



Communication on Progress

- Human rights
 - Labour
- Environment
- Anti-corruption

2019

COMMUNICATION
ON PROGRESS



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.



RENEWAL OF THE MANAGEMENT'S COMMITMENT

«The renewal of our commitment in favour of Global Compact is a strong act for Andros & Cie, member of Global Compact since 2003.

It anchors our company a little more each year in collective and voluntary action to contribute to a world where economic development is compatible with human rights and the protection of the planet.

By focusing on preserving our roots, our people, our know-how and the environment in which we operate, we will ensure Andros' development and sustainability. »

Frédéric GERVOSON
President of Andros

Florian DELMAS
Andros CEO





HUMAN RIGHTS

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. Make sure that they are not complicit in human rights abuses.



LABOUR

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. The elimination of all forms of forced and compulsory labour;
5. The effective abolition of child labour; and
6. The elimination of discrimination in respect of employment and occupation



ENVIRONMENT

7. Businesses should support a precautionary approach to environmental challenges;
8. Undertake initiatives to promote greater environmental responsibility; and
9. Encourage the development and diffusion of environmentally friendly technologies.



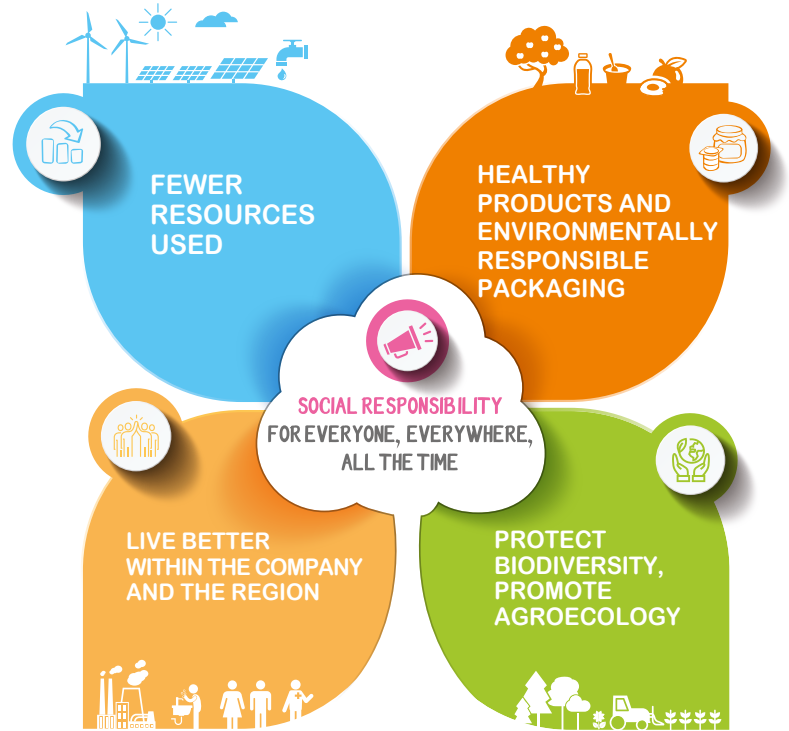
ANTI-CORRUPTION

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

SUSTAINABLE PERFORMANCE PLAN

Andros sustainable performance: A CSR foundation common to all our French and international subsidiaries.

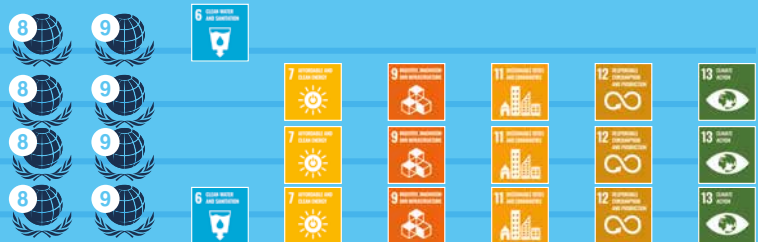
Built around 4 pillars and 12 themes, our CSR policy sets common and minimum objectives for our subsidiaries. For example, we are committed to carbon neutrality in our production workshops by 2025 for our France Fruits activity and by 2030 for our France Dairy activity, and to 100% recyclable, compostable or reusable packaging.



