

EXTRA FINANCIAL
PERFORMANCE
REPORT
2019





01

REVEAL THE FULL POTENTIAL OF MICROORGANISMS AND FERMENTATION

- p.04 Key global player in fermentation, serving its mission
- p.05 Today, Lesaffre is...
- p.06 Putting fermentation at the service of humanity
- p.07 Our know-how
- p.08 Our interpersonal skills

02

CSR: AN INTEGRAL PART OF OUR STRATEGY

- p.09 Our strategy
- p.09 Eleven priority CSR issues
- p.11 Summary of our performance on our main challenges

03

CONTRIBUTE TO BETTER NOURISHING AND PROTECTING THE PLANET

- p.13 We play a part on feeding the global population
- p.15 We contribute to improving human health
- p.18 Our products contribute to animal healthcare and to reduce the use of antibiotics.
- p.22 We protect agricultural crops thanks to our natural products
- p.22 We are committed to contributing to the agro-ecological transition
- p.25 We optimize biofuel production and contribute to the development of green chemistry

04

TARGETING OPERATIONAL EXCELLENCE IN TERMS OF THE ENVIRONMENT AND OUR PRODUCT QUALITY

- p.28 We are committed to reducing the impact of our operations and to generating value for our co-products
- p.31 The health quality of our products is at the heart of our priorities

05

DEVELOPPING AND PROTECTING OUR HUMAN QUALITY

- p.28 We are committed to create employee loyalty by offering them dynamic careers and developing their skills.
- p.31 The employee health and safety are absolute priorities

06

p.39 CONTRIBUTION TO ECONOMIC AND SOCIAL DEVELOPMENT OF LOCAL COMMUNITIES

07

p.41 APPENDICES Our CSR reporting methodology

foreword





10 billion people in 2050 is tomorrow.

Humanity, in other words, each and every one of us, will face **an unprecedented challenge** in history: **how can we successfully feed us all, as healthily as possible**, to preserve our health and quality of life, while the resources to produce our food will become scarcer or of less high quality, polluted or with poor nutritional value?

The challenge is colossal, complex and urgent. Are we ready to take it up?

For centuries, fermentation has been used all over the world: to fight waste, to preserve our food, to give taste... And for over a century, at Lesaffre, we have been working with **passion** and **expertise** on the infinite potential of fermentation.

Microorganisms and ingredients constitute a new wide field to explore, to open-up, and exciting boundaries to push.

We strongly believe that fermentation is one of the most promising answers to feed 10 billion people in a safer, healthier and more sustainable way.

Everywhere in the world, locally, in our plants, our applied and research centers, our offices... our women and men put their energy and enthusiasm into building **solid and trusted partnerships** to innovate, develop, train and **move forward together**.

Our ambition today is to be one of the leaders of the movement around fermentation. Faced with such challenges, we cannot progress alone. It is through our teams' passion and commitment that we enhance our partnerships.

It is together with our customers, partners, researchers and citizens that every day we reveal the infinite potential of microorganisms. This is the key to success.

Working together to better nourish and protect the planet.





01

Reveal the full potential
of microorganisms and
fermentation

A key global player in fermentation, at the service of its mission

Our conviction

As resources become scarcer, we will need to produce healthier and more sustainable food for the 10 billion people in the world that will populate the planet in 2050, without draining or damaging our vital natural resources. We strongly believe that beneficial microorganisms and ingredients derived from fermentation are one of the most promising answers to this urgent need.

Our ambition

Today, our ambition is to be one of the leaders in the in-depth movement to deploy fermentation: it is one of the most promising responses to feed the growing population in a healthier and more sustainable way.

Our role

Lesaffre has been a key global player in fermentation for over a century, with a turnover of 2 billion euros, established on all continents, **10,700 employees** and **more than 70 nationalities**. On the strength of this experience and this diversity, we work with customers, partners and researchers to find



ever more relevant answers to the needs of nutrition, health, naturalness and respect for our environment.

Thus, every day we explore and reveal the full potential of microorganisms.

To nourish 10 billion people, in a healthy way, in 2050 by making the most of our planet's resources is a major and unprecedented issue.

We believe that fermentation is one of the most promising answers to this challenge.

Today, Lesaffre is...

10.700
employees in more
than 50 countries

2
billion euros turnover

8
sensory
analysis labs

60
applied
science
centers

78
sales offices

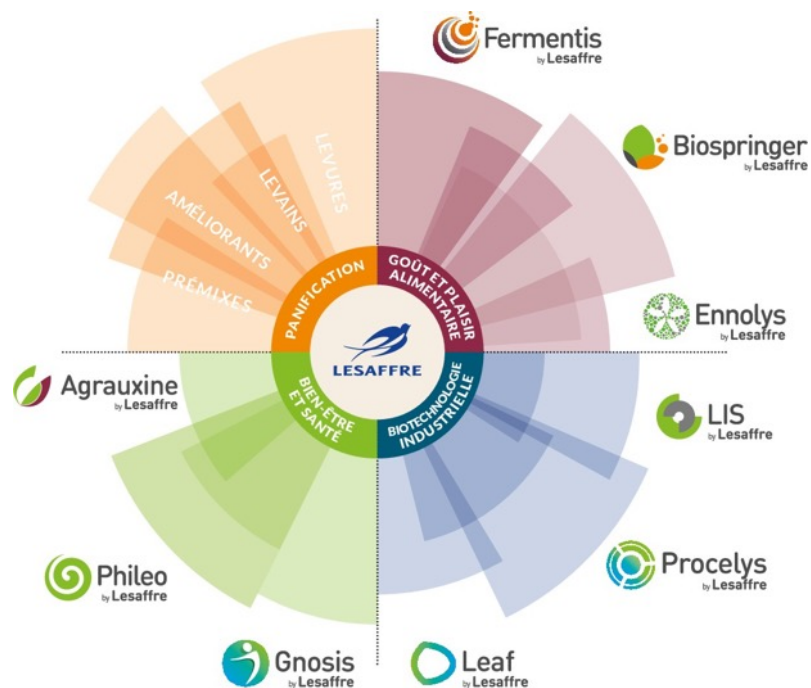
69
production
sites

570
experts in
10
R&D centers

A common mission

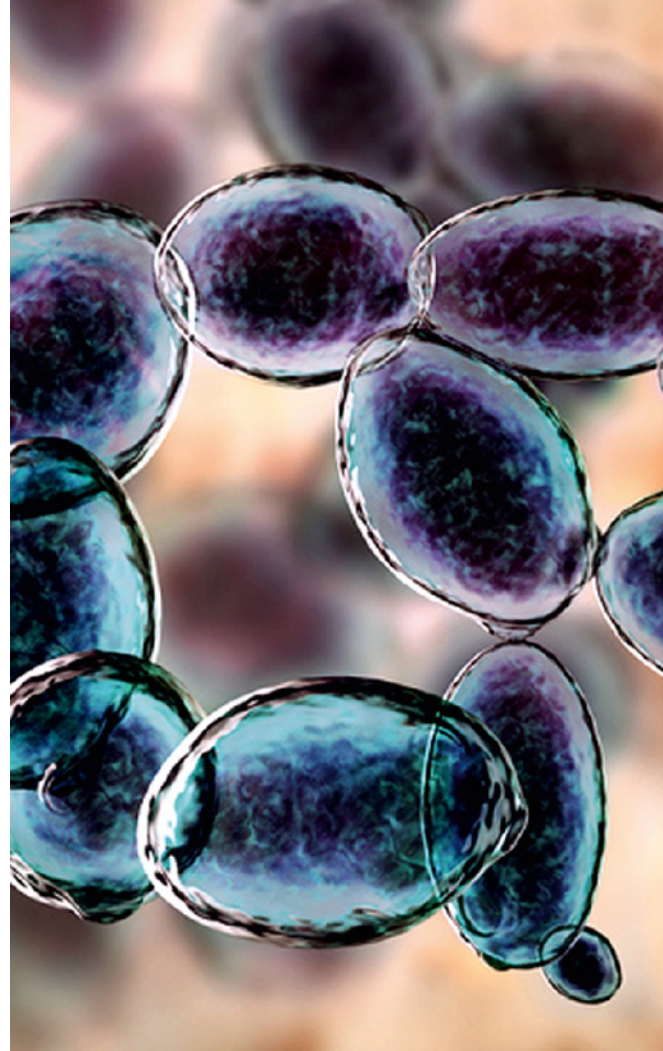
Working together to better nourish and protect the planet.

