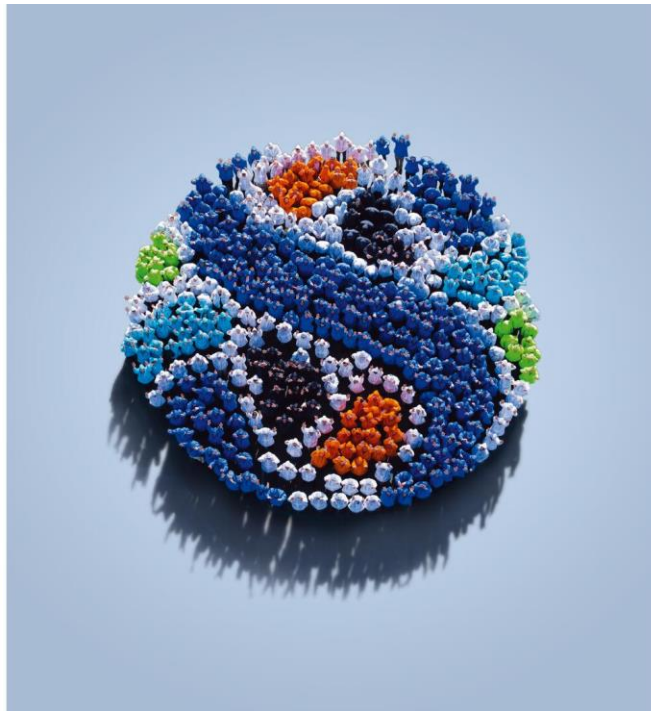


GROUPE SAVENCIA



VIGILANCE PLAN 2023

In accordance with French Law No. 2017-399 of March 27, 2017 relating to the Duty of vigilance of parent companies and contracting companies, the Vigilance Plan below presents the approach to vigilance and the report on the actions implemented within this framework at the level of the Group represented by SAVENCIA Holding (hereinafter referred to as "SAVENCIA Group," "SAVENCIA" or "the Group") for all its activities. It covers not only the activities of its subsidiary SAVENCIA Fromage & Dairy (as well as subsidiaries and sub-subsidiaries thereof), but also those of SAVENCIA Gourmet (as well as subsidiaries and sub-subsidiaries thereof).



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1. Introduction

SAVENCIA Group is an independent family-owned agri-food group made up of close-knit companies. The Group strives to reconcile its international agri-food business with a deep-rooted attachment to local regions, as well as the many stakeholders that contribute to value creation for sustainable and high-quality food.

Everywhere SAVENCIA Group operates, it takes care to conduct its business with respect for human rights and the environment, whether these activities are carried out directly or as part of its commercial relations.

SAVENCIA's values profoundly influence our way of working and the goals we set: consumer satisfaction, encouragement and support for producers, suppliers and partners in implementing best practices, and a safe, ethical and sustainable environment for workers. These values guide the Group's approach to protecting and promoting human rights, as well as its commitment to the environment. They also underpin the Group's ever-more concerted action for the common good: the way we rally teams around our shared values, everywhere and every day, is a perfect illustration of this pledge.

Reference framework

As part of our quest for constant improvement, consumer and customer satisfaction stands out as a keystone of our strategy, alongside the overall satisfaction of all those who work within and for the Group. As such, respect for human rights and the environment, food safety and the fight against corruption stand out as indispensable and exacting principles that are both compatible with and contribute to optimal and lasting economic performance.

This commitment is expressed in the Group's Code of Ethics: distributed to all employees and available on the Group's internal website, this Code guides the behavior and decisions of all employees with a view to working harmoniously, ethically and responsibly within SAVENCIA.

Legal context

The SAVENCIA Vigilance Plan meets the requirements of the French law on the Duty of vigilance of parent and contracting companies. This plan must include "reasonable vigilance measures to identify risks and prevent serious violations of human rights and fundamental freedoms, personal and environmental health and safety" that may result from the activities of the Group and its subsidiaries, as well as those of suppliers or subcontractors with which SAVENCIA has an established business relationship.

This obligation is based on five measures:

- ▣ risk-mapping;
- ▣ procedures for the regular assessment of the situation of subsidiaries, suppliers and subcontractors;
- ▣ appropriate actions to mitigate risks or prevent serious harm;
- ▣ a whistleblowing and report-processing system relating to the existence or materialization of risks;
- ▣ a system to monitor the measures implemented and assess the effectiveness thereof.

Initiatives to promote the Duty of Vigilance

Beyond compliance with the law, the Vigilance Plan represents an opportunity for the Group to formalize and coordinate initiatives already in place at its various sites, subsidiaries and business partners. The Group has long exhibited an awareness of its social and environmental responsibilities vis-a-vis its customers, employees and suppliers, as well as other relevant stakeholders. The Group considers that the requirements of the law on the Duty of vigilance are fully integrated into its ethical and societal commitments and takes care to ensure compliance with these obligations in its operations and value chain.

Since 2003, SAVENCIA has been a signatory of the United Nations Global Compact, the world's largest sustainable development initiative, demonstrating its commitment to adopting an approach grounded in impact



measurement and sustainable development across its entire value chain. In consonance with UN initiatives, SAVENCIA Group's principles of responsibility are based on international reference texts that set out 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;
- ▣ national legislation, particularly regarding the Duty of vigilance to respect human rights and the environment.

As part of a growth strategy designed to reconcile meaning and performance, SAVENCIA Group has developed its approach to corporate social responsibility (CSR) on the basis of the Oxygen Plan, a roadmap focused on collaboration and innovation 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 across four major areas of progress, with global ambitions and local, subsidiary-led actions (see Chapter 2 of the Annual Report - Non-Financial Performance Statement).

2. Governance and stakeholders

2.1 Governance

Building on SAVENCIA Group's commitment to respect human rights and the environment, Management has entrusted the Risk Management and Compliance Department with the responsibility of implementing the Group's vigilance approach.

Its responsibility particularly includes coordinating the structure and content of the Vigilance Plan and issuing recommendations to the various departments involved. The Risk Management and Compliance Department regularly reports to Group Management regarding its progress. The Communication, CSR, Human Resources, Purchasing, Legal, Quality, Operations, Control and Internal Audit Departments have participated in monitoring actions and contributed to drafting the Vigilance Plan. The bodies responsible for issues relating to the Duty of vigilance have their own internal steering mechanisms.

Progress in implementing the Vigilance Plan is monitored by the Group Ethics and Culture Committee, which incorporates issues relating to the Duty of vigilance. The Committee is chaired by the Group Corporate Secretary and comprises the Group's Chairman, Chief Financial Officer, General Counsel, Human Resources Director and Compliance Director. It meets at least twice a year in plenary session, and as often as required by current events. In 2023, it continued to review the progress of measures relating to the Duty of vigilance and associated action plans.

The Audit and Risk Committee is one of the specialized Board committees dedicated to compliance and vigilance issues. Established in 2017, it meets at least four times a year, and ensures implementation of the Vigilance Plan.

The CSR Committee, on which the Compliance Director sits, also addresses vigilance issues, consistent with its responsibility of overseeing CRS initiatives and the Oxygen Plan.

Finally, the Compliance Steering Committee is the body tasked with carrying out and monitoring vigilance actions. It meets at least twice per year and as often as required by current events and its risk monitoring responsibilities.

2.2 Relations with stakeholders

Firm in the belief that a collaborative approach is instrumental in building and implementing its vigilance procedures, SAVENCIA Group strives to strengthen risk prevention by ensuring the involvement of all people, structures and organizations potentially affected by its activities.

As such, stakeholders are regularly consulted, both locally and nationally, regarding the implementation of action plans and priority measures aiming to prevent risks in the fields of human rights and the environment related to the Group's activities.



Consultation with trade unions

Quality of life at work and labor relations are an absolute priority for the Group, which considers them a source of fulfillment and sustainable performance. Social dialogue is thus ensured through employee representation at all levels of the Group:

- ▣ within the employee representative bodies of each subsidiary,
- ▣ through the Group Works Council for France, a representative body that meets twice a year,
- ▣ through joint committees in France, which manage systems put in place pursuant to agreements (personal risk insurance, healthcare expenses, collective pension savings plan, Group profit-sharing);
- ▣ through the organization of a European Works Council (EWC), which meets once a year and is governed by an operating agreement in accordance with the provisions set out in Directive 2009/38/CE of the European Parliament and of the Council of May 6, 2009 and transposition thereof into French law by Order No. 2011-1328 of October 20, 2011.
- ▣ in June 2023, a presentation on labor relations issues within the Group was conducted before HR Departments responsible for coordination and representing the various geographic areas where Group subsidiaries are established.

Relations with stakeholders at the operational level

To prevent and effectively manage the impacts of its activities on human rights and the environment, SAVENCIA Group institutes and maintains dialogue with stakeholders at the operational level. These discussions reflect the Group's desire to build a lasting relationship with its ecosystem and include concrete actions furthering its commitment to global initiatives.

To help prepare the future of the dairy industry and to share its practices, SAVENCIA Fromage & Dairy works with all the players in the value chain in France: the National Federation of Dairy Industries (FNIL), the French Milk Processors' Association (ATLA), and 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 milk industry), France Brebis Laitière (Interprofessional Organization for sheep milk - FBL) and associated regional bodies.

At the international level, SAVENCIA Fromage & Dairy is also a signatory of the Pathways to Dairy Net Zero Declaration and an active member of the International Dairy Federation (FIL-IDF), the Sustainable Agriculture Initiative (SAI) and the Dairy Sustainability Framework (DSF). In particular, the commitments undertaken by SAVENCIA Fromage & Dairy cover all the fundamental criteria and elements of the DSF: greenhouse gas emissions, soil nutrients, waste, water, soil quality and retention capacity, biodiversity, animal care practices, working conditions, market development, rural economies, product quality and safety, compliance with local legislation, human rights and the fight against deforestation.

SAVENCIA Fromage & Dairy has been a member of the Roundtable on Sustainable Palm Oil (RSPO) since 2021. It also relies on the expertise of the international NGO Compassion In World Farming (CIWF) for its Animal Welfare Charter.

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



3. Scope and business model

3.1 Value chain

Active in 120 countries on all five continents and employing more than 25,000 workers, the Group offers a portfolio of premium brands as well as a range of products and services for professionals in the F&B and industrial markets (agri-food, dietetics, health, etc.). Through its subsidiaries located throughout the world, it operates mainly in the fields of dairy and cheese (SAVENCIA Fromage & Dairy) as well as in the Charcuterie, Seafood and Chocolate sectors (SAVENCIA Gourmet).

SAVENCIA Fromage & Dairy is a major player in dairy processing and the world's fifth largest cheese group. Its portfolio of unique brands, including Caprice des Dieux, St Morêt, Tartare and Elle&Vire, brings together cheese specialties, butters and creams for the retail market, as well as creams, butters, cheeses and cheese sauces for the restaurant and bakery industries. Nutritional solutions and technical butters are also specially developed for industrial players.

