



EXTRA-FINANCIAL PERFORMANCE REPORT 2018



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.01 Understanding our work

A key global player in the field of fermentation

A key global player in the field of fermentation, Lesaffre conceives, produces and delivers innovative solutions for bread making, food taste and pleasure, wellbeing and health, and biotechnology. Being more than 160 years old does not happen by chance. At Lesaffre, we have been driven by a tradition of social and environmental responsibility for a long time. Since our beginnings in 1853 up to recent acquisitions, Lesaffre's work has always centered around nourishing, and the health and wellbeing of as many people as possible, while still contributing to preserving natural resources. To meet these objectives, the business draws on the commitment, respect, and self-fulfillment of its employees during their journey through the company.



The tremendous potential of microorganisms produced and marketed by Lesaffre offers many chances to meet the 21st century's significant challenges in terms of nutrition and health, the environment, and energy.... Through the work of its businesses, Lesaffre is committed every day to employ its biotechnological advances for a healthier and more sustainable world.

It is this commitment that sums up the expression of our mission: "Working together to better nourish and protect the planet."

Today, LESAFFRE is...


2 TURNOVER
BILLION EUROS

165+ YEARS
of know-how



R&D 

10 CENTERS
570 EXPERTS

LESAFFRE is based in
50+ COUNTRIES

EMPLOYEES
10,500
70+
NATIONALITIES



1 LOAF OUT OF **3**
in the world made
with LESAFFRE yeast

56 APPLIED
SCIENCE CENTERS

44 Baking Center™
5 Culinary Centers
- Biospringer
3 Fermentation
nutrients labs - Procelys
1 The Farm - Phileo
1 Plant Care Center
- Agrauxine
1 Powder Studio® - LIS
1 Green lab - Leaf

PRODUCTION SITES
66 in the world



**« Working together
to better nourish and protect
the planet. »**

Our fermentation know-how employed in 4 activity sectors

Our more than century-old, historical mastery of yeast has enabled the group to **develop an expertise in the fermentation of other living microorganisms** such as bacteria and mushrooms... Moreover, with an ever-expanding offering, we meet the needs for increasingly safe, healthy, and sustainable food.

**We employ our core of knowledge, in fermentation,
in four fields that all contribute to better nourish
and preserve the planet:**



Our industrial, scientific and technical expertise

Lesaffre became a key global player in fermentation on the strength of its multi-faceted expertise and thanks to an affirmed desire to share its know-how throughout the world:

- Our scientific expertise is cultivated by our 570 R&D experts, our 10 research centers, and our 7 expert sensorial analysis panels in Europe, in the United States and China
- Our industrial expertise is manifested in our 66 quality factories and laboratories
- Our understanding of the market scope is developed in our 56 applied science centers

66

PRODUCTION PLANTS

10

R&D CENTERS

56

APPLICATION CENTERS



Sales teams throughout the world, close to our clients

To be as close as possible to our clients and to be able to respond to specific industrial motivations, our global production network, close to where our products are used, enables us to optimize their carbon footprint.

To this end, we draw on our 78 sales offices spread across all continents, which are in daily contact with our clients, and drive a global network of distributors.

This extremely dense commercial presence enables us to ensure the distribution of our products in 185 countries.

Proximity is not a desire; it is a reality

AFRICA & ASIA PACIFIC	NORTH AMERICA	LATIN AMERICA	WESTERN EUROPE	MIDDLE EAST & CENTRAL ASIA	CENTRAL & EASTERN EUROPE	CHINA
18 sales offices	3 sales offices	14 sales offices	22 sales offices	3 sales offices	12 sales offices	6 sales offices
1 100 distributors in 76 countries	330 distributors in 3 countries	1 200 distributors in 37 countries	1 000 distributors in 19 countries	500 distributors in 23 countries	700 distributors in 22 countries	2 900 distributors



.02 CSR: an integral part of our strategy

Our strategy

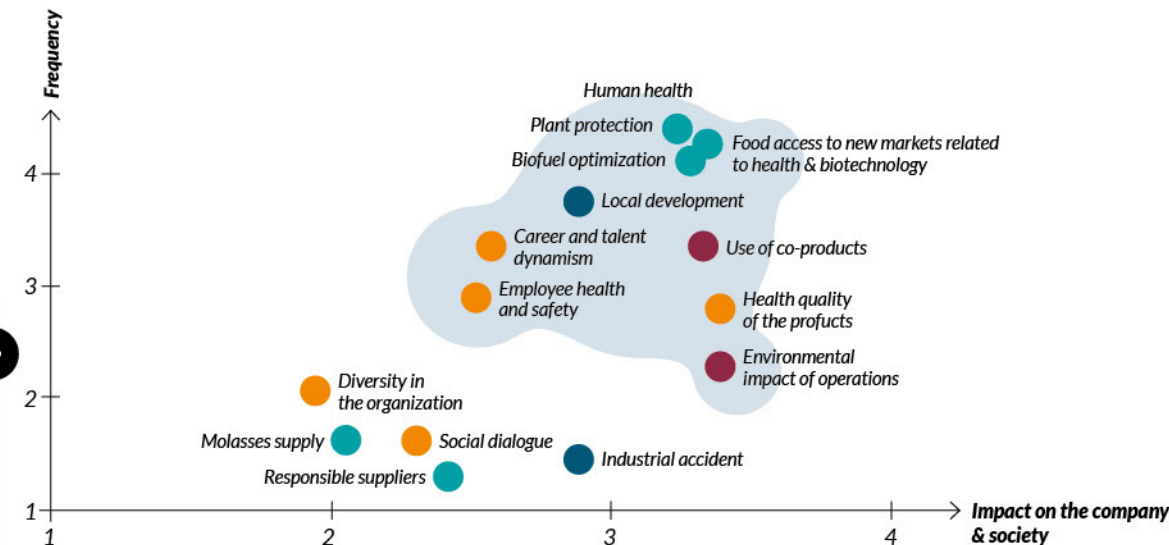
The Group's strategic objectives are all organized around this desire: working together to better nourish and protect the planet. The Executive Committee meets monthly to follow the progress of all strategic actions, of which CSR challenges are an integral part. These meetings systematically begin with a presentation of performance indicators for the health and safety of our employees, and on progress actions undertaken.

