significant portion of its carbon footprint. In 2021, the carbon footprint of the cocoa produced in Madagascar was assessed in collaboration with the NGO NITIDAE. The GHG emissions data as far as Tain l'Hermitage, the location of its head office, as well as the measurement of the amount of carbon sequestered annually in the plantations were refined thanks to the completion of forest inventories on more than 1,250 hectares. This should help to develop a plan to be deployed in other countries.

## Other actions for the Group's cocoa sector

Through the Swiss Platform for Sustainable Cocoa, Swiss subsidiary Villars has committed to ensuring at least 80% of its cocoa supplies are sustainable by 2025.

- the proportion of UTZ-certified (part of the Rainforest Alliance) raw materials from cocoa (beans, cocoa mass and cocoa butter) was 46.0% in 2021, *versus* 30.2% in 2020;
- nearly 55% of cocoa bean supplies could be traced back to the plantation or cooperative in 2021, compared to 25% in 2020. The other main raw materials used to make Swiss chocolate, namely milk and sugar, are sourced locally in Switzerland.

Réveillon has begun in-depth work with its cocoa suppliers to become more sustainable and traceable. The deployment plan is spread over five years and aims to achieve 100% sustainable cocoa.

In addition to cocoa, it includes all strategic raw materials - dried fruits, sugar, dairy products - and aims to sustainably purchase strategic food materials by relying on the most virtuous sectors.

Lastly, the Réveillon, Weiss and Valrhona subsidiaries are involved in the Cacao Forest project in the Dominican Republic. This innovative research project on cocoa cultivation is inspired by the agroforestry model: cocoa trees grow among different tree species that improve soil richness, increase cocoa quality, cocoa productivity and quality of life of growers, while protecting the environment. This initiative brings together farmers, businesses, researchers, consumers and non-governmental organizations.

## Monitoring and assessing actions

In 2021, 100% of cocoa bean purchases were made under long-term partnerships.

	2019	2020	2021	2025 Target
% of cocoa purchases from long-term partnerships	93.0%	98.0%	100.0%	100.0%

## Meat

The challenges of the meat sector are:

- respect for breeders, and in particular the guarantee of fair compensation enabling them to make a decent living from their profession;
- respect for the environment;
- respect for animal welfare.

To address these challenges, SAVENCIA's charcuterie business, which is committed to developing trusted partnerships by prioritizing local and long-term relationships with French and European suppliers, has spent the past few years developing programs with its supplier partners and farmers to establish more sustainable supply chains.

### Actions implemented

Each supplier is first assessed and then regularly audited by the quality and purchasing departments of the charcuterie business, in order to verify the effectiveness of the traceability systems back to the farms.

Programs have been developed with partner suppliers and breeders to support sectoral challenges relating to breeder compensation, the environmental impact of farms, as well as breeding practices for the better consideration of animal welfare.

The Bordeaux Chesnel subsidiary maintains trusted partnerships with a system of direct contractual arrangements with French pig farmers, namely:

- the guarantee of better compensation, on average 20% higher than the average price in this industry in 2021, and well beyond for the most virtuous farms;
- a controlled diet with 100% French cereal grains, containing a maximum of 20% barley;
- support in reducing their environmental impact, with the implementation of a tool to measure and monitor their environmental footprint;
- respect for animal welfare with a financial incentive to apply more virtuous farming models, such as introducing straw bedding or farrowing crates.

In April 2021, Bordeaux Chesnel launched a new product: *Rillettes du Mans engagées* [Responsibly Bred Rillettes]. Bordeaux Chesnel is committed to moving the pork industry towards more virtuous breeding practices through the creation of responsible breeding, designed specifically for this new product, and developed in partnership with two young Breton breeders and Cooperl (agricultural and agri-food cooperative of the Grand Ouest).

In concrete terms, this has led to the construction of a building with an innovative and sustainable infrastructure concept respectful of animal welfare and the environment with:

- improved breeding conditions: the pigs are raised on straw, without antibiotics from 42 days, have a surface area 70% greater than standard farms, and benefit from natural ventilation and daylight;
- a reduced environmental impact: the new infrastructure is made of recyclable materials, such as wood and aluminum. Methanization transforms liquid manure into biogas, which generates enough energy to meet the consumption of approximately 13 households. The cereals that feed the pigs come from the farm itself or from the cooperative located 30 km away. Greenhouse gas emissions are reduced by halving ammonia emissions.

In addition, in 2021, Bordeaux Chesnel rolled out the Our Shared Values approach, for the development of a more sustainable 100% French chicken sector with its supplier partners, mainly located in the Grand Ouest region (Pays de Loire, Normandy and Brittany), aiming to:

- guarantee fair compensation for farmers that takes into account production costs and guarantees long-term visibility thanks to a contractually-agreed system;
- control a diet based on 100% French cereals made from 100% French cereal grains and a 100% plant-based, mineral and vitamin diet;
- implement an environmental progress plan based on several levers:
  - energy production at the farm: solar panels, methanization of waste, etc.
  - produce natural fertilizers *via* livestock farming, to feed crops;
  - and integrate buildings into their surroundings;
  - finally, respect for animal welfare with the definition of a livestock farming practices progress plan.