SAVENCIA Gourmet is a leading international player in the field of dessert gastronomy in the F&B sector and is present in supermarkets and hypermarkets in France with charcuterie and seafood brands. Brands include Valrhona, a top name in the Premium chocolate market serving professionals, as well as other brands such as Bordeaux Chesnel and Coraya.

3.2 Scope of application of the Duty of Vigilance

The vigilance measures set forth in this plan are implemented within the SAVENCIA Group value chain for:

- ▣ operations: all activities carried out by Group subsidiaries prior to the sale of products, essentially production or processing activities, as well as any upstream or downstream activities (e.g. transportation). All brands combined, the sites concerned are mainly located in France, although there are also sites in the United States, South America, Central Europe and Asia. The identified rights holders are the Group's employees, but rights can also extend to the environment surrounding subsidiaries' business sites, particularly local residents;
- ▣ supply chains: the activity of all suppliers and subcontractors. Within the supply chain, rights holders are the workers employed by suppliers. Externally, rights holders are the populations and the environment potentially impacted by suppliers;
- ▣ sale and consumption: direct sales to consumers (B2C) as well as sales to professionals (B2B).

4. Risk analysis

Our activities and operations have an impact on our ecosystem. SAVENCIA Group, along with its subsidiaries, takes care to monitor these impacts and to remedy the negative effects generated. The Group has thus developed a risk assessment process that takes into account local specificities and emerging issues. In line with other risk assessment methodology adopted at Group level, as well as the procedures recommended by the French Anti-Corruption Agency with respect to compliance with the Sapin II Law, the Duty of vigilance focuses specifically on the risks that SAVENCIA Group poses to its environment and ecosystem.

Building on the results of an initial risk mapping exercise conducted in 2018, the work carried out at the end of 2022 with the support of an expert consultancy firm allowed the Group to set out a more precise classification of Vigilance risks and, more broadly, to perform a more in-depth analysis of the risks identified, with particular attention to local communities.



Risk categories

The first step consists of establishing a detailed definition of the risk categories covered by the Duty of vigilance in the areas of human rights and the environment. To allow for a precise assessment of risk levels according to the nature of the risk and the potential impact on the SAVENCIA ecosystem, these two overarching categories are broken down into specific risk areas, taking into account the main categories of people whose rights may be impacted. The approach led to the following classification of risks:

Issues relating to the Duty of Vigilance			
Human rights and fundamental freedoms	Personal health and safety	Environment	Local communities
Associated risks			
Union rights	Worker health and safety	Contribution to climate change	Living and housing conditions and land grabbing
Discrimination and harassment	Consumer health and safety	Use of natural resources, harm to biodiversity and animal welfare	
Forced Labor		Water, air and soil pollution	
Child labor			
Compensation and working time			
Other working conditions (formal work relationship, employer-organized housing and commuting conditions)			

For human rights risks, the Group considers the human rights internationally recognized in the International Bill of Human Rights and the fundamental conventions of the International Labor Organization (ILO), in particular:

- ▣ fundamental rights and principles at work: freedom of association and the right to collective bargaining, elimination of forced or compulsory labor, abolition of child labor, elimination of discrimination in respect of employment and occupation (e.g. representation of women, equal pay), a safe and healthy working environment;
- ▣ other rights at work: organization of work, compensation and benefits, workplace well-being and quality of life (e.g. freedom from violence and psychological or sexual harassment, transformation of the work environment), respect for privacy, provision of essential infrastructure and services (e.g. catering, sanitary facilities, housing);
- ▣ rights of local communities: access to natural resources (e.g. water), acquisition, leasing and use of land (e.g. property rights and free, prior and informed consent), the health, safety and security of local communities.



Based on this risk classification, risk analysis procedures were carried out in late 2022 on 24 categories of Group purchases and activities in the following areas:

- ▣ direct purchases, including those for the Group's strategic agricultural raw materials - milk, cocoa, meat and fish,
- ▣ indirect purchases,
- ▣ technical purchases,
- ▣ product processing activities.

The scope covered is that of SAVENCIA and its subsidiaries, as well as its suppliers and subcontractors, in accordance with the requirements of the French Duty of vigilance law.

Risk analysis

To determine the most significant risks to which SAVENCIA is exposed, i.e. the most severe potential negative impacts that the Group's activities could cause to people and the environment, an analysis was conducted based on open-source literature (online publications, books, public indicators, etc.) and internal consultations with industry experts who provided their assessment of the level of exposure to the risks in question.

For risks related to the geographical scope of SAVENCIA's activities, assessments are based on various recognized indices:

- ▣ Worldwide Governance Indicators (World Bank Index), which reflects risks in terms of human rights (rights of individuals, local communities and consumers).
- ▣ Environmental Performance Index (Yale and Columbia University), which reports environmental risk.
- ▣ Corruption Perceptions Index (Transparency International), which presents the risk of corruption as an aggravating factor for social and environmental issues.

Two criteria are used to assess the significance of the risks analyzed:

- ▣ severity, by determining the impacts that would be most significant in terms of intensity, scope and irreparability;
- ▣ likelihood, by assessing the probability of the risk materializing.

The result is a "gross" analysis of the risks inherent in the Group's activities.

Next, considering the prevention and mitigation actions implemented by the Group and its subsidiaries, the "net" level of risk is assessed according to four levels of risk control (weak, partial, acceptable, strong).

Risk mapping

Based on the results of this analysis, SAVENCIA Group elaborated a risk map, determining the level of priority according to the severity of the impact on human rights and the environment in relation to the Group's level of risk control.

It should be noted that no risk of serious impact on human rights and the environment was identified according to the results of the Vigilance risk assessment carried out in early 2023.

However, based on the Vigilance risk map, the following risks, broken down by category, have been identified as requiring particular attention, and mainly concern our supply of agricultural materials.



Categories	Priority risks (Human rights in blue, Environment in green)
MILK	<ul style="list-style-type: none"> ☒ Producer health and safety ☒ Compensation and working hours ☒ Contribution to climate change ☒ Natural resources, biodiversity and animal well-being
COCOA	<ul style="list-style-type: none"> ☒ Producer health and safety ☒ Compensation and working hours ☒ Child labor ☒ Forced Labor ☒ Local communities ☒ Contribution to climate change ☒ Natural resources, biodiversity
FISH	<ul style="list-style-type: none"> ☒ Worker health and safety ☒ Natural resources, biodiversity and animal well-being
CHICKEN AND PORK	<ul style="list-style-type: none"> ☒ Worker health and safety ☒ Compensation and working hours ☒ Natural resources, biodiversity and animal well-being
SOY/PALM	<ul style="list-style-type: none"> ☒ Contribution to climate change ☒ Natural resources, biodiversity
NUTS	<ul style="list-style-type: none"> ☒ Producer health and safety ☒ Child labor ☒ Natural resources, biodiversity
EGG PRODUCTS	<ul style="list-style-type: none"> ☒ Natural resources, biodiversity and animal well-being
WATER	<ul style="list-style-type: none"> ☒ Natural resources ☒ Pollution
ENERGY	<ul style="list-style-type: none"> ☒ Contribution to climate change
PACKAGING	<ul style="list-style-type: none"> ☒ Contribution to climate change ☒ Natural resources, biodiversity ☒ Pollution

This prioritization does not exclude monitoring other vigilance issues analyzed as being of lower risk, which are also covered by action plans incorporated into the Group’s CSR approach, nor the inclusion of any new risks that may be identified as significant.

The results of the risk analysis communicated to the Group’s subsidiaries in 2023 have raised awareness of the risks regarding the Duty of vigilance among the relevant management committees, and prompted them to take preventive and remedial action.

The priority measures intended to mitigate and prevent the potential damage caused by these risks are reviewed in consultation with the Group’s stakeholders. All representative internal stakeholders, in particular the HR, CSR, Purchasing, Quality, Health and Safety and Environment teams, as well as employee representatives, members of the Group Works Council for France and the SAVENCIA European Works Council (EWC), were consulted in 2022 to provide input for this analysis.



5. Regular assessment based on risk analysis

In accordance with the provisions of the law on the Duty of vigilance, the compliance process is updated on the basis of internal qualitative and quantitative indicators.

The Compliance Steering Committee, which is responsible for managing the compliance approach alongside the network of Compliance Officers, thus meets at least twice a year, and more often as necessary, to monitor implementation of the vigilance mechanism.

▣ Qualitative monitoring

Qualitative monitoring is carried out in collaboration with the network of Subsidiary Compliance Coordinators (SCC). These agents, whose position allows for full understanding of the Group's operational reality, report to the Compliance Department any type of violation or risk of violation of human rights observed in the course of their duties. They may also report any concerns or issues raised by employees.

This continual link between the network of Compliance Coordinators and the Compliance Department allows for concrete assessments of the effectiveness of the measures taken.

▣ Quantitative monitoring

The various measures implemented internally are accompanied by monitoring indicators that make it possible to evaluate the effectiveness of the vigilance approach. SAVENCIA Group has at its disposal diverse tools and mechanisms to fulfill its Duty of Vigilance.

Social reporting

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

With respect to the Duty of vigilance, monitoring procedures focus particularly on the following:

- ▣ annual headcount (permanent and non-permanent), with details on new hires and departures,
- ▣ age breakdown in the workforce;
- ▣ gender equality in the workplace;
- ▣ employment and integration of people with disabilities;
- ▣ working hours;
- ▣ absenteeism;
- ▣ training, as well as wages and expenses;
- ▣ labor relations.

Detailed information concerning these actions and the corresponding follow-up are specified in Chapter 6.1 on risk mitigation and prevention of serious harm.

Direct employee input and measurement of well-being

The development of the #MySAVENCIA Human Resources Information System made it possible to extend the practice of Annual Employee Appraisal Interviews (AEA) to all managers in 2022, and then gradually to all Group employees.

Furthermore, a concern for the well-being of its employees led the Group to put in place a tool intended to assess the workplace well-being of Group employees through periodic internal opinion surveys and implementation of improvement plans. An internal opinion survey was carried out in June 2022 among almost all SAVENCIA subsidiaries with more than 50 employees. The survey uses the Great Place To Work (GPTW) methodology together with the Trust Index questionnaire, which comprises 60 questions focused on five major factors of satisfaction: credibility, respect, fairness, pride and camaraderie. In 2023, subsidiaries reported the actions currently being rolled out. (see Chapter 2 of the Non-Financial Performance Statement - "Employee well-being").

More generally, the various communication channels available to employees provide a means of listening and expressing themselves, offering the possibility to report any difficulties, malfunctions or shortcomings: in particular, employees have access to various mechanisms set up under an agreement with Stimulus, including an



anonymous listening and support unit, and can report any problems via the Group's alert hotline (see Vigilance Plan - 8 "Whistleblowing system and processing of reports").