Key

- Environment
- Social
- Supply chain products
- Societal
- Key challenges

Eleven priority CSR challenges

At the core of this strategy, we can highlight 11 major CSR challenges, presented in the graph below. These 11 principal challenges echo the United Nations Sustainable Development Goals (SDG).



Methodology used:

Working from a study with directors on Lesaffre risks based on analysis of risks undertaken 10 years ago, we built our CSR challenges framework (which are risks and/or opportunities). During a workshop, a listing methodology was developed to create a hierarchy of these CSR challenges. This infographic of challenges was created by a panel of ten directors and managers; representing the management, the skills, and the activities across the business. The point of view of our stakeholders (clients, suppliers, employees, local authorities, civil society, etc.) was taken into account through the listing criteria.

Overview of our performance in our main challenges

CHALLENGE	WHY IS THIS A RISK OR AN OPPORTUNITY FOR LESAFFRE	PERFORMANCE	PAGE
FOOD	Lesaffre products are the essential food ingredients making up the basis for global food. Thus, we participate in healthy, nutritious food for all.	1 loaf out of 3 in the world is made with Lesaffre yeast	10
HUMAN HEALTH	Lesaffre produces natural ingredients that improve health and wellbeing products. Thus, we contribute to preserving the health capital of humans.	No indicator this year	11
ANIMAL HEALTH AND NUTRITION	The nutritional solutions produced by Lesaffre improve animal digestive health and immunity and thus contribute to the animals' good health and wellbeing.	Living yeasts and yeast additives produced by Phileo have covered the equivalent of: 1/5 of milk and dairy products consumed in the world 1 egg out of 7 produced or consumed in the world	13
PLANT PROTECTION	Our biocontrol and bionutrition products offer an alternative to pesticides. Thus, they guarantee the protection of crops in terms of disease and improve plant nutrition while protecting the environment.	750,000 hectares of arable crops treated by our MF55 product in the world in one year	14
BIOFUEL OPTIMIZATION	Our R&D work on the development of biofuel, an alternative to traditional fossil fuels, contributes to energy diversification thanks to the potential of biofuels to reduce greenhouse gas emissions.	No indicator this year	15
ENVIRONMENTAL IMPACT OF OPERATIONS AND USE OF CO-PRODUCTS	Our production cycle based on using co-products and the rational use of natural resources enables us to reduce our impact on the environment.	Contribution to feeding nearly 6 million cows a year Coverage of potash needs for almost 230,000 ha of crops a year	16
HEALTH QUALITY OF THE PRODUCTS	Local regulations, as well as our client needs, require us to guarantee optimal health quality and traceability for our products.	No indicator this year	18
CAREER AND SKILLS DYNAMISM	Career momentum and recognizing talent are key elements to engage employees and to create employee loyalty.	20% of our "leadership teams" have joined the Group or taken up a new role internally in 2018 110 executives have moved up internationally, (21 nationalities in 29 countries) 4th ICV employer in Hauts-de-France 40% of ICV personnel are hired at the end of their contract	19
EMPLOYEE HEALTH AND SAFETY	Creating a safe working environment and guaranteeing the good health of our employees in their place of work is an integral part of our company responsibility.	Frequency rate (FR) 2 = 15.60 in 2018 FR2 = 16.41 in 2017	21
LOCAL DEVELOPMENT	We consider it our responsibility to contribute to the economic and social development of the local communities in which we operate.	No indicator this year	23

Contributing to better nourishing and protecting the planet

Fermentation and biotechnologies employed for a healthier and more sustainable world

At Lesaffre, for more than 165 years, we have offered truly innovative fermentation solutions across the globe thanks to our industrial, technical, and scientific expertise. Our fermentation know-how is employed in our four business sectors: **Bread making, Food taste and pleasure, Wellbeing and health, and Industrial biotechnologies**. By putting innovation and sustainable development at the heart of each of these domains of activity, Lesaffre is committed every day to employ fermentation and biotechnology advances to create a healthier and more sustainable world.

A policy in 3 axes to better nourish and protect the planet

Thanks to our know-how and our capacity for innovation, we can meet markets' new needs. Thus, our historic yeast and sourdough production activities have now been joined by new businesses: development of new ferments and microorganisms (bacteria, useful molecules...).