Coherent objectives: The Andros Sustainable Development Performance Plan, the 10 Principles of the UN Global Compact and the Sustainable Development Goals

Fewer resources used

- > Water: a resource to be protected
- > Reduce our carbon footprint
- > Cleaner transport
- > Less waste, better recycling



Healthy products and environmentally responsible packaging

- > Good, safe, natural and healthy products
- > Environmentally responsible packaging



Protect biodiversity, promote agroecology

- > Sustainable farms and orchards
- > Reconcile farming, agroecology and biodiversity
- > Biodiversity around our factories as well



Live better within the company and the region

- > Protect employee health
- > Improve quality of life at work
- > Our civic commitments



HUMAN RIGHTS





HUMAN RIGHTS

- 1 Businesses should support and respect the protection of internationally proclaimed human rights; and
- 2 Make sure that they are not complicit in human rights abuses.

Many international texts provide a framework for the protection of human rights such as the Universal Declaration of Human Rights (UDHR) adopted in 1948 by the United Nations General Assembly. The International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights (1976) are the main legally binding international instruments.

In addition to the International Bill of Human Rights, the UN has adopted seven other treaties in this area such as the Convention on the Rights of the Child (1989), the International Convention on the Elimination of All Forms of Racial Discrimination (1965), the Convention on the Elimination of All Forms of Discrimination Against Women (1979) and the Convention of the Rights of Persons with Disabilities (2006).



The OECD Guidelines for Internationally Operating Businesses also recall that businesses must operate in accordance with national regulations and laws, and contribute to sustainable development. These principles state that companies must respect human rights, both in practice and through commitments in principle. They must exercise human rights due diligence to assess and manage actual or potential human rights impacts and establish remediation mechanisms.

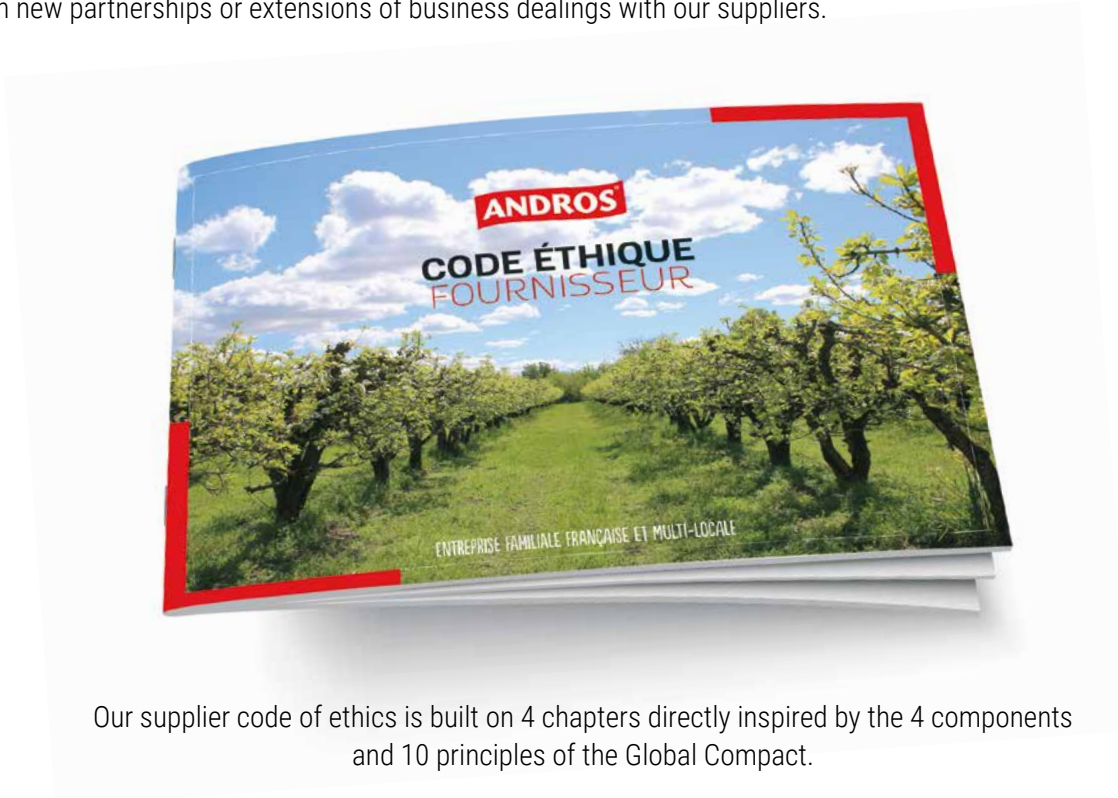
SEDEX is getting a makeover this year! This platform is the first global interface for sharing environmental and social data related to supply chains. **A new, more detailed questionnaire is now applicable: we are switching all our registered factories to the new SEDEX version.** Production sites must show their level of commitment to human rights and detail the procedures and action plans that they have implemented. Our production sites are regularly subject to ethical audits (2 and 4 pillar SMETA audits, for example). There have never been findings of non-compliance in the area of Human Rights.