Internal audit

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

The Internal Audit methodology is based on the internal control reference framework set out by the Committee of Sponsoring Organizations (COSO). The purpose of this internal control framework is to assess internal control based on 17 principles integrated into five components according to the 2013 model. These principles, assessed using a set of interview guides co-constructed with the relevant business line experts, serve to evaluate the risks associated with processes relating to the environment, social relations, ethics and responsible purchasing within SAVENCIA Group subsidiaries. These assessments:

- ▣ complement the audits carried out by the individual business lines (Quality, OHS, Insurance audits, etc.) and external audits;
- ▣ are cross-functional and therefore concern all subsidiary processes and activities;
- ▣ take place periodically, each subsidiary being audited every three to four years.

The audit plan may be also adapted according to the upstream risk assessment, including country risk assessments concerning respect for human rights and health, 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. Should particular attention be drawn to a specific point, the Compliance Department highlights uncontrolled risks that call for action plans and, in some cases, additional controls.

Group certification

SAVENCIA Group works with an independent body for an annual audit of its Human Resources processes, practices and tools, thus earning "Top Employer" certification. This certification is awarded to companies that apply best practices in the field of Human Resources. SAVENCIA is recognized for its policies and programs, particularly in terms of talent management, recruitment, onboarding, training and skills development. SAVENCIA Group has earned official Top Employer Europe status for 10 straight years.

In addition, 14 of the countries in which the Group operates have been awarded "Top Employer" certification. In Europe, Belgium, the Czech Republic, France, Germany, Poland, Slovakia and Spain have been certified. As such, the Group has been granted Top Employer Europe certification for the tenth straight year. In the Asia-Pacific region, Top Employer certification has been awarded in China, South Korea, India and Japan. In the Americas, Top Employer certification has been awarded in Brazil, Argentina and the United States.

Finally, its subsidiaries Valrhona, República del Cacao and Rogue Creamery have earned B CORP certification, which highlights their societal and environmental commitments.

Employee health and safety

In the area of health and safety, indicators (number and frequency of work-related accidents, etc.) make it possible to monitor changes in the number and type of incidents at Group sites to quickly plan new appropriate corrective measures (See Vigilance Plan - 3.6 for detailed actions related to Employee health and safety risks).

Quality audit

Performance indicators are incorporated into the third-party assessment process. This makes it possible to measure the effectiveness of the procedure in preventing risks to human rights, health and safety, and the environment. Regular verifications and audits by certification bodies provide a way of measuring the effectiveness of the compliance system. Scores and results offer insight for the establishment of an action plan indicating the corrective measures to be prioritized (See Vigilance Plan – chapter 6.1 for detailed actions related to consumer health and safety risks).



Suppliers

The Group is particularly vigilant regarding risks associated with this supply chain. Such risks are considered high-priority.

The Group's Responsible Purchasing approach includes assessing the positioning of suppliers with regard to Vigilance risk mapping (see Vigilance Plan – Chapter 6.2 Responsible Purchasing).

6. Risk mitigation and prevention of serious harm

This section presents the main measures taken by SAVENCIA to reduce the material risks generated by its activities and which could lead to serious violations of human rights and fundamental freedoms, danger to personal health and safety and severe environmental harm. It also provides information on the monitoring of corresponding results.

In addition, this section presents the vigilance measures regarding the activities of suppliers working with the Group and its subsidiaries in the context of an established commercial relationship.

The risks presented are not exhaustive and reflect a priority-based selection according to our detailed risk analysis.

Finally, a fundamental cross-cutting measure has been implemented throughout the Group with the roll-out of a mandatory e-learning course on the Duty of vigilance. Launched in 2023 and translated into all Group languages, this program aims to raise employee awareness of the risks of serious harm in the areas of human rights, health and safety and respect for the environment due to the actions of the Group's subsidiaries, suppliers or subcontractors in France and throughout the world. This training course presents the issues addressed by the measures making up the Vigilance Plan, in particular the alert system concerning the actual or presumed existence of risks.

By 2023, 85% of the Group's employees with access to the computer platform will have received e-learning training in the Duty of vigilance.

6.1. Group actions

This chapter presents the actions taken to prevent and remedy harm potentially resulting from the activities of the Group and its suppliers. These actions are linked to the significant risks identified in the Vigilance mapping; others sometimes reflect a lower level of risk, but nonetheless remain extremely important for the Group.

For each risk identified, information is included on the measures taken and the monitoring of results.

Where appropriate, this monitoring includes references to the corresponding chapters and indicators of the 2023 Non-Financial Performance Statement.

6.1.1. *Human rights and fundamental freedoms*

As part of its Duty of vigilance, SAVENCIA has identified the risks posed by its activity to the human rights of women and men.

Six risks were thus defined and analyzed according to the methodology previously presented in Chapter 4 of the Vigilance Plan - "Risk analysis."

▣ Child labor

Risk of child labor (with the exception of the regulated framework of educational activities and apprenticeship)

In accordance with the ILO Minimum Age Convention (No. 138) of 1973 and the ILO Worst Forms of Child Labor Convention (No. 182) of 1999, the Group prohibits the employment of minors under the age of 15. Beyond a principled refusal to engage in child labor, SAVENCIA is committed to respecting the rights of children everywhere, as enshrined in the International Convention on the Rights of the Child of 1989.



Actions implemented	Results
<p>GROUP</p> <p>The commitments contained in the Group Responsible Purchasing Charter cover child labor.</p> <p>Subsidiary HR teams systematically monitor the age of job applicants.</p> <p>COCOA</p> <p>Child labor is a major risk faced by the cocoa sector as a whole, with production taking place mainly in countries in the Southern Hemisphere. Specific actions have been taken in SAVENCIA's cocoa subsidiaries to respond to identified human rights risks, in particular the risk of increased child labor arising from changes in cocoa prices.</p> <p>As part of its Live Long Cacao program, the Valrhona subsidiary has established multi-year agreements (three years or more) with all its partner producers, with an average contract duration of more than eight years. These contracts make it possible to reduce child labor by maintaining high prices.</p> <p>In 2017, Valrhona joined the NGO International Cocoa Initiative (ICI), which operates in Ghana and Côte d'Ivoire. This organization works to ensure a better future for children in cocoa-growing communities. ICI has tested and rolled out solutions for the development of Child Labor Monitoring and Remediation Systems (CLMRS). The priority is to address these solutions with regard to our West African resources, which are the most at risk.</p> <p>One of the pillars of the Rev'Cacao program implemented by Group subsidiaries Révillon, La Maison du Chocolat and De Neuville is the fight against child labor on plantations. As access to quality education is key in this context, a "sustainable cocoa" premium paid to the producer goes toward paying children's school fees.</p> <p>NUTS</p> <p>The nut business faces complex supply chains, involving numerous intermediaries in fragmented and often delicate international sectors. A significant lack of distinction between work and family life (e.g. cracking nuts at home) contributes to the risk of child labor, particularly in certain Eastern European countries.</p> <p>Group subsidiaries sourcing nuts call upon their suppliers to sign the Responsible Purchasing Charter.</p>	<p>At December 31, 2023, more than 1,345 Responsible Purchasing Charters had been signed, covering 75.2% of the Group's expenditure overseen by the Purchasing Department and carried out with major suppliers (exceeding €1 million per year)* excluding agricultural raw materials.</p> <p>In 2023, the minimum age of permanent Group employees was 16; people under the age of 18 are predominantly employed through work-study contracts.</p> <p>Since 2014, Valrhona has been involved in programs designed to facilitate and improve access to education: 14 schools have thus been built and renovated in Côte d'Ivoire, Ghana, the Dominican Republic and Venezuela.</p> <p>In 2023, Valrhona and its partners in Côte d'Ivoire and Ghana committed to setting up a child labor monitoring and remediation system in each country, based on the ICI (International Cocoa Initiative) method.</p>



▣ Forced Labor

Risk of resorting to permanent, temporary, or interim forced labor.

In accordance with ILO Forced Labor Convention (No. 29) of 1930 and the ILO Abolition of Forced Labor Convention (No. 105) of 1957, the Group prohibits the use of forced labor by ensuring that all work is voluntary and that employees are free to leave their jobs at any time.

Actions implemented	Results
<p>GROUP</p> <p>The commitments contained in the Responsible Purchasing Charter cover forced labor.</p> <p>In each subsidiary, HR teams verify that employees are provided with a formal and reciprocal commitment.</p>	<p>At December 31, 2023, more than 1,345 Responsible Purchasing Charters had been signed, covering 75.2% of the Group's expenditure overseen by the Purchasing Department and carried out with major suppliers (exceeding €1 million per year)* excluding agricultural raw materials.</p> <p>See Vigilance Plan - "Responsible purchasing."</p> <p>The monitoring process is currently being rolled out.</p>
<p>FISH</p> <p>Coraya sources wild Alaskan pollock and Pacific hake, from the North Pacific.</p> <p>The sustainable fishing framework on which the sector's activities are based include criteria for suppliers and processors of certified seafood products to ensure that products are not the result of forced or child labor.</p>	<p>In 2023, 100% of the fish in the Coraya surimi product range came from sustainable fishing, monitored by an independent body.</p> <p>See the SAVENCIA Holding Non-Financial Performance Statement - "Sustainable agriculture sectors."</p>



▣ Compensation and working hours

Risk of workers not being paid in accordance with ILO Conventions and local regulations.

In accordance with ILO Equal Remuneration Convention (No. 100) of 1951, the Group upholds worker rights, and its subsidiaries comply with applicable labor laws, in particular with regard to wages, which must be at least equal to the minimum wage in the country for equivalent work, with the objective of promoting a decent wage as envisaged by the ILO.

In line with this commitment, policies and associated action plans apply for the payment of raw materials to upstream agricultural producers.

