



# EXTRA FINANCIAL PERFORMANCE REPORT 2021

WORKING TOGETHER  
TO BETTER NOURISH  
AND PROTECT THE PLANET





## Our CSR commitments at the heart of our business model

“In 2050, we will be 9 billion inhabitants on this Earth. 9 billion people to nourish while still protecting our planet. 2050 is tomorrow. What solutions will we bring to this immense, complex, and urgent challenge? Are we ready to take it up? And how can we respond to it?”

I am convinced that Lesaffre must grow in a sustainable and responsible way. We are committed to managing our carbon footprint and our energy consumption.

Our 11,000 employees are driven every day by a shared mission: working together to better nourish and protect the planet. To achieve this, we tap into our unique fermentation skills and our knowledge of microorganisms to improve food, human and animal health, and to protect the environment.”



**Brice-Audren RICHE,**  
Lesaffre CEO



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CSR AT THE HEART OF OUR COMMITMENT

To use fermentation, every day, for a healthier and more sustainable world by revealing the infinite potential of microorganisms





# ***Preamble***

*Corporate Social  
Responsibility (CSR)  
at the heart of our  
commitment*





## By situating fermentation at the heart of our activities our resources create value for all our stakeholders.

### Employees engaged in a shared mission

With a presence on every continent, our 11,000 employees bring together more than 90 nationalities, working daily to better nourish and protect the planet. This huge cultural diversity guarantees an open-minded, listening and understanding approach, which draws on a know-how based on the spirit of collaboration and inclusion.

### More than a century of fermentation expertise

Today, our ambition is to be one of the leaders of the fundamental movement to deploy fermentation, one of the most promising answers to nourish the growing population in a healthier and more sustainable way. On the strength of this experience and this diversity, we collaborate with clients, partners, and researchers to find ever-more pertinent solutions to nutrition, health, naturality, and environmental respect needs. As such, every day we explore and reveal the infinite potential of microorganisms.

### Familial share ownership and solid financial assets

A key global player, dedicated to the living for more than a century, in 2021 we achieved a turnover in excess of 2.2 billion euros and we continue to invest globally to develop our industrial, technological and sales network.

### Intellectual resources and a global network of expertise

Our R&D experts, spread over our 10 research centers throughout the world, strive to provide ever-more relevant answers to food and health needs through biotechnology and biotransformation, always respecting the highest health and safety standards. These panels of experts, who cover all our areas of activity, work daily to find synergies between food, nutrition, taste, and pleasure needs.

### Industrial solutions to meet scientific evolutions and requirements

We offer technologically cutting-edge equipment to create quality products while optimizing the use of natural resources. Through our global network of production sites, we can achieve the same quality levels throughout the world while also adapting to local needs and requirements.



## A shared mission: working together to better nourish and protect the planet.

A key global player in fermentation for nearly 170 years, we remain deeply committed to our mission and we push our boundaries with passion, to explore **the infinite potential of microorganisms and fermentation in each of our 4 activity sectors:**

### • Baking

a standard setter in baking fermentation since 1853, we believe that bread, a source of plant-proteins, is one of the most promising solutions to nourish the growing global population in a healthy and sustainable way. Every day, we co-innovate with bakers all over the world to offer baking products and services.



### • Food taste and pleasure

through our subsidiaries Fermentis, Biospringer and Ennolys: our yeasts and yeast derivatives, and our natural flavor molecules strengthen tastes and aromas in many types of food, while our fermentation yeasts enhance the taste characteristics of beers, wine, and spirits.

### • Health and well-being

through our subsidiaries Gnosis, Phileo and Agrauxine: we develop solutions to boost human health with dietary supplements, functional foods, and drugs and to optimize farming productivity while developing sustainable livestock and agricultural systems.

### • Industrial biotechnology

through our subsidiaries LIS, Procelys and Leaf: we design fermentation-based alternatives to petroleum-based molecules that help industrial manufacturers to reduce their environmental footprint. We also develop lines of cellular nutrients that improve the health and well-being of humans and animals.





## Our industrial expertise, scientific and technical



62 applied  
science  
centers

8 sensory  
analysis  
labs

76  
production sites  
in more than  
50  
countries

11,000  
employees

and more than  
90  
nationalities

600  
R&D experts and  
60  
international  
partnerships

2.2 billion  
euros turnover

Our solutions are distributed in

185  
countries

78  
sales  
offices





## Thanks to our resources and through our activities, we maximize the positive impacts for our shareholders

### For our clients: concrete solutions, which we improve constantly

Our industrial excellence supports our clients' development in their markets by putting at their service the full range of our expertise in the fields of yeast and bacterial production, fermentation, and transformation: R&D, pilot projects and cutting-edge industrial tools, a high-quality standards approach, local sales policy.

### For science: constantly evolving Research & Development

Our women and men constantly seek to develop the infinite potential of fermentation for the benefit of humanity. Since 1853, the study of microorganisms has been our daily work life. We participate in the writing of numerous scientific studies.

### For our employees: support to develop their skills

Above and beyond the technical training organized by each of the Group's activity sectors, we also train our employees through our Léon Lesaffre training academy, created in 2006. The Léon Lesaffre Institute focuses its support on the sharing of knowledge and know-how between employees. Each year, 200 managers from our subsidiaries and Business Units (BUs) benefit from the 10 training sessions currently available at the Institute.

### For the world's population: solutions to improve health and well-being

Our products make it possible for everyone to access healthy and sustainable food. They also improve the nutritional and taste quality of food while reducing its salt content and increasing its protein provision.

### For animals: solutions to improve health and well-being

Our probiotics and yeast derivative products offer numerous benefits for animal nutrition and health and help to combat the risks of antibiotic resistance in humans.

### For the planet: a shared commitment to respect the environment

Our activities respect the territories in which they operate and are based on products and processes that respect the environment. Our products for agriculture and livestock farming help to reduce the need for pesticides and mineral fertilizers, while contributing to the valorization of our co-products.

## Our CSR strategy: sustainable production while taking care of people and the environment

An integral part of Group strategy, our commitments are structured around 3 pillars:

 <p>We care about <b>PEOPLE</b></p>	 <p>Our activities are <b>SUSTAINABLE</b> by nature</p>	 <p>We care about the <b>ENVIRONMENT</b></p>
<h3>Our development based on people</h3> <p>Humans are at the heart of our activities. Respect, trust, and safety guide our relationships with our employees and all the other players in our environment.</p> <p>In addition, being based in more than 50 countries enables us to be close to local communities to better target our solidarity actions through the ECHO program.</p>	<h3>Fermentation and micro-organism as the key to our future</h3> <p>A key global player in fermentation for 170 years, we work to find ever more pertinent responses to nutrition, health, naturality, and environmental respect needs.</p> <p>Our activities are dedicated to better nourishing and protecting the planet.</p>	<h3>Our concern for planet resources</h3> <p>Our activities are part of a discernible eco-system.</p> <p>We produce with a determination to reduce our environmental impact: energy savings, treatment of our used water, reduction of our carbon footprint, waste reduction or conversion...</p>

## Our ethical values, the bedrock of our CSR approach

We are committed to maintaining ethical business relationships with all our stakeholders: our employees, our suppliers and subcontractors, our clients, and our partners. This commitment is formalized in our code of conduct and our suppliers' charter, which consolidates all our requirements with regards to our stakeholders, internal and external.





# Our CSR governance, structured at all Group levels



## The CSR AWARDS, a boost for CSR



To raise awareness and to mobilize all employees on the path to sustainable development, in 2014 the Group's governance created an internal challenge dedicated to CSR: the CSR AWARDS. This event has become a **tool for sharing and engagement among and between teams around CSR best practice and issues.**

Group subsidiaries and BUs present their projects for assessment in one of the four following categories: Environment, Social, Societal or Innovation. Employees and a jury, made up of members from the Executive Committee and the Board of Directors, select projects and vote to choose and reward the best among them in each category.