HUMAN RIGHTS

Our supplier code of ethics was completely revised in 2019 for implementation in 2020. This document has been reinforced to take into account new CSR issues. Economic dependence, business ethics, personal data protection and animal welfare have thus been integrated or consolidated. This code will gradually be implemented in all our subsidiaries through new partnerships or extensions of business dealings with our suppliers.



Our supplier code of ethics is built on 4 chapters directly inspired by the 4 components and 10 principles of the Global Compact.

Coherent standards: Andros' Supplier Code of Ethics and the Global Compact's 10 principles



Labour standards



Good business practices



Local communities



Respect of environment





HUMAN RIGHTS



“ Andros fights against food waste ”

Andros fights against food waste by providing unsold products free of charge to charitable associations such as Food Banks, Restos du Coeur and Secours Populaire.

These food donations, intended for the most disadvantaged, represented a total of more than 2,000 tonnes in 2019 for all our French factories.

Supplier code of ethics

We make sure that we and our suppliers respect the ethical rules. The company ensures that all suppliers strictly respect the company's commitments in terms of human rights when they sign the Andros Supplier Code of Ethics.



LABOUR



- 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- 4 The elimination of all forms of forced and compulsory labour;
- 5 The effective abolition of child labour;
- 6 The elimination of discrimination in respect of employment and occupation.

Year after year, Andros ensures rigorous compliance with the labour standards applicable in the countries where our subsidiaries are located. Beyond local regulations, international standards are developed by the ILO to establish fundamental principles and rights at work.

The Governing Body of the ILO has qualified eight «fundamental» conventions in this area:

- Convention on Freedom of Association and Protection of the Right to Organise (1948),
- Convention on the Right to Organise and Collective Bargaining (1949),
- Forced Labour Convention (1930),
- Convention on the Abolition of Forced Labour (1957),
- Minimum Age Convention (1973),
- The Worst Forms of Child Labour Convention (1999),
- Equal Remuneration Convention (1951), and
- Discrimination Convention (1958)

Ethical audits carried out by external firms on behalf of our clients have not detected any non-compliance in these areas. The new body of staff representatives (Social and Economic Committee) for Andros SNC has been well established since June 2019 with monthly

meetings. **The SEC is a key player in the management of the Covid 19 crisis:** special weekly meetings were held to share information, study the evolution of the pandemic and jointly decide on appropriate measures. Staff representatives and union representatives are involved in all agreements such as the Quality of Life at Work agreement and health coverage (mutual insurance policy). All mandatory annual negotiations have been held.

Employees benefit from extensive health coverage. **In 2019, the coverage rate was over 97 % all expenses combined:** optical, dental care, hospitalisation, general medicine, etc. The objective for this year: the remaining balance at zero charge under a single plan for managers and non-managers.

The safety of our employees and workers on our sites is at the heart of our concerns. Andros continues to deploy the 7 golden rules to make safety everyone's business. The frequency rate of work accidents thus fell by 23% between 2017 and 2019 at Andros SNC.

These fundamental rules (listed below) constitute a foundation of safety instructions common to all sites.