Putting fermentation at the service of humanity



Passionately committed to our mission, we push boundaries to reveal the full potential of microorganisms and fermentation within each of our activities:

- Baking
- Food taste & pleasure
- Health care
- Industrial Biotechnology



On the strength of our industrial excellence, we support the development of our clients in their markets by putting at their service the full range of our expertise in the following areas yeast manufacturing, fermentation and processing: R&D, pilots and cutting-edge industrial tools, a high quality standards approach, a local sales policy, etc.

By placing fermentation at the heart of our activities and collaborating with all our stakeholders, we contribute to better nourish and protect the planet.

Our Know-How

At Lesaffre, men and women collaborate and innovate every day

- Our R&D experts, spread over 10 research centers around the world, push themselves to provide ever more relevant answers to food and health needs through biotechnology and biotransformation, always respecting the highest health and safety requirements.
 - With a culturally diverse staff, representing 70 nationalities, Lesaffre guarantees open-mindedness, listening, understanding and customer relationship
- ...with resources and processes that meet the highest requirements**
- Cutting-edge technological equipment to design high-quality products by optimizing the use of natural resources.
 - More and more applied research centers throughout the world, across multiple industries, we are ready to listen closely and understand our clients' needs and provide tailor-made support.
 - Panels of sensory analysts, across Lesaffre businesses expertly link food, taste and pleasure.
 - A global network of production sites that allows us to reach the same quality levels around the world while adapting to local needs and requirements: Diversified supply, no shortages and guarantee on-time delivery.



...to bring to life concrete solutions in constant improvement...

- Solutions to reduce the use of salt, sugar, antibiotics, artificial flavours, pesticides and fossil fuels.
- A unique scientific know-how, ever-changing, in line with our clients' challenges to provide them with the adapted answers.
- A vast potential for synergies between all our activities (food, beverages, health, agriculture...) to provide innovative answers to our clients' challenges.
- The women and men of Lesaffre openly share knowledge and know-how, fostering our collective, high-end expertise (Institut Léon Lesaffre).
- An understanding of consumers' evolving daily lives and needs, paired with insight and input from our clients.

Our soft skills

First, a human mission

We live our passion

Our women and men have been committed to continuously seeking to reveal the full potential of fermentation for the benefit of mankind. Since 1853, the study of microorganisms has been our daily life. And this never-ending history pushes us to be better day after day.

We care about people and their environment

Our fundamentals are based on environmentally conscious products and processes. In each of our activities, health prevention matters deeply. We work with respect for the communities in which we operate.

We rely on the spirit of collaboration

The challenges we face with our stakeholders are increasingly complex. We thus, through our commitment, listening and dialogue, aspire to be a trusted partner on a daily basis.

We aim for a common success.





02

CSR: an integral part
of our strategy

Our strategy

CSR is at the heart of the Group's strategy. As such, the Executive Committee has decided to create a CSR sub-committee to oversee the implementation of CSR as part of its strategy.

The well-being, health, safety and skills development of our employees are the foundation of our own evolution to accomplish our mission. Our know-how enables us to develop products to respect and improve human and animal health.

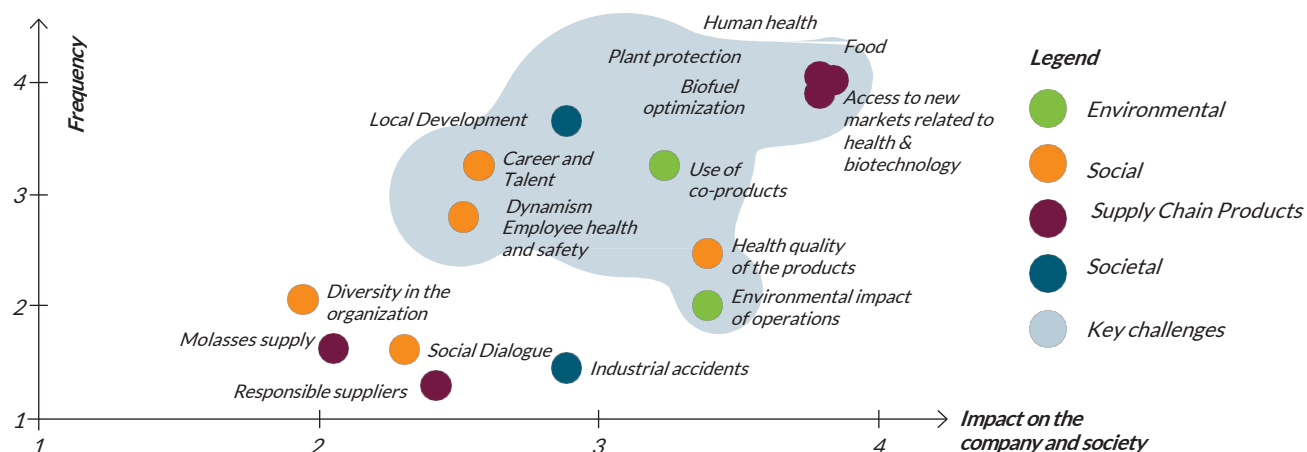
We also take care to respect the environment both in our production processes and in our products that contribute to the agro-ecological transition and clean energy. Our global presence gives us the opportunity to work in close proximity to the development of local populations.



Eleven priority CSR issues

Within this strategy, 11 major CSR issues can be highlighted, presented in the graph below.

These 11 main issues echo the United Nations' Sustainable Development Goals (SDGs).



Methodology used :

Working from a 2018 study with directors on Lesaffre's risk management department, as well as bases laid by the group's strategy development work, 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. The main risks identified in 2018 are identical in 2019. 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

The challenges presented below include the main non-financial risks identified in our infographic.

CHALLENGE	WHY IS THIS A RISK OR AN OPPORTUNITY FOR LESAFFRE	PERFORMANCE
FOOD	Lesaffre products are the essential food ingredients making up the basis for global food. Thus, we participate in healthy and nutritious food for all.	1 loaf out of 3 in the world is made with Lesaffre yeast.
HUMAN HEALTH	Lesaffre produces natural ingredients that improve health and well-being products. Thus, we contribute to preserving the health capital of humans.	A key performance indicator is under construction and will be published in the DPEF 2020.
ANIMAL HEALTH AND NUTRITION	The nutritional solutions produced by Lesaffre improve animal digestive health and immunity and thus contribute to the animal's good health and well-being.	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
PLANT PROTECTION	Our biocontrol and bionutrition products offer an alternative to pesticides. Thus, they guarantee the protection of crops in terms of diseases and improve plant nutrition while protecting the environment.	900,000 hectares of arable crops treated by our MF55 product in the world in 2019
BIOFUELS AND BIO-SOURCED CHEMICAL	We contribute to the reduction of the industry's environmental impact by offering fermentation solutions to replace the use of petroleum with biosourced molecules.	A key performance indicator is under construction and will be published in the DPEF 2020.
ENVIRONMENTAL IMPACT OF OPERATIONS AND USE OF CO-PRODUCT	Our production cycle based on using co-products and the rational use of natural resources enables us to reduce our impact on the environment.	- More than 16 million Nm3 of biogas reused per year - Approximately 77% of water returned in relation to water consumed - Covering the potash needs of more than 230,000 ha of crops per year
HEALTH QUALITY OF THE PRODUCTS	Local regulations, as well as our clients needs, require us to guarantee optimal health quality and traceability for our products.	72% of our sites are covered by GFSI certification(s).
CAREER AND SKILLS DYNAMISM	Career momentum and recognizing talent are key elements to engage employees and to create employee loyalty.	- The replacement rate increased from 8.5% in 2018 to 9% in 2019 . - 110 executives have moved up internationally, representing 21 nationalities , in 29 countries . - In the Top 500, the rate of role changes in management teams is 5.30% .
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 of work-related accidents with and without lost time (TF 2): 14.54
CHARITY	Our worldwide presence gives us the proximity needed to deploy actions for the development of local communities.	- - 37 charity projects identified through the ECHO platform More than 200 employees involved in our projects



A close-up photograph of a person's hands tearing apart a piece of crusty bread. The person is wearing a gold watch on their left wrist. In the background, there are white plates with food, a small potted basil plant, and a blurred figure of another person. The image has a warm, golden-hour lighting and a decorative dotted pattern overlay in the top right corner.

03

Contribute to better nourish
and protect the planet

WE ARE HELPING TO FEED THE GLOBAL POPULATION

Enabling access to healthy and sustainable food for all

Bread: a solution for the future to feed our planet sustainably and healthily

Faced with the increase in the global population and the increasing scarcity of animal proteins, feeding the planet sustainably and healthily is one of the major societal concerns of this century. Bread, as a source of vegetable protein and a low-cost staple food, is a solution for the future to meet the food needs of the global population. As an essential ingredient in bread, baker's yeast is at the heart of these societal issues.