These advances have been made possible by a development policy formed of **three axes**:

AXE 1	AXE 2	AXE 3
		
STRATEGIC ACQUISITIONS	RESEARCH AND DEVELOPMENT (R&D)	AN AMBITIOUS COMMERCIAL PLAN
The acquisition of companies specializing in yeast, yeast derivatives and extracts, bacteria, and baking ingredients enables us to strengthen our global presence and our expertise in our 4 domains of activity.	With 10 R&D centers, 570 experts, and more than 60 partnerships with universities and private research centers, we can ensure the launch of new products and develop new applications in our 4 domains of activity.	We deploy our sales network in parallel with our production network. There are thus 66 production sites and 56 applied science centers that make up our global network. In addition, our employees have increased by 24% since 2013, to reach 10,500 employees today.



WE PLAY A PART IN FEEDING THE GLOBAL POPULATION

BREAD: A future solution to nourish our planet in a healthy, sustainable way

Faced with the growth of the world's population and the increasing rarity of animal proteins, nourishing the planet in a healthy, sustainable way is one of this century's key societal concerns. Bread, a source of plant protein and a low-cost food of necessity, is a future solution to meet the global population's food needs. Yeast, the essential ingredient of bread, is thus at the heart of these societal challenges.

As a key global player in the domain of yeast and bread making and a historical partner of the baking profession, Lesaffre, offers solutions that optimize the quality and taste characteristics of bread. Through its support for the baking industry around the world, Lesaffre enables everyone to have access to healthy and nutritious food, especially those with limited means and in a vulnerable situation. **We contribute to the "Zero hunger" Sustainable Development Goal (SDG 2).**

On the ground to be closer to consumer needs.

Innovation, proximity, and sharing are the heart of our thinking and our co-development work in bread making. To meet these three principal axes, Lesaffre pursues a policy of being on the ground locally, via its recent acquisitions and participation in the domain of yeast and baking ingredients:

- Delavau Food Partners (American bread making ingredients company);
- Rayen Food Industries (Tunisian yeast factory);
- LFI Tollblend Ltd (English manufacturer of ingredient mixes for baking and the processed food sector);
- Tecno Bakery (Spanish company specialized in the production of enzyme improvers and milling correctors).

In addition, our global network of Baking Center™ continues to develop. These Baking Center™ are applied science centers in which Lesaffre teams co-create with their clients' solutions adapted to the latter's specific bread making challenges.

KEY PERFORMANCE INDICATORS



1 LOAF OUT OF 3
in the world is made with
Lesaffre yeast



WE CONTRIBUTE TO IMPROVING HUMAN HEALTH

Our natural solutions benefit human health

We capitalize on our expertise in the domain of yeast and bacteria and on our recognized know-how in biotechnology to participate in preserving the health capital of humans, by developing natural solutions derived from fermentation. The Group meets this major challenge through its specialized business unit, Gnosis by Lesaffre, by drawing on the extraordinary wealth of microorganisms, either as they are, or as a producer of natural ingredients derived from them.

Lesaffre's technical and scientific expertise has contributed to the development of a multi-functional range of health ingredients derived from yeast and bacteria. These specific health ingredients enable us to meet the needs of the rapidly expanding nutrition market - health and wellbeing - comprising:

« *Lesaffre contributes to promoting natural, healthy food.* »

		
FOOD ADDITIVES Drawing on several decades of biotechnology experience, we are developing yeasts, yeast extracts, and probiotic bacteria to supply food additives with recognized health benefits (digestive health, natural immunity...)	PHARMACEUTICAL PRODUCTS Yeasts and their extracts have a proven scientific interest for pharmaceutical laboratories. Thus, we offer high-quality ingredients and meet the stringent specifications.	FUNCTIONAL FOOD Yeast, thanks to its wealth of diverse nutrients, imposes itself today as a natural source of protein, vitamins, and minerals. As for probiotic bacteria, they are an ingredient of choice for digestive or immune system health benefits.

Through the three major areas outlined above, Lesaffre contributes to promoting natural, healthy food, low in sugar and salt, and thus participates in the "Good health and wellbeing" Sustainable Development Goal (SDG 3).

A strategy of acquisitions to develop products that benefit human health

Working together to better nourish and protect the planet: this is what drives Lesaffre every day, in particular in the growth of its Nutrition & Health sector.

To fulfill this mission, the Group has made several acquisitions and acquired stakes within the domain of Nutrition & Health ingredients:

- **Gnosis** (Italian company specializing in ingredients for the pharmaceutical and nutraceutical industries);
- **Envera** (American company innovating in the fields of bioscience and probiotics);
- **Intralaytix** (American biotechnology company specializing in bacteriophages).



2
ZERO
HUNGER

OUR PRODUCTS CONTRIBUTE TO ANIMAL WELLBEING AND ANTIBIOTICS REDUCTION

An essential role for food in animal wellbeing

We consider that animal good health and wellbeing comes above all from quality food. To meet this capital need, our subsidiary Phileo supplies its clients with a full range of nutritional solutions that contribute to the wellbeing of different species, improve livestock yield, and enable a reduction in antibiotic use.