THE 7 GOLDEN RULES

The 7 golden rules of safety every day: an enduring commitment to proactive workplace risk management

 <p>Respect the site rules of human and traffic movement</p>	 <p>Correct use of PPE</p>	 <p>Securing the workspace before starting a job</p>	 <p>Following all necessary safety instructions when handling chemical products</p>
 <p>Act safely within the limits of your responsibility and notify your superior in case of difficulty</p>	 <p>Being aware of risks and correctly managing tasks that could pose a risk to others</p>	 <p>Ensuring safety when working at heights</p>	



LABOUR

CODE OF GOOD BUSINESS CONDUCT

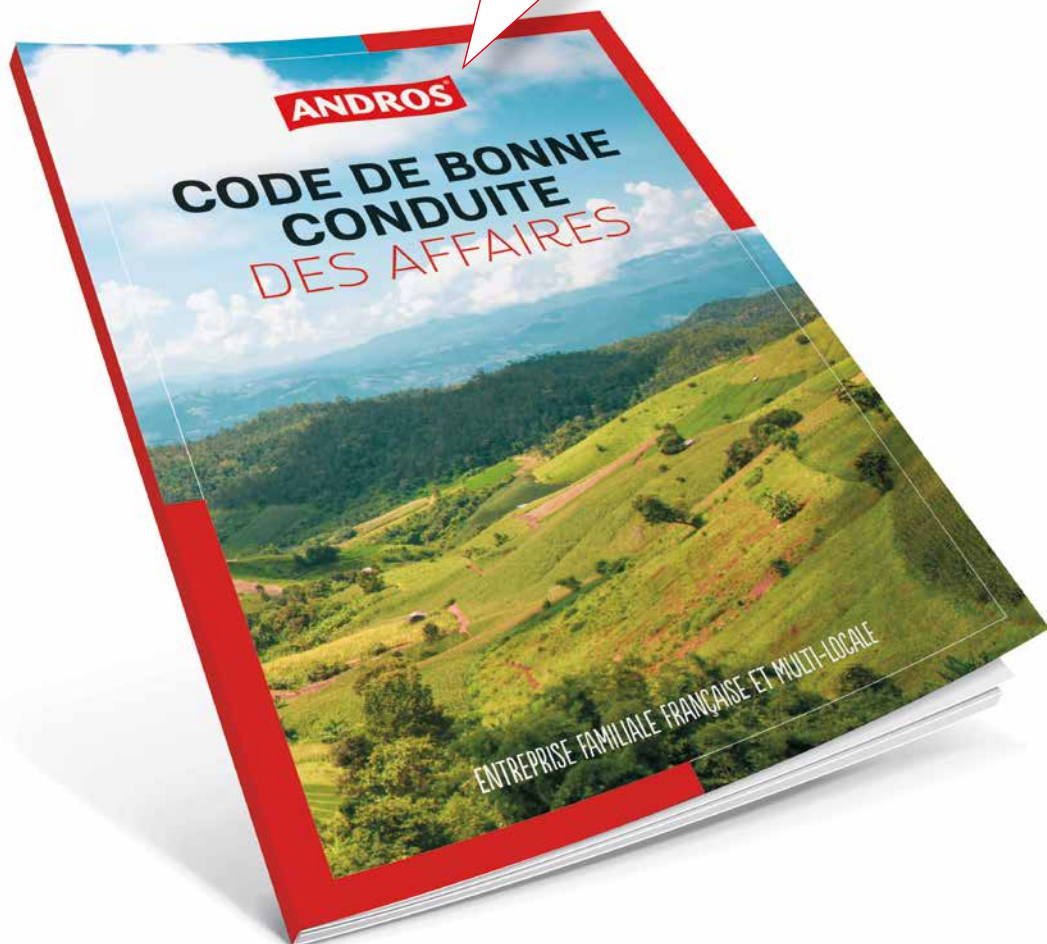
Our code of conduct also recalls that Andros strives to provide a working environment free from harassment and discrimination. Since last year and in accordance with the regulations, we calculated the gender equality index for Andros and Novandie, which obtained 94 and 93 out of 100 respectively.