As a key global player in the field of yeast and baking and a long-standing partner of bakery professionals, Lesaffre offers solutions optimising the quality and taste characteristics of bread. Through its support for the bakery business throughout the world, Lesaffre thus provides access to a healthy and nutritious food for all, and particularly for

people on low incomes and in vulnerable situations. In this way, we contribute to the achievement of the "Zero Hunger" Sustainable Development Goal (SD G 2).

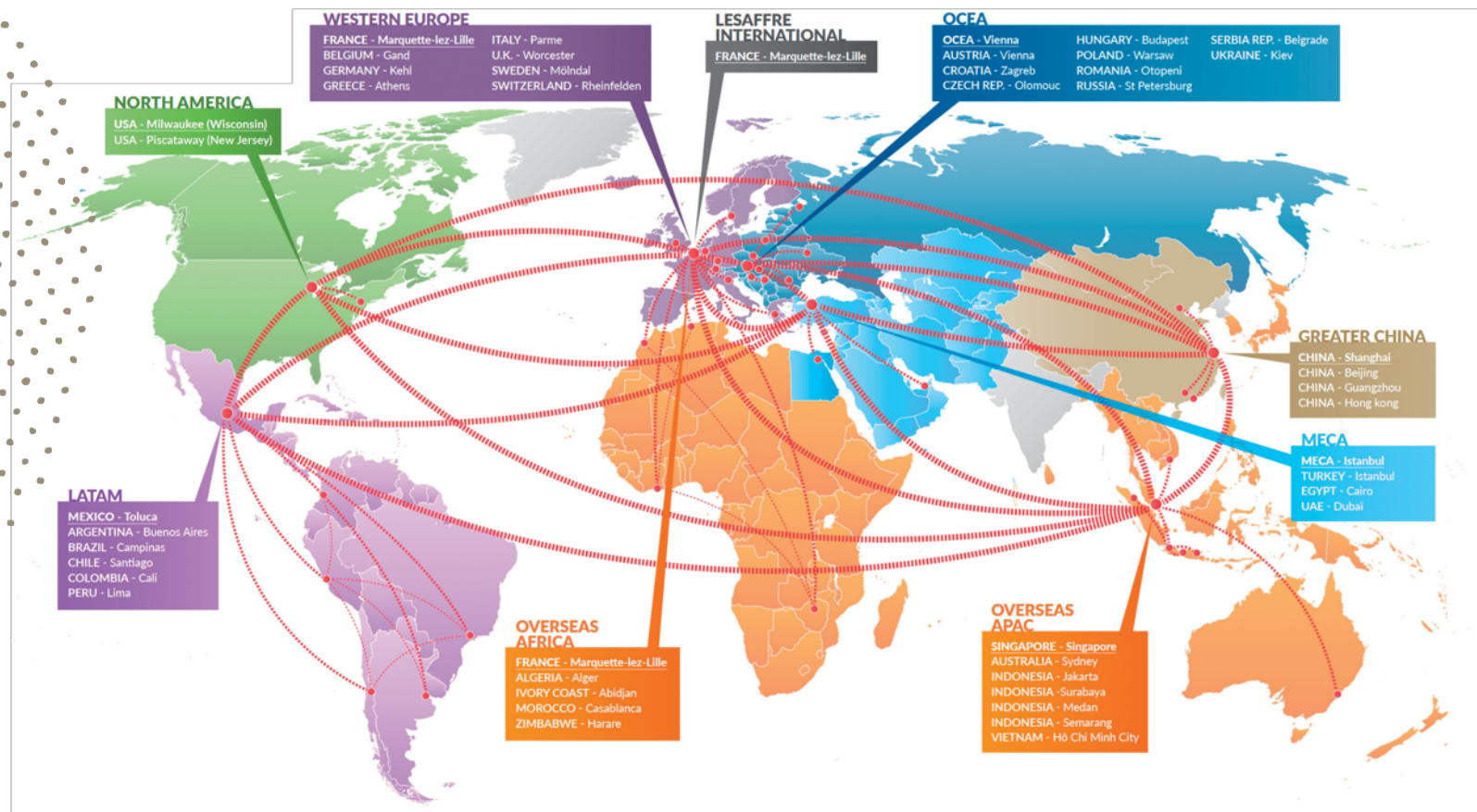
Our policy, recently formalized and validated by the Group's Executive Committee, aims to make available to bakers around the world solutions for baking.

It is carried by the Baking Chief Marketing Officer, who is also a member of the Executive Committee, and by the Regional Directors. **Proximity, innovation and sharing** are at the heart of our policy and of our co-development efforts in bakery products.

KEY PERFORMANCE INDICATORS 2019

approximately **1 loaf** out of **3** in the world is made with Lesaffre yeast





Being close to our clients
and understanding local
needs:
2 new Baking Center™
inaugurated in 2019

In order to respond to this desire for proximity, we are continuing our local deployment through the development of our global Baking Center™ network. This pioneering concept, created in 1974, now has 47 units spread over 5 continents. They offer continuous technical assistance to our customers through more than 300 bakery technicians who make their baking expertise available. The historical constitution of this network which covers the 5 continents allows us to share, between

the different regions, best practices, product solutions as well as technical information from the field and in-depth knowledge of local markets.

Our global network now includes 7 regional centers, 18 formulation centers and 5 sensory analysis labs. Nearly 60 languages are spoken within our Baking Center, allowing us to better understand local needs.



In 2019, we opened two new Baking Center™: one in Dubai and the second in Abidjan, strengthening our presence in West Africa. The latter brings together a team of bakery specialists to assist professionals in the development of new products or bakery processes. The professionals on site will be able to be trained and intervene directly in their clients' workshops and production sites.

Innovation: a new digital offer for bakers

Saf-Instant, a brand with more than 40 years of history, is an instant dry yeast allowing bakers to have access to high quality yeast that retains a high fermentation power even under the most difficult conditions of use. Keen to create a bond and in order to work directly with our bakers and to make their work easier, in 2019 we made **the Saf-instant mobile application available to them**. This tool allows us to help them every day through advice for the development of professional activity as well as the reinforcement of technical and creative skills. The content, customised by country, also publishes articles and offers competitions..

Sharing: support and targeted training thanks to the Baking Academy

Our Baking network Center™ welcomes all profiles: artisan bakers, industrialists, distributors, R&D teams and many others. Through the training courses offered by the Baking Academy, our aim is to **nurture joint projects while creating a lasting relationship of trust with our customers**. The Baking Academy offers a range of training courses for both our employees and our clients, depending on their needs, focusing on processes, ingredients and products. In 2019, a restructuring work on the training modules has been carried out. These have been structured around different courses on baking knowledge, yeast knowledge, processes, fundamentals and various functionalities. Some courses are also designed to be offered worldwide.



WE CONTRIBUTE TO IMPROVING HUMAN HEALTH

*WE ARE COMMITTED TO PRESERVING WOMEN AND MEN'S HEALTH CAPITAL
BY PROMOTING A NATURAL AND HEALTHY FOOD.*

Our natural solutions for human health

We are investing in our expertise in the field of yeasts and bacteria and in our recognized know-how in biotechnology to participate in the preservation of the women and men's health capital by developing natural solutions derived from fermentation. The group is taking up this major challenge through its specialist business unit, Gnosis by Lesaffre, by drawing on the extraordinary richness of micro-organisms, either as such or as producers of natural ingredients derived from them.

Lesaffre's technical and scientific expertise has contributed to the development of a multifunctional palette of health ingredients derived from yeast and bacteria. These specific health ingredients enable us to meet the needs of a booming nutrition - health and well-being market, including :

Ingredients for food supplements

Relying on several decades of experience in biotechnology, we develop probiotic yeasts and bacteria as well as yeast extracts to provide ingredients for food supplements with recognized benefits on health (in particular, digestive health, and natural defences)

Pharmaceuticals

Yeasts, their extracts and the developed molecules are of scientifically proven interest to pharmaceutical companies. We offer ingredients with high added value that meet very strict specifications. Gnosis historically dedicates part of its production to antibiotics, the rational use of which is supported by the Group.

Functional foods

Today, yeast, thanks to its richness in various nutrients, is the natural source of proteins, vitamins and minerals. Bacteria and probiotic yeasts are, as for them, ingredients of choice to get a digestive or immune system health benefit.

Through these three main fields, Lesaffre contributes to promoting a natural and healthy food and participates in the achievement of the Sustainable Development Goal "Good health and Well-being » (SDG 3).

Our human health policy, validated at the highest level of the Group by the Executive Committee, is guided by two ambitions: to pursue development and innovation in Human Nutrition & Health, and to develop corporate charity actions in the field of improving human health in the world.

Despite its recent creation, the Gnosis by Lesaffre business unit, whose core business is human nutrition & health, is leading the way for the Group in this area. The General Manager of the Business Unit is in charge of monitoring performance.