For its fourth edition in October 2021, this event, previously organized in a presentation format, had to be re-imagined, to adapt to pandemic constraints. As such, this challenge was able to open its doors to all employees with an email address, thereby further encouraging the sharing of ideas and best practice.

## Our perspectives

In the light of the climate emergency and the need to contribute to a sustainable economy, **the management of our carbon footprint and the circularity of our activities constitute two fundamental axes of our development strategy.** As such, we aim to achieve the two following objectives as a priority:

- To reduce the global carbon footprint (Scope 1, 2 and 3) of our activities, in accordance with the Paris Agreement.
- To streamline the use of natural resources, while optimizing our energy consumption.

To achieve this, initially during 2021 we strengthened the governance and measurement of our Scope 1 and Scope 2 CO2 emissions. We created a new role in our industrial sector and recruited a Sustainability Development Manager. Attached to the Group Industrial Management team, he will consolidate the objectives to reduce the Group's environmental footprint and undertake the necessary actions to achieve this within our production sites.







To continue the measures already undertaken and **with a view to formalizing an approach with a 2030 timescale, 2022 will be devoted to initiating:**

- The assessment of our greenhouse gas emissions upstream from product production and usage (Scope 3), initially across a sample group of representative sites.
- Reflection on the definition and follow-up of quantitative objectives on key challenges in the current Extra Financial Performance Report.








# Our CSR performance tackling the priority challenges identified by the Group

Within our strategy, we have prioritized our efforts on 10 major CSR challenges, each of which contributes to the United Nations' Sustainable Development Goals (SDGs). The methodology for rating our CSR risks and opportunities, as well as a description of each of these risks, is set out in the appendices to this document.

Our CSR pillars	Our opportunities, risks, and challenges	Contribution to SDGs	Performance Indicators	2019	2020	2021	2020-2021 Variation
	Employee health and safety		TF2: frequency rate of accidents with or without lost time for Lesaffre employees	14.5	11.8	13.0	+10%
			TF3: frequency rate of accidents with or without lost time for Lesaffre employees and temporary staff	N/A	11.9	12.7	+7%
	Career and talent progression		Employee turnover rate for permanent staff	9.0%	9.9%	11.2%	+1.3%
			Number of executives progressing on an international trajectory	110	92	94	+2%
	Charity	 	Number of employees involved in charitable actions with the ECHO program each year	200	482	360	-25%
			Number of charity projects identified via the ECHO platform each year	37	63	30	-52%
	Product health and safety quality		Percentage of sites covered by GFSI (FSSC 22000, BRC, IFS) certification(s)	72%	71%	75%	+4 pts
	Human health		Equivalent number of people who have received treatment based on biosourced, yeast and yeast derivative products	64.7 millions	59.2 millions	57.5 millions	-3%
	Food	 	Proportion of bread made with Lesaffre yeast worldwide	1/3	1/3	1/3	=
			Number of consumers who benefit from salt reduction thanks to Biospringer yeast ingredients	N/A	153 millions	133 millions	-13%
	Animal health and nutrition		Equivalent proportion of milk and dairy products consumed worldwide covered by live yeasts and yeast additives produced by Phileo	1/5	1/5	1/4	+25%
			Equivalent proportion of eggs produced or consumed in the world covered by Phileo live yeasts and yeast additives	1/7	1/6	1/6	=

1- The risk identified in 2020 "The Environmental Impact of Production" has been divided into 2 sub-challenges to emphasize the importance for the Group to specifically address the challenges linked to the climate and the circular economy. Information on the Group's responsible purchasing has been purposely added to the current EFPR in chapter 1.3 'To act ethically in our business relationships', since our ethics do not stem from the CSR risks analysis but are at the heart of our business relationships and policies.

Our CSR pillars	Our opportunities, risks, and challenges	Contribution to SDGs	Performance Indicators	2019	2020	2021	2020-2021 Variation
	Plant protection		Crop surface area protected against hydric stress worldwide by our MF55product (ha)	0.9 million	1.1 million	1.6 million	+45%
	Climate		Quantity of biogas reused per year (Nm3)	16 millions	18 millions	18 millions	=
	Circular economy	 	Proportion of water returned compared to water used (%)	77%	80%	83%	+3 pts
			Agricultural land area for which the potash needs are covered by our co-products (ha)	230,000	215,000	217,100	+1%

All Group CSR policies have been approved by the Executive Committee and signed-off by the Group Managing Director. All employees can access this information on the internal CSR SharePoint platform.





# 01

WORKING TOGETHER  
to guarantee the safety and  
well-being of teams and local  
communities







**11,000**  
collaborators of  
**90**  
nationalities

**A key global player in fermentation for nearly 170 years, Lesaffre, which is established on every continent, counts 11,000 employees and 90 nationalities.**

On the strength of this experience and diversity, we work with our clients, partners, and researchers to find answers to food, health, and environmental respect needs. As such, every day, thanks to the passion and commitment of our teams we explore and reveal the infinite potential of yeast and microorganisms.

By working together, we put human relationships at the heart of our priorities. We share strong values, such as trust, humility, passion, entrepreneurial spirit, and respect, which are an integral part of our identity. We seek to build an enriching working environment and to develop stimulating missions in a family business with an international reach. This aim rests upon three pillars:

- To contribute to an exciting mission.
- To grow within a worldwide network.
- To make a personal impact.

**Since the start of the global pandemic, we have focused our efforts on safeguarding our employees' health and ensuring continued market access to our solutions.**

Since 2020, management of the Covid-19 health crisis has been effectively organized at Group and regional level. Our products contribute to the food sovereignty of each country by supplying the essential ingredients and solutions for human and animal nutrition and health, and crop protection. Drawing on our international experience and our decentralized structure in this way we have ensured the **protection of all our employees** and **guaranteed the continuity of activities** without stoppage, with the exception of two weeks in China.

**Health protocols** were put in place promptly. The human resources teams bolstered their support work, particularly in terms of **communication** and **training**, to best assist all employees. The Group Quality, Safety and Environment management team and the subsidiaries' safety officers made it possible **to provide subsidiaries and employees** with surgical masks, hydroalcoholic gel, thermometers, and other protective health equipment. The Group crisis unit, led by the Group Managing Director, has continued to operate in 2021 to follow the developing situation, take the necessary health precautions and to maintain the link with employees.

This year, **engagement to help those hit hardest** by the pandemic also continued, through donations of health equipment, and financial and food aid.







# To guarantee the health and safety of our employees

We enshrine our accident prevention and safety at work policy in an **operational excellence approach**, which involves all permanent and temporary employees and must be adhered to without exception by all our subsidiaries. To ensure this challenge is managed at the highest level, **safety is an integral part of our strategic plan** and focuses on:

- The development of a safety and prevention culture.
- The improvement of behavior in terms of safety.
- The strengthening of managers' safety leadership.

We guarantee its application thanks to clear governance, established at each level of the Group:

- The Industrial Director, also a member of the Executive Committee, leads the safety approach.
- The Group Quality, Safety and Environment Director and the Group Safety Coordinator supervise its implementation.
- The safety coordinators for each region are the link for this supervision at regional level.
- The subsidiaries' safety officers oversee its application and adherence at local level.



To ensure regular communication between these different bodies, the **Safety Community**, which has operated for several years, is tasked with facilitating our approach. It brings together 120 employees including the subsidiaries' safety officers and regional safety coordinators. This community's objective is to encourage sharing experiences, best practices, to work through shared issues and to facilitate the effective deployment of the safety policy within all sites.