By improving livestock performance, we are meeting once more our key ambition: to better nourish the global population. Our range of animal feed products enables us to also contribute to reaching the “Zero hunger” (SDG 2) and “Good health and wellbeing” (SDG 3) Sustainable Development Goals.

Natural solutions for animal wellbeing and performance

Our range of living yeast, yeast fractions, specific active ingredients, and innovative solutions for the animal feed industry has two principal objectives:

• Improving livestock profitability:

Our products make it possible to optimize growth and weight gain in livestock (ruminants, pigs, poultry, and farmed fish) while contributing to the quality of the end product.

• Improving livestock wellbeing and health:

The yeasts we sell offer numerous beneficial effects for animals' nutrition and health, a few examples of which are listed below:

KEY PERFORMANCE INDICATORS

Living yeasts and yeast additives produced by Phileo have covered the equivalent of:



1/5 THE MILK and
dairy products consumed
in the world



1 EGG OUT OF **7**
produced or consumed
in the world



IN PIGS

- Enhances digestive comfort
- Reduces the presence of pathogens
- Increases feed efficiency
- Optimizes performance levels and economic results



IN RUMINANTS

- Stimulates the rumen's metabolism
- Reduces the risk of acidosis
- Improves the digestibility and absorption of feed
- Increases animal productivity

In addition to globally improving animal digestive health, our products promote increased immunity and thus contribute to the end of preventative antibiotic use and encourage a reasoned use for treatment.

15
LIFE
ON LAND



WE PROTECT AGRICULTURAL CROPS THANKS TO NATURAL PRODUCTS

Contributing to the development of sustainable agricultural practices

A primary goal for our entire agricultural division is to lead agriculture down the path of a reasoned approach that respects the environment and human health. Our Agrauxine subsidiary plays an active role in achieving this objective by developing and marketing biocontrol and bionutrition products, created from natural microorganisms.

These natural solutions guarantee crop protection from diseases and make it possible to improve plant nutrition while limiting the need to use chemical pesticides.

With this participation in the development of these ethical agricultural practices, we contribute to the United Nations “Life on Land” Sustainable Development Goal.

Registered products for plant nutrition and health

Our range of biocontrol products uses natural mechanisms to provide plant protection. This increased plant protection makes it possible to limit the need to use chemical pesticides. Our organic products derived from fermentation replace chemical fungicides and fertilizer. The use of these methods also makes it possible to significantly minimize the level of residues in harvests, which benefits consumer health.

We have also developed biofungicide and biostimulant products from natural strains of microorganisms: yeasts, mushrooms, bacteria, and yeast derivatives. These products make it possible to combat plant diseases, such as grapevine trunk disease, and thus contribute to improved crop yield.

The solutions offered by our Agrauxine subsidiary are the subject of extensive agronomic studies and active collaboration with reputed research centers such as INRA (French National Institute for Agricultural Research), other research organizations, universities, and technical institutes.

KEY PERFORMANCE INDICATORS



750 000 ha
OF ARABLE CROPS
protected against hydric
stress in the world by
our MF55 product



WE HELP TO OPTIMIZE BIOFUEL USE

Participating in energy transition thanks to cutting-edge fermentation solutions

Our Leaf business unit actively participates in the current challenge for energy diversification by focusing its research and development work on the development of biofuels. In the current climate of global warming, marketing biofuels constitutes an alternative solution to traditional fossil fuels, which will make it possible to reduce greenhouse gas emissions. **This approach contributes to the United Nations SDG 13 "Combat climate change".**

Already a partner in the production of first-generation bioethanol from sugar beets, sugar cane, and grains, today we also work to develop second-generation strains, from cellulosic biomass (wood, leaves, plant stems...).

This second element of our activity enables us to meet a critical challenge – to harness the energy potential of renewable resources, without competing with food production.

« Today we also work to develop second-generation strains. »

Creation of a dedicated business unit

In order to better meet our commitment in favor of ethanol fuel and bio-sourced chemistry industries, in 2014 we created the Leaf business unit, dedicated to the research and development of high-added value fermentation solutions for bioethanol producers.

The creation of new strains of yeast, fermenting raw plant materials (notably for non-food use with the second-generation yeasts, on which we concentrate our efforts) enables us to achieve our objective of contributing to energy transition by:

- Harnessing the potential of renewable energies;
- Countering the scarcity of fossil fuels;
- Promoting the reduction of CO2 emissions.

.04 Targeting operational excellence in terms of the environment and our product quality



WE ARE COMMITTED TO OPTIMIZING THE USE OF CO-PRODUCTS AND REDUCING THE IMPACT OF OUR OPERATIONS ON THE ENVIRONMENT



A production cycle that respects the environment

We have always been mindful of limiting the environmental footprint of our activities. With this perspective in mind, in 1930, we installed the 1st evaporator for our effluents, intending to make the most of our co-products. In 1967, the development of a new, patented evaporation process made it possible to obtain a specific effluent co-product.