KEY PERFORMANCE INDICATORS

A key performance indicator is under construction and will be published in the DPEF 2020.



Developing our positive impact on health and well-being

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

In order to fulfill this mission, the Group has recently completed three acquisitions and equity investments in the field of Nutrition & Health ingredients:

- **Intralix**, a U.S. biotech company specializing in bacteriophages, and Envera, an innovative U.S. bioscience and probiotics company, in 2017 ;
- And **Gnosis**, an Italian company specializing in ingredients for the pharmaceutical and nutraceutical industries, in 2018.

Innovate and share

We publish a number of scientific studies every year. In 2019 in particular, we have conducted a study, the VENUS study, on the yeast *Saccharomyces cerevisiae* to prevent and/or treat vaginal mycoses. This study, which is expected to be published in 2020, demonstrates the effectiveness of probiotics in preventing or restoring the imbalance of the vaginal microbiota. We have been able to share these results at several professional congresses and we plan to develop our research on the use of yeast for the **benefit of women's health**. In 2019, we participated in nearly **15 trade shows and hosted more than 10 scientific conferences** to present our products and their benefits for human health.



In addition to sharing our scientific innovations, Gnosis by Lesaffre uses its knowledge for the benefit of society by providing financial support to associations and Non-Governmental Organisations (NGOs).



Among other things, we are a **founding member of *DigestScience***, a foundation for research into digestive tract diseases and the benefits of nutrition. The foundation's missions aim to improve the management of digestive tract diseases and the quality of life of patients by :

- Stimulating and funding research ;
- Educating caregivers;
- Accompanying sick persons;
- Communicating about these taboo diseases.

We are also **partners with *Vitamin Angels***, an NGO whose goal is to bring essential nutrition to children around the world through vitamin supplementation. You will find more details on our sponsorship actions in the chapter "Contribution to economic and social development of local communities", pages 36 and following.



OUR PRODUCTS CONTRIBUTE TO ANIMAL HEALTH CARE AND REDUCING THE USE OF ANTIBIOTICS

TO BE THE DRIVING FORCE BEHIND ANIMAL HEALTH NUTRITION TO BETTER NOURISH AND PROTECT THE PLANET AROUND OUR SHARED VISION: ACT WITH NATURE FOR ANIMAL CARE

The essential role of food in animal health care

We consider that animal good health and well-being is first and foremost through quality food. To meet this vital need, our subsidiary Phileo provides its customers with a range of nutritional solutions that contribute to the well-being of different species, improve the profitability of farms and reduce the use of antibiotics.

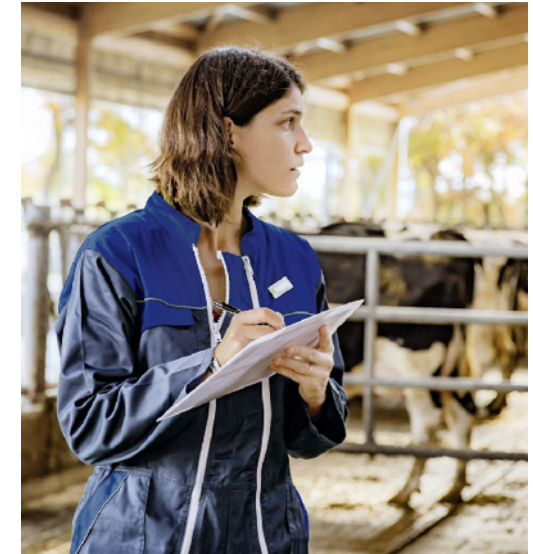
By improving the performance of livestock farms in this way, we are meeting our major ambition: to better feed the global population.

Our range of animal feed products therefore also allows us to contribute to the achievement of the Sustainable Development Goals "Zero Hunger" (SDG2) and "Good Health and Well-being" (SDG3).

Our policy on animal health care is guided by three main objectives:

- Contributing to the livestock's well-being and health care ;
- Improving livestock productivity and feed efficiency :
 - Decrease the use of resources needed to produce our food: fewer hectares required per kilogram of food product intended for human consumption ;
 - Improve the income of livestock farmers: less kilograms of feed needed per kilogram of food for humans ;
- Reduce the use of bone meals, particularly in aquaculture and its consequences such as overfishing, in order to preserve the resources of the oceans.

The general management of the Phileo by Lesaffre business unit is responsible for achieving these objectives.



Providing natural, sustainable solutions for animal well-being and performance

In view of the existing link between food and human health, the good health and well-being of animals is, more than ever, as important as the quality of their food. Our range of live yeasts, yeast fractions, functional ingredients and innovative solutions for the animal food industry aims to achieve two main objectives:

- **Improve livestock profitability:** Our products make it possible to optimize growth and productivity in livestock (ruminants, pigs, poultry and farmed fish), while contributing to the quality of the end products.
- **Improving the well-being and health of farm animals:** The yeasts we sell offer numerous beneficial effects for animals' nutrition and health, a few examples of which are listed below :

IN RUMINANTS

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

IN PIGS

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

2019 KEY PERFORMANCE INDICATORS

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

- More than **1/5 of** the milk and dairy products consumed in the world
- More than **1 egg out of 7** produced or consumed in the world

Encouraging the reasoned use of antibiotics

Improving yields while promoting resistance of a wide diversity of species against specific diseases, contributes to the reduction of antibiotic use...

To these issues facing breeding professionals, we provide solutions based on living yeasts, yeast fractions (walls, yeast extracts) and selenium-enriched yeasts widely supported by numerous scientific trials, and quality commitments (FamiQS, GMP B3 certifications....).

Thus, in addition to generally improve the animals' digestion health, our products **contribute to reducing the pressure of pathogens, supporting the immune system and reducing the preventative antibiotics use** and encourage a reasoned use for treatment.



Supporting innovation in animal nutrition

At the same time, we continue to support innovation in animal nutrition and health in order to improve the efficiency of probiotic yeasts. In particular, **cutting-edge research** is being conducted on model experimental farms.

Thanks to our research work, we can also **offer new alternatives that respond to current issues**. Today, for example, the use of marine ingredients, such as fish meal and fish oil, is being significantly reduced in aquaculture production due to the declining availability of these products in the world. While manufacturers are turning to more plant-based ingredients, their inclusion remains difficult. Therefore, we developed Prosaf, a purified water-soluble yeast extract, obtained by primary fermentation with a high content of highly digestible protein to drive growth, performances and fish disease resistance.



WE PROTECT AGRICULTURAL CROPS WITH NATURAL PRODUCTS

WE ARE COMMITTED TO CONTRIBUTING TO THE AGRO-ECOLOGICAL TRANSITION

Participate in 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, biostimulation and bionutrition products, created from 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.

Our agricultural crop protection policy, approved at the highest level of the Group by the Executive Committee and the Board of Directors, which is currently being distributed to all of the subsidiary's employees, is guided by three main goals :

- Being a dynamic key player in the agro-ecological transition ;
- Maintaining annual growth of 40% in the forthcoming years and increase the use of biocontrol and biostimulation products on the plant protection market ;
- Pursuing our commitment in research.

Agrauxine's general management is leading the subject. In order to organize the delivery of concrete action plans, the biostimulation product manager is in charge of the issue's internationalization and the sales department is charged with sales development.

With this participation in the development of these ethical agricultural practices, we contribute to the United Nations "Life on Land" SDG.



Developing accredited products at the service of crop protection

Our range of biosolutions uses natural mechanisms to provide a benefit.

Biocontrol products make it possible to limit the use of

chemical fungicides. The use of these methods also makes it possible to significantly minimize the level of residues in harvests, thus improving the consumed products' quality.

Biostimulation and bionutrition products, as for them, contribute to improve crop yields by combating abiotic stresses or by helping the plant to optimise inputs from the soil.

We push ourselves every day to develop new ways of combating plant diseases and to promote new production systems with higher environmental value.

Lesaffre's solutions are designed for distribution and sales partners evolving in the markets of wine growing, market

gardening, field crops, arboriculture, horticulture, green spaces, substrates and seeds.

2019 KEY PERFORMANCE INDICATORS

More than 900,000 ha of field crops protected against water stress worldwide by our MF55 product, an increase of +20% compared to 2018.

Training agricultural professionals

Through the development of its activity dedicated to plants, Lesaffre collaborates actively with universities, technical institutes and renowned research organisations such as INRA and Végépolys, a global competitive edge specialist cluster in terms of innovation.

We are also one of the **founding members and benefactors of the "Bio4Solutions"** at ENSAIA-Université de Lorraine, the first chair specialized in biosolutions in France. The latter is dedicated to agroecological transition and research support. It aims to train agricultural professionals as well as future generations of engineers.