The **core team**, made up of regional coordinators and the Quality, Safety and Environment management team, organize a monthly update to communicate actions being undertaken, minimum safety requirements, and accidents. Each regional coordinator is tasked with communicating the essential information to their regional community and coordinating the safety and accident prevention actions at regional level.

The Group is developing a shared approach to accident prevention and work safety with the final objective of **zero accident**, which is also part of continued actions already undertaken by each subsidiary.

After four years of consecutive reductions, the work accident frequency rates (TF2 and TF3) have risen slightly compared to 2020. As for the number of work accidents with lost time, that figure decreased in 2021 compared to 2020. The good performance shown in the deployment of BBS and the effective implementation of actions to improve in terms of safety should result in the frequency rates improving from 2022, since these actions have a delayed impact. The work accident frequency rate for employees including temporary staff (TF3) increased by 7% between 2020 and 2021, during which time the work accident frequency rate for employees alone (TF2) increased by 10% over the same timescale. Despite this rise in the 2020-2021 period, the TF2 is still 13% lower than in 2019. The increase is principally linked to the rise in the number of accidents at certain sites, particularly in Europe. This increase had a direct effect on the Group indicators. Specific action plans, including training and reinforcing BBS, have been deployed at these sites.

We consider **every accident to be one accident too many** and we work actively to achieve the ambitious

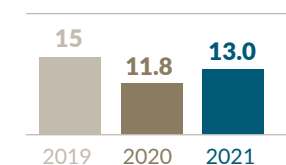
zero accident objective. To this end, since 2014 we have undertaken an accident prevention and safety at work approach applied and adhered to by all our subsidiaries. As part of a continued drive to improve, our 10 fundamental principles were updated in 2021. Our roadmap to '**zero accident**' frames all our actions.

Lesaffre participates in the **United Nations' 'Good health and well-being' Sustainable Development Goal**: to guarantee the health and safety of our employees.

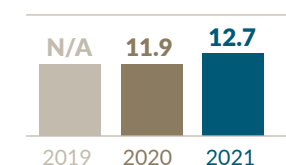


## 2021 Key performance indicators

Accident frequency rate with or without lost time for Lesaffre employees (TF2)

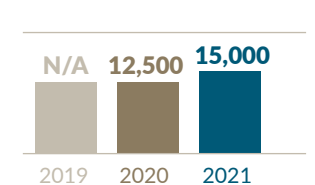


Accident frequency rate with or without lost time for Lesaffre employees and temporary staff (TF3)

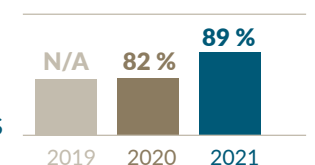


## Other monitoring indicators in our action plans

Number of safety inspections and behavioral safety visits (BBS)



Proportion of actions concluded from those identified during a BBS



2 - TF3 represents the accident frequency rate with or without lost time for Lesaffre employees and temporary staff.

TF3 = Total number of accidents \* 1,000,000 / Total number of hours worked total.

3 - TF2 represents the accident frequency rate with or without lost time for Lesaffre employees.

TF2 = Total number of accidents \* 1,000,000 / Total number of hours worked.



Our 10 fundamental principles structure the Group's safety approach in each of our subsidiaries



01

Safety at work prevention policy

Annually, each subsidiary prepares or updates a safety at work prevention policy signed by the site manager. This policy states the commitment of the subsidiary in terms of actions, monitoring, and continuous improvement. It must be communicated, shared, deployed, and checked.

02

Safety manager

Each subsidiary shall appoint a competent individual to ensure the application of and adherence to the safety at work prevention policy. A prevention and safety committee made up of representative site personnel can complete the safety organization.

03

Laws, regulations, and minimum safety requirements

Each subsidiary ensures compliance and monitoring of applicable local safety laws and regulations. Each subsidiary implements the Lesaffre minimum safety requirements.

04

Accident analysis

Each subsidiary analyzes all work accidents (with or without lost time) and puts in place corrective actions to avoid repetition. The analyses and actions must be formalized and set out in a dedicated log.

05

First aid and emergency responder area

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

06

Safety training

Each subsidiary defines a safety training program adapted to its activity and personnel. This program includes local compulsory training and training recommended following the risk assessment. Each subsidiary also ensures initial safety training for every new employee and training at workstations. This training must be formalized and tracked.

07

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.

08

Prevention and work safety action plans

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

09

Safety inspections and behavioral safety visits

Each subsidiary organizes safety inspections and behavioral safety visits with a frequency adapted to its activity and personnel. These formalized visits must make it possible to prevent risky situations and monitor the practical implementation of the action plan referred to in point 08.

10

Safety indicators

Each subsidiary sets up a monthly reporting process according to the 6 safety and prevention indicators as defined by the Group: Accident frequency rate 1, 2 and 3, Accident severity, Number of safety actions concluded/number of actions opened, number of safety inspections and behavioral safety visits carried out.







## Guaranteeing the application of our requirements and reinforcing our safety culture

### Our perspectives

As part of our continued improvement, we have identified the following work axes:

- To guarantee and monitor the application of our 10 fundamental safety principles.
- To pursue improved behavior and the safety culture, on a daily basis.
- To deploy new safety training.

To ensure the proper application of our safety approach across all our subsidiaries, we have put in place three levels of monitoring:

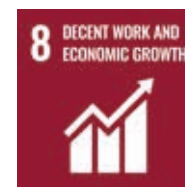
- Behavioral safety visits (BBS), participative visits at workstation or task level.
- Safety inspections, at production site and workshop level.
- Safety audits carried out by regional coordinators, at site level.

In 2021, we **stepped up our behavioral visits** and safety inspections. The aim of this approach is to improve our ability to prevent risky behavior, strengthen our safety vigilance throughout our organization and thus prevent work accidents. Our employees and on-site safety managers carried out more than **15,000 safety visits and inspections in the Group in 2021**, which is **almost 20%** more than in 2020, thus surpassing the objective we set ourselves. The safety and technical teams worked to develop online tools that optimize the performance of behavioral visits and safety inspections via smartphones and tablets.

We have strengthened the efficacy of **action plan follow ups** established after each safety visit and inspection. Our teams concluded 89% of safety actions in 2021 (compared to 82% in 2020).

To raise daily awareness among all our employees, in 2021 we launched a widespread safety **communications campaign**. The campaign, translated into 13 languages, was deployed around seven themes including, Group safety culture, the main causes of accidents, and even the wearing of individual protective equipment. Each subsidiary benefited from explanatory leaflets, posters, videos, and other tools, in particular to search out risks, educational tools to reinforce individual responsibility in terms of safety.

# To develop and protect our human capital



Since its creation, Lesaffre has capitalized on our employees' entrepreneurial spirit, innovation, professional expertise, and diversity to improve the Group's international success in bioindustry. The **strength of its human capital** enables Lesaffre to attract and retain our employees by offering them dynamic careers and by investing in their skills development.

This commitment takes the form of a **policy to attract and retain talent** borne by the Group's Human Resources (HR) Director, a member of the Executive Committee. This policy affirms the Group's wish to offer **dynamic career progression that values the talent of employees and promotes the potential of team initiatives**. At Executive Committee level, an HR sub-committee, comprised of operations and functional managers, contributes to decisions for the development of social policies.

The **HR Leadership Team**, which includes the Group team and regional HR directors, works throughout the year on operational applications of the policy and the integration of best practices within subsidiaries.