Actions implemented	Results
<p>GROUP</p> <p>An annual framework memorandum sets out the principles for guaranteeing compliance with legal minimums in each country and acknowledgment of local economic conditions in establishing subsidiaries' compensation policies.</p>	
<p>MILK</p> <p>SAVENCIA Group supports a responsible milk purchasing policy and encourages producers to join a collective structure, either a cooperative or a producer organization.</p> <p>In 2023, SAVENCIA Fromage & Dairy continued its policy of promoting the dairy sector in the context of the French EGalim law.</p> <p>As part of the Sustainable Dairy Production Assessment (SDPA), the criteria of "Profitability of financial operations" and "Financial autonomy" are evaluated and monitored.</p> <p>Specific financial and support measures have been developed for the Terroirs de lait 2032 program. Young farmers receive a start-up support package including financial aid, a long-term contractual commitment and technical assistance to help consolidate their project.</p>	<p>In 2023, 25.6% of the volume of milk collected was covered by the Sustainable Dairy Production Assessment (the volume of milk covered by the assessment is estimated on the basis of the average volume of milk collected per farm within the scope concerned, with the contractual milk supply of Compagnie des Fromages & RichesMonts - CF&R - at 37%).</p> <p>In 2023, 187 young farmers received at least one form of start-up financial support.</p> <p>See the SAVENCIA Holding Non-Financial Performance Statement - "Sustainable agriculture sectors."</p>



Actions implemented	Results
<p>MEAT</p> <p>Bordeau Chesnel is developing trusted partnerships with farmers to create a more sustainable industry, helping them adopt more virtuous farming models, in particular by guaranteeing remuneration higher than the average going rate for pork, with added bonuses for the best farms.</p> <p>This initiative reflects a commitment to guaranteeing fair remuneration for farmers, in line with the cost of grains.</p> <p>The “Our Shared Values” approach rolled out in 2021 in the chicken sector aims to create a lasting commitment with local producers and Bordeaux Chesnel partners: in particular, it consists of guaranteeing fair compensation for farmers by taking into account production costs and ensuring long-term visibility thanks to a contractually agreed system.</p>	<p>In 2023, the partnership with Bordeaux Chesnel for a sustainable pork sector brought together nearly 230 farmers. Gradual implementation of this program will continue until 2025.</p> <p>In 2023, 76% of pork rillettes were sources from the “sustainable quality” supply chain.</p> <p>In 2023, 59% of supplies were sourced from responsible chicken producers. Implementation of this approach has slowed owing to a drop in partners’ capacities following the disruption of the French market caused by avian flu.</p> <p>See the SAVENCIA Holding Non-Financial Performance Statement - “Sustainable agriculture sectors.”</p>
<p>COCOA</p> <p>Mindful of the complex and far-reaching social, economic and environmental challenges facing the cocoa industry, Valrhona is working in partnership with all the players in the French cocoa sector through the French Initiative for Sustainable Cocoa (IFCD), with a joint commitment to three concrete, time-bound objectives:</p> <ul style="list-style-type: none"> - Improve the income of cocoa farmers to ensure that they enjoy a “decent living” by 2030. - Halt cocoa sourcing from deforested areas by 2025. - Intensify the fight against child labor in French cocoa sourcing by 2025. 	<p>As a player in the cocoa industry, Valrhona chooses to purchase the vast majority of its cocoa from producers grouped together in cooperatives and associations.</p> <p>Since 2021, all cocoa purchases have come from long-term partnerships, thereby contributing to the achievement of our objectives.</p> <p>Efforts are being made to ensure that purchasing contracts with partner suppliers evolve towards international fair trade standard certification by 2030, guaranteeing fair and equitable remuneration for cocoa producers.</p>

▣ Discrimination and harassment

Risk of discrimination in the SAVENCIA workforce on the basis of sex, race, age, ethnic origin, nationality, sexual orientation, state of health, political opinions or support for trade unions, and risk of any form of harassment in the workplace.

In accordance with Articles L1152-1 to L1152-6 of the French Labor Code on psychological harassment and Article 5 of the Declaration of Human Rights, the Group does not tolerate any form of harassment or violence in the workplace. In addition, with reference to ILO Discrimination (Employment and Occupation) Convention (No. 111) of 1958, the Group prohibits and rejects all forms of discrimination in employment relations, on any grounds whatsoever.



Actions implemented	Results
<p>GROUP</p> <p>The Group's Ethics Charter sets out the values and principles of non-discrimination to be respected on a daily basis in all activities, particularly those relating to human resources (recruitment, promotion, management, etc.). The Charter also formally prohibits all forms of harassment.</p> <p>Harassment</p> <p>Employees undergo mandatory training on harassment upon joining the Group. Harassment officers have been appointed in each subsidiary in France (within the HR Department and the SEC).</p> <p>Disabilities</p> <p>In order to change the view of disabilities among employees and promote the recruitment and retention of people with disabilities, the Group pursues a "Disability Action" policy implemented by Disability Officers in subsidiaries. The commitment is based on four areas of action:</p> <ul style="list-style-type: none"> ▣ raising awareness to combat stereotypes; ▣ maintaining employment; ▣ recruitment of people with disabilities; ▣ developing partnerships with the shelter and protection sector. <p>The Handicap France network of Disability Officers conducts awareness-raising campaigns based on a communication kit. The following themes were addressed in 2023: ocular disabilities, mental and psychiatric disabilities, ASD, digital access to content, diabetes, "dys'abilities" and caregivers.</p> <p>Every November, during the European Week for Employment of People with Disabilities (SEEPH), the Group organizes awareness-raising activities to strengthen the commitment of its subsidiaries and employees. During this week-long event, the subsidiaries also participate in the DUO-DAY program.</p> <p>Certain subsidiaries call on service providers employing people with disabilities, thus contributing to the activity of these service providers.</p>	<p>All employees are made aware of the Ethics Charter upon joining the Group.</p> <p>The employee training catalogue includes an e-learning module on harassment.</p> <p>HR and SEC harassment officers receive training to raise awareness of the risks of harassment.</p> <p>In 2023, 12 subsidiaries had an employment rate of over 6% for people with disabilities. The overall rate within the Group is 3.6%, i.e. 894 employees.</p> <p>Conferences, digital games, information meetings and other awareness-raising events are organized over the week to raise employee awareness.</p> <p>DUO-DAY 2023 brought together 45 people with disabilities, who teamed up with employees to discover the business lines and industrial or administrative activities of the Group's subsidiaries.</p>



Actions implemented	Results
<p>Gender equality</p> <p>The Group strives to promote gender equality in terms of qualification, training, compensation and career development, driven by a commitment to achieving gender parity by 2025.</p> <p>The working group established in 2022 to support female leadership analyzed extensive quantitative data from both inside and outside the company, conducted interviews with male and female employees, and maintained links with the Management Committee. An action plan and implementation schedule were drawn up for 2023.</p> <p>A specific budget allocation is planned in France to make up for any wage gaps observed between men and women in equivalent positions.</p> <p>As part of the "Moving Towards a Societal Foundation" Roadmap project, discussions were held with social partners in France throughout 2023 on the topic of professional gender equality and support for employees with children.</p>	<p>In 2023, women accounted for 45.5% of the Group's managers.</p> <p>80.9% of women of all socio-professional categories participated in at least one training session in 2023.</p> <p>The Group's score in the 2023 Gender Equality Index in France is 86, and areas of improvement have been identified.</p> <p>See the SAVENCIA Holding Non-Financial Performance Statement - "Employee well-being"</p>

▣ Union rights

Risk of workers being denied freedom of association and collective bargaining rights in accordance with ILO Conventions and local regulations.

In accordance with the ILO Freedom of Association and Protection of the Right to Organize Convention (No. 87) of 1948, the ILO Right to Organize and Collective Bargaining Convention (No. 98) of 1949, and the ILO Workers' Representatives Convention (No. 135) of 1971, in order to prevent any form of discrimination on the grounds of union activity, the Group is committed to strict respect for the freedom of association of all its employees, with regard to union membership and responsibilities, in every country where it operates. SAVENCIA is committed to respecting the principles set out in the 1998 ILO Declaration on Fundamental Principles and Rights at Work: freedom of association and effective recognition of the right to negotiate.

Actions implemented	Results
<p>GROUP</p> <p>The Group's Ethics Charter recalls that freedom of association and collective bargaining are fundamental rights.</p>	<p>All employees are made aware of the Ethics Charter upon joining the Group.</p>
<p>In the event of an internal restructuring project giving rise to significant consequences for labor, employee representative bodies are systematically informed and, where appropriate, consulted in accordance with the regulations in force in the countries concerned.</p>	



Actions implemented	Results
<p>Social dialogue is encouraged through local employee representation bodies within each subsidiary.</p>	<p>In Group subsidiaries with more than 10 employees (threshold for the establishment of SECs in France), more than 81.4% of employees have the benefit of collective employee representation bodies such as labor committees, works councils or social and economic committees (SECs).</p> <p>(see the SAVENCIA Holding Non-Financial Performance Statement - "Ethics and compliance").</p>
<p>As part of the "Moving Towards a Societal Foundation" Roadmap project, negotiations were held with employee representative bodies in France in 2022 on the topic of "Recognizing the career paths of employee representatives."</p> <p>The agreement focused on the following issues:</p> <ul style="list-style-type: none"> ▣ Promoting respectful labor relations with due regard for stakeholders' roles, responsibilities and individuality, all in a spirit of openness and dialogue; ▣ Supporting and enhancing the career development of employee representatives, thereby promoting their role in social dialogue at the local and central levels; ▣ Ensuring that employee representatives (elected or appointed) can fully exercise the rights and duties associated with their position, in compliance with legal and regulatory standards and collective agreements. 	<p>An agreement on this subject was signed with French trade unions on January 17, 2023, and has been implemented in France through Social and Economic Committees following the recomposition of these bodies in 2023.</p>

▣ Other working conditions

<p>Risk of the absence of a formal employment relationship for permanent, temporary, seasonal and interim workers, in accordance with national regulations.</p> <p>Risks related to workers' living and housing conditions.</p>



Actions implemented	Results
<p>MILK</p> <p>In France, “Dairy Resource Coordinators” support farmers in adopting new practices to facilitate their work. Coordinators also organize working groups aimed at fighting isolation.</p> <p>In addition, the Sustainable Dairy Production Assessment (SDPA) includes a “Producer Quality of Life” indicator that evaluates farmers’ workload and management responsibilities.</p> <p>In terms of the quality of production and breeding conditions, compliance with the Charter for Good Agricultural Practices is contractually required of all French suppliers of cow’s milk. This charter sets out a monitoring indicator for the working conditions of employees on the farm. This requirement is gradually being extended to all milk collection systems worldwide.</p>	<p>25.6% of the volume of milk collected is covered by the Sustainable Dairy Production Assessment (the volume of milk covered by the assessment is estimated on the basis of the average volume of milk collected per farm within the scope concerned, with the contractual milk supply of Compagnie des Fromages & RichesMonts - CF&R - at 37%).</p> <p>In 2023, 81.3% of our worldwide milk supply in volume (compared to 86.8% in 2022) met the standards laid out in this Charter or alternative standards recognized as equivalent in the countries or sectors in question. The change in this indicator is linked to the inclusion of Williner in Argentina in 2023. In 2024, local teams in charge of dairy supplies will continue the actions launched this year, with a view to implementing our commitments in this new collection area.</p> <p>See the SAVENCIA Holding Non-Financial Performance Statement - “Sustainable agriculture sectors.”</p>



6.1.2. *Human health and safety*

As part of its Duty of vigilance, SAVENCIA Group is mapping the risks to which its own activity exposes its employees (permanent, temporary, seasonal and temporary workers), as well as consumers.

▣ Employee health and safety

Risk of workplace accidents leading to injury or incapacity for work, and risks to employee health (occupational diseases, psychosocial risks, etc.)

SAVENCIA Group brings together close-knit entities united by a strong business culture which guides their actions and those of their employees. Preservation of the health and physical integrity of the men and women working in and for the Group are an overarching priority at every level of the organization.