Respect for human rights

Andros employees have the right to have their human dignity respected and to work in an environment free from intimidation, hostility or aggression.

Andros insists upon equal, respectful and dignified treatment for all its staff.

Andros, signatory of the UN Global Compact, respects human rights and promotes the protection of internationally recognised rights. The company is committed to creating a work environment free from harassment and discrimination for unlawful motives such as age, race, skin colour, religion, beliefs, gender, nationality, language, political opinions, marital status, pregnancy, sexual orientation or disability.





“ Andros is committed to enhancing quality of life at work ”

Quality of life at work and health at work are major concerns shared by all internal stakeholders. The agreement on quality of life at work signed by all the social partners in 2018 (Andros SNC factories) applies to all the commitments made. Teleworking, the right to disconnect, improvement of the work environment, preservation of health capital and support for career prospects are all commitments that have been materialised for our employees.

The staff cafeteria set up in 2018 now provides home-made meals and sandwiches for our employees in the plant and offices on a daily basis. Fruit and dairy desserts are free; they allow employees to discover our products and have access to a balanced diet. This space has become a place of life and conviviality where activities (especially CSR) are regularly offered to our employees.

Quality of life at work is also a matter of equipment. Relaxation/rest rooms and areas are now part of everyday life for employees at Andros SNC, Novandie and Andros Confectionery during break time. Quality of life at work is also materialised through ergonomics and workstation lay-out to prevent the risk of musculoskeletal difficulties for our employees.

In the face of increasingly hotter summers, Andros has implemented a Heat Wave Plan in order to protect our employees' health during periods of extreme heat. The plan has 4 gradual levels depending on the intensity of the heat.

Among the measures implemented:

- 2 breaks instead of one per shift,
- more water rounds,
- provision of cooling vests,
- working hours adjusted whenever possible,
- shut down of non-essential heat-emitting equipment in production.



ENVIRONMENT





ENVIRONMENT

- 7 Businesses should support a precautionary approach to environmental challenges;
- 8 Undertake initiatives to promote greater environmental responsibility; and
- 9 Encourage the development and diffusion of environmentally friendly technologies.

REDUCTION OF PHYTOSANITARY PRODUCTS

One of our priorities remains the reduction of phytosanitary products throughout the cultivation of fruit by our partner fruit farmers. This work is carried out jointly with our fruit farming partners using agroecological and DEPHY approaches. **At the same time, our brands continue to develop organic products for all our businesses. We thus offer 6 references in juice and 5 in jam.** In addition to our fruit desserts and jams, Andros Frozen Desserts offers a selection of «Mon Bio Gourmand», sorbets and ice creams with organic French ingredients: organic pear from Occitanie, organic apple from Aquitaine, organic apricot from Roussillon, organic lemon from Corsica. If an organic ingredient is not available on the French market, we do not produce the reference for the year in question. **Andros Confectionery continues to sharply increase its share of organic business: +145% growth in organic ranges between 2018 and 2019.**



BIODIVERSITY

Novandie is implementing a partnership with the Conservatory of Natural Species in favour of preserving the biodiversity of endemic species around the Auneau plant. We are supporting our partner fruit farmers toward more environmentally friendly cultivation methods that limit the quantity of input (phytosanitary products, fertilisers) and therefore promote the protection of biodiversity.



“ Reintroducing living organisms into soil biodiversity ”



In the framework of supporting our producers in our dedicated orchards, 48 hours of training about the principles of agroecology were provided in 2019. For example, this training makes it possible to work on stopping chemical weeding and reintroducing plant cover (grass cover) to protect soil biodiversity. We are thus experimenting with conservation agriculture on 65 hectares, making soil health the primary focus in plant production.

Experimental orchard, raspberry plantation with plant cover and beehive



ENVIRONMENT

ZERO PESTICIDE RESIDUE*

To guarantee quality when the fruit leaves the orchard, Andros closely supports its partner fruit farmers in the Zero Pesticide Residue* approach. We are continuing this approach with a range of ZPR fruit desserts (6 references). Our organic juice and jam are also ZPR.