It is supported in facilitating our commitments by a **network of HR employees**, functionally led by the HR management, which helps our managers and covers all Group entities at regional, country, subsidiary, and production site level, as close to our employees as possible. Our commitment, "To offer dynamic career progression that values the talent of employees and promotes the potential of our teams' initiatives", translates through two major objectives:

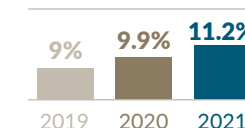
- To attract and integrate the best talent.
- To create employee loyalty and develop their skills.

While the number of executives progressing internationally and the permanent employee rate remained relatively stable between 2020 and 2021, the rate of change in Leadership Team roles decreased by 41%. In 2020, the rate of change in leadership roles was relatively high (14%), which compensated for a relatively low rate in 2019 (5%). The 2021 rate translates to an annual average trend (8%).

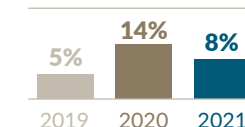
By placing human relationships at the heart of our strategy and encouraging youth employment, **Lesaffre participates in the United Nations' 'Decent work and economic growth' Sustainable Development Goal**.

### 2021 Key performance indicators

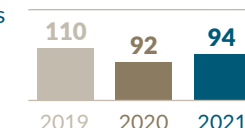
Employee turnover rate for permanent staff



Rate of role changes in Leadership Teams, in the TOP450

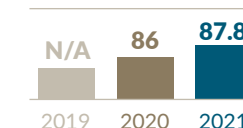


Number of executives progressing on an international trajectory

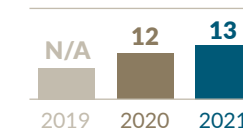


### Other monitoring indicators for our action plans

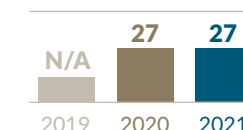
Average of gender Equality Index (8 French entities)



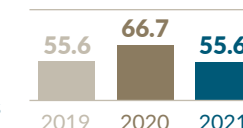
Number of nationalities represented among the executives progressing internationally



Number of countries in which executives are progressing internationally



Proportion of Volunteers for International Experience (VIE) hired on permanent contracts



4 - A behavioral safety visit aims to establish a dialogue and develop shared reflection on how to alter behavior to improve safety. One or two visitors observe an employee at their workstation. After the observation, the observers talk with the observed employee and ask questions so that the employee observed evaluates the risks and finds their own solutions to improve safety.

5 - A safety inspection involves a visual and technical inspection of a situation. It comprises a tour of the workshop or the production site, during which equipment and safety instructions are checked.

6 - A safety audit is carried out at site level by the coordinators.





## Renewing our social commitment to benefit our employees

In line with the HR policy, and to structure the deployment of our approach, the Human Resources team has established, with the Executive Committee HR sub-committee, a **roadmap** setting out the priority work axes from now until 2024. It rests on five commitments:

- To strengthen attractiveness by improving the talent acquisition process and strengthening our employee brand.
- To optimize the employee experience by promoting management role models, by systemizing annual interviews for managers and experts, and by clearly

highlighting career paths and making them readable for our employees.

- To improve HR efficacy at a worldwide level by digitalizing the HR process, and by clarifying the HR teams' roles and responsibilities at all levels of the organization.
- To support the Group's development by preparing the industrial leaders of tomorrow and professionalizing the HR community.
- To be a catalyst for cultural changes by anticipating new types of work and by preserving the human factor in the culture and relationships within the Group.

To keep pace with the rapid changes in our society and our activity, this roadmap is revised and presented to the Executive Committee every 3 years. It is developed every year as part of the fiscal year and monitored twice a year by the HR Leadership Team (HRLT). **HR leaders** were appointed in 2021 for each pillar of the HR roadmap to structure and monitor key actions, with the support of a working group, made up of members of the HR community.

## How to attract and integrate the best talent?

### By strengthening our employer brand

In an extremely competitive context, more than three years ago we initiated work to strengthen and improve our employer brand. Working groups bringing together Lesaffre employees in China, France and in the Central and Eastern Europe region undertook a study to define a differentiating value proposition: to build a career at Lesaffre, is to have a personal impact within a worldwide network united by a shared passion to better nourish and protect the planet. Work continued in 2021 to define and communicate our employer brand. As part of this, 80 recruiters were trained in the employer brand to raise their awareness. All the subsidiaries also benefited from internal and external tools to share employer brand messages. Also, the Human Resources management team met with each regional HRD to support them with the deployment of these tools.

### By constructing differentiated integration programs

We are working to build **differentiated integration journeys** according to new employee profiles. These programs make it easier for new recruits to take up their posts and to fully integrate into the company. In 2021, we focused on the definition of role types and career schematics for industrial and sales talent from their point of hire to strengthen the personalization of their integration journey.

### By developing partnerships with universities

For several years, we have developed **partnerships with grandes écoles (leading French higher education colleges) and universities** in the activity field or skills in which we have a particular interest.

The aim is to increase our reputation and build a pool of young talent. In 2021, with this objective in mind, we specifically targeted partnerships to focus on the schools and universities operating in the same activity sectors as the Group. In 2021, we also developed a fruitful partnership with two other major players in the agri-food industry, Bel and METRO, with the ESSEC Business School **Food Business Challenge** Chair. Additionally, we participated in an event, the PhD Fair, to strengthen our attractiveness among an audience of doctors and post doctorates, who are sought after by R&D.

## How to create employee loyalty and develop their skills?

### By facilitating internal and international mobility

In 2021, to facilitate our employees' internal and international mobility, we carried out a job title harmonization project for two professional career routes: the "expert" route and the "management" route. This project defined a common language to bring coherence between the regions in which we operate by **facilitating the identification of needs and the**

**detection of talent.** These routes cover all industrial talent, in other words 60% of Group employees and will be applied progressively to sales talent. This project complements all actions that we have put in place to encourage internal and international mobility:

- A process of annual interviews and **people reviews**, which make it possible for us to coordinate the matching of our employees needs and skills.

55.6%

International Volunteering in Business (VIE) hired on permanent contracts

- Priority access for our employees to all job vacancies published by the Group through a dedicated online tool, available in all subsidiaries.
- Linking each employee to an HR manager, to offer a personalized follow-up.
- The development of **Volunteers for International Experience contracts (VIE)**.



### By encouraging taking the initiative and collaboration

Dedicated training programs enable our managers to develop their management, leadership and project management skills while also sharing the Group's values. For several years, our internal academy, **The Léon Lesaffre Training Institute**, has enabled us to boost our leaders' expertise. In 2021, we worked to launch an **online academy**, which makes it possible for all our managers to access a library of career paths and managerial training resources, from the finest universities.

### By listening to our employees

Above and beyond the objectives set by our policy to attract and retain talent, we are committed to guaranteeing working conditions that respect our employees. At worldwide level, we have launched several studies, in particular on the subjects of remuneration and social security, to get closer to employee needs.

### Our perspectives

- To launch our e-learning platform and significantly broaden our training offering.
- To formalize and standardize our gender equality approach, on a worldwide level.
- To continue reflection around the promotion of participation in physical and sporting activities.

In all our French businesses, the social dialogue is structured around Employee Representative Bodies with trade union pluralism expressed through an electoral process.

In 2021, 18 agreements were signed by the Group's French entities on the following subjects:

- Remote working: Augrauxine, LIS.
- Incentives: Agrauxine. Renewal for LINT, SIL.
- Mandatory Annual Negotiation: Ennolys, LIS, SIL, SILFALA ; Compulsory.
- Social and Economic Committee (SEC): SILFALA.
- Professional equality: LIS, Ennolys.
- Compulsory Company Pension Savings Scheme: LIS, Lint, SIL.
- Arduous work: LIS.
- Specific agreements: agreement to deploy additional shifts and a drying agreement extension amendment for LIS.