Still today, environmental protection is one of our major challenges, and our first objective in this domain consists of **respecting the environmental regulations in each country in which we operate.** Above and beyond this objective, we endeavor to

optimize the functioning of all our production sites to reduce our water and energy consumption, as well as making the most of our co-products. **We allocate 15% of our industrial spend to the reduction of our environmental footprint.**

By signing up in this way to reduce our environmental impact, **we contribute to achieving the United Nations "Sustainable production and consumption" Sustainable Development Goal (SDG 12).**

A policy of rational use of natural resources and making the most of co-products

• Ensuring the preservation of water resources

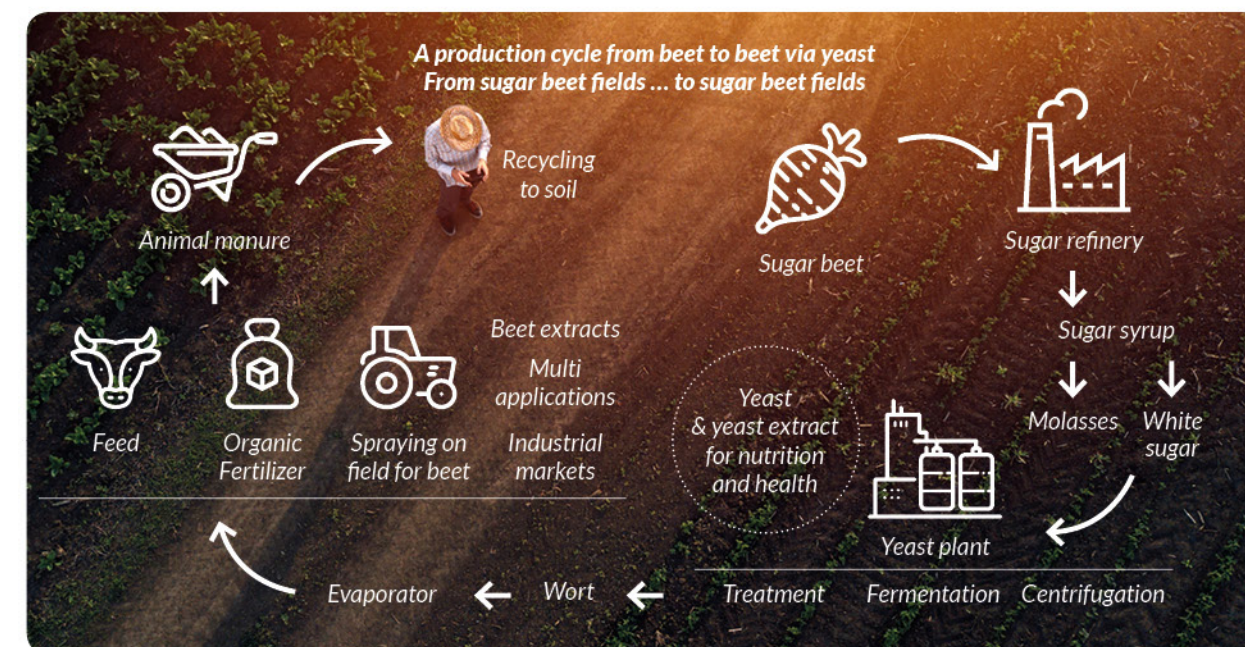
Water is a precious commodity for Lesaffre because our business depends upon access to this resource. To ensure its optimal use, we monitor the amount of water used per metric ton of yeast produced in all our sites. Monitoring this ratio site by site enables us to put in place tailored action plans for factories. In addition to this individual monitoring, we are currently setting up a process of environmental reporting that will be used across all the sites and will enable us to consolidate this data at Group level in a reliable and homogenous way.

• Promoting energy saving measures

In the same way as with water consumption, we currently monitor the ratio of energy consumption per metric ton of yeast produced. Our efforts to limit our carbon footprint include in particular, limiting the use of fossil fuels and even promoting the use of river transport for our raw materials in the North of France. From next year, monitoring our energy consumption will also form part of environmental reporting to consolidate it and monitor it at Group level.

• Offering our co-products a second life

Making the most of our co-products is an integral part of our environmental management policy, which is why we have invested in new technologies that enable us to develop a range of products derived from crop inputs, mainly destined for animal nutrition and the fertilization of arable crops.



KEY PERFORMANCE INDICATORS



Contributing
to feeding nearly
6 millions
COWS PER YEAR



Meeting potash
needs over
230 000 ha
OF CROPS PER YEAR

HEALTH QUALITY IS AT THE HEART OF OUR PRIORITIES

An exemplary objective across the entire production chain

To honor our status as a global player in the production and transformation of yeasts, we have made quality a common denominator for all our employees, activities, professions, services, omnipresent at each stage of production.

Our policy is to respect local regulations in terms of our product quality in all the countries in which we operate, while also meeting our client requirements: access to healthy, high-quality food, safe to consume for the planet's population.

A quality assurance policy that guarantees traceability and optimal health safety

To guarantee the highest level of quality and safety for all our products, we ensure we apply the best possible practices in terms of **traceability** and **food safety**. To this end, we have set up the following action plans:

- All our production sites meet the **highest international standards** in terms of quality and health safety for food commodities, including:



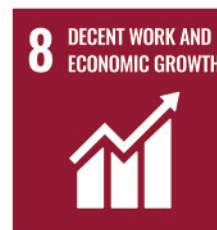
- To meet the requirements of these standards, we submit to various **audits** that enable us to ensure both the quality and the safety of our products.

- We have **55 control laboratories** that enable us to ensure the quality and safety of our products.