## Monitoring and assessing actions

In 2021, nearly 150 farmers joined a direct partnership for a sustainable pork industry.

	2019	2020	2021	2025 Target
% of regional sustainable quality supplies for pork rillettes	19.0%	30.2%	40%	90%

In December 2021, 39% of chicken supplies came from the more sustainable chicken sector.

## Fish

The fishing industry is a major challenge in the preservation of marine resources, which are becoming increasingly scarce due to overfishing, as are, more generally, ocean and biodiversity conservation, not to mention the contribution to the protection of the populations that make a living from fishing. To respond to its challenges, in 2018, the Group's subsidiary Coraya committed to exclusively sourcing fish from sustainable fisheries.

### Actions implemented

Coraya does not use any endangered species and sources Alaskan pollock and Pacific hake from the North Pacific for its surimi crab sticks.

The fish comes exclusively from sustainably managed fisheries assessed by an independent body, guaranteeing the use of fishing practices that respect the seabed, the environment, stocks of species (compliance with fishing quotas, respect for fishing seasons, habitats and marine ecosystems).

The sustainable fishing framework on which the sector's activities are based focuses on three fundamental principles:

- sustainability of the stock: fisheries operate in such a way as to allow the resource to be renewed, without overexploitation;
- minimal environmental impact: fishing operations are managed so as to maintain the structure, productivity, function and diversity of the ecosystem on which fishing depends, including other species and habitats;
- effective management: fisheries must comply with local, national and international laws and have a management system that enables them to adapt to various changes.

In addition, this framework includes criteria for suppliers and processors of certified seafood products, in order to ensure that products are not the result of forced or child labor.

Each intermediary company involved in the supply chain complies with a standard designed to guarantee the origin and traceability of the fish to Coraya's production floor, the application of which is also controlled by an independent body, in order to guarantee that the products from sustainable fisheries are traceable.

All companies involved in the value chain are assessed by independent certification bodies.

## Monitoring and assessing actions

In 2021, 100% of the fish in the Coraya surimi range came from sustainable fishing, controlled by an independent body.

	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2025 Target</b>
% of fish in the Coraya surimi range from sustainable fishing	100%	100%	100%	90%

## Nuts

The Nuts business faces complex supply chains, which involve numerous intermediaries in fragmented and often sensitive international sectors. This complexity makes it difficult to identify risks, and potentially severe human rights risks in particular.

### Current practices

Nuts subsidiaries adhere to the commitments defined by the Group in terms of human and environmental rights.

These commitments are reflected in an audit that follows the four-pillar SMETA methodology, and have enabled the Fruisec subsidiary to obtain EcoVadis “Silver medal” rating.

In parallel with these actions, they are continuing to roll out the Group’s Responsible Purchasing Charter and a regular assessment process for tier-one suppliers (EcoVadis, Sedex, SMETA, self-assessment questionnaires).

They can also implement pre-financing operations for purchasing campaigns with long-standing suppliers with very low cash flow and who request such a facility.

They also make advance payments against the presentation of customs documents, cleared after receipt and subject to quality control. This initiative also helps support suppliers experiencing cash flow difficulties.

### Monitoring and assessing actions

In 2021, six active suppliers underwent an EcoVadis assessment, and eleven completed a SEDEX self-assessment.

For certain suppliers, particularly small ones, the “dried fruit” subsidiaries favor the autonomous completion of assessments based on a questionnaire drawn up with an external service provider and which incorporates aspects relating to human rights and the environment. Ten suppliers responded to this self-assessment in 2021.

Lastly, in collaboration with the Compliance Department, the Fruisec subsidiary teams are organizing a joint approach designed to map the sectors’ CSR risks, notably focusing on human rights, and to assess their suppliers, by sector and by nut type, or by geographical area of supply.

## 2.2 Responsible purchasing

### The Group's commitments

The Group has marked its commitments in the area of purchasing by signing, on January 10, 2012, the “Charter for Responsible Supplier Relations”, a collective initiative for improving supplier relations (**Appendix 5**).

In order to manage these purchases in accordance with obligations relating to the fight against undeclared labor, transparency and the prevention of corruption and violations of human and environmental rights, the Group's Purchasing Department applies a “global supplier vigilance plan”.