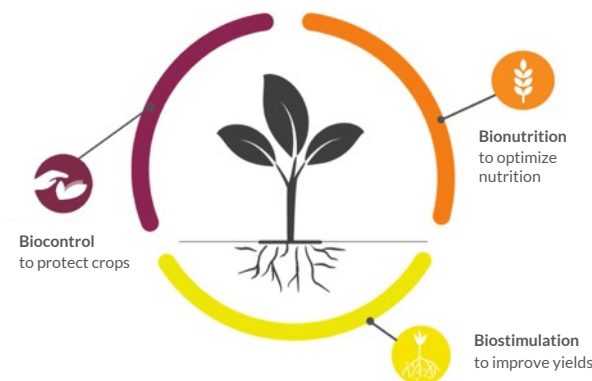


Agrauxine also supports a set of local initiatives **encouraging farmers to use fewer phytosanitary products** by offering technical training on the use of its products.

Pursuing our internationalization policy

In 2019, in response to winegrowers' issues, we successfully sold a biocontrol product derived from a strain of fungus of the genus *Trichoderma* in Spain, Portugal and Italy to control grapevine trunk diseases.

Within the same year, we launched in the United States our Romeo product, a preventive biocontrol solution. This natural defences stimulator, which is available for use in vine and market gardening, allows a huge spectrum of actions on numerous diseases.



WE OPTIMIZE BIOFUEL PRODUCTION AND CONTRIBUTE TO THE DEVELOPMENT OF GREEN CHEMISTRY

WE ARE COMMITTED TO CONTRIBUTING TO THE REDUCTION OF THE INDUSTRY'S ENVIRONMENTAL IMPACT BY DEVELOPING FERMENTATION SOLUTIONS TO REPLACE THE USE OF PETROLEUM BY BIOTECHNOLOGY MOLECULES.

Participating in energy transition thanks to innovative fermentation solutions

Our Leaf unit actively participates in the current challenge of energy diversification by focusing its research on the development of biofuel production.

In the current climate of global warming, marketing biofuels constitutes an alternative solution to fossil fuels which makes 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, for example, sugar beets, sugar cane and grains, today we also work on the application of yeast strains in second-generation processes, which will make it possible to produce ethanol from cellulosic biomass (agricultural and forestry residues, dedicated energy crops).

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

The BU's CEO leads the subject while the Executive Committee proposes its strategy to the Group. Our policy, validated by the Executive Committee's members, is guided by two main goals:

- Offering a range of yeasts and yeast products and the technical support of fermentation experts to optimize ethanol production processes;
- Presenting, to chemical or biotechnological players, services including yeast strain improvement, the scaling up of fermentation processes and the yeast production on an industrial scale.



KEY PERFORMANCE INDICATORS

A key performance indicator is under construction and will be published in the DPEF 2020.



Biofuels: accompanying the energy transition

Energy diversification is a challenge to which we actively contribute. As a partner of 1st generation bioethanol producers, the company pursues innovation in the field of

second-generation fuel ethanol.

The development of new yeast strains, fermenting plant raw materials for non-food use, offers promising prospects by :

- Generating value from the renewable energies' potential ;
- Limiting the use of fossil fuels ;
- Reducing CO2 emissions.

Green chemistry: promoting a sustainable economy

Green chemistry aims to capitalize on renewable resources and the development of environmentally conscious processes to reduce dependence on fossil fuels which generate greenhouse gases. Innovative and economically viable fermentation solutions developed by Lesaffre are helping to reduce the industry's ecological footprint.

As real alternatives to conventional processes, they accompany this profound change towards sustainable chemistry.

Playing a part in large-scale projects: BioImpulse

Supported by ADEME as part of the « Investment for the Future » Program, the BioImpulse project aims to create a new adhesive resin free of substances of very high concern, known as Substance of Very High Concern (SVHC). This project will open up new applications for biotechnology in the field of materials through the development of a molecule of biotechnology interest.

BU Leaf is working jointly on this project with Michelin, FCBA, INRAE and INSA.

The BioImpulse project's main goals are :

- Developing on an industrial scale a production process by fermentation of a molecule of interest at a lower cost than its oil equivalent ;
- Generating value to the new adhesive resin technology in the automobile and construction markets (wood, in particular) ;
- Producing this resin in small, compact and decentralized facilities, as closely as possible to the clients, by reducing its complexity and implementation costs.

The originality of this project is the integration of a large part of the value chain: from the biological production of the molecule, to the resin's application performance. Eco-design (in particular via production by fermentation, with possibility of supplying 2nd generation biomass) will be at the heart of the project, in order to take into account Health and environmental aspects as well as economic constraints.

Working together with our clients

We work together with our clients in order to improve their production processes by offering technical support. By adapting production parameters, our clients benefit from the full potential of yeasts we deliver. We make it possible for our clients to increase their processes' efficiency and reduce their environmental impact.





04

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

We are committed to reducing the impact of our operations on the environment and generating value to our co-products.



Filtration skid for water recovery

An 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 first evaporator for our effluents, intending to make the most of our co-products. Still today, environmental protection is one of our major challenges.

Our environmental policy, validated at the highest level of the Group by the Executive Committee, is guided by five main objectives:

- Respecting the environmental regulations in each country in which we operate;
- Increasing the share of renewable energies in the energy mix ;
- Reducing fossil fuel energy sources in all our plants;
- Increasing the amount of returned water each year ;
- Reducing the use of fossil fertiliser resources and increasing the culture surface whose potash needs are guaranteed by Lesaffre co-products.

The Group's Quality, Safety and Environment Department is in charge of leading the subject and achieving these goals. In order to organize the implementation of concrete action plans, technical directors, co-product production workshops' managers, associate sales teams and environment managers play together a role in the implementation of this policy.

The entire environmental community endeavors to optimize the functioning of all our production sites to reduce our water and energy consumption, as well as making the most of all our co-products.

In order to implement the necessary actions to achieve these objectives, we allocate more than **15% of our industrial spend to the reduction of our activities' environmental footprint.**

By signing up in this way to reduce our environmental impact, **we contribute to achieve 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

Preserving water resources and reducing our energy consumption

In a context where global warming and the scarcity of resources are a growing concern, Lesaffre is working on preserving water resources and reducing its carbon footprint.

In order to reduce our consumption, several actions have been implemented at the level of our plants. We work continuously to optimize our production sites's functioning by selecting the **best technologies and the most energy-efficient processes.** In 2019, for example, a heat pump system was set up in our plant in China. This recovery energy technique make it possible for us to reduce our fossil fuel consumption and its development is already under study for new sites.

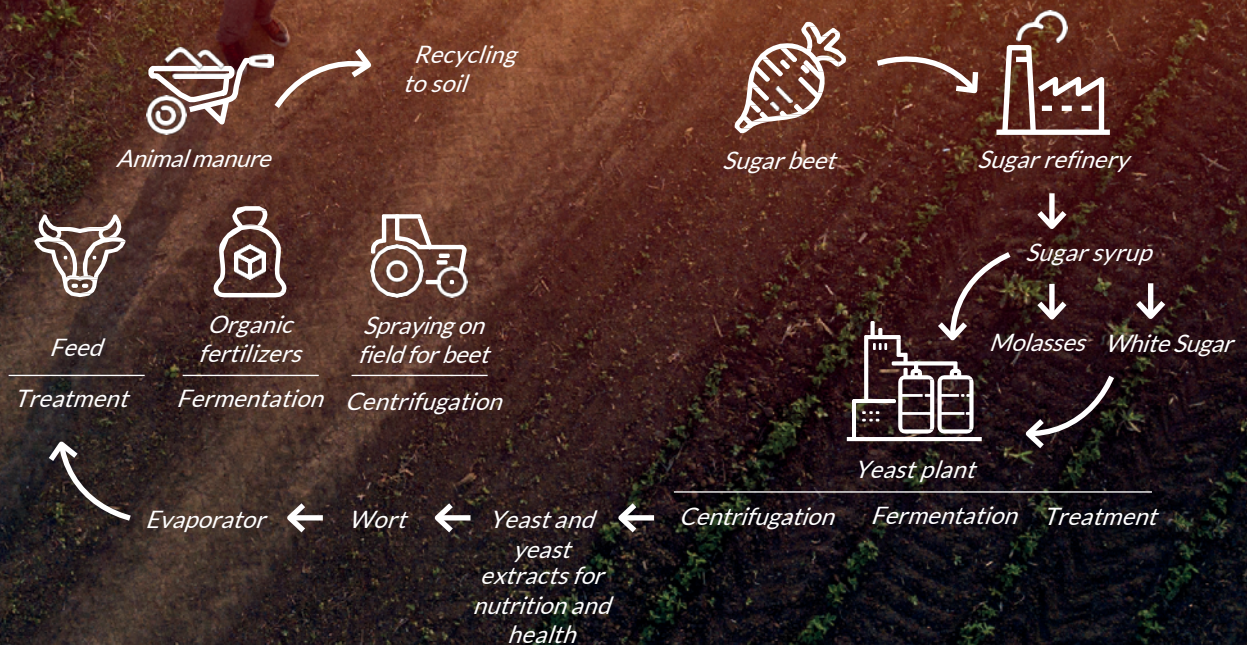
We are working, at the same time, to **develop the use of membrane techniques** that also promote energy and water savings in the plants and the improvement of our effluents' treatment. These technologies have already been implemented in Vietnam and are destined to be spread out in other Group plants, trials have already been launched in France and soon to be launched in Morocco.