- We have also instigated a **HACCP procedure** (Hazard Analysis Critical Control Point), a **gauge of the daily engagement** of our teams in favor of necessary preventative actions to manage risks for our finished products.



.05 Developing and protecting our human capital



**WE CREATE EMPLOYEE LOYALTY
AND DEVELOP THEIR SKILLS THANKS
TO A STRONG CAREER DYNAMIC**

Our teams are our main asset

By placing human relationships at the heart of its strategy and encouraging the employment of young people, **Lesaffre participates in the United Nations "Decent work and economic growth" Sustainable Development Goal (SDG 8).**

Since its creation, Lesaffre has capitalized on our employees' company spirit, innovation, professional expertise, and diversity to perfect its international success in bio-industry.

At Lesaffre, our priority is to value the talents of our employees and to promote the potential for our teams' initiatives. The mission of our HR team characterizes this priority: **Together, reveal each talent and boost authentic teamwork.**

Our policy revolves around four axes

To showcase our talents and to instill a career momentum in the company, in 2017 our Human Resources team devised a strategic place to develop a network at Group level and to set objectives for the years to come. This strategic plan highlighted four main axes:

- **Attract and integrate the best talent:** we welcome VIEs (Volunteer for International Experience) and offer them job opportunities. In addition, in 2018, Lesaffre added 379 additional jobs across its workforce compared to 2017.
- **Accompany our employees' progression and develop their expertise:** we offer our employees excellent career progression through internal opportunities and ongoing learning.



« Together, reveal each talent and boost authentic teamwork. »

- **Facilitating taking the initiative, collaboration, and transversality:** dedicated training programs enable our employees to develop their management, leadership, and project management skills.

- **Equipping our HR community with effective tools:** a transversal organization, HR teams in partnership and direct support for employees promotes the sharing of good practices, so we can better support our employees.

To monitor the achievement of these objectives, Our HR Leadership Team (HRLT) meets two or three times a year and supplies local teams with the means to improve on these four axes.



KEY PERFORMANCE INDICATORS



20% OF OUR « LEADERSHIPS TEAMS* » joined the Group of took on a new role internally, during 2018.



110 EXECUTIVES progressed internationally, representing 21 nationalities, presents in **29 COUNTRIES**



Lesaffre is among the **5 LEADING VIE EMPLOYERS** in Hauts-de-France **40%** of these VIE, at the end of their contract, continued their career in the Group.

* This indicator concerns around 200 people among the top executives. Our HR team is currently working to extend this indicator to 500 people.

EMPLOYEE HEALTH AND SAFETY IS AN ABSOLUTE PRIORITY

Our 10 fundamental principles, a road map to “Zero accident.”

Our preventative approach rests upon **10 fundamental principles**, which govern a shared safety policy across all the Group’s sites.

In addition to respect for our 10 principles, we have launched a process of “behavioral, or participative” safety inspections. This approach aims to improve our capacity to control upfront, to reinforce our safety vigilance in the entire organization, and thus to prevent work accidents.

A Safety Community has been created, using digital tools, bringing together safety coordinators for each region, responsible for managing their regional communities. The objective of this community is to enable the sharing of experience about employee

safety, to work on shared issues, and to facilitate the effective deployment of our safety policy throughout our subsidiaries.

Encouraging results observed

The frequency of accidents, with or without stoppage, is an indicator that we have followed keenly for several years. Since 2012, it has been falling, proof of the effectiveness of our preventative approach.

Since the beginning of 2018, we have started to follow the accident rate for all our workers, including temporary staff (FR3). We expect to report this indicator from 2019.

KEY PERFORMANCE INDICATORS

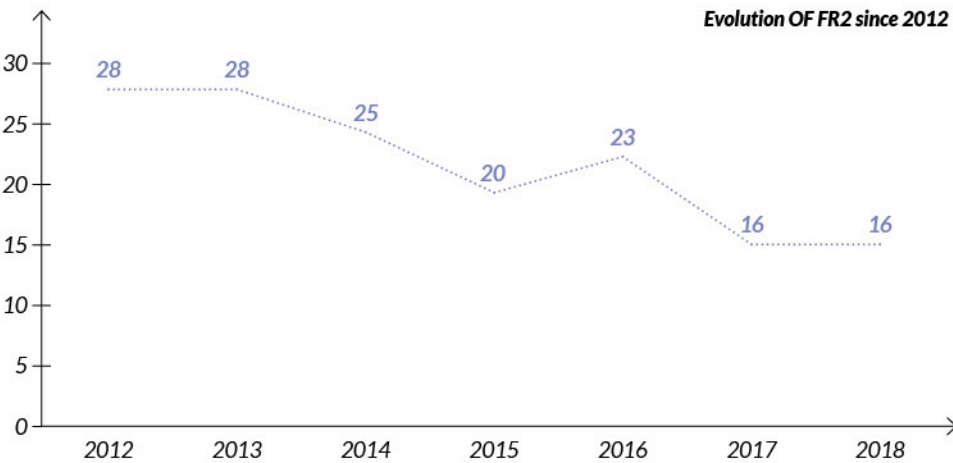
Frequency Rate (FR) 2 = 15,60 in 2018

Frequency Rate (FR) 2 = 16,41 in 2017

FR3 : Indicator published from 2019



With TF2 =
$$\frac{\text{Total number of accidents} \times 1,000,000}{\text{Total number of hours worked}}$$



Guaranteeing the safety of every employee

The health and safety of our employees is at the heart of our priorities. We consider that **every accident is one accident too many**, and we work actively to achieve the ambitious “Zero accident” objective. To this end, since 2014, we have instigated a preventative and safety at work approach that is deployed and applied across all our subsidiaries.