Actions implemented	Results
<p>GROUP</p> <p>A “SAFETY is OUR business” program, based on an OHS Charter co-signed by the Chairman and Vice-Chairman of SAVENCIA Group, is in place in all subsidiaries.</p> <p>This charter champions the target of moving towards zero workplace accidents.</p>	<p>The OHS Charter was distributed to all subsidiaries worldwide in 2016, along with a ready-to-install aluminum poster. Copies are sent out every year as needed (new subsidiaries, new sites, etc.)</p> <p>It is available in all Group languages and accessible to everyone on the OHS digital platform.</p>
<p>A health and safety management system known as the “OHS Framework” is applied in all Group establishments.</p> <p>The approach is organized through meetings of the network of OHS coordinators with accompanying support in the field: visits to several sites in France and abroad are organized to share best practices observed at the sites and to assess the extent to which the approach is integrated and followed in the field.</p> <p>Since 2021, a set of operational rules known as the “The 10 SAVENCIA Safety Essentials” has been progressively implemented. These Essentials aim to prevent accidents and injuries, especially the most severe or potentially serious incidents. Each Safety Essential targets a specific risk, and is based on four rules that can be applied by everyone and in any circumstances. A comprehensive digital kit, available in all Group languages, provides all SAVENCIA subsidiaries with the tools and methods to support implementation of the Safety Essentials. In addition to the overall roll-out plan, targeted measures are also being taken, including a project implemented in multiple pilot sites with support from specialized service providers to enhance safety for employees working on equipment and energy sources.</p>	<p>In 2023, all Group industrial and logistics sites carried out a self-assessment on the 10 SAVENCIA Safety Essentials. This information gathered will help to fine-tune key prevention measures both locally and throughout the Group.</p> <p>In 2023, 48% of subsidiaries reported no accidents resulting in sick leave (permanent and temporary workers).</p> <p>Behavioral Safety Visits (BSV) are conducted on-site or remotely. In 2023, the number of such visits increased by 29.6% compared to 2022.</p> <p>See the SAVENCIA Holding Non-Financial Performance Statement - “Employee well-being.”</p>



Actions implemented	Results
<p>Awareness-raising and training actions include:</p> <ul style="list-style-type: none"> ▣ The organization of an Occupational Health and Safety Month, which involves all Group subsidiaries throughout the month of September; ▣ Mandatory training in accordance with regulations; ▣ Training required by the Group to meet the management needs of departments and subsidiaries, or carried out as part of specific OHS plans; ▣ Voluntary training in response to employee requests or scheduled to coincide with the World Week For Safety And Health At Work; ▣ Distribution of a monthly newsletter. <p>Since 2021, an Occupational Health and Safety e-learning program has been included in the mandatory onboarding process for new employees. This specific course on the risk of accidents within the Group is available in several languages. It consists of a module common to all Group employees entitled “Target: Zero accidents,” and a second module intended for managers.</p> <p>Employees receive a SAVENCIA Safety Passport upon achieving a score of 100% on the quiz taken at the end of the training program.</p>	<p>Subsidiaries continued conducting workplace health and safety training in 2023.</p>
<p>Psychological support is available via a hotline for employees in France and certain European subsidiaries, together with on-site counseling in the event of a serious incident.</p>	
<p>Since 2021, the Group has been rolling out an Interim Action Plan in France aimed at reducing temporary workers’ exposure to workplace accidents. The plan, drawn up in conjunction with temporary employment agencies (TEAs), sets out the measures to be implemented upon selection and onboarding of temporary workers at each site, as well as during and at the end of their assignment.</p>	<p>To ensure continuous improvement, quarterly reviews have been organized with the national management teams of four main TEAs. These reviews focus on monitoring implementation of the measures instituted and development of associated performance indicators.</p>



▣ Consumer health and safety

Risks to consumer health and safety, either directly (direct sale of Group products to consumers by a subsidiary) or indirectly (products purchased by consumers via resellers).

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

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

SAVENCIA Group has established an organizational structure and operating procedures intended to help avoid any serious infringement of consumer rights, in line with its mission, “Leading the way to better food” and its desire to contribute to public health objectives.

Actions implemented	Results
<p>Consumer information</p> <p>In addition to strict compliance with regulations, the Group is careful to ensure that the information provided to consumers about its products is clear and truthful, does not suggest non-existent or exaggerated benefits, and does not mislead consumers with regard to product characteristics. Responsible communication is an important part of the Group’s CSR commitments under the Oxygen Plan, and formally required by the SAVENCIA Responsible Eco-Design Charter.</p> <p>Subsidiaries are responsible for ensuring regulatory compliance of labels and consumer communication media of any kind, and for ensuring compliance with responsible communication commitments.</p>	<p>Actions are monitored by regulatory compliance managers, quality control managers, or legal experts in certain markets, assisted if necessary by the Group’s Food Law department.</p> <p>See the SAVENCIA Holding Non-Financial Performance Statement - “Healthy, delicious and responsible eating.”</p>



Actions implemented	Results
<p>Consumer health</p> <p>The Group has laid out a policy focused on preventing consumer health risks and implements quality control procedures in all the Group's production areas:</p> <ul style="list-style-type: none"> ▣ pre-delivery inspections: based on one or more microbiological food safety criteria, these inspections determine whether batches of SAVENCIA Group products can be released for marketing to customers; ▣ specific approvals: upon the launch of new products, significant modifications to an existing product, or the transfer of a product between two sites. <p>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.</p> <p>Several food safety certification standards have been implemented:</p> <ul style="list-style-type: none"> ▣ 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: <ul style="list-style-type: none"> - FSSC (Food Safety System Certification) 22000, based on ISO 22000; - BRCGS (Brand Reputation Compliance Global Standards); - IFS (International Featured Standards); ▣ "country" certification, required in certain markets. 	<p>The Quality Department supports sites in implementing these foodstuff management systems on a case-by-case basis.</p> <p>A survey of certifications related to food safety is carried out annually.</p>
<p>Managing supplier food safety risks</p> <p>The Group has developed audit procedures for strategic suppliers of raw materials and MICAÉ (<i>Matériaux Incorporables, Consommables, Additifs & Emballages</i>, i.e. additional ingredients, consumables, packaging and other supplies). These audits are performed by joint Quality/Purchasing teams on the basis of a checklist reflecting the Group's specific requirements. The results of these audits are monitored over time.</p>	<p>Annual assessments of these suppliers, carried out by the subsidiaries, confirm that the materials delivered meet requirements, with corrective actions implemented where necessary to ensure continuation of the business relationship. Joint Quality/Purchasing teams also conduct field audits on the premises of certain suppliers, with subsequent follow-up actions.</p>



6.1.3. Environment

The main environmental risks identified that are liable to impact the Group's ecosystems are presented below:

▣ Water, air and soil pollution

Risks of products being released into the environment in the event of accidental spills and discharge of non-standard organic waste into the natural environment (particularly into river system around the sites).

Materialization of these risks may be of internal origin (malfunctions at facilities, fire, human error, etc.) or external (weather phenomena in particular).

Actions implemented	Results
<p>GROUP</p> <p>To limit internal human causes, subsidiaries are responsible for implementing training plans suited to employees' duties and responsibilities.</p> <p>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:</p> <ul style="list-style-type: none"> ▣ planned production volumes; ▣ the age of the facilities and the structural audits performed; ▣ COD (Chemical Oxygen Demand) tests: <ul style="list-style-type: none"> - on the raw effluents entering the treatment system. Cross-checking this data with the site's production volume makes it possible to identify potential incidents affecting the facilities (rapid increase 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. COD is regulated; should an analysis reveal non-compliance, corrective actions are implemented immediately. <p>To limit internal human causes, subsidiaries are responsible for implementing training plans suited to employees' duties and responsibilities.</p>	<p>In addition to organizational measures, the Group makes significant investments in:</p> <ul style="list-style-type: none"> ▣ wastewater treatment plants; ▣ fire prevention and protection systems.
<p>The Group takes into account noise, olfactory and air pollution (particles in the atmosphere), which exhibit an overall downward trend.</p>	<p>Such pollution is handled on a case-by-case basis.</p>



☑ Use of natural resources, harm to biodiversity and animal well-being

Risk of excessive water use

Actions implemented	Results
<p>GROUP</p> <p>The Group implements responsible practices to minimize its impact on water resources, thus reducing the risk of water stress. Indeed, water plays a key role in the Group's technical processes, in particular to ensure a high level of hygiene and product safety. It may also serve as a technical adjunct during manufacturing by serving as a heating or cooling medium. Water is also used in our fire prevention and firefighting equipment.</p> <p>Certain situations of water stress are expected to become more acute due to climate change. Close attention is paid to such phenomena, to identify and prevent risks and, where necessary, reinforce the means available to limit water abstraction from the natural environment, if possible.</p> <p>The Group has implemented measures to reduce water abstraction:</p> <ul style="list-style-type: none"> ☑ optimization, renovation or even complete renewal of existing cleaning equipment; ☑ training and awareness-raising on best practices for staff members in charge of manual cleaning; ☑ evaporation or reverse osmosis to recover part of the water contained in milk or whey. This water is used as a heat transfer fluid or, after treatment, for the external cleaning of facilities. <p>The Group is also working with the French dairy and cheese industry to devise more efficient practices and technologies for water use; this issue is considered in the context of any project to renovate or renew the Group's production infrastructure.</p> <p>The work carried out by our teams on the potential for recovering water from milk and dairy products has continued, and regulatory approval is expected as early as 2024.</p>	<p>Best-practice guides have been drawn up for industrial sites. Designed as theme-based internal guidelines, they enable production sites to optimize processes and make facilities safer and more efficient.</p> <p>Each subsidiary is required to comply with applicable regulations in its home country.</p> <p>The CSR/Industrial guide, the Energy/Water guide, the Damage Prevention guide and the PCS (Permanent Cleaning System) guide are implemented at all industrial sites.</p>



Actions implemented	Results
<p>A number of actions have been taken to reduce the impact of the Group's activities on water resources.</p> <p>For example, at one CF&R site, new washing tunnels for cheese molds and risers have been installed.</p> <p>At the Sofivo plant in Pontmain, a plan to reduce water consumption has been in place for three years. Several water-saving measures have been implemented, including optimized washing procedures, daily IT-based consumption monitoring, and using recycled water rather than drinking water for certain processes. Optimization of the reverse osmosis process by reusing industrial wastewater has led to a significant reduction in tap water consumption.</p> <p>At the Fromageries Lescure site, all water generated by the industrial process is reused to wash cleaning equipment and reverse osmosis circuits.</p> <p>Several sites both in France and abroad are implementing optimization measures to reduce upstream discharges: at the Angatuba site in Brazil, a project has been launched to enhance the performance of the effluent treatment pond. A natural filter composed of stones, sand and plants will be installed to filter effluent before it enters the pond.</p> <p>The working group dedicated to controlling water consumption, made up of both in-house experts and operational staff, has met regularly. Its work focused on reducing consumption and exploring the possibility of reusing cow water (recovered from milk) with a view to preserving resources.</p>	<p>This new water-efficient process led to a 30% reduction in the use of detergents in 2023, while also saving the equivalent of one month of water consumption at the site.</p> <p>Implementation of these various measures led to an 11% reduction in water consumption at the site in 2023.</p> <p>This procedure has reduced water consumption by 10%.</p> <p>2022 Group water abstraction was down 7% compared to 2015, in m3/metric ton manufactured.</p> <p>For additional actions and outcomes, see the SAVENCIA Holding Non-Financial Performance Statement - "Environmental footprint."</p>



Risk of harm to biodiversity and animal well-being

Preserving biodiversity and animal populations is a necessity for the development of a sustainable farming model. In accordance with its corporate social responsibility policy and with a view to developing sustainable agriculture, the Group is committed to preserving ecosystems and promoting the development of biodiversity.