### By offering an inclusive and open working environment

Each entity within the Group ensures they welcome and **support candidates and employees with a disability** by organizing awareness activities with directors, HR teams, managers, and employees. These measures are led locally by the entities and take into account the following structural specifics: nature of the roles, age structure, number

of staff. Conscious of their social impact, our businesses also sign partnerships with establishments adapted to or working in a targeted manner with ESAT (A French non-profit organization that helps people with disabilities into work) or EAs (disability-friendly companies) for certain general purchasing, to broaden their positive contribution and to **encourage the employment of people with disabilities**. Among the actions undertaken in 2021, the Biospringer Business Unit organized an awareness day on visual disabilities with the Valentin Haüy Professional Reeducation Training Centre to coincide with the European week for the employment of people with disabilities.

**Gender equality** is one of our long-term commitments. We focus our attention both at the level of leadership bodies, the leadership teams, and also at industrial site level. We publish annually the gender equality index for the Group's eight French entities in accordance with the 5th September 2018 "Professional Future" law. The professional equality index average for these eight entities is 87.8 out of 100 for 2021, an increase compared to 2020.

**87.8/100**

the average gender equality index (8 French entities)

## To act ethically in our business relationships

All our activities and our business dealings rest upon our ethical values, integrity, respect for people and the environment. These values are at the heart of all our policies and we make sure they are shared by each of our stakeholders. A standard-setting player globally, we have a responsibility to take into account social, societal and environmental issues across our entire value chain and particularly at each stage of our purchasing process. Our Sustainable and Responsible Purchasing approach, led by the Group Purchasing management team, is being created and currently represents one of the 6 pillars of our purchasing strategy: to integrate ESG (Environmental, Social, Governance) criteria in the management of our purchasing.

### Engaging our suppliers to respect our ethical principles

It is essential that our suppliers and partners share the ethical principles we have set ourselves. To engage our suppliers, from 2017 we have formalized a Suppliers' Charter, the requirements of which are inspired by the recommendations of the Organization for Economic Cooperation and Development (OECD), the International Labor Organization (ILO), the United Nations Global Compact and the Universal Declaration of Human Rights.

This charter, available on our website, is applicable to all our suppliers and presents, above and beyond our expectations for our suppliers, our own commitments:

- To offer quality products and services that meet our clients' needs.
- To develop innovation in all our fields of activity.
- To encourage the respect and development of our partners throughout their journey in the business.
- To manage the consequences of our activities by undertaking environmentally responsible actions.

We expect our suppliers to conform to the 12 commitments in the Charter, particularly concerning the respect of current regulations, standards, and laws, our values in terms of ethics, safety, well-being, and sustainable development.

An internal communications plan facilitated the deployment of this charter among our purchasing community in all our subsidiaries. It was sent to every Lesaffre International supplier, and we strive to continue its deployment with all our suppliers.



# Integrating CSR challenges in our purchasing processes

To identify our strategic suppliers and to enable us to prioritize our action plans, we have mapped the supplier risks that integrate CSR criteria. This map was developed by the Group Risk Management team and includes, above and beyond market, strategic and operational risks, several social criteria. These include corporate societal responsibility, fraud and corruption risks, the risk linked to

competition law and misappropriation. Each buyer can thus evaluate their suppliers' risk level in terms of these subjects, enabling us to establish a strategic list of suppliers on whom we can focus.

To gain insight into the CSR performance of the suppliers with whom we work, we collect, during the tendering and approval phases,

all useful documentation concerning the implementation of their CSR strategy, where appropriate. This is a first step towards strengthening our evaluation process for our suppliers' CSR performance.



# Being a responsible partner

Above and beyond what we expect from our suppliers, we also commit to being a responsible partner ourselves.

- Our suppliers are selected according to a standardized and fair procedure. The Purchasing management team applies the principle of free competition and rejects unambiguously all corrupt practices.
- We commit to adopting a

responsible attitude with regards to our suppliers and to paying them in accordance with the applicable laws and regulations. We rigorously and regularly control the timescales for supplier payments.

- The Purchasing Function aims to encourage the suppliers with whom we work towards greater innovation and progress, technically as well as socially.

- We aim to deploy the Ecovadis rating at Group level. In 2021, five Lesaffre entities attained Ecovadis rating: Agrauxine, SIL, Biospringer North America, Biospringer Group, Lis France. Other entities, such as Guangxi Yipinxian Biotechnology, will initiate the process in 2022.

# Reducing our packaging and encouraging the use of sustainable and innovative solutions

For several years, the Purchasing Management team has worked with the Packaging department to find innovative solutions to reduce our packaging and optimize the use of recyclable packaging, while meeting our quality and food safety requirements. To do this, we have prioritized the following work axes:

- The lightening of films and cardboard.
- A reduction of the thickness of plastic and aluminum films.
- A reduction of the surface used by films per packaging unit.
- The identification and substitution of non-recyclable materials with recyclable materials.

For example, we initiated, in collaboration with the production sites and the Industrial, Research and Development, Quality, Group Sales and Marketing management teams, a large-scale project with the aim of replacing our non-recyclable plastic and aluminum films with recyclable films. To orientate our action plans towards the more effective solution to improve the sustainability of our yeast packaging, a global assessment of available expertise has been launched.

## Our perspectives

- To finalize the Sustainable and Responsible Purchasing roadmap in accordance with the Group CSR strategy.
- To lead the Purchasing community and train our buyers in the integration of CSR issues throughout the purchasing process.
- To obtain Ecovadis rating at Group level before the end of the 2022 exercise.
- To establish a specific roadmap for packaging purchasing.







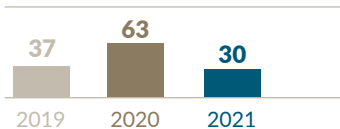
# To contribute to the long-term economic and social development of local communities

Lesaffre has a presence in numerous countries where the local populations face difficulties in terms of health, nutrition, food, the environment, and education. Thanks to its global establishment and strong local ties, we have the necessary proximity to pursue our mission and our charitable commitment: **to better nourish and protect the planet and to contribute to the economic and social development of local communities, while respecting their needs and their environment.**

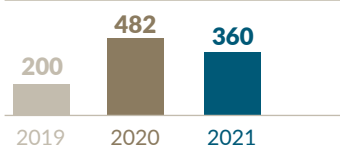
This commitment is part of our DNA and is formalized in a charity policy in which the actions are, for the most ambitious, signed off by the Executive Committee. The charity, donations, and partnerships hub, led by the Group Communications management team, implements this policy and leads the different action plans.

## 2021 Key performance indicators

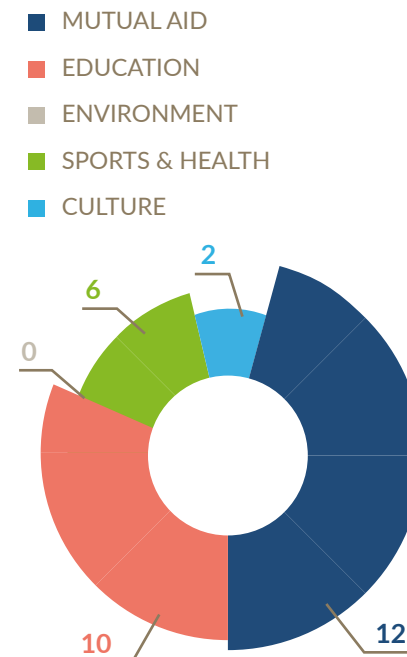
30 charitable projects carried out by the ECHO program



360 employees involved in our charitable projects per year



## Distribution of projects of the ECHO program in 2021



In 2021, we saw a decline in the number of actions undertaken. This is explained by the exceptionally significant number of projects linked to the 2020 global pandemic, which at that time represented almost 40% of our actions. After this exceptional year, the number of projects returned to a more usual level. In fact, the number of charitable projects undertaken through the ECHO program dropped more than 50% between 2020 and 2021, but by less than 20% between 2019 and 2021. As for the number of employees involved in our charitable projects, it decreased by 25% between 2020 and 2021, but increased by 80% in 2021 compared to 2019. Meanwhile, the setting up of actions described in the rest of this chapter aims to increase the number of projects in years to come.