1

SAFETY AT WORK PREVENTION POLICY

Every subsidiary drafts or updates a safety at work prevention policy signed by the site manager. This policy sets out the subsidiaries commitment in terms of actions, monitoring, and continued improvement.

2

SAFETY OFFICER

Each subsidiary nominates a competent person responsible for monitoring the application and respect of the safety at work prevention policy. A prevention and safety committee made up of representatives from the site can complete the safety organization.

3

LAWS AND REGULATIONS

Each subsidiary monitors the respect and adherence to local laws and regulations applicable in terms of safety.

4

ACCIDENTS ANALYSIS

Each subsidiary analyses all work accidents (with or without work stoppage) and puts in place corrective actions correctives to avoid repetition. The analysis and the actions must be formalized and mapped out in a dedicated log.

5

FIRST AID AND EMERGENCY RESPONDER AREA

Each subsidiary has a dedicated space and equipment for treatment in case of work accidents and a team of responders relative to the function of the subsidiary and its personnel.

6

SAFETY TRAINING

Each subsidiary defines a program of safety training integrating the obligatory training as well as recommendations as a result of the risk assessment. Each subsidiary ensures initial safety training for every new employee and training at workstations.

7

RISK ASSESSMENT

Each subsidiary identifies and evaluates the risks at work to which its employees are exposed. This risk assessment must be formalized and updated at least once a year.

8

PREVENTION AND WORK SAFETY ACTION PLANS

Each subsidiary defines an effective plan of action to reduce, and wherever possible eliminate, professional risks identified in the risk assessment document.

9

SAFETY INSPECTIONS

Each subsidiary organizes safety inspections with a frequency adapted to its activity and its population. These formalized visits must make it possible to prevent risky situations and to monitor the practical adoption of the action plan referred to in point 8.

10

ACCIDENT REPORTING

Each subsidiary sets up a monthly reporting process according to the 3 work accident indicators defined by the Group.

.06 Contributing to the economic and social development of communities in which we operate



Our proximity to local communities is at the heart of our social commitment

Because we are convinced that a business must reconcile its economic activity with the wellbeing of society, Lesaffre practices a social responsibility policy of proximity. With bases in numerous countries where the populations are sometimes faced with major social issues, we are committed to creating a link by deploying actions that promote employment, education, training, and health.

Our actions of solidarity enable us to participate in achieving the United Nations “Quality education for all” (SDG 4) and “Good health and wellbeing” (SDG 3) Sustainable Development Goals.

2018: a few examples of actions of solidarity

Our actions of solidarity spread across 5 areas: education, mutual aid, sport & health, environment, and culture. For some years, the Lesaffre business has wished to mobilize its employees around this challenge of economic and social development for communities through an internal event- the CSR AWARDS – organized every 2 years (2014-2016-2018). To illustrate the spirit of solidarity that has driven our business, we have chosen to highlight three projects that were presented at the CSR AWARDS (launched or ongoing in 2018).

CSR
2018



<https://bourselesaffre.fr/>

Literacy programme

Opening your own bakery can be a real struggle for young entrepreneurs (requiring a significant investment at the beginning despite the increasing reticence of financiers to provide loans). Launched in 2017, the Lesaffre Initial Bakery Settlement Grant helps support young bakers planning to set up or acquire a small-scale bakery through the issuing of a €10,000 grant combined with personalised support in the form of mentoring and training.

€100,000/year
Sponsorship 1 year

France

Since 2017

CSR
2016



<https://redstaryeast.com/rise-against-hunger/>

Baking the world a better place

Lesaffre Yeast Corporation/Red Star supports the “Stop Hunger Now” association, which works to end global hunger through feeding programs in 73 countries.

At its level, Lesaffre has created a “Baking the world a better place” program to give its employees and community of customers, bakers and followers the opportunity to contribute to this action (meal packaging, donations, etc.).

“Stop Hunger Now” became “Stop Hunger Now to Rise Against Hunger” in 2017 and Lesaffre continues to support and act.

78 000 meals
266 volunteer

USA

Since 2014

CSR
2018



Literacy programme

Lesaffre has introduced a literacy programme in cooperation with the General Authority of Literacy & Adult Education.

For its deployment, Lesaffre has provided premises and educational supplies, selected service providers and made available volunteer staff to participate in these 246 hours of educational activities over 7 months. The course ends with an exam and the awarding of a certificate.

The programme will subsequently be extended to the families of staff members.

20 staff

Egypt

2018

NETWORK OF CORRESPONDENTS

All information is shared at every level, and applicants are supported

APPLICANTS

Presentation of charitable projects supported by the subsidiaries

MATCHING FUND

Applications are assessed, and matching funds of up to 100% of the sum allocated by the subsidiaries are possible

Echo: a program to give new impetus to our policy of charitable work

For years, the Lesaffre subsidiaries have been committed to improving living conditions for local populations through their actions of solidarity. By building lasting partnerships with local associations and authorities, our subsidiaries encourage a dialogue, diversity, and a sharing of experience at the very heart of Lesaffre.