Actions implemented	Results
<p>MILK</p> <p>Biodiversity is among the areas for improvement identified in our Sustainable Dairy Production approach offered to all our milk suppliers. Once the assessment has been carried out, solutions are presented to producers to:</p> <ul style="list-style-type: none"> ● preserve soil fertility; ● safeguard the natural environment; ● adopt favorable crop practices. <p>Compliance with the Charter for Good Agricultural Practices is contractually required for all French suppliers of cow’s milk to guarantee the quality of production and breeding conditions. This requirement is gradually being extended to all milk collection systems worldwide. The charter was updated in 2022 and now serves as a vehicle for the roll-out of the France Terre de Lait social responsibility approach in the animal husbandry sector. The current version includes an evaluation of animal welfare in dairy herds via an assessment followed by an individual progress plan established together with the producer.</p> <p>Our subsidiary SAVENCIA Ressources Laitières (SRL) has joined the “Pour une Agriculture du Vivant” movement, which calls on all players in the agricultural and food ecosystem to participate in the shift towards a resilient, value-generating model based on agroecology. With this commitment, SRL will draw on its scientific and agronomic expertise to roll out agroecology practices in a number of pilot areas, in particular using the Regeneration Index.</p>	<p>At the end of 2023, 25.6% of our worldwide milk supply in volume (compared to 23.8 % in 2022) came from farms that have carried out the Sustainable Milk Production Assessment.</p> <p>In 2023, 81.3% of our worldwide milk supply in volume (compared to 86.8 % in 2022) met the standards laid out in this Charter or alternative standards recognized as equivalent in the countries or sectors in question. The change observed in this indicator is linked to the inclusion of a company located in Argentina in 2023. In 2024, local teams in charge of dairy supplies will continue the actions launched this year, with a view to implementing the Group’s commitments in this new collection area.</p> <p>See the SAVENCIA Holding Non-Financial Performance Statement - “Sustainable agriculture sectors.”</p>
<p>In 2022, SAVENCIA Fromage & Dairy drew up a worldwide Animal Welfare Charter for cattle, sheep and goats with a focus on four major issues:</p> <ul style="list-style-type: none"> ▣ high-quality, sustainable and local food; ▣ guaranteed access to the outdoors; ▣ comfortable shelter; ▣ better consideration of health. 	<p>In 2023, 69% of Dairy Supply employees at SAVENCIA sites had received training in animal welfare (compared to 61.5% in 2022). Employees will subsequently carry out audits of farms worldwide, based on recognized standards, and establish action plans jointly with the farmers concerned. The first audits took place this year, and will continue on a gradual basis over the next three years.</p> <p>Animal welfare audits were carried out on 1,394 farms in 2023 and will continue until 2025.</p>



Actions implemented	Results
<p>MEAT</p> <p>For each canister of Bordeau Chesnel “Les Rillettes Engagées” purchased, €0.08 is donated to a support fund for projects to improve animal welfare or reduce the environmental impact of farmers who have signed on to the “Our Shared Values” approach.</p> <p>The “Our Shared Values” approach has also been extended to the chicken industry since 2021. It aims to bring about better breeding practices by improving animal welfare while championing implementation of an environmental progress plan based on several factors: blending buildings into the landscape, energy production on the farm (solar panels, methanization of waste, etc.), production of natural crop fertilizers derived from breeding practices.</p>	<p>See the SAVENCIA Holding Non-Financial Performance Statement - “Sustainable agriculture sectors.”</p>
<p>FISH</p> <p>Surimi sticks are made exclusively from sustainable North-Pacific fish. Supplies are inspected by an independent organization, guaranteeing the use of fishing practices that demonstrate due regard for the sea bed, the environment, fish resources and species stocks.</p>	<p>In 2023, 100% of the fish in the Coraya surimi product line came from sustainable fishing, verified by an independent body. Practices already exceed the commitments made for 2025.</p> <p>See the SAVENCIA Holding Non-Financial Performance Statement - “Sustainable agriculture sectors.”</p>



Actions implemented	Results
<p>COCOA</p> <p>Through its Live Long Cacao plan, Valrhona affirms its commitment to creating a fair and sustainable cocoa industry.</p> <p>For many years, Valrhona has been developing and implementing diverse projects to enhance the sustainability and resilience of the cocoa sectors with which it works.</p> <p>The depth and authenticity of these commitments can be seen in Valrhona’s second B Corp.</p> <p>In its sourcing areas (Belize, Brazil, Madagascar, Peru, São Tomé, Ghana and Côte d’Ivoire), Valrhona relies on Nitidae, an NGO specialized in managing projects that combine environmental preservation and initiatives to strengthen local economies, with a view to better targeting actions on the ground aimed at reducing carbon emissions.</p> <p>B Corp® certification of our Ecuadorian subsidiary República del Cacao recognizes the company’s commitments with regard to corporate governance and actions benefiting workers, consumers, communities and the environment.</p> <p>Since 2015, subsidiaries Révillon, Weiss and Valrhona have participated in the Cacao Forest program for the promotion of sustainable agroforestry models for cocoa-producing countries.</p> <p>Finally, Swiss subsidiary Villars continues to participate in the Swiss Platform for Sustainable Cocoa, which is pursuing a target of sustainable sourcing for at least 80% of its cocoa supplies by 2025. The other main raw materials used to make Swiss chocolate, namely milk and sugar, are sourced locally in Switzerland.</p>	<p>100% of Valrhona’s cocoa comes from long-term partnership contracts with cooperatives or plantations.</p> <p>In 2023, 86% of the cocoa beans sourced by Valrhona were traceable back to the producer.</p> <p>A mapping plan has been drawn up to identify protected and deforestation zones. Cocoa plots are mapped to ensure that they are not located in protected areas.</p> <p>Each supplier is audited on site at least once a year.</p> <p>Funding has been provided for a training center in Daloa to ensure that producers and community players enjoy easy access to training programs. 1,942 cocoa farmers have received training in forest protection and the restoration of existing ecosystems.</p> <p>The proportion of raw cocoa materials (beans, cocoa mass and cocoa butter) certified by UTZ (part of the Rain Forest Alliance) has risen significantly, coming to 98% in 2023 (compared to 75.3% in 2022).</p> <p>Traceability to the plantation or cooperative has also been considerably reinforced, covering 100% of cocoa bean supplies in 2023.</p> <p>See the SAVENCIA Holding Non-Financial Performance Statement - “Sustainable agriculture sectors.”</p>



Actions implemented	Results
<p>EGG PRODUCTS</p> <p>Since 2021 Coraya has discontinued use of eggs from battery hens, in accordance with the commitments that earned the brand the 2020 “Golden Egg” prize from the NGO Compassion In World Farming (CIWF).</p> <p>The Elvir subsidiary has made the following commitments:</p> <ul style="list-style-type: none"> ▣ For egg powders (whites or yokes), work with a certified qualified supplier to ensure that products come from free-range hens. In the event of absolute unavailability of the desired product, the supplier has undertaken to supply us, at the very least, with eggs from barn hens. ▣ For liquid yolks: Elvir has resolved to use free-range eggs for branded products as of 2024. For private-label products, the subsidiary is encouraging its retail customers to follow suit, with the aim of using exclusively free-range eggs by the end of 2025. <p>Regarding international activities, a Korean subsidiary sources eggs with “Animal welfare” certification, under the auspices of the Korean Ministry of Agriculture.</p>	

▣ Contribution to climate change

Risk of impact on climate change

Mindful of the global challenges posed by greenhouse gas emissions and the need to combat climate change and its consequences for society at large, the Group is working to reduce the environmental footprint of its activities with a view to limiting the risk of impact on climate change and adapting to a changing climate.



Actions implemented	Results
<p>The various programs undertaken are continuing under the Oxygen Plan.</p> <p>In 2023, the Science Based Target Initiative validated SAVENCIA Fromage & Dairy's "well below 2°" decarbonization trajectory, which commits to reducing greenhouse gas emissions by 2030 compared with 2019 by:</p> <ul style="list-style-type: none"> ▣ 27.5% in absolute terms for Scopes 1&2, ▣ 22.5% per metric ton of manufactured products for Scope 3 (commitment covering 96% of Scope 3 emissions). <p>This commitment complements the measures taken over the past several years to reduce greenhouse gas emissions, and clearly demonstrates the determination of SAVENCIA Fromage & Dairy to actively combat climate change.</p> <p>Within the Operations Department, a dedicated team is responsible for implementing and monitoring this decarbonization plan, with two main fields of action:</p> <ul style="list-style-type: none"> ▣ energy reduction initiatives, with the implementation of measurement plans and digital energy management, as well as replacement of obsolete and energy-intensive washing machines, ▣ conversion initiatives requiring significant capital expenditure to switch from fossil fuels to low-carbon, competitive and resilient energy sources. Studies are being carried out regarding installation of heat pumps, emerging technologies and implementation of innovative solutions. <p>Action plans are already in place, particularly in the dairy sector, which is the main source of emissions for SAVENCIA Fromage & Dairy.</p> <p>For activities at SAVENCIA Gourmet, the working group set up to design and structure the decarbonization approach has continued its work.</p>	<p>Several modernization projects have been launched, involving cooling facilities, energy recovery systems and heat pumps to reduce energy consumption by recovering the heat produced by refrigeration equipment: detailed information on these initiatives is presented in Chapter 4 of the Non-Financial Performance Statement - "Environmental footprint."</p> <p>As a % of change versus 2015, the Group has reduced its Scope 1 & 2 GHG emissions by 17.3% in metric tons of CO2e/metric ton manufactured.* 2021 and 2022 values for the Pontmain site (Sofivo) have been corrected a posteriori to provide updated emission factors. As such, the values presented have been restated.</p> <p>Direct emissions (Scope 1) include emissions related to the burning of fossil fuels, non-energy processes (linked to wastewater treatment) and refrigerant leaks.</p> <p>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.</p> <p>2022 Scope 3 emissions (other indirect emissions) at SAVENCIA Fromage & Dairy were calculated using the GHG Protocol methodology.</p> <p>Work is continuing to improve the Scope 3 emissions assessment, with a view to continuous improvement.</p> <p>The SAVENCIA Fromage & Dairy carbon footprint is available in the SAVENCIA Holding Non-Financial Performance Statement - "Environmental footprint."</p>