This plan consists of:

- establishing an internal mapping of supplier risks that takes into account:
  - the level of “Country” risk determined internally on the basis of environmental, health and social, human rights and governance scores assigned by the independent service provider EcoVadis to the countries in question,
  - the level of “purchase category” risk determined internally on the basis of CSR and operational criteria;
- having the most at-risk suppliers assessed. Since 2010, the Group has also selected EcoVadis to carry out these assessments;
- continuous monitoring of supplier performance;
- if necessary, auditing and / or monitoring the most sensitive or worst-performing suppliers;

In addition, a “Code of Conduct for SAVENCIA Group Purchasers” (**Appendix 6**) is adhered to ensure compliance with the responsible and sustainable approach to purchasing, in accordance with the principles of integrity and ethics and by preparing progress and sustainable and solidarity performance plans.

### Selection of sustainable and responsible suppliers

The Group selects its suppliers on the basis of quality, safety, service and competitiveness criteria, as well as their ability to provide long-term support. It favors long-term collaborations and its relationships with suppliers are part of a dynamic of shared progress.

Thus, since 2010, SAVENCIA has asked its main suppliers to join its culture and values by signing a “Responsible Purchasing Charter” (**Appendix 7**), established in line with the Group's Ethics Charter.

## Monitoring and assessing actions

As of December 31, 2021, more than 775 charters had been signed, covering 68.6% of the Group's external expenses managed by the Purchasing organization and incurred with major suppliers (for which the annual expenditure with the Group is greater than €1 million)\*, excluding agricultural commodities.

	2019	2020	2021	2025 Target
% of the Group's external expenses managed by the Purchasing organization and incurred with major suppliers under the Responsible Purchasing Charter (*)	63.0%	63.2%	68.6%	80%

\* Excluding Japan, India, Ukraine, Serbia, Romania, Poland and Russia for which purchasing expenses cannot be consolidated automatically at this time.

According to the supplier risk mapping, support was provided for partners classified as priorities, in particular through the organization of a webinar by EcoVadis, and by teaching purchasers about the EcoVadis methodology.

As such, 672 suppliers underwent an EcoVadis assessment in 2021, covering 71.5% of the Group's expenses managed by the Purchasing organization.

The average score obtained was 52.9/100, versus an average of 43.8/100 for the Food & Beverage EcoVadis panel.

	2019	2020	2021	2025 Target
% of the Group's external expenses managed by the Purchasing organization and incurred with major suppliers* through EcoVadis assessments	68.0%	68.7%	71.5%	80%

\* Excluding Japan, India, Ukraine, Serbia, Romania, Poland and Russia for which purchasing expenses cannot be consolidated automatically at this time.

## 2.3 Health and safety and fundamental human rights of employees

Groupe SAVENCIA is made up of close-knit companies united by a strong culture that guides their behavior and actions. Working conditions, the preservation of the physical health and safety of the women and men who work in and for the Group are concerns for everyone and at all levels of the organization.

The risks that may impact the Group's employees as a result of its own activities therefore relate to health and safety, but also to compliance with the legal framework at work put in place by the Group for the management and administration of human resources applied to all subsidiaries, on issues relating to freedom of association, discrimination, compensation, forced labor, child labor, and migrant labor.

(See **Appendix 3**: list of potential risks)

### Occupational health and safety

The Group makes Occupational Health and Safety (OHS) a priority area and a shared value with partners working at its sites (service providers and temporary workers).

Under the slogan "Safety is OUR business", the Group's Health and Safety at Work policy, co-led by the Group's Human Resources Department and the Group Operations Department, emphasizes the importance of collective and shared responsibility.



It is based on:

- a charter (**Appendix 8**), co-signed by the Group's Chairman and Vice-Chairman, and distributed to all subsidiaries. This charter supports the goal of zero workplace accidents;
- a "Framework for Health and Safety at Work" to enable the implementation, in all Group establishments, of a health and safety management system that:
  - concerns all activities, all professions, all occupational, physical and psychological risks,
  - is intended for all employees, subcontractors, visitors and temporary workers,

- promotes the professional and social development of employees by improving their safety and offering them working conditions that respect their health,
  - prioritizes prevention in all areas, from the design of new projects to the execution of day-to-day tasks;
- cross-functional steering, management, monitoring and control bodies.

Internal OHS audits are used to assess the level of compliance with the directives and recommendations contained in the OHS Reference Framework for each site, and to implement any corrective measures. In 2021, these OHS audits were dramatically reduced due to health protocols and lockdowns;

- awareness-raising and training actions with:
  - the organization of Occupational Health and Safety Month, which involved all Group subsidiaries throughout the month of September,
  - a training component <sup>1</sup>:
    - mandatory training in accordance with regulations,
    - training imposed by the Group to meet the managerial needs of departments and subsidiaries, or carried out as part of specific Health and Safety at Work plans,
    - voluntary training in response to employee requests or to coincide with World Week for Health and Safety,
- an awareness-raising component<sup>2</sup>: distribution of a monthly newsletter.

In 2021, occupational health and safety training in subsidiaries accounted for 39% of the Group's training actions.