Our efforts to reduce our carbon footprint include **reducing the use of fossil fuels** by developing, in particular, the reuse of biogas in our plants. In Ukraine, a biogas plant was installed, making it possible for the site to use only produced-on-site biogas and to reduce its use of fossil fuels.

We accurately monitor water and energy quantities consumed per metric tonne of yeast produced on all our sites. The site-by-site monitoring of this ratio makes it possible for us to set up customized action plans for each plant.

The deployment in 2019 of an **environmental reporting procedure** of all our sites will make it possible for us to refine our monitoring and the global management of our action plans at Group level.

A production cycle from beet to beet via yeast From sugar beet fields...to sugar beet fields





A production cycle from beet to beet via yeast.



Promoting a virtuous production cycle by offering our co-products a second life

Co-products from yeast and yeast extracts production can be reused as fertilizers, or as an important protein source for animal nutrition. Conscious of the importance to produce in a sustainable way the Valorization of our co-product is an integral part of our environmental policy. For this reason, we have invested in new technologies that made it possible for us to develop a range of derivative products of agricultural supplies, designed mainly for the animal nutrition and field crop fertilization. Since June 2018, our co-product valorization community has been promoting exchanges and the development of best practices between sites. Composed of

fifteen technical-sales partners established in over 10 countries, our co-product community virtually meets every month to share best practices and coordinate the co-products management wherever we operate. It also pursues to support subsidiaries in the agricultural equipment implementation to facilitate the

co-products' valorization. Recently, several countries such as Russia and Poland have been equipped with new, more efficient and more plot conscious equipments, making it possible, for example, to spray our



desugared concentrates with beet juice (C.M.S Condensed Molasses Soluble). By reusing our co-products we advocate a virtuous and naturally more ecological production cycle.

KEY PERFORMANCE INDICATORS

77,3%

Of returned water in relation to the consumed water

Meeting potash needs
230,000 ha
of crops per year

Over
16 million Nm3
of reused biogas per year

Our products' health quality is at the heart of our priorities.



An exemplarity objective across the entire production chain

To honour our status as a global player in the production and transformation of yeasts, we have made quality a common omnipresent denominator at each stage of production and at all levels of the company. Our policy, formalized and validated by the Group's Executive Committee, highlights our two main goals:

- Promoting access to healthy, high-quality food and safe to consume for the planet's population;
- Respecting all local regulations in the countries where we operate while controlling our products' health and food safety.

The Group's Quality, Safety and Environment Department leads the subject in very close collaboration with the Regulatory Affairs Department and guarantees compliance with quality requirements. Quality teams of the 9 Business Units and the 7 Baking Regions have a role to play in their implementation. To guarantee its operational application, a quality manager operates on each of our production sites.

KEY PERFORMANCE INDICATORS 2019

72% of our sites are covered by GFSI certification(s).

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 do this, we have set up an action plan constructed around three commitments: quality certification, food control and safety.

Strengthening our certification processes on all production sites

Each of our sites meets one or more of the **highest international standards** in terms of quality and health safety for food commodities, including :



International
Organization for
Standardization



In 2019, 72% of our sites are certified according to the Global Food Safety Initiative (GFSI)'s quality standards. We pursue our efforts to extend GFSI certifications. In 2019, Lesaffre Culinary Strasbourg, a recent acquisition of the Group, has already been FSSC 22000 certified.

Ensure a high level of control

We have **55 control laboratories** that enable us to ensure the quality and safety of our products at all our production sites. At the same time and to meet the requirements of the highest international standards, we submit to numerous audits which guarantee an external high quality standard control. We are also progressively setting out our development of **Group Quality methods** specific to each of our activities. Specific internal audits are carried out on the correct application of these methods.



Mobilizing all teams around food safety

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

All the quality teams on production sites have set up their own quality policies and monitoring. These local policies are monitored by the Group's Quality, Safety and Environment Department, which ensures that they are implemented under the best possible conditions. **Developing the best practices sharing** is also a way to mobilize our teams and ensure the food safety of our products. A work on writing Quality and Safety guidelines was initiated in 2019 through co-construction workshops, bringing together production sites and Group experts. The deployment of these guidelines to all Quality teams is planned for the 2020 fiscal year.





05

Developing and protecting
our human capital

We are committed to create employee loyalty by supporting dynamic careers for them and developing their skills.

Our teams constitute our main asset

Since its creation, Lesaffre has capitalised on our employees's company spirit, innovation, professional expertise and diversity to perfect its international success.

in bio-industry.

By placing human relationships at the heart of its strategy and encouraging employment of young people, **Lesaffre participates in the United Nations'"Decent work and economic growth" Sustainable Development Goal (SDG8).**

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

To implement our commitments, a network of HR employees is deployed throughout the Group's structures at regional, country, plant and subsidiaries level, in order to assist managers in the implementation of the latter. The Group's Human Resources Department team leads and coordinates this network.

network. An HR sub-committee of the COMEX, constituted of operations and functional managers, contributes to the decisions of social and HR policies' evolution . The HR Leadership Team, which includes the

Corporate and the regional HR directors, works throughout the year on the operational application of the policies and the integration of best practices within the subsidiaries.

An HR policy focused on 2 main goals

To showcase our talents and instil a dynamic of skills development in the company, the Human Resources team has established a roadmap with the HR sub-committee of the COMEX, aiming to develop a network at Group level, and to set goals for the coming years.

In order to keep pace with rapid changes in our company and our activity, our roadmap is revised and presented again at the COMEX every three years. This roadmap is stated each year as part of the fiscal year.





Attracting and creating employee loyalty among the best talent

In a very strong competitive context, we have initiated work in 2019 to strengthen and **improve our Employer brand**. In order to define a differentiating value proposition, work groups bringing together Lesaffre employees have also been trained in China, France and the OCEA region. Work will pursue in 2020 to complete our employer brand's definition and its dissemination.

For several years now, we have been developing **partnerships with grandes écoles and universities** in the fields of activity or skills that are of particular interest to Lesaffre. They aim to increase our renown and constitute a pool of young talent. Lesaffre is also working on constructing **integration programs that are differentiated** according to the new employee profiles. These programs make it easier for new recruits to take up their posts and truly integrate the company.

In a context of growing internationalization, we are also developing the **integration of International Voluntary Work Experience (VIE) contracts**. 70% of them, at the end of their VIE contract remain in the Group on permanent contracts, meaning that this device is also an excellent way to integrate young international talent into Lesaffre.

Creating employee loyalty and developing their skills

We offer our employees excellent career progression through an ongoing learning and international mobility opportunities.

In order to **facilitate international mobility**, employees have priority access to all job offers published by the Group. Each employee has a reference HR Manager tasked with guiding him in his choices. For jobs whose skills are cross-disciplinary (industrial, finance, etc.), managers are the most capable of being mobile and a coordination in the form of regular committees takes place. A process of annual interviews and people reviews is organised with the management chain. It makes it possible for us to coordinate the match between our employees' needs and skills.

Encouraging taking the initiative, collaboration and transversality: dedicated training programs enable our managers to



Léon Lesaffre, makes it possible for us, for numerous years, to drive our leaders' expertise.

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



In 2019, we have joined forces with ESSEC Business School, the Bel and Metro groups to launch a **Food Business Chair**.

Challenge dedicated to the transformations of agri-food businesses and systems. This will make it possible to address the transformations of the sector through its various actors. The main goal is to develop students' capacities to embrace the future to re-imagine and design the food ecosystem by preparing them to face various and interconnected transformation challenges, both local and international.

To monitor the progress of the annual adaptation of its roadmap, our HR Leadership Team (HRLT) meets twice a year.



Key Figures

The replacement rate increased from **8.53%** in 2018 to **9.04%**.

110 executives progress internationally, representing 21 nationalities, presents in 29 countries

In the Top 500, the **rate of role changes** in management teams is **5.30%**.