Actions implemented	Results
<p>In 2023, the Group also continued to explore the possibility of using renewable energies according to local or national contexts: introduction of electricity featuring a Guarantee of Origin has been prioritized in countries where grid electricity is the most carbon-intensive. In China and India, 100% of electricity features a Guarantee of Origin.</p> <p>Transportation</p> <p>SAVENCIA is committed to decarbonizing its transportation and travel activities. Several actions were implemented in 2023 to reduce the associated carbon footprint.</p> <p>In particular, the full fleet of company-owned trucks at our Messageries Laitières logistics platform runs exclusively on Oleo 100, a pure vegetable oil that is 100% biodegradable and made in France.</p> <p>In 2023, our subsidiary SAVENCIA Ressources Laitières was awarded “Objectif CO2: Carriers Committed” certification, which recognizes our long-standing commitment to this ADEME-certified approach. The Normandie Bretagne Transports inter-plant transportation fleet also features “Objectif CO2: Carriers Committed” certification in recognition of its distinguished energy and environmental performance.</p> <p>Our fleet operates with alternative fuels, in particular with trucks powered by biofuels such as XTL, B100 and BioGNV.</p>	<p>Detailed results are available in the SAVENCIA Holding Non-Financial Performance Statement - “Environmental footprint.”</p> <p>The CO2 emissions of the owned fleet rose in 2023 with a total of 1,235 metric tons of CO2e: this slight increase was due to the growth of the Messageries Laitières fleet.</p> <p>The reduction in the carbon footprint of milk collection (volume of milk collected, in metric tons of cumulative CO2e compared to 2010, in France) comes to - 341,345, exceeding the 2025 target of - 300,000 metric tons of cumulative CO2e.</p> <p>These three types of fuel were introduced for all collection trucks in 2023, reducing the carbon footprint by some 3,800 metric tons. Service providers and cooperative partners are encouraged to use alternative fuels and enjoy the benefit of targeted technical expertise, as well as attractive rates obtained from energy suppliers through a call for tenders.</p>
<p>Group sites also lead initiatives among employees, including Mobility Week, observed in 2023 for the fifth straight year to encourage as many people as possible to adopt alternative and soft modes of transportation rather than driving.</p> <p>Employees in participating sites had the opportunity to take part in several initiatives: various types of bicycles provided on loan, sustainable transportation challenges, support for carpooling, a bike repair workshop, etc.</p>	<p>In 2023, this event made it possible to reduce individual car traffic by more than 122,833 km.</p>



Actions implemented	Results
<p>MILK</p> <p>The Group is committed to significantly improving the carbon footprint of its partner producers by taking all available measures to promote sustainable dairy production: herd efficiency, feed, treatment of manure, carbon sequestration, etc.</p> <p>In 2021, the Group calculated the emissions linked to upstream dairy production in our collection areas in France and abroad. Emissions from upstream dairy operations accounted for a significant proportion of the Group's "Scope 3" carbon footprint, a characteristic common throughout the agri-food sector.</p> <p>Recent years have seen an acceleration in the implementation of measures within dairy farms, through establishment of relevant action plans, as well as technical and financial support for innovations and the transition as a whole.</p> <p>SAVENCIA Fromage & Dairy has implemented a five-year decarbonization roadmap for partner producers based on 3 components:</p> <ul style="list-style-type: none"> ▣ Accelerate the introduction of farm carbon footprint measurements, in particular using the CAP2'ER dairy industry diagnostic tool for France; ▣ Establish ambitious action plans with producers; ▣ Provide technical and financial support for the transition and overall innovation on farms. <p>Improving animal welfare, through feed or living conditions, has a positive impact on the environmental footprint of the upstream dairy industry.</p> <p>For instance, the Terroirs de Lait France program aims to secure sustainable milk from dairies and to improve the environmental footprint by applying the Sustainable Dairy Production approach.</p> <p>For more than a year, SAVENCIA Fromage & Dairy has been involved in a multi-stakeholder program to test proposed methods for reducing bovine methane emissions. Some 20 volunteer farms in our collection areas in France and Poland are participating in this initiative. In France, this test is part of a broader program of collective technical support around the "feed" component, aimed at reducing cows' enteric methane emissions.</p>	<p>In 2023, the Group exceeded its goal with a 2022 reduction of 341,345 metric tons of CO2e compared to a target of -300,000 metric tons of CO2e by 2025.</p> <p>At the end of 2023, 25.6% of our global volumes came from farms that have carried out the Sustainable Milk Production diagnosis (compared to 23.8% in 2022).</p>



Actions implemented	Results
<p>PACKAGING</p> <p>The Group is looking to reduce waste overproduction risk.</p> <p>In 2023, the Group continued implementing the Charter for Responsible Packaging drafted in 2019.</p> <p>This Charter sets out guidelines and orientations, particularly in terms of packaging eco-design. The Group aims to design packaging that fulfills essential functions with a reduced environmental impact.</p>	<p>In 2023, recyclable or biodegradable packaging made up 85.8% of all packaging.</p> <p>For details on the actions implemented, see the SAVENCIA Holding Non-Financial Performance Statement - “Environmental footprint.”</p>
<p>WASTE MANAGEMENT</p> <p>Processing activities generate waste associated with manufacturing and packaging procedures. This waste mainly takes the form of non-hazardous industrial waste, most of which (cardboard, paper, glass, steel and aluminum) is reprocessed by recovery/recycling organizations. Hazardous industrial waste is rare and mainly concerns waste oils and electrical and electronic waste generated by maintenance operations, which are sorted for recycling by specialized contractors.</p> <p>To combat unnecessary use of natural resources and reduce waste treatment costs, the Group is intensifying practices of industrial waste sorting and recovery, promoting circular solutions with the aim of reducing risks of pollution.</p>	<p>In 2023, 72.7% of common waste from our production sites was collected for recycling and/or recovery (material, biological or energy).</p> <p>The Group continued working with national operators to optimize on-site sorting and storage, with a view to identifying the best outlets for recovery and recycling.</p> <p>For details on the actions implemented, see Chapter 4 of the Non-Financial Performance Statement - “Environmental footprint.”</p>



Actions implemented	Results
<p>DEFORESTATION</p> <p>Soy</p> <p>SAVENCIA is committed to promoting collective anti-deforestation actions linked to soy production in South America.</p> <p>SAVENCIA supports the National Strategy against Imported Deforestation (SNDI), which aims to eliminate deforestation caused by French imports of non-sustainable forest or agricultural products by 2030.</p> <p>The Group is also active in national and international working groups on the issue of sustainable soy: CNIEL, Duralim, SAI Platform and DSF.</p> <p>Regarding the milk supply chain, the Sustainable Milk Production approach implemented with milk suppliers makes it possible to work on protein autonomy and maximize the protein value of fodder grown on dairy farms, among other advantages. This approach aims to limit the purchase of external protein sources such as potentially imported soy.</p> <p>The Zero Imported Deforestation platform adopted by feed manufacturers is communicated to milk suppliers along with a list of signatory feed manufacturers.</p> <p>The differentiated milk procedures initiated by SAVENCIA also make it possible to limit the use of soy products associated with deforestation in animal feed.</p> <p>Close-up on the Soy, Palm and Cocoa Action Plan</p> <p>A working group was set up in late 2023 to address the risk of deforestation potentially linked to the raw materials Soy, Palm and associated derivatives, as well as cocoa. The action plan currently being established takes into account the risks of these materials with regard to the environment, but also human rights, all while remaining consistent with the requirements of the European Deforestation-free Regulation (EUDR), which came into force in June 2023.</p>	<p>At the end of 2023, 25.6% of our global volumes came from farms that have carried out the Sustainable Milk Production diagnosis (compared to 23.8% in 2022).</p>



6.1.4. Local communities

In 2022, SAVENCIA extended the scope of its analysis to local communities, i.e., people whose living conditions could be affected by the Group's activities.

The risks previously identified with regard to human rights and the environment thus apply to local communities as well. The most significant risks concern the living and housing conditions of producers of agricultural raw materials in high-risk areas of the world.

The Group's commitments

Through the Responsible Purchasing Charter, SAVENCIA Group calls on its suppliers to commit to taking into account interactions with local communities, respecting property rights and ensuring that their activities do not harm the population.

Work is underway to further analyze the risks of harm to communities and to strengthen the corresponding prevention and mitigation measures.

Actions and monitoring of results

MILK

Within the framework of the Oxygen plan, the Charter for Good Agricultural Practices and the Sustainable Milk Production Assessment include indicators that measure the impacts of dairy activity on local communities (sustainable management of water resources, biodiversity, environmental protection, etc.) and thus inform corrective and progress-based actions. The Group thus contributes to value creation and the dynamism of collection and processing areas by maintaining jobs and other activities in often less attractive rural areas.

COCOA

Through its partnerships, the Group is committed to supporting producer communities.

The Live Long Cacao program implemented by Valrhona since 2015 supports the development of producer organizations and contributes to improving living conditions in local communities.

In addition, long-term partnerships establish a framework for cross-cutting collaboration that contributes to preserving communities.

In 2023, Valrhona reaffirmed its objective of sourcing 100% of its cocoa beans from long-term partnerships, thereby contributing to meeting community preservation objectives.

This undertaking is reflected in the projects implemented, particularly initiatives to promote education and access to drinking water in local communities (see the SAVENCIA Holding Non-Financial Performance Statement - "Sustainable agriculture sectors").

One of the three pillars of the Rev'Cacao program implemented by subsidiaries Révillon, la Maison du Chocolat and De Neuville focuses on improving producers' living conditions by offering services and financing to help farmers diversify, develop professional skills and find complementary sources of income.

Investments are also made in programs designed to help secure access to drinking water, working together with communities to dig wells in villages and provide water filters to schools and households in remote areas. Finally, activities are carried out to enhance the status and economic empowerment of women through training programs tailored to their needs, from literacy to financial management.



6.2. Responsible purchasing

Group commitments

On January 10, 2012, the Group reaffirmed its purchasing commitments by signing the “Charter for Responsible Supplier Relations,” a collective initiative intended to improve relations with suppliers.

In addition, adherence to a “Code of Conduct for SAVENCIA Group Purchasers” ensures compliance with responsible and sustainable purchasing practices by setting out sustainable and solidarity-based performance and progress plans consistent with the principles of integrity and ethical business.

Finally, it should be noted that in 2023, three Group subsidiaries were recognized by EcoVadis for their CSR performance: Armor Protéines, Corman GmbH and Valrhona received the Gold Medal.