* Andros guarantees a residue level of less than 0.000001% within the limit of quantification of the targeted molecules



“ Andros is committed to the preservation of pollinators ”

In April 2018, Andros launched its first no added sugar certified Bee Friendly® apple reference. 2019 saw the expansion of the no added sugar Bee Friendly® range with the commercialisation of 2 new references. That year also marked a new step validated by the signing of



a 3-year partnership to support the Bee Friendly® association. This exacting label is built around specifications of 27 strict criteria on traceability, agricultural practices, insecticides, GMOs and beehives. A blacklist of banned molecules ensures the absence of neonicotinoids that are responsible for the massive decline of bees. The Bee Friendly® approach is sanctioned by independent external audit.



ENVIRONMENT

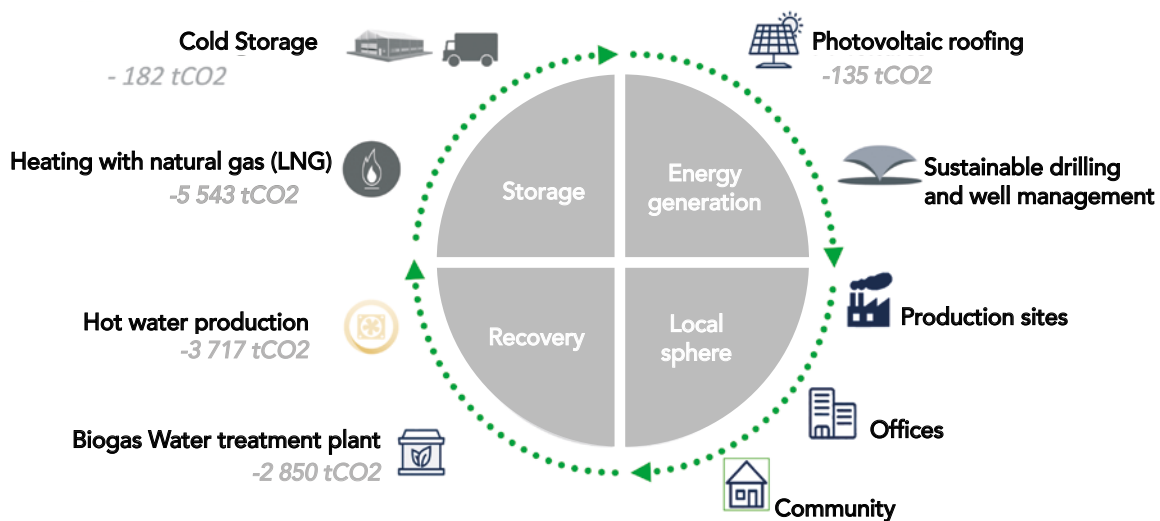


In the Andros Confectionery plant, heavy fuel oil has been replaced by biofuel made from biomass. This substitution allows us to reduce our impact on global warming by 3,500 tonnes of CO2 per year.

CARBON

In the face of climate change, a single and ambitious objective for all our subsidiaries: carbon neutrality for our direct emissions. This strong ambition requires reducing our emissions as much as possible before offsetting what cannot be reduced. To do this, we are investing in low or less carbon-intensive energies and at the same time raising awareness among teams regarding good practices. In 2019 we calculated the carbon footprint of the entities subject to regulations; we have already reduced our emissions by -11.9% for Andros SNC (2011-2018) and -25.4% for Novandie (2011-2018).

**Savings in CO2 emissions over 2 years: -12,402 tCO2/year, that is to say -33%
Investment on the Biars site: 27 million euros**



2019: implementation year of the fruit division energy performance plan for an upcoming 33% reduction in greenhouse gas emissions by 2022.

TRANSPORT

We are also taking action with our indirect emissions: those of the carriers we use to transport our raw materials and products from field to fork. For the 3rd year in a row, we are renewing our trust in the TK'Blue programme, which is a benchmark for carriers.

This tool allows us to measure the environmental impact of our carriers and to select eco-responsible carriers for the same service.



Construction of a new storage facility on the site of the historic headquarters in 2019. Capacity: 54,000 pallets. 9 daily Brive-Biars truck return trips have thus been eliminated, ie. 220 tonnes of CO2 emissions avoided each year.