Employee health and safety is an absolute priority

Guaranteeing the safety of every employee: to 0 accident

The health and safety of our employees are at the heart of our priorities. We consider that **every accident is one accident too many** and we work actively to the ambitious "Zero Accident" objective. To this end, since 2014, we have instigated a prevention and safety at work approach that is deployed and applied across all of our subsidiaries. Our 10

fundamental principles and our roadmap to "Zero Accident" lead all our actions.

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



Our 10 commitments

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 representative 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.



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.

4

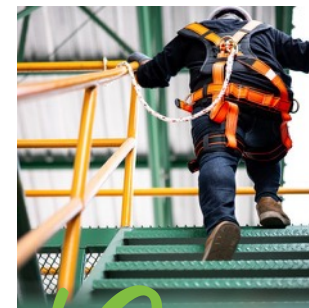
ACCIDENTS ANALYSIS

Each subsidiary analyzes all work accidents (with and without work stoppage) and puts in place corrective actions to avoid repetition. The analysis and the actions must be formalised 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.



10

ACCIDENT REPORTING

Each subsidiary sets up a monthly reporting process according to the 4 work accident indicators defined by the Group.

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 ASSESMENT

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.

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 adaptation of the action plan referred to in point 8.

A decreasing number of accidents over the last 4 years

The frequency of accidents (TF2), with or without stoppage, is an indicator that we have followed keenly for several years. Since 2016, it has been decreasing, proof of the **effectiveness of our preventative approach**.

We are now following the accident rate for all of including temporary staff (TF3) that we will be able to report in 2020.

TF2 = 14.54 -11% in 2 years

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

2019 KEY PERFORMANCE INDICATORS



Raising our teams' awareness and improving our monitoring tools

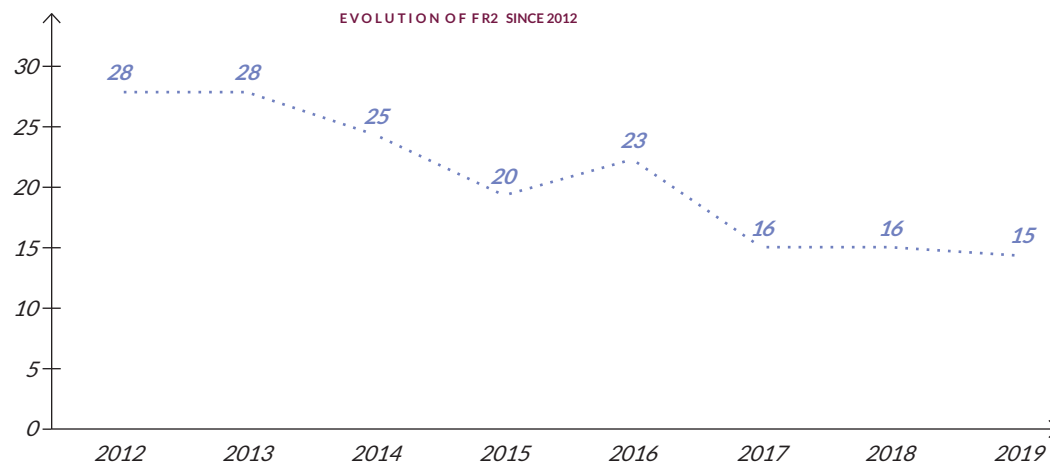
In addition to respecting our 10 principles and to raise awareness among all our employees on a daily basis, we have launched a process of 'behavioral' or 'participatory' **safety inspections**.

The goal of this approach is to improve together, our capacity to prevent risky behaviour, to reinforce our safety vigilance throughout the organisation and thus prevent work accidents. Our employees and on-site safety managers carried out nearly **9,000 safety inspections** within the Group in 2019.

We are working daily to increase the number of these visits over the next few years, thanks to the delivery of ambitious goals set up by each of our sites.

The **Safety Community**, established for several years, brings together the safety coordinators from each region, setting the agenda for leading our approach. This community's goal is to make possible exchanges and sharing experience on employee safety, to work on shared issues and to facilitate the effective deployment of our safety policy on all sites.

As part of our continued improvement, in 2019 we equipped ourselves with a **new tool monitoring** work accidents. It makes it possible for the Group to precisely monitor safety indicators on each site. By making it possible for us to monitor in a more effective way the monthly evolution by site and by region, this tool gives us the opportunity to better drive safety performance for the entire Group.





06

Contributing to the economic
and social development of
local communities

Our proximity to local communities makes it possible for us to take action on every continents

Lesaffre is present in numerous countries where populations, at times, face difficulties in terms of health, environment, education...

This proximity, in line with the Group's DNA, is an incredible opportunity. Thus, like an echo, we vibrate at the pace of the evolutions and challenges of our fast-changing world. Our proximity makes it possible for us to offer our support and play a part in improving the local population's living conditions.

A longstanding commitment

We have long been carrying out humble but sincere solidarity actions. And our desire to go further is gradually asserting itself.

Since 2014, we have been organizing an internal competition of CSR best practices - including those linked to charity: the CSR AWARDS. This event, organized every 2 years, mobilizes our employees from all over the world. The CSR AWARDS, true indicator of good practices in Corporate Social Responsibility (CSR) and charity, made it possible for us to identify a strong desire from our employees to get involved in solidarity projects ... This event gave rise, in 2018, to ECHO - Lesaffre's charity program.

Our charity policy, validated at the highest level of the Group by the Executive Committee, is guided by four goals :

- Encouraging each subsidiary and Business Unit to drive a charity policy through the ECHO program;
- Deploying local actions that promote employment, education, training and health to reconcile economic activity and health care for society.
- Allowing each employee to support a project within his or her company ;
- Pursuing the ECHO program's deployment within the group.

The Charity, Donations and Partnerships cluster, which reports to the Group's Communication Department, sets the agenda for this subject and drives the different actions to be implemented in order to achieve these goals.

Our actions of solidarity thus enable us to participate in the achieving the United Nations "Quality Education for All" (SDG 4) and "Good health and wellbeing" (SDG 3) Sustainable Development Goals.



ECHO, empowering a committed charity policy

Introduced in 2018 and launched in January 2019, the ECHO program covers all Lesaffre's charity actions, carried out by one or more employees within his company. Having a project leader guarantees a more effective commitment: beyond a financing, we also contribute through our skills, our network or our equipment. But more importantly, it is through a true desire to invest alongside the populations that our actions can make a difference.

To deploy the ECHO program, a network of over 60 correspondents has been set up around the world, ensuring proximity to the field. ECHO projects are registered on a digital platform.

To further strengthen the ECHO program, an ECHO Group Fund has been created, is based around basic needs:

- Boosting the range of a project: in addition to its own investment, the subsidiary or Business Unit can appeal to the matching fund.
- Very quickly, to stick to the field reality, we expanded the group's fund:
- Daring a first project: the New Projects Fund makes it possible to being financed by the group for the 1st year and then decreasing gradually over the next two years.
- Helping during a natural, health or industrial disaster: an emergency fund can be activated to support a country as part of an emergency plan.

2019 marked a new impetus for the company's charitable policy, with the launch of the Echo program and the creation of new group funds.

2019 KEY PERFORMANCE INDICATORS

37 charity projects identified through the ECHO platform

+200 employees involved through our projects



2019 : a new year actions of solidarity

Our actions of solidarity cover five areas: education, mutual aid, sport & health, environment and culture. Among them you will find :

Surfrider Foundation

Once a year, 10 million tonnes of waste ends up in the ocean. Marine mammals' suffocation, oceans' asphyxia and threat to humans, this pollution has numerous harmful consequences on the environment. Surfrider Foundation, an association created in 1990, leads numerous actions for the protection of the ocean. In 2019, Ennolys has committed alongside, to a financial contribution and to beach clean-up campaigns with its employees.

Vitamin Angels

Principally present in developing countries, Vitamin Angels is an NGO whose goal is to provide an essential nutrition to children in the world through vitamin supplementation. Vitamin A deficiency is ordinary in countries with limited resources and plays an important role in the vision, bone growth, immune system's reproduction and regulation, particularly among children. Gnosis by Lesaffre has chosen to become involved alongside Vitamin Angels by sponsoring the NGO for a minimum period of three years. Thanks to its support, over 120,000 children have had their annual vitamin needs guaranteed.

Solidarity food-truck – Magdala Association

In 2019, Lesaffre International supported the Magdala association's solidarity food-truck in Lille. This doubly inclusive project made it possible for people in precarious situations to take a professional activity back while offering students from the Catholic University of Lille a healthier and more balanced diet.