To achieve this objective, our charitable policy is set out around three commitments:

- To encourage each subsidiary and Business Unit to undertake a charitable policy through the ECHO program.
- To enable each employee to support a project.
- To participate in local economic and social life by implementing actions that promote employment, education, training, and health to reconcile economic activity and societal well-being.

The action plans linked to these objectives are described in the rest of this chapter and enable us **to contribute to the 'Quality education for all' and 'Good health and well-being' Sustainable Development Goals.**



## Developing the ECHO charitable program

Our ECHO program has **existed for 3 years and a total of 130 charitable projects have been implemented since its creation.** It brings together all our charitable actions, which can each be carried out by one or more employees. Our charitable actions cover five areas: education, mutual aid, sport and health, the environment, and culture.

**To develop this program, ECHO correspondents** have been identified and make it possible to share communications about the program. They help project leaders to define the actions of solidarity that can be set up with associations. The program also benefits from an online platform, a central register for projects undertaken by subsidiaries and Business Units around the world. In this way, employees can propose new charitable projects or get involved in projects already under way. The projects that join the ECHO program

are selected according to four main criteria:

- Their coherence with the Group mission: **to better nourish and protect the planet.**
- Their relevance in terms of the **local communities' needs**, above and beyond the Lesaffre mission.
- The **geographic location** with respect to the Group's presence to ensure on-the-ground monitoring.
- The **commitment of one of more employees** to establish an ongoing and constructive relationship with the association supported.

To encourage our subsidiaries and Business Units to get more involved in the economic and social life of communities, the ECHO program also benefits from several funds based on a matching system, which makes it possible for them to provide **additional financial support.** The ECHO Group Fund is allocated based on applications from our subsidiaries

and Business Units after a review of the dossiers by the ECHO committee or the Executive Committee CSR sub-committee, depending on the amount requested. The review committee meets regularly throughout the year to avoid delaying the implementation of projects.

### Three funds co-exist:

- A **Matching Fund** to increase the reach of a project. The amount allocated by our subsidiaries/BUs can be doubled by this fund.
- A **New Project Fund** to venture to create an initial project: this fund makes it possible to launch with 100% Group finance for the first year, which is progressively reduced for the two following years.
- An **Emergency Fund** to help during a natural, health or industrial disaster.





## Our perspectives

Our short-term priority work axes are linked to our charitable policy commitments:

- To increase each year the number of mutual aid projects carried out by our employees, subsidiaries, and Business Units throughout the world.
- To develop each year charitable skills partnerships.

## Encouraging our employees to get involved through the CSR Awards



In 2021 the fourth edition of the CSR Awards took place. This internal challenge dedicated to CSR projects, included a round table dedicated to skills charity to explain our **2024 commitment: that 15% of our entities will have set up a skills charity program.**

In October 2021, 16 projects were presented in the societal category. Among them, 4 charitable funding and skills charity projects were chosen to participate in the final:



### [Project 1] In Zambia, forming a research partnership with a vet to help local livestock farmers

In Zambia, on the edge of the Kafue National Park, Phileo by Lesaffre has launched a research partnership with the Melindika association with the aim to encourage rural development by supporting livestock farmers. The 1.5 million Zambian farmers who produce the major proportion of national food supplies are extremely

vulnerable in the face of climate change. The program contributes to helping the livestock farmers earn a living from their livestock activities while training them in the intrinsic links between human, animal, and environmental health. R&D experts from Phileo help to train the livestock farmers, with the aim of improving production and preventing disease in their cattle, their source of income and food.

### [Project 2] In Egypt, giving deaf people better opportunities to integrate in their community

In the Baking Center™, 10 Lesaffre Egypt employees shared their know-how with 12 deaf people, during more than 4,900 hours of training. In Egypt, as in other countries, deaf or hard of hearing people are often socially isolated. They face difficulties accessing education and professional training, and then encounter problems finding a job and a place in their community.

Lesaffre Egypt mobilized to develop a multi-skills training program with the aim of offering opportunities to deaf and hard of hearing people to pursue a professional goal in the field of baking. The 21 subjects taught covered the technical aspects of baking, quality and safety monitoring, as well as computer and soft skills. Entirely carried out and financed by Lesaffre, the training program was able to start in September 2020, thanks to a driven and multi-discipline team, including human resources, other support functions and the Baking Center™.



### [Project 3] In Mexico, supporting care personnel and the vulnerable population in the face of the Covid-19 crisis

In Mexico, the government response to the global pandemic was slow and disorganized, which severely affected the economy in 2020. Employees at Safmex, our subsidiary in Mexico, supported care personnel and the

vulnerable population in the face of the Covid-19 crisis on two fronts:

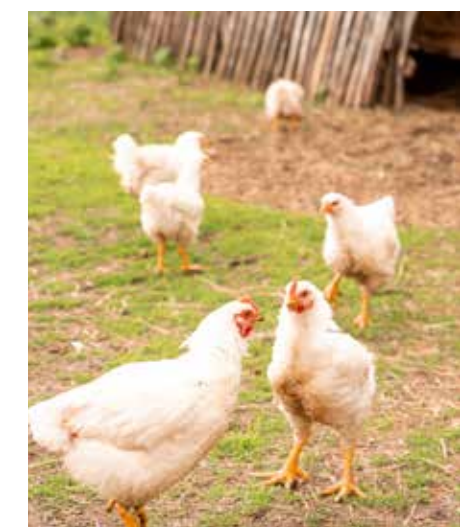
- 71,000 pieces of protective health equipment were given to frontline pandemic health workers in six hospitals.
- 3,906 families in neighboring communities affected by the economic crisis caused by the virus received food parcels thanks to our partnership with a food bank.

### [Project 4] In Vietnam, offering training to livestock farmers to help them to reduce antibiotic use in their livestock

Phileo by Lesaffre set up a training program for traditional chicken farming families in the Mekong Delta to help them reduce antibiotic use in their livestock over a period of 3 years. This project involved 300 vets and 115 farmers. In collaboration with Viparc (Vietnamese platform for antimicrobial reduction in chicken

production), Phileo offered alternative solutions to the antibiotics used daily to prevent disease in family chicken farms. At the end of this project, antibiotics use had reduced by 66% and the chicken mortality rate had dropped by 40%.

This initiative responds to the United Nations' objectives for Food and Agriculture, which identified family farms as a major player to promote sustainable development and to eradicate hunger.





# 02

TO CONTRIBUTE TO BETTER  
NOURISHING THE WORLD:  
fermentation to benefit  
the living







# To guarantee our products' health and safety quality

The naturally sustainable character of our activities rests on a foundation upon which we work daily: quality. To honor our status as a standard-setting global player in yeast production and transformation, we have made quality a shared, omnipresent denominator at every stage of production and at all levels of the company. In this sense, our **product health and safety policy** answers two Lesaffre commitments:

- To facilitate access to healthy, high-quality food that is safe for the planet's population to consume.
- To respect all local regulations in the countries where we operate and to control our products' health and safety quality.

The Group Industrial Director, an Executive Committee member, leads this policy in conjunction with the regional and BU management teams. The Group Quality, Safety and Environment Director is responsible for implementing this policy, closely collaborating with the Regulatory Affairs Director, to ensure that quality standards are met. The Quality teams from the 9 Business Units and 7 Baking regions participate in this policy's implementation.