Supplier risk mapping methodology

SAVENCIA Group considers that the risks presented above are applicable to suppliers. These risks are addressed through the responsible purchasing approach.

Indeed, to manage purchases in accordance with obligations of transparency, prohibition of undeclared labor and prevention of corruption and violations of human and environmental rights, the Group Purchasing Department observes a comprehensive policy of vigilance vis-a-vis its suppliers. This policy contributes to a risk-mapping initiative focused on:

- ▣ the level of “Country” risk, determined by the Transparency International Corruption Perceptions Index (CPI);
- ▣ the level of “Purchase Category” risk determined internally on the basis of CSR and operational criteria.

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 contribute to a dynamic of shared progress. As such, since 2010 SAVENCIA has called upon suppliers to uphold its culture and values by signing a “Responsible Purchasing Charter” established to reflect the Group’s Ethics Charter.

CSR assessment of Group suppliers

Assessment of suppliers’ positioning with regard to risk mapping is based on:

- ▣ CSR assessments via EcoVadis, focused on suppliers’ policies and practices.
- ▣ Monitoring of at-risk suppliers through more frequent assessments.

At December 31, 2023, more than 1,345 Responsible Purchasing Charters had been signed, covering 75.2% of the Group’s expenditure overseen by the Purchasing Department and carried out with major suppliers (exceeding €1 million per year)*, with the exception of agricultural raw materials.

The EcoVadis assessment of CSR risks was carried out for 918 suppliers. EcoVadis assessments cover 80.8% of Group expenditures overseen by the Purchasing Department and carried out with major suppliers (exceeding €1 million per year)*, with the exception of agricultural raw materials.

The average score obtained was 56/100 (compared to 46/100 on average for the EcoVadis Food & Beverage Panel).

**Excl. Japan, India, Ukraine, Serbia, Romania, Poland and Russia, whose sourcing expenditures cannot be automatically consolidated at this time.*

Corrective and mitigation actions

In the context of its Duty of vigilance, SAVENCIA seeks to prevent serious breaches by:

- ▣ making the commitment to adhere to its responsible purchasing policy, as expressed by the signature of the Responsible Purchasing Charter, a determining factor in the selection of suppliers and subcontractors.
- ▣ calling on buyers to monitor the implementation of corrective action plans, particularly those provided by EcoVadis.



7. Report on Vigilance Plan implementation

This section details the results concerning application of the Vigilance Plan by subsidiaries and vis-a-vis suppliers in 2023.

7.1 Strategy and governance

In 2023, the Risk Management and Compliance Director, who is in regular contact with the SAVENCIA Fromage & Dairy Executive Committee, continued to oversee the implementation of the Duty of vigilance action plan.

The Compliance Steering Committee ensured effective monitoring of the measures implemented. A summary was presented to the Group Ethics and Culture Committee (GECC) in December 2023.

7.2 Vigilance risk mapping

In May 2023, the human rights and environmental risk map was presented to the Executive Committee, which validated the significant risks requiring priority action.

A Compliance Steering Committee meeting was held in September 2023. This meeting served to structure the priorities to be implemented concerning the significant risks identified for 2024-2025.

The Vigilance risk map was also presented in 2023 to the Audit and Risk Committee of SAVENCIA Fromage & Dairy and the Supervisory Board of SAVENCIA Saveurs & Spécialités.

7.3 Outcome of Vigilance Plan implementation within the Group

- Employee compliance with applicable rules

The Applicable Rules are part of Group Culture that all Subsidiaries are called upon to respect. The rules are recalled in the Ethical Charter entitled “The Group and its Culture,” which is communicated to all new employees and available in the ELIUM digital library.

The Group-wide whistleblowing system SARA - SAVENCIA Recueille vos Alertes (SAVENCIA Receives your Alerts) - available to a large proportion of Group employees, helps monitor compliance with these rules by all subsidiaries. Subsidiaries must ensure that their employees are aware of the whistleblowing system (see Chapter 8 – Whistleblowing system and processing of reports).

- Keeping track of subsidiaries

Subsidiaries assess compliance with the rules applicable within the Group and communicate these assessments as part of their annual reporting activities (social reporting, CSR, etc.).

In particular, the effectiveness of the measures put in place is assessed on the basis of incident reports submitted to the Audit and Risk Committee, which meets twice a year.

In 2023, no specific measures were implemented in response to serious incidents. In addition, as part of the Internal Audit Plan, the Internal Control Framework and the work of the Compliance Department, the following points are subject to specific controls:

- ▣ verification that the mandatory information concerning the existence of the Group’s whistleblowing hotline and the Anti-Corruption Code of Conduct has indeed been provided to employees;
- ▣ verification of the application of Group policies and procedures on specific subjects.

In 2023, 85% of Group employees received e-learning training on the Duty of vigilance as part of the mandatory Compliance training program.



7.4 Outcome of application of the Plan vis-a-vis suppliers

- Supplier compliance with the rules in force

Since 2010 SAVENCIA has called upon its suppliers to uphold its culture and values by signing a “Responsible Purchasing Charter” established to reflect the Group’s Ethics Charter.

Actions were taken in 2023 to extend adherence to the Charter among the Group’s major suppliers.

- Tracking of supplier assessments

As described in Chapter 6.2 of this document, the Group relies on EcoVadis CSR assessments to evaluate suppliers’ policies and actions. Suppliers at risk are assessed with greater frequency.

7.5 Appropriate risk mitigation and damage prevention measures

The following data reflect the effectiveness of the measures implemented by the Group in 2023, based on the identified risks to human rights, health and safety, and the environment:

Areas of risk	Indicators (see SAVENCIA Holding Non-Financial Performance Statement)	2022	2023	Progress
Health - safety	% of subsidiaries with no workplace accidents resulting in sick leave (registered workforce and temporary workers) during the year	47.2%	48.8%	↗
Human rights	% of female managers	45.2%	45.5%	↗
Human rights	% of employees with the benefit of collective employee representation bodies	/	81.8%	↗
Human rights	% of employees concerned, trained on the concept of ethics and fraud	94.0%	94.0%	=
Human rights Health - safety Environment	Expand the “Best Farming Practices Charter” worldwide (% volume of milk collected)	85.8 %	81.3 %	↘*
Human rights Health - safety	Introduce the Sustainable Milk Production diagnosis (%volume of milk collected)	23.8 %	25.6 %	↗
Human rights Health - safety	% of cocoa purchases from long-term partnerships	100.0 %	100.0 %	=
Human rights Health - safety	% of regional sustainable quality supplies for pork rillettes	60.0 %	76.0 %	↗
Human rights Health - safety	% of fish in the Coraya surimi range from sustainable fishing	100.0 %	100.0 %	=
Human rights Health - safety	% of supplies sourced from responsible chicken producers	73.0 %	59.0 %	↘**



Human rights Health - safety Environment	% of Group external expenditure overseen by the Purchasing Department and carried out with major suppliers under the Responsible Purchasing Charter	66.8 %	75.2 %	↗
Areas of risk	Indicators (see SAVENCIA Holding Non-Financial Performance Statement)	2022	2023	Progress
Human rights Health - safety Environment	% of the Group's external expenditure overseen by the Purchasing Department and carried out with major suppliers through EcoVadis assessments	75.7 %	80.8 %	↗
Environment	% of Dairy Supply employees at SAVENCIA sites trained in animal welfare	61.5 %	69.0 %	↗
Environment	Reduction of GHG Scopes 1 & 2 (in metric tons of CO ₂ e/ ton manufactured)	-11.7%	-17.8%	↗
Environment	Reduction in the carbon footprint of milk collection (volume of milk collected, in metric tons of cumulative CO ₂ e vs. 2010 in France)	-311,000	-341,345	↗
Environment	Reduction of water abstraction (in m ³ /metric ton manufactured)	-2.3%	-7.0%	↗
Environment	% of non-hazardous waste collected for recycling	68.5%	72.7%	↗
Environment	% of packaging recyclable or biodegradable	85.0%	85.8%	↗

* The change in this indicator is linked to the inclusion of Williner in Argentina in 2023.

** Implementation of this approach has slowed owing to a drop in our partners' capacities following the disruption of the French market caused by avian flu).

7.6 Whistleblowing system and processing of reports

In 2023, the Group strengthened internal communication around its whistleblowing system, and a specific section on ELIUM was dedicated to the alert system now known as SARA - SAVENCIA Recueille vos Alertes (SAVENCIA Receives your Alerts).

Employees can consult that publication to find the updated procedure for using the alert system (see Chapter 8 – Whistleblowing system and processing of reports).



8. Whistleblowing system and processing of reports

Since 2018, the Group has had a single whistleblowing and report collection system. Every employee in every subsidiary, as well as all external stakeholders, can report issues on a strictly confidential basis.

In 2023, the Group carried out a communication campaign among Group employees to raise awareness of the whistleblowing system, which was renamed SARA - SAVENCIA Recueille vos Alertes (SAVENCIA Receives your Alerts) - to help employees better remember the hotline. Posters have been translated into all Group languages to ensure that information is accessible to all and easy to understand.

This system consists of:

- ▣ a hotline: + 33 1 34 58 64 14
- ▣ an email address: compliance@savencia.com
- ▣ and a postal address:
SAVENCIA Group Compliance Director
42, rue Rieussec
78 223 Viroflay Cedex FRANCE

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

The principle that no sanctions or retaliatory measures shall be imposed on any whistleblower reporting a breach in good faith is guaranteed by the Group and reaffirmed in its Ethics Charter and its Anti-Corruption Code of Conduct.

All reports are thus processed in accordance with the law and in such a way as to ensure an effective and appropriate response to each situation.



9. Appendices

FUNDAMENTAL AGREEMENTS AND DOCUMENTS

SAVENCIA Group adheres to the principles set out in the following documents:

- ▣ The Universal Declaration of Human rights;
- ▣ The United Nations Global Compact;
- ▣ The OECD Guidelines for Multinational Enterprises;
- ▣ The core conventions of the International Labor Organization (ILO);

The Vigilance Plan reflects previous commitments by the Group as expressed in the following documents:

- ▣ The Ethics Charter, entitled “The Group and its culture;”
- ▣ SAVENCIA’s “Oxygen” CSR policy (<https://www.savencia.com/rse/notre-approche-rse>);
- ▣ The Code of Conduct for Group Purchasers;
- ▣ The Charter for sustainable purchasing;
- ▣ The Workplace Health and Safety Charter;
- ▣ Procedure for using the SAVENCIA Group SARA whistleblowing system

SAVENCIA Group also ensures compliance with the commitments laid out in the following public documents:

- ▣ The Charter for Good Agricultural Practices (<http://www.charte-elevage.fr/>);
- ▣ The Responsible Supplier Relations Charter (<https://www.economie.gouv.fr/mediateur-des-entreprises/charte-relations-fournisseurs-responsables>).