

COMMUNICATION ON PROGRESS (COP)

Period covered by your Communication on Progress (COP)

From: 01/01/2017 To: 31/12/2017

1. STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER (OWNER OR PRESIDENT IN THE CASE OF SMALL BUSINESSES)

To our stakeholders:

I am pleased to confirm that Alpro reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Sven Lamote

2. DESCRIPTION OF ACTIONS

Human Rights

- Alpro has its own Code of Ethics which is trained and complied with in the whole organization. Any complaints or concerns are reported through the usual hierarchical escalation or via local hotlines (per country).
- Alpro also has a company-specific Ethical Charter based on the ten principles of United Nations Global Compact. This covers all ethical issues concerning people (labor circumstances, workers' health and housing, child labor) planet and performance. All our suppliers are requested to sign the Charter. Alpro's Ethical Charter is checked at supplier's level during regular or ad hoc quality audit visits on site.
- Alpro also favors long term relationships with farmers around the globe. This gives these farmers a measure of stability, also protecting them from the negative consequences of a single crop failure.
- All our soybeans (main ingredient) are ProTerra certified. Proterra certification is a label for ecologically sustainable, social responsible and non-GMO sourced soybeans, based on the Basel criteria and developed by the World Wildlife Fund and COP Switzerland. The ProTerra standard is audited and certified on a yearly basis by an independent Accredited Certification Body.
- Alpro is conducting feasibility studies and gap analysis to examine the possibility to expand sustainable, independent certification (ProTerra or other standard) or sustainable sourcing approaches (including social aspects) to other strategic crops, such as almonds, coconuts and rice.
- Cocoa: End of 2017, 95% of our cocoa was UTZ-certified and we have committed ourselves to source 100% UTZ-certified cocoa by mid-2018.
- Concerning palm oil and derivate products, our policy is to avoid the use in our products when possible. It is only used in a very limited number of other Alpro products, such as the whipping cream and margarines. We use (mainly derivatives of) palm oil to make these products more solid. The

majority of this limited number of products is certified according to the RSPO Standard (Roundtable on Sustainable Palm Oil) in a Mass Balance or Segregated Scheme.

Labour

- Alpro complies with applicable laws on labour, and we assure the same for our suppliers through the Ethical Charter. Our Code of Ethics includes the elimination of discrimination. We have work councils or equivalents in place in all our different entities. All employees comply with the labour regulations. Furthermore we have specific HR related policies, shared and trained within organization.
- Alpro pays great attention to the safety, health and well-being of every employee (e.g. ergonomics,...). Thorough trainings, attention to safety, various sports initiatives, “quit smoking” and nutrition advice... strengthen Alpro’s DNA in sustainability.
- Alpro has a Committee for Safety and Health and Welfare of the Staff that is being informed by the Prevention advisor about the yearly Action Plan for Security, with monthly monitoring of safety measures and strict reporting of all accidents (including root cause analysis, prevention measures, etc.)
- We have a “Healthy Alpro team” that organizes sporting- and health activities for our employees.
- Extralegal benefits are offered through group insurance for retirement / disability / death, accidents besides additional / alternative forms of remuneration such as bonus plans, meal vouchers, company cars, expenses, etc.
- Trainings and coaching on different levels are made available for our employees.

Environment

Please use the box below to describe **actions** your company has taken in the area of environment. Examples include:

- Alpro deepened its strategic portfolio of SD projects in the three essential domains outlined in the company's Sustainable Strategy 2020 Report: healthy food, sustainable food and profitable growth. Under these 3 pillars we worked on achieving the goals that were set for several important focus points, such as energy & carbon, water, sustainable sourcing, etc. Achieving these goals will make an active contribution to several of the Sustainable Development Goals.
- For Alpro, the biggest opportunity in having a real impact on sustainable development, is by influencing consumers to make more sustainable food choices. Simply by adding low-impact plant-based variety to their diet, consumers can significantly reduce their ecological footprint ('climate positive approach'). This is why Alpro is also actively promoting a healthy plant-based diet.
- WWF and Alpro have created a long-term, multi-program and strategic partnership around the huge societal challenge of the transition to healthier and more sustainable food system. This is linked to the core mission of both WWF and Alpro. It is implemented through different programs in Belgium and in the UK, based on two big schemes: Energy & Climate and Sustainable Diets.
 - Energy & Climate
 - WWF Climate Savers (BE & International): a programme that seeks to transform businesses into leaders of the low-carbon economy, through the reduction of their carbon emissions, in line with a global reduction pathway which aims to limit global warming to below 2°C. Alpro, as one of the 1st food and beverages companies worldwide to join the programme, set scope 1 and 2 science-based emissions targets for carbon. Alpro is the 14th company in the world to have set science-based carbon targets for energy emissions. In 2017, the methodology to set science-based carbon targets for Alpro scope 3 emissions was approved by Climate Savers.
 - One Planet Thinking (OPT): Alpro embarked on the OPT journey, to go one step further and link its impacts to planetary boundaries, using science-based targets and creating a meaningful basis for its strategy.

The program uses the five most important planetary boundaries, especially for companies in the food and agriculture sector. Since Alpro has already developed carbon targets, we will focus with this project on biodiversity loss, biogeochemical cycles (nitrogen emissions), land use change, and freshwater use.

With this project Alpro will pioneer the implementation of water and biodiversity targets. A consortium has been formed between WWF-NL and IUCN-NL, leaders of the One Planet Thinking program, and sustainability experts to roll out the program: Metabolic, Wageningen Environmental Research (Alterra), and the Context-Based Water Targets initiative.
 - ECO makala project: Alpro worked hand-in-hand with WWF in order to halt the deforestation of the Virunga Park in East Congo, launching for the second time a special WWF edition of the Alpro soya drink Original 1L.
 - Sustainable diets
 - Sustainable Food Strategy WWF-Belgium: the strategic partnership between Alpro and WWF-Belgium continued successfully in 2017.
 - Green Ambassadors (UK): Working on sustainable food in schools, empowering the younger generation.

- Alpro has effective emergency procedures to prevent and deal with industrial accidents affecting humans and the environment.

Anti-Corruption

Please use the box below to describe **actions** your company has taken to fight corruption. Examples include:

- Alpro has its own Code of Ethics which is trained and complied with in the whole organization with specific attention for the UK Bribery Act.
- All key leaders within Alpro have to fill in a compliant questionnaire as well as all distributors. Furthermore, we organize trainings for key leaders and management team.
- Alpro also has a company-specific Ethical Charter based on the ten principles of United Nations Global Compact. This also covers anti-corruption.

3. MEASUREMENT OF OUTCOMES

- Management level:
 - We have KPI's in place through Balanced Scorecards on management level for people, planet and profit indicators (accidents, safety and voluntary leaves, CO2, waste, water...) with yearly review.
 - Our books and accounts are subjected to statutory external audit annually. These audits are used as one of the methods of identifying any suspicious payments which could be related to bribery or corrupt behavior. There has been no such incident reported in the period.
- HR:
 - In the past years we have also organized Focus Groups throughout the organization, with the aim of analyzing and evaluating the HR policies of Alpro.
 - Furthermore we are being regularly audited by our big customers.
- Sustainability
 - In our SD strategy, we have designed a target dashboard (see page 62-63 in the 2015 SD report) with our progress since 2010 and actual targets / work in progress targets for 2020.
 - We have issued a "One Planet Thinking" study for Alpro's soy and almond drinks
 - Alpro measures its carbon footprint every two years in accordance with the Greenhouse Gas Protocol. Under Climate Savers, Alpro's direct emissions reduction target of -26% by 2020 compared to 2010 is regularly verified by an independent consultant on behalf of WWF.
 - All our soybeans are ProTerra certified and GMO-free. They do not come from cleared rainforest and today we are sourcing 50% of our soybeans from Europe.
 - SD Reporting in line with GRI4 guidelines.
 - Our factories are ISO14001 certified, have specific goals for waste and water reduction, and they all run local site projects for biodiversity.
 - Alpro has procedures and standards for waste management, handling and disposal of chemicals and other hazardous materials, emissions and waste water treatment that meet the legal requirements.
 - Alpro, as part of DanWave in the US, went through the full B-Corp certification audit process and is awaiting official results (Q1 2018)