2019 will mark a new impetus for the company's charitable policy, with the launch of the Echo program and its matching fund.

This unifying program aims to bring together all Lesaffre employees who wish to contribute to a societal or environmental project. It draws on a network of regional and local correspondents.

Key performance indicators being established

To date, the decentralized organization of our charitable projects meant we could not quantify their impact. With the launch of the Echo program, we will be able to drive our projects and to measure their impact on local communities.



.07

Appendices

Overview of 2017 and 2018 indicators

CHALLENGE	INDICATOR	2018	2017
FOOD	Number of loaves in the world made with Lesaffre yeast	1 loaf out of 3	-
ANIMAL HEALTH AND NUTRITION	Quantity of dairy products and eggs covered by Phileo products	1/5 of milk and dairy products consumed in the world 1 egg out of 7 produced or consumed in the world	-
PLANT PROTECTION	Area of arable crops treated by our MF55 product in the world per year	750,000 ha	-
ENVIRONMENTAL IMPACT OF OPERATIONS AND MAKING USE OF CO-PRODUCTS	Number of cows for which we contribute towards food thanks to our co-products	6 million	-
	Agricultural area of potash needs covered by our co-products	230,000 ha	-
SKILLS MANAGEMENT	Section of employee "leadership teams" having joined the Group or taken on a new role	20%	-
	Number of executives progressing on an international trajectory	110	-
	VIE Employer classification in Hauts-de-France	4th	-
	Number of our VIE following a career in the Group in 2018	More than 1 in 2	-
EMPLOYEE HEALTH AND SAFETY	FR2	15.60	16,41

Scope of our indicators and our calculation method

CHALLENGE	INDICATOR	SCOPE	CALCULATION METHOD
FOOD	Number of loaves in the world made with Lesaffre yeast	All subsidiaries making yeasts	Will be specified in the EFPR next year
PLANT PROTECTION	Area of arable crops treated with our MF55 product in the world per year	Agrauxine subsidiary	Will be specified in the EFPR next year
ANIMAL HEALTH AND NUTRITION	Quantity of dairy products and eggs covered by Phileo products	Phileo BU	Will be specified in the EFPR next year
ENVIRONMENTAL IMPACT OF OPERATIONS AND MAKING USE OF CO-PRODUCTS	Number of cows for which we contribute towards food thanks to our co-products	Lesaffre global	Ingestion of 3kg of concentrated feed per day → 150gr ingested per day per cow → 300 days per year of concentrated feed → 45kg ingested per year per cow → Sale of 271kT of derivative products → Contribution to the nutrition of 6 million cows per year
	Agricultural area of potash needs covered by our co-products	Lesaffre global	Product with 25% potash on average → 200 units of K2O per ha → 800kg per ha → Sale of 121kT of derivative products → 150,000ha fertilized to meet the potash needs of crops
SKILLS MANAGEMENT	Section of employee "leadership teams" having joined the Group or taken on a new role	Employees in management roles, Lesaffre global	Internal recruitment (promotion or change of role). Permanent departures and acquisitions are not counted in internal recruitment. External recruitments (Lesaffre LT newcomers).
	Number of executives progressing on an international trajectory	Lesaffre global	Employees on an international career trajectory in the Group, that is to say, who have moved country and do not work in their country of origin. Their career is managed at Group or regional level. All contracts or social status: secondment, expatriate, local contract, local contract+. Taking into account employees on assignment during the year, whether or not completed.
	Employee classification for VIE in Hauts-de-France	Hauts-de-France	Source: Business France
	Section of our VIEs following a career in the Group	Lesaffre global	The VIEs who have had one assignment (even if only for one part of the year) in 2018
EMPLOYEE HEALTH AND SAFETY	FR2	Lesaffre global	FR2 = (number of accidents with or without time off work * 1,000,000) / (number of hours worked by Lesaffre employees)

Scope of challenges covered by our EFPR

LEGAL TEXT	LIST OF OBLIGATORY ITEMS	HANDLING OF THE ITEM
Decree for application and transposition of the European directive (n°2017-1265)	Consequences on climate change of business activities and use of goods and services they produce (contribution and adaptation)	See section: "We are committed to reducing the environmental impact of our operations"
	Circular economy	
	Combating food waste	Taking into account the nature of our activities, we do not consider tackling food waste to be one of our main CSR risks and it is not worth developing in the current management report.
	Collective agreements reached in the company and on their impact on the company's economic performance	See section: «We create employee loyalty and develop their skills thanks to a strong career dynamic.» This point will be specified in the EFPR next year.
	Actions aimed at combating discrimination and promoting diversity with measures taken to benefit those with disabilities.	See section: "We create employee loyalty and develop their skills thanks to a strong career dynamic". This point will be specified in the EFPR next year.
	Societal commitments in favor of sustainable development	See section: "Discover our CSR strategy"
30th October 2018 law on sustainable food	Combating food insecurity, working for respect of animal wellbeing, responsible, fair and sustainable food	See sections: "We play a part in feeding the global populations" and "Our products help our animals to be in good health"



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