07 Appendices

Methodological note on CSR reporting

Scope of our indicators and calculation method

CHALLENGE	INDICATOR	GEOGRAPHICAL AND OPERATIONAL SCOPE	DEFINITION AND CALCULATION METHOD
FOOD	Proportion of bread made with Lesaffre Yeast in the world	World 100% of subsidiaries manufacturing yeast	<p>Definition It is a question of calculating, with part of an estimated calculation, the number of loaves made over one year in the world thanks to yeast produced by Lesaffre, including in countries where Lesaffre does not operate.,</p> <p>Calculation 1. Calculation of Lesaffre products' quantities and estimation of products' quantities in the global market ; 2. Scope of bread made with Lesaffre yeast based on our sales figures and estimates of the market. 3. Lesaffre corrects the global market from the quantity of bread made without yeast, which gives about 1 loaf out of 3.</p>
ANIMAL HEALTH AND NUTRITION	Proportion of dairy products in the world covered by Phileo products	World All the products of the Phileo subsidiary	<p>Definition It is a question of estimating the proportion in % of annual global dairy production covered by Phileo</p> <p>Calculation 1. Quantity of products sold by Phileo in the world 2. Average consumption per cow per year calculated from recommended daily dose and average duration of use 3. Ratio between the dairy cow population covered by Phileo and the global population according to FAO</p>

Methodological note on CSR reporting

Scope of our indicators and calculation method

CHALLENGE	INDICATOR	GEOGRAPHICAL AND OPERATIONAL SCOPE	DEFINITION AND CALCULATION METHOD
ANIMAL HEALTH AND NUTRITION	Proportion of eggs produced in the world covered by Phileo products	World All the products of the Phileo subsidiary	<p>Definition It is a question of estimating the proportion in % of the annual global egg production covered by Phileo</p> <p>Calculation 1. Quantity of products sold by Phileo in the world 2. Estimation of the annual quantity of eggs with Phileo products based on food consumption, recommended doses per ton of food and food conversion rate (Feed Qt / Egg Qt) 3. Ratio of annual egg production covered by Phileo and the global production according to FAO</p>
PLANT PROTECTION	Area of arable crops treated by our MF55 product in the world per year	World Total sales of the 3 MF55 brands made by the Agrauxine subsidiary	<p>Definition Lesaffre calculates here the areas of arable and specialized crops that have been protected against abiotic stress in the world. The field crops taken into account are primarily soya, corn, rapeseed and grains. Specialized crops are vines, arboriculture and market gardening.</p> <p>Calculation The number of hectares of crops treated by MF55 is defined by dividing the quantity of product sold in liters by the number of recommended applications. This is then divided by the recommended rate in liters per hectare. The number of doses and applications of the product is defined from the recommendations of use given to the client by Agrauxine.</p>
ENVIRONMENTAL IMPACT OF OPERATIONS AND MAKING USE OF CO-PRODUCTS	Amount of reused biogas	World 100% of Lesaffre sites making and reusing biogas	<p>Definition It is a question of calculating the proportion of biogas produced that returns to the plant's boiler room or cogeneration, in other words, the proportion of biogas valued in energy production and thus making it possible to save fossil fuels.</p> <p>Calculation 1. In each site producing and reusing biogas, there are meters making it possible to monitor the quantities of biogas produced and reused. 2. The quantity of reused biogas is obtained by subtracting the corresponding meter index at the beginning of month N from the meter data at the end of month N-1. 3. The amount of reused biogas quantities from all the sites makes it possible to obtain the amount of reused biogas on a consolidated basis.</p>

Methodological note on CSR reporting

Scope of our indicators and calculation method

CHALLENGE	INDICATOR	GEOGRAPHICAL AND OPERATIONAL SCOPE	DEFINITION AND CALCULATION METHOD
ENVIRONMENTAL IMPACT OF OPERATIONS AND MAKING USE OF CO-PRODUCTS	Percentage of returned water compared to the consumed water per year	World 100% of Lesaffre's sites of yeast and yeast extracts acquired for more than 5 years. Improver plants are excluded, this indicator being not relevant in view of their activity (few/no water used in the manufacturing of products).	Definition It is a question of measuring the proportion of city and borehole water consumption of all yeast and yeast extract sites that has been treated and returned to the natural environment through a wastewater treatment plant or an urban plant. This returned water also includes water directly released into the natural environment as cooling water that does not require special treatment and adheres to local regulations. Calculation 1. The data are taken from the water meters readings installed on sites. 2. Monthly water consumption and monthly volumes of returned water are added up over the year. 3. The volume of returned water over the year is then divided by the volume of consumed water over the year.
ENVIRONMENTAL IMPACT OF OPERATIONS AND MAKING USE OF CO-PRODUCTS	Cultivated area for of potash needs covered by our co-products	World 100% of the Group's sales of co-products valued as fertilizer.	Definition Lesaffre values part of its co-products as fertilisers. The Group then sells its fertilisers to cover the crops' potash needs. It is therefore a question of estimating the crops areas whose potash needs are covered by Lesaffre's co-products. Calculation Product with 25% potash on average → 200 units of K ₂ O per hectare 800 kg per hectare → Sale of 121 kT of derivative products 150,000 ha fertilized to meet the potash needs of crops
PRODUCT HEALTH QUALITY	Percentage of sites covered by GFSI certification(s)	World 100% of the Group's yeast and yeast extract sites and yeast improver sites.	Definition Lesaffre strengthens its certification approach on all its sites. This indicator aims to monitor the approach's progress and to report the proportion of sites certified in product quality and safety. Calculation All the sites with valid certification for the current reporting year are added together and reported to the total number of yeast, yeast extract and improver plants in the Group.
SKILLS MANAGEMENT	Departure rate of permanent contracts	World 100% of the employees and hires of the Group's legal entities based on permanent contracts. All reasons for departure are taken into account. Internal mobility is excluded.	Definition This indicator shows the rate of employee departures over the course of a year. It relates the number of departures (on permanent contracts) between 01/01/N and 31/12/N to the workforce at the end of the period, i.e. at 31/12/N. Calculation (Number of departures on permanent contracts during year N + Number of arrivals during year N)/2] Number of employees on 1 January of year N.

CHALLENGE	INDICATOR	GEOGRAPHICAL AND OPERATIONAL SCOPE	DEFINITION AND CALCULATION METHOD
SKILLS MANAGEMENT	Number of executives progressing on an international trajectory	World 100% of employees on an international career trajectory in the Group	<p>Definition This indicator makes it possible to illustrates the results of Lesaffre's mobility policy. It concerns employees on an international career trajectory in the Group, that is to say, who have moved countries 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.</p> <p>Calculation Sum of expatriates between 01/01/N and 31/12/N.</p>
SKILLS MANAGEMENT	Rate of change of roles in management teams	World Top 500	<p>Definition This indicator shows the number of our leadership teams (LT) (*) having joined the Group or taken a new responsibility internally over the year out of the total number of LT employees. (*) in 2018 : LT = regional management committees / BU/ functions In 2019: LT = regional management committees /BU/ functions + countries</p> <p>Calculation</p> <ul style="list-style-type: none"> Should be calculated based on the following formula: [(Number of arrivals in LT, during year N) + (Number of role changes within LT, during year N / LT workforce at 31/12 of year N)] This indicator takes into account in its calculation 100% of the LT employees of the Group's legal entities under the following contracts: FIXED-TERM, PERMANENT CONTRACTS
EMPLOYEE HEALTH AND SAFETY	Frequency Rate 2 (FR2)	World 100% of the workforce at the production sites as well as the sales agencies and the baking centers. Temporary staff are excluded.	<p>Definition Frequency rate 2 is the ratio between the total number of work accidents with or without time off work and the number of hours worked.</p> <p>Calculation $TF2 = (\text{number of accidents with or without sick leave} * 1,000,000) / (\text{number of hours worked by Lesaffre employees})$</p>
CHARITY	Number of ongoing files for the Echo program	The entire Group	<p>Definition This indicator consolidates the total number of solidarity projects undertaken by the group over a calendar year.</p> <p>Calculation Add the number of projects with the status "implemented".</p>
CHARITY	Number of employees involved through our projects	The entire Group	<p>Definition This secondary indicator indicates the number of employees involved in operations or in participation in solidarity projects.</p> <p>Calculation Addition of the number of employees indicated in each project form.</p>

Scope of our indicators and calculation method

LEGAL TEXT	LIST OF OBLIGATORY ITEMS	ITEM HANDLING
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 produces (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 its not worth developing in the current management report.
	Collective agreements reached in the company and on their impact on the company's economic performance	
	Actions aimed at combating discrimination and promoting diversity with measures taken to benefit those with disabilities	
	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 population" and "We help feed the world population" and "We help feed the world population" and "Our products contribute to animal healthcare and to reduce the use of antibiotics.".