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<sup>1</sup> This training is provided both to permanent staff and to temporary workers (induction training with temporary employment agencies).

<sup>2</sup> This OHS newsletter is divided into two parts.

A quantitative section, which summarizes the following indicators:

- the Frequency Rate for registered and temporary employees ( $Fri = \text{number of workplace accidents with lost time} \times 1,000,000 / \text{number of hours worked}$ ), - the Severity Rate for registered employees ( $SR = \text{number of days of sick leave following a workplace accident} \times 1,000 / \text{number of hours worked}$ );

A qualitative component, with the sharing of best practices and feedback on incidents or accidents that have occurred within the Group.

In order to further enhance this prevention system, the Group has been developing the “10 SAVENCIA Safety Essentials” in all subsidiaries since 2020. This is a deployment and facilitation kit specially developed in all the Group’s languages, which sets out all operational rules focused on preventing the risk of potentially serious accidents. Each Essential includes four clear and simple rules to be followed by everyone under all circumstances.

The Group’s objective is to move towards “zero” workplace accidents.

	2019	2020	2021	2025 Target
% of subsidiaries with no workplace accidents with lost time (registered workforce and temporary workers) during the year	38.3%	45.6%	49.2%	100%

In addition, dedicated support is provided by a specialized firm (Dupont) to subsidiaries that require it, and a specific action plan in France is developed in conjunction with temporary employment agencies in order to help reduce risks and improve working conditions.

At Group level, the OHS policy is coordinated by the Human Resources and Industrial Departments. At subsidiary level, the policy is overseen by a local organization supported by Executive Management and most often managed by a safety officer appointed for each site.

Lastly, psychological support arrangements are in place for employees in France and certain subsidiaries in Europe, provided *via* a listening service, and on-site interventions in the event of a serious incident.

## Respect for human rights and fundamental freedoms

In terms of Human Resources, SAVENCIA undertakes to comply, and to ensure compliance, in all the countries in which it operates, with the fundamental principles of respect for human rights and fundamental freedoms for its employees and workers on temporary assignments, and with all of its service providers.

A general Human Resources policy note on the duty of vigilance within Groupe SAVENCIA will be distributed in 2022 to the Executive Management and HR Departments of the subsidiaries, in all countries in which the Group operates.

The vigilance plan in favor of human rights and fundamental freedoms confirms these requirements with all players in the value chain.

In this context, the Group ensures compliance with commitments to human rights and fundamental freedoms, through adherence to the conventions of the International Labor Organization (ILO), and in particular with regard to the following:

- Respect for local laws and cultures:
  - Elimination of non-child labor,
  - Non-discrimination on the basis of age or gender, and the promotion of diversity;
- On the personal development of employees and collective cohesion:
  - Respect for trade union rights through the promotion of social dialog and the collective representation of employees,
  - The gradual extension of the freedom of expression principle, through annual employee appraisal interviews.

This approach is extended to subcontracting activities and/or suppliers with whom there is a commercial relationship established within the framework of the Responsible Purchasing Charter developed by the Purchasing Department.

In line with its values and in accordance with regulatory requirements, SAVENCIA promotes equal opportunities for all its employees in order to avoid any risk of discrimination.

The Group's Ethics Charter reiterates that "respect for people" and "equal opportunities" are pillars of its corporate culture. In this spirit, agreements are signed and measures are implemented to promote the employment and retention of people with disabilities, as well as gender equality.

The Group strives to promote gender equality, particularly in terms of qualifications, training, compensation and career development. As part of the Oxygen plan, SAVENCIA is committed to achieving gender parity by 2025.

	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2025 Target</b>
% of female managers	44.0%	44.0%	44.4%	50%

In order to change the way employees view disability, to keep people with disabilities in employment and to promote their recruitment, the Group has a "Disability Action" policy.

Its commitment is based on four key areas of focus to promote the employment and retention of people with disabilities:

- raising awareness to combat stereotypes;
- maintaining employment;
- recruiting people with disabilities;
- developing partnerships with the sheltered and protected sector.

The percentage of employees declared as having a disability was 3.3% in 2021 compared to 3.1% in 2020.

With regard to the monitoring of commitments in favor of human rights and fundamental freedoms, the data from the Group's social reporting revealed the following results:

- Fight against child labor: in 2020, the minimum age of permanent Group employees was 16; people under the age of 18 are predominantly employees under work-study contracts;
- Training in our subsidiaries is provided at all stages of life in the Company, including for our senior employees. In 50% of subsidiaries, the age of the oldest employees who received training corresponds to the age of the oldest employees in the corresponding subsidiary. This rate is up compared to previous years;
- In subsidiaries with more than 10 employees (French threshold for the implementation of SECs), more than 85% of employees benefit from collective employee representation bodies such as working committees, works councils or social and economic committees (SEC);
- In 2021, 3,164 managers conducted an annual appraisal review for the year 2020. The development of the #mysavencia Human Resources Information System should help to extend this practice to all managers and non-managers over the coming years.