Through the very nature of our products and thanks to their intrinsic qualities, we have a responsibility to contribute to better nourishing the world. This ambition is influenced by two major factors:

- The increasing need to feed a growing global population in the context of declining availability of agricultural land and clean water.
- The emergence of health crises linked to food-borne outbreaks or epidemics such as we are living through today.

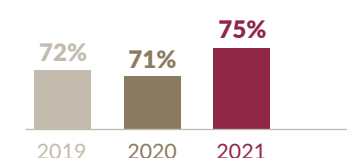
Furthermore, faced with the surge in infectious diseases and other afflictions affecting animals, humans, and their environment, it appears more vital than ever to unite the efforts of the different sectors working to improve the health of the living to effectively prevent these risks. To this end, the World Health Organization has developed the **'One Health'** approach, with the aim of viewing human health, animal health and environmental health as interconnected. To protect the health of every living being and our eco-systems, sectors must work together to resolve the challenges of

food sufficiency and **food security, management of zoonoses** (diseases that can transmit from animals to humans) and to **combat the emergence of antibiotic resistance.**

Through our engagement in food, human health and nutrition, animal health and nutrition, environmental preservation and biodiversity, we are fully signed up to the **'One Health'** approach and encourage the sharing of expertise between these different sectors to better nourish the world, prevent health risks and protect the health of every living being.

## 2021 Key performance indicator

75% of our sites covered by GFSI certification



In 2021, 75% of our yeast and yeast extract production sites were certified according to one or more of the Global Food Safety Initiative (GFSI) quality standards: BRC, IFS, FSSC 22000. Between 2020 and 2021, the proportion of our sites covered by a GFSI certification increased by 6%, which is testament to our continued efforts to increase our GFSI certifications. An additional site, in China, was certified in 2021.

To continuously improve our performance, our product health and safety policy is guided by three main objectives:

- To maintain our high standards of product health and safety quality.
- To develop a culture of quality integrated in all the Group's processes.
- To advance the GFSO (Global Food Safety Initiative) certification within the Group.

By ensuring exemplarity throughout our production chain, **we contribute to the 'Good health and well-being' Sustainable Development Goal.**



# Guaranteeing optimal traceability and health and safety quality

To guarantee the highest health and safety quality level for all our products, we ensure we apply the best practice possible in terms of **traceability** and **health and safety quality**. To do this, we guide our actions around three pillars: quality certification, monitoring, and health and safety quality controls.

## Strengthening our certification process across all our production sites

75% of our sites meet one or several of the **highest international standards** in terms of health and safety quality for food commodities. To progressively enlarge the proportion of sites covered, we encourage at Group level the deployment in our plants of these benchmark standards, including:



# To contribute to preserving human health capital

We are capitalizing on our expertise in the field of yeasts and bacteria and our renowned know-how in biotechnology to participate in the preservation of human health capital, by developing natural solutions derived from fermentation.

The Group is taking up this major challenge through its specialized Business Unit, Gnosis by Lesaffre, by drawing on the extraordinary wealth of microorganisms either as such or as producers of natural ingredients derived from them. Our policy is driven by one ambition: **to participate in preserving human health capital by**

## promoting substantiated nutritional supplements to complement an adapted lifestyle.

Above and beyond the intrinsic qualities of Gnosis by Lesaffre's products, the production process, based on biotransformation, makes it possible to reduce the consumption of raw materials and waste generation during the production of active ingredients. By avoiding the use of chemical products and the destruction of rare plants, this process is naturally more environmentally friendly.



## Our perspectives

- To continue the monitoring of results and action plans in 2022.
- To continue to share best practice through webinars or videos.

## Maintaining a high level of control

We have **55 control laboratories** that enable us to ensure the health and safety quality of our products across all our production sites. At the same time, to meet the highest international standards, we submit to numerous audits that guarantee an exacting external verification. As we develop, we are also establishing **Group operational methods** specific to each of our activities. Internal **audits** are carried out on the correct application of these methods.

## Mobilizing all teams around food health and safety quality

All the quality teams on production sites have set up their own quality policies and monitoring processes. In particular, the **HACCP procedure** (Hazard Analysis Critical Control Point) is a gauge of our teams' daily engagement in the necessary preventative actions to manage risks for finished products. These local policies are

part of the Group's product health and safety policy objectives.

**Developing the sharing of best practice** is also a way to mobilize our teams and to ensure the health and safety quality of our products. Work to compile Quality 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 was successfully carried out in 2020, during 10 webinars organized for the whole Group. In 2021, a follow-up of the action plans related to the deployment of the Quality Guidelines was set up with support from the Regional/Business Unit Quality coordinators and the Industrial management team.





“ At Gnosis, we use what's alive so that we and our planet can thrive.”



Gnosis develops three product types to improve human health and well-being:

## Dietary supplements

Drawing on several decades of experience in biotechnology, Gnosis by Lesaffre develops probiotic yeasts and bacteria as well as active ingredients derived from microorganisms to supply dietary supplements with recognized health benefits.

## Pharmaceutical products

Historically, Gnosis by Lesaffre dedicated a proportion of its bacteria production for antibiotics with a narrow spectrum and targeting life-threatening diseases. Only the responsible and regulated use of these antibiotics is supported.

## Functional food

Today yeasts, thanks to their wealth of diverse nutrients, stand out as a natural source of protein, vitamins and minerals. Just like Gnosis' probiotics and active molecules, they are the ingredients of choice to achieve health benefits such as immunity support.

Gnosis sells its products in five specific markets:

Well-being and immune health

Digestion and gut health

Mobility and joint health

Reproduction and women's health

Mood and cognitive health

## Key resources to develop our products

Microorganisms are invisible agents of change, which facilitate our mobility, protect us from disease and help us to adapt to our constantly changing environment. At Gnosis by Lesaffre, microorganisms are part of our resources. Our production process draws naturally on our expertise, our production network and nearly 170 years of Lesaffre know-how.

## In partnership with pharmaceutical industry professionals

We collaborate with nutraceutical and pharmaceutical brands to develop innovative products that help their clients to thrive. A true partner to our clients, we support them with a portfolio of branded solutions, scientific guidance, and clinical studies.

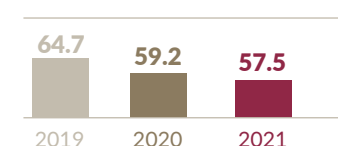
Through the development of the activities of our Gnosis subsidiary “we contribute to encouraging natural, healthy food and thus participate in the ‘Good health and well-being’ Sustainable Development Goal”.

The number of people having followed a treatment based on biosourced products decreased by 3% between 2020 and 2021 yet varied by only 1% between 2019 and 2021. This is explained principally by the post Covid-19 resumption of economic activity for our product *Saccharomyces boulardii*.



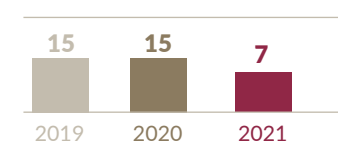
## 2021 Key performance indicator

57.5 millions have followed a treatment based on biosourced products

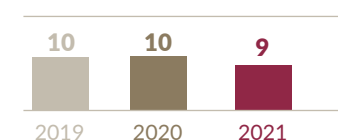


## 2021 action plan monitoring indicators

7 scientific trade fairs to whom Gnosis participated



9 scientific conferences hosted by Gnosis



## Developing natural solutions to preserve human health

Lesaffre's technical and scientific expertise contributes to the development of a multi-functional range of ingredients derived from yeasts and bacteria to benefit human health in all these areas:

- **Immune health:** We focus on immunity and general well-being, with nutritional yeasts, probiotics and active ingredients that supply our body with key nutrients and effective solutions to support health, daily nutrition and beauty.
- **Digestive health:** We develop solutions based on probiotics to target digestive problems, such as abdominal pain, diarrhea and the restoration of gut flora. We also focus on liver protection and detoxification.
- **Mobility and joint health:** We study the processes of biotransformation that occur in our body and facilitate mobility and we use them to cultivate natural nutritional solutions. Notably, our ingredients help to strengthen bones thanks to their calcium content, ease joint problems and pain, supply natural-origin proteins,

and improve athletic activity and sporting performance.