ENVIRONMENT

WATER

Water is a precious resource for our production activity area and our factories. Our water consumption per tonne of finished products fell by 18.5% between 2014 and 2019 in our fruit, confectionery and frozen dessert divisions thanks to investments in our equipment, the installation of service metres and the consolidation of good practices.



Protecting water resources also involves treating wastewater before returning it to the natural environment. The good performance of our waste water treatment plants continues to remain stable with a purification yield of 99.16% for our French plants.



A new wastewater treatment plant on the Biars site will further lower our discharge values in the natural environment.



WASTE

The best waste is the one that is not produced. **Priority is therefore placed on reducing line losses and combatting food waste in general.** For example, Andros Confectionery reduced its organic waste by 30% in 2019 and Andros Biars Fruits by 16%. In the event of waste being generated, we strive to find a recycling channel for all recoverable waste. 34 recycling channels are in place in our fruit division. 187 tonnes of fruit stones from our historic factory were used as fuel in 2019 to produce heat in a town in Aveyron: waste becoming a resource for another stakeholder, a fine example of the circular economy!



To reuse our waste, we must start by sorting it well. All our sites have implemented rubbish sorting.



ENVIRONMENT

PACKAGING

For an issue that focuses on high expectations from all stakeholders, Andros responds with ambitious objectives validated in 2019 for all our subsidiaries. There are 3 axes:

- **Towards less packaging:** The first axis is to decrease the amount of all packaging (weight reduction, elimination of elements, reuse). Andros Chilled Dairy has saved the equivalent of more than 6 million yoghurt pots since 2017 by reducing the thickness of the plastic pots. Regarding Andros Gourmand et Végétal, 3 new references were launched in 2019 in 400-g jars. The shareable jar uses 2 times less packaging than the individual jars.
- **Towards recyclable packaging** to reduce the environmental impact generated by packaging at the end of its useable life. 76% of Andros Fruits packaging sold to consumers is already recyclable (glass, metal, cardboard, PET plastic, etc.).
- **Towards recycled or sustainably produced raw materials** (FSC/PEFC cardboard and paper, bio-plastic). Our cardboard packaging (header cards and consolidation boxes) already includes a large variety of recycled fibres.



ANTI-CORRUPTION





ANTI-CORRUPTION

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

In 2017 Andros set up an anti-corruption and anti-insider influence programme complying with legal requirements (Sapin II Law on transparency, the fight against corruption and modernisation of economic life). **This programme gives examples of corruption and insider influence so that all employees remain vigilant.** This code has been developed as an educational tool enabling partners to identify the behaviours to be avoided and the reflexes to adopt in the event of a risk situation for Andros.

The anti-corruption programme has been integrated

into the Company Rules and Regulations and made available to everyone on the staff information boards. Whistleblowers are invited to report any breach to their superiors or by email (conformite@andros.fr).

We have carried out work on risk mapping to identify areas for improvement. Training in the fight against corruption was also given to the subsidiaries' management teams to raise awareness among employees. **Lastly, our General Terms and Conditions, our code of ethics and our good business practices, which govern our business dealings, recall the obligations in terms of the fight against corruption.**



Anti-corruption and anti-insider influence compliance programme

Code of Conduct

EXTRACT FROM ANDROS SNC COMPANY RULES AND REGULATIONS

B - WHISTLEBLOWERS

Anyone, whether an Andros employee or not (external or casual worker), confronted in France or abroad with corrupt practices or insider influence, or having doubts about the legality of the practices, is invited to contact his superior, the general management or the legal department in order to resolve any difficulty as well as possible.

Anyone, whether an Andros employee or not, can also raise the alarm using the procedure described below on the essential condition that this alarm is raised in an impartial manner and in good faith.

The use of the alarm system is optional and must remain limited to reporting situations that could significantly expose Andros to considerable risk.

C - ALARM PROCEDURE

If an individual wishes to use the alarm procedure, he can send a warning to the following email address: conformite@andros.fr



Z.I - 46 130 BIARS SUR CERE
tel: +33 (0)5.65.10.10.10