## 2.4 Environmental footprint

For many years, the Group has been working to reduce the impact of its activities on the environment. These risks are a key area of progress in the Group's CSR plan. Of all the Group's operations, its industrial activity is identified as the main source of risks to the environment and local residents. The environmental issues and the actions implemented for the main sectors are specified in the respective chapters of section 2.1.

The Operations Department has defined five priority areas that correspond to the main "environmental footprint" focus of the Oxygen plan:

- reducing greenhouse gas (GHG) emissions;
- pollution prevention;
- reducing water withdrawal from the natural environment;
- reducing energy consumption;
- increased waste sorting and recovery.

It has set up a body that draws up the policy in this area, implements it and monitors the results thereof.

### Current practices

#### ***Reducing greenhouse gas (GHG) emissions***

Aware of the global challenges linked to greenhouse gas emissions, the need to combat climate change and its consequences for the benefit of society, the Group strives to reduce the environmental footprint of its activities in order to limit the risk of impact on climate change and adapt to its consequences.

The various programs undertaken are continuing under the Oxygen plan.

The SAVENCIA Group is thus committed to:

- cutting the environmental impact of its activities by reducing greenhouse gas emissions from production and transport by 20% per ton produced before 2025 (*versus* 2015).
- increasing the share of renewable energies;
- reducing the carbon footprint of the volume of milk collected by 300,000 tons of CO<sub>2</sub> equivalent by 2025 (*versus* 2010).

#### ***Pollution prevention***

With regard to the Group's subsidiaries' areas of activity, the two risks identified as being most significant (in terms of likelihood and / or impact) are:

- the release of products into the environment in the event of an accidental spill;

- the discharge of non-standard organic waste into the natural environment, and in particular into the hydrographic network surrounding the sites.

The occurrence of these risks may be of internal origin (malfunction of the facilities, fire, human error, etc.) or external origin (climate phenomenon in particular).

To limit internal and technical causes, the Group has a policy of maintaining, renovating and adapting its wastewater production and treatment facilities, which takes into account:

- planned production volumes;
- the age of the facilities and the audits conducted on their condition;
- COD (Chemical Oxygen Demand) tests.

To limit internal human causes, the subsidiaries are responsible for implementing training plans adapted to the duties and responsibilities held.

One particular risk is therefore pollution related to fires. Fire risk assessments are carried out on the industrial sites. Each assessment results in a rating (or grade) and a report including measures to be implemented to improve this rating if necessary. These measures are classified into two categories:

- preventive measures, which include the implementation or development of best practices (organizational or managerial aspect);
- physical protection measures (fire extinguishers, armed fire hydrants, sprinkler systems, fire doors, use of specific materials, etc.) which require investment.

The COD is measured by the Group:

- on the raw effluents entering the treatment system. Cross-checking this with the site's production volume makes it possible to identify a potential incident on the facilities (peak in COD), or a deterioration in their condition (slow increase in COD);
- on effluents after treatment and before discharge into the natural environment when the Group is responsible for the treatment process. This COD is regulated. In the event of a non-compliant analysis, corrective actions are implemented immediately.

The Group also takes into account noise, odor and air pollution (particles in the atmosphere), which are generally decreasing. These are handled on a case-by-case basis.

### ***Reducing water withdrawal from the natural environment***

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

- as a technological aid in the manufacture of products;
- for cleaning operations, to guarantee a high level of hygiene and product safety;
- as a heat transfer fluid or secondary refrigerant;
- in fire prevention and firefighting facilities.

The Group has implemented a number of measures to reduce these withdrawals:

- optimization, renovation or even complete renewal of existing cleaning equipment;
- training and awareness-raising on best practices for personnel in charge of manual cleaning;
- recovery, by evaporation or reverse osmosis, of part of the water contained in the milk or whey. This water is used as a heat transfer fluid or, after treatment, for the external cleaning of facilities.

At the same time:

- it continues to collaborate with the French dairy and cheese industry to define more efficient practices and technologies in terms of water use;
- this issue is considered as part of any project to renovate or renew the Group's production infrastructure.

Lastly, each subsidiary regularly monitors the quantities of water withdrawn from the natural environment in order to:

- identify any accidental overconsumption and implement the necessary corrective actions;
- measure the long-term effectiveness of the measures implemented.

### ***Training and sharing of best practices***

In the areas of attention that contribute to reducing the environmental footprint of SAVENCIA's activities, best practice guides have been drawn up for the industrial sites. These are internal thematic guidelines that enable production sites to optimize processes and make facilities safer and more efficient. These best practices are based on the highest standards as well as experience accumulated in the field.

These guides include the CSR / Industrial Guide, the Energy / Water Guide, the Damage Prevention Guide, and the PCS (permanent cleaning system) Guide.