- **Reproduction and women's health:** We are committed to improving women's health and well-being throughout their lives. Our solutions solve problems linked:
  - To vaginal health : soothing the discomfort linked to inflammations and vaginitis.
  - To urinary health: to help to prevent urinary tract infections and maintain a healthy bladder.
  - To fertility: to increase the chances of conception.
  - To pregnancy: to respond to hormonal changes.
  - And to the menopause: to improve bone health and manage vascular problems, our ingredients support women during and after the menopause.
- **Cognitive health:** We are driven to improve emotional well-being, optimize cognitive health and combat stress and anxiety. We are one of the major worldwide suppliers of same, an effective natural supplement to improve mood in adults and to help ease

stress and anxiety. We also offer supplements such as nootropics to improve the longevity of mental processing and memory.

These specific health ingredients enable us to respond to a booming nutrition/health and well-being market. In the short-term, the Covid-19 pandemic has highlighted the need to strengthen our immune systems and to look after our mental health. According to the International Labor Organization (ILO), in 2021, half of young people from 18 to 29 years old experienced depression and anxiety, and up to 20% of health workers suffered anxiety and depression. In the mid-term to long-term, climate change will have a significant and growing effect on social and environmental health determinants such as clean air, drinking water, and food sufficiency. Thus, the World Health Organization (WHO) estimates that between 2030 and 2050, climate change will lead to nearly 250,000 additional deaths every year, due to, among other things, malnutrition.



Our perspectives

- To exceed 100 million people who have followed a treatment based on biosourced products in 2024.
- To launch production of the only chondroitin sulfate in the world that thanks to fermentation is not of animal-origin, in a new plant in the Hauts-de-France region.
- To expand the scope of preserving well-being by launching new products and documenting the benefits of our existing products, notably vitamin K2, which is not yet well known by the general public.

Supporting scientific innovations and NGOs in the field of nutrition

In 2021, we participated in **7 trade shows and hosted 9 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 Organizations (NGOs). Among others, we are **a founding member of DigestScience**, a foundation for research into digestive tract diseases and the benefits of nutrition. Each year, we organize the 'Testathlon' sporting event in partnership with the Roquette company, another co-founder, the proceeds from which are given back

to the foundation to support further research.

We also **partner with Vitamin Angels**, an NGO that works to bring essential nutrition to children around the world through vitamin supplements. In 2021, we contributed 30,000 US dollars to help with financing several projects to deliver the required dose of vitamin A to young children in developing countries to prevent the sometimes serious pathologies caused by a deficiency. You will find more details about our charitable actions in the chapter '**Contributing to the economic and social development of local communities**'.

7

trade shows in which we participated

9

scientific conferences that we animated

To improve food's nutritional and taste qualities and to enable access to healthy and sustainable food for all

Faced with a rising global population and the increasing scarcity of animal protein, feeding the planet in a sustainable and healthy way is one of the major societal concerns of this century. **Our policy to help feed the global population** meets Lesaffre's commitments in terms of:

- Enabling access to healthy and sustainable food for all.
- Improving the nutritional and taste quality of food while reducing its salt content and increasing its protein content.

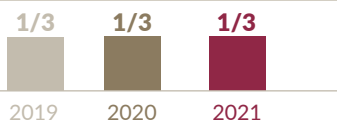
This policy is led by the Group Baking Marketing Director and the Managing Director of the Biospringer subsidiary, both members of the Executive Committee, and the Regional Directors. **Proximity, innovation and sharing** are at the heart of our policy and our co-development approach. Through the Baking Marketing management team and our Biospringer subsidiary, we focus particular attention on the nutritional and taste qualities of food. Benefiting from the infinite natural properties of yeast ingredients, we have chosen to focus on two key food challenges: nutrition and taste.

Thus, we contribute to the 'Good health and well-being' Sustainable Development Goal.

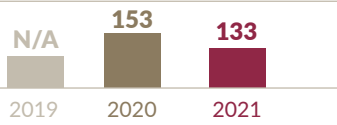


2021 Key performance indicators

1/3 of the breads made with Lesaffre yeast in the world

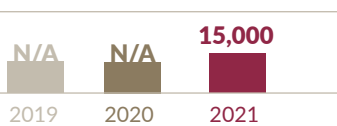


133 millions consumers who benefit from salt reduction thanks to Biospringer yeast ingredients



2021 action plan monitoring indicator

15 000 people who have participated in training offered in one of the Baking Center™



8 - This indicator is calculated on the basis of sales volume of the Biospringer Umami range, designed to naturally reduce added salt by improving the taste quality of food. This volume of global sales is weighted by the average recommended dose of the Umami range (0.75%), to obtain a volume of end product with reduced salt thanks to the product range. To obtain the final result for this indicator, we formulated hypotheses regarding the average daily amount (150 grams) with reduced salt thanks to our products and the consumption frequency of this amount (once a week) in order for this to have an effect on consumer well-being and health thanks to salt reduction.

9 - This indicator represents the number of participants in training independently from the number of training modules followed by each participant. As such, if a person receives three training modules, this counts as three participants. This indicator is calculated independently from the duration of training modules (generally, a few hours or a day).



# To offer solutions for the future to nourish our planet in a sustainable and healthy way



Bread, a source of plant proteins and a low-cost staple food, is a solution for the future to meet the global population's food needs. As an essential ingredient in bread, baker's yeast is thus at the heart of these societal challenges. As a key global player in the field of yeast and baking and a long-standing partner of baking professionals, Lesaffre offers solutions to optimize the quality and taste characteristics of bread. Through its support for the baking industry throughout the world, Lesaffre provides access to healthy and nutritious food for all.

We have developed bread endowed with better nutritional properties thanks to our **Bake for Care™** range. We are working to develop our portfolio of products to respond to three challenges:

- Nutrition:**

We make sure that bread is a natural source of **nutrition** by reducing the quantities of certain ingredients, such as **salt, fat, and sugar**, and by adding others, notably **vitamins and minerals**. For instance, we especially developed **Ibis® SR30** to help our bakers to reduce the salt content of their breads up to 30% with no impact on baking performance.
- Well-being:**

We ensure that bread, consumed every day in numerous countries around the world, is a means to provide benefits to specific groups of people, like children, older people, and pregnant women. So, this

Quatrefolic® ingredient, made from vitamin B9 and created by Lesaffre, is especially adapted to the needs of pregnant women, infants, seniors, and people with folate deficiency.

- Specific diets:**

We are applying our expertise so that bread can support varied dietary choices for today's consumers, such as **vegetarianism**, as well as health requirements, such as gluten-free products. For example, our Springer Proteissimo® 101 solution is naturally rich in proteins and contains all the essential amino acids, which makes it possible to increase protein provision for consumers without recourse to animal ingredients.

We also support bakers with a growing and diversified offering of solutions made from **sourdoughs**. We harness the numerous **nutritional benefits of wholegrain sourdough bread** that, according to several studies, contributes to a reduced glycemic response, prolonged satiety, and improved bioavailability of minerals. We are convinced that these nutritional benefits are best achieved through the pleasure of eating good bread. As such, we develop a range of textures, tastes and flavors specifically used in wholegrain sourdough bread.