Although best practices are shared between all Group subsidiaries, each subsidiary is still required to comply with the regulations in force in its country of operation.

Environment Meetings, organized twice a year, bring together the environmental officers to discuss targeted themes selected according to current events and / or the needs of the Group. These meetings are an opportunity for presentations by external stakeholders, the sharing of best practices and feedback, and updates on regulations, the progress of projects and current developments.

In 2021, in light of the pandemic, these face-to-face meetings were replaced by videoconferences.

Lastly, industrial best practices are covered in regular training sessions for all relevant Group employees. The "SAVENCIA Academy" delivers this training, in particular to the Company's executives.

## Monitoring and assessing actions

### **Reducing greenhouse gas (GHG) emissions**

% change since 2015

	2019	2020	2021	2025 Target
Reduction of Scope 1 and 2 GHG (tons of CO <sub>2</sub> eq./ton manufactured) *	-10.1%	-6.0%	-7.3%	-20%

\* This indicator has been recalculated since 2015 in order to incorporate the new emission factors (source of emission factors: Ademe 2020). The 2019 and 2020 values of certain subsidiaries have been corrected *a posteriori* and certain emission factors have been updated. The change in this indicator in 2020 is related to the change in scope due to the integration of new subsidiaries.

Direct emissions (scope 1) include emissions related to the combustion of fossil fuels used, non-energy processes (linked to wastewater treatment) and refrigerant leaks.

Indirect emissions (scope 2) include emissions related to the production of electricity, steam, heat or cooling purchased and consumed by the sites, as well as line losses.

The process of calculating our scope 3 (other indirect emissions), initiated in 2020 for the SAVENCIA Fromage & Dairy scope, continued in 2021. As for most companies in the agri-food sector, the impact of raw materials is the primary source of the Group's CO<sub>2</sub> emissions. The objective of this work is to refine the measurement of the environmental footprint in order to contribute to the reduction of CO<sub>2</sub> emissions.

### **Pollution prevention**

In addition to organizational measures, the Group makes significant investments:

- in wastewater treatment plants;
- in fire prevention and protection systems.

### **Reducing water withdrawal from the natural environment**

% change since 2015

	2019	2020	2021	2025 Target
Reduction of water withdrawal (in m <sup>3</sup> / ton manufactured)	0.3%	1.7%*	1.2%	-10%

\* the change in this indicator in 2020 is related to the change in scope due to the integration of new subsidiaries.

It should be noted that the development of products made from differentiated milks requires more frequent washing, which also results in an increase in water consumption.

## 2.5 Consumer health and safety

Consumers are holders of rights outside the Group, potentially impacted by its activity either directly (direct sale by a subsidiary to the consumer) or indirectly (products acquired by the consumer *via* resellers).

Their rights are as follows:

- right to information about products consumed;
- right to food safety.

### Consumer information

All Group subsidiaries comply with consumer information regulations in all markets where products are manufactured and sold.

This regulation has two components:

- a section on product consumption safety: declaration of allergens, storage conditions (in particular the storage temperature) and durability dates (Use-by Date or Minimum Durability Date);
- a section relating to the characteristics of the products purchased: trade name, list of ingredients, nutritional tables, quantity, etc.

In addition to strict compliance with regulations, the Group is careful to ensure that the information given to consumers about its products is truthful, clear, does not suggest non-existent or exaggerated benefits, and does not mislead consumers with regard to the product characteristics. Responsible communication is an important part of the Group's CSR commitments under the Oxygen plan.

The subsidiaries are responsible for monitoring the regulatory compliance of labels and consumer communication media of any kind, and for ensuring compliance with responsible communication commitments.

This control is carried out by regulatory managers, quality managers, or legal experts in certain markets, assisted if necessary by the Group's Food Law Department.

The Group has thus set up an organization and operating procedures that help to avoid any serious infringement of consumer rights.

### Consumer health

The Group's Quality Department analyzes risks to consumer health generated by the Group's activities, and, in conjunction with the Group's various stakeholders (business managers, subsidiary managers, plant managers, experts), defines the prevention policy and implements plans to reduce these risks.

Risks to consumer health (excluding nutritional aspects) are generally related to the potential contamination of the Group's products by:

- pathogenic microorganisms responsible for food poisoning;
- foreign bodies;
- chemical contaminants (e.g. pesticides);
- food allergens (substances that generate allergic reactions) identified by regulations.

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

### ***Procedures***

They are applicable in all of the Group's production areas:

- discharge control: based on one or more microbiological food safety criteria, it determines the release of batches of SAVENCIA products for marketing to customers;
- specific approvals: in the event of the launch of a new product, a significant modification to an existing product, or the transfer of a product between two sites.

### ***Best Practices***

The aforementioned best practices in risk management are based on the experience of experts and operational staff. Common or specific to a business line, they enable the subsidiaries to share the problems encountered and come up with corrective solutions.

### ***Certification policy and food safety management system***

There are several standards in terms of food safety certification:

- international standard ISO 22000 (International Organization for Standardization);
- private standards, some of which correspond to the requirements of the Global Food Safety Initiative (GFSI), such as:
  - FSSC 22000 (Food Safety System Certification), based on ISO 22000,
  - BRCGS (Brand Reputation through Compliance of Global Standards),
  - IFS (International Featured Standards);
- "country" approvals, required in certain markets.

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In terms of food safety, the Group's certification policy specifies that each production site must be certified on the basis of an international standard recognized by the Group.

The Quality Department supports the sites in the implementation of these management systems and the associated audits. It also keeps a record of the certifications held or in the process of being acquired in the field of food safety.

### ***Managing supplier risks in terms of food safety***

The Group has developed audit procedures for strategic suppliers of raw materials and MICAÉ (additional ingredients, consumables, additives and packaging).

These audits are carried out by teams of two purchasing / quality staff on the basis of a grid setting out the Group's specific requirements. The results of these audits are monitored over time.

The health constraints imposed by the management of the COVID-19 crisis, and in particular the strict restrictions on travel, did not allow the resumption of field audits in 2021. The annual assessments carried out by the subsidiaries and shared (remotely) with suppliers allowed the Group to confirm the compliance of the level of quality delivered, with the implementation of corrective actions where necessary, and thus to continue the collaboration.

### 3. Whistleblowing mechanism

Since 2018, the Group has had a shared whistleblowing system with all of its entities for collecting “Compliance” alerts, enabling each employee and external stakeholder to report issues in a strictly confidential manner.

This system consists of:

- a telephone number: **+33 1 34 58 64 14**
- an email address: **compliance@savencia.com**
- and a postal address:

**Groupe SAVENCIA Compliance Director  
42, rue Rieussec  
78 223 Viroflay Cedex FRANCE**

An alert may relate to:

- any serious violation of human rights;
- any conduct or situation contrary to the Group’s health and safety commitments;
- any breach of the values described in the Group’s Ethics Charter and its Anti-Corruption Code of Conduct;
- any conduct or situation contrary to the Group’s environmental commitments.

Thanks to appropriate communication, stakeholders are aware of the whistleblowing system and are thus able to report issues where necessary.

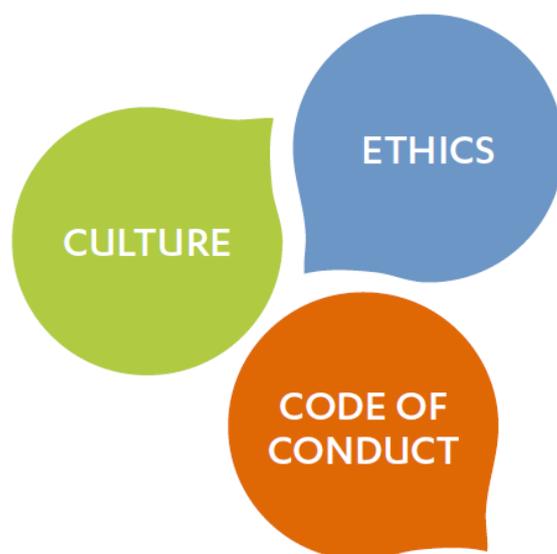
The principle of the absence of sanctions or retaliatory measures for any whistleblower reporting a breach in good faith is guaranteed by the Group and reaffirmed within its Code of Conduct.

All reports are treated confidentially and within a reasonable time frame corresponding to the effective and appropriate handling of the situation.

The procedures for handling any reports relating to the Duty of Vigilance submitted through the whistleblowing system, both by internal and external stakeholders, are defined in the whistleblowing procedure presented in **Appendix 9**.

## APPENDIX 1: THE GROUP AND ITS CULTURE

# THE GROUP AND ITS **CULTURE**



## **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.

## 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.

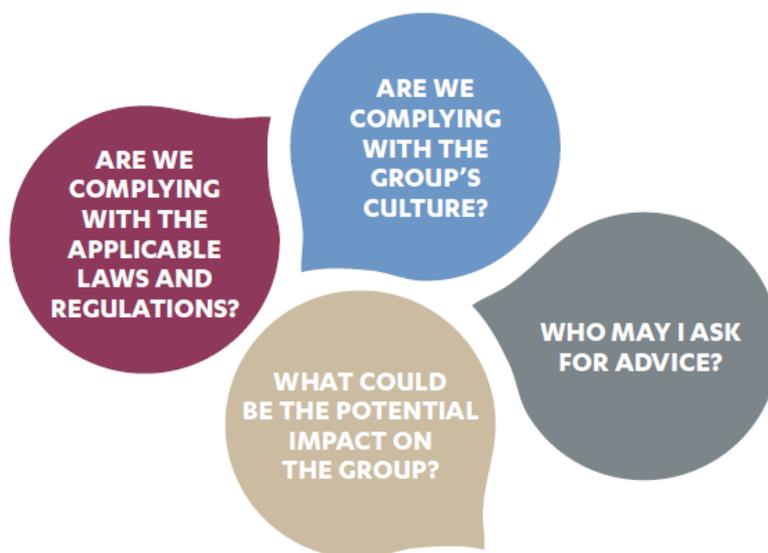
**10 COMMUNITY  
RELATIONSHIPS**

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.
  - 100% 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 20% by 2025 (per ton vs 2015).
- By increasing our consumption of renewable energies.
- Reduce water consumption captured in the natural environment by 10% by 2025 (per ton vs 2015).
- Reduce the carbon footprint of our milk collection by 300,000 tons of CO<sub>2</sub> 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"> <li>- Right to employment</li> <li>- Right not to be subjected to forced labour</li> <li>- Right to equitable remuneration</li> <li>- Right to equal protection against all forms of discrimination</li> <li>- Right to equitable working conditions (including in matters of safety and hygiene)</li> <li>- Right to set up/join the trade union of one's choice</li> <li>- Right to rest periods, to periodic holiday, to respect of official working and leisure hours</li> <li>- Right to health, social security and other social insurance</li> <li>- Right to education (children)</li> </ul>
	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"> <li>- Right to equitable working conditions (including in matters of safety and hygiene)</li> <li>- Right to health and healthcare access</li> <li>- Right to social security</li> <li>- Right to information</li> </ul>
	Consumers	Health impact of products	
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"> <li>- Right to live in a healthy environment</li> <li>- Right to food</li> <li>- Right to water</li> <li>- Land rights</li> <li>- Right to health</li> <li>- Right of access to justice</li> <li>- Right to information</li> </ul>
	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: CHARTER FOR GOOD AGRICULTURAL PRACTICES



[www.charte-elevage.fr/en](http://www.charte-elevage.fr/en)

**Charter for good agricultural practices**

**A 4TH VERSION OF THE CHARTER IN 2012**

Charter for Good Agricultural Practices was launched in 1999, and was reviewed in 2003 and 2007. Today, it groups 110,000 milk-and meat-producing farmers, and has just had a makeover. Not only does the Charter look more modern, but more importantly, it has evolved into a new version that is more adapted to the profession of farmer and to the expectations of today's citizens.

**IDENTIFICATION OF ANIMALS**

**HEAD HEALTH**

**FEEDING THE ANIMALS**

**MILK QUALITY**

**ANIMAL WELFARE AND HUMAN SAFETY**

**PROTECTION OF THE ENVIRONMENT**

**STRENGTHENED STANDARDS**

This new version includes the ever-growing demands for product sanitary safety, and the safety of people working on the farm, and also takes into account the powerful rise of environmental issues.

**Cniel**  
Centre National Interprofessionnel de Contrôle Laitier

**linterbev**  
INTERPROFESSION  
BÉTAIL À VERNES

Confédération Nationale de l'Élevage  
**CNE**



# 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.

2.6 - To guarantee their good usage and preservation, I tidy drugs away in an appropriate, closed place.

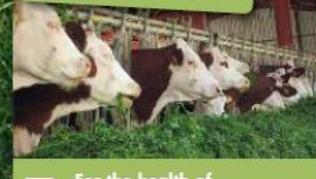
Evolution

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](mailto:contact@charte-elevage.fr)

[www.charte-elevage.fr](http://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](http://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 needs 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 farm:

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

77 %

of cattle raised in France

50

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

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.

## APPENDIX 5: 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 6: GROUPE SAVENCIA BUYERS' CODE OF CONDUCT

### 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.



- 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](mailto:achats.responsables@lalliance.com)

## APPENDIX 7: THE CHARTER FOR SUSTAINABLE 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.



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](mailto: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.



#### 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.

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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](mailto:achats.responsables@lalliance.com)

#### REFERENCES AND INSPIRATION

Universal Declaration of Human Rights

[www.un.org/en/documents/udhr/](http://www.un.org/en/documents/udhr/)

ILO Declaration and key guidelines

[www.ilo.org](http://www.ilo.org)

United Nations Global Compact

[www.unglobalcompact.org](http://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](http://www.iso.org)

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

[www.iso.org](http://www.iso.org)

Codex Alimentarius

[www.codexalimentarius.net](http://www.codexalimentarius.net)

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

[www.charte-interentreprises.fr](http://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

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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

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## APPENDIX 8: 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 9: WHISTLEBLOWING PROCEDURE

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**“COMPLIANCE”  
WHISTLEBLOWING  
PROCEDURE**

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

*Updated on: 14 January 2020*

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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](mailto: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.



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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](mailto: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.



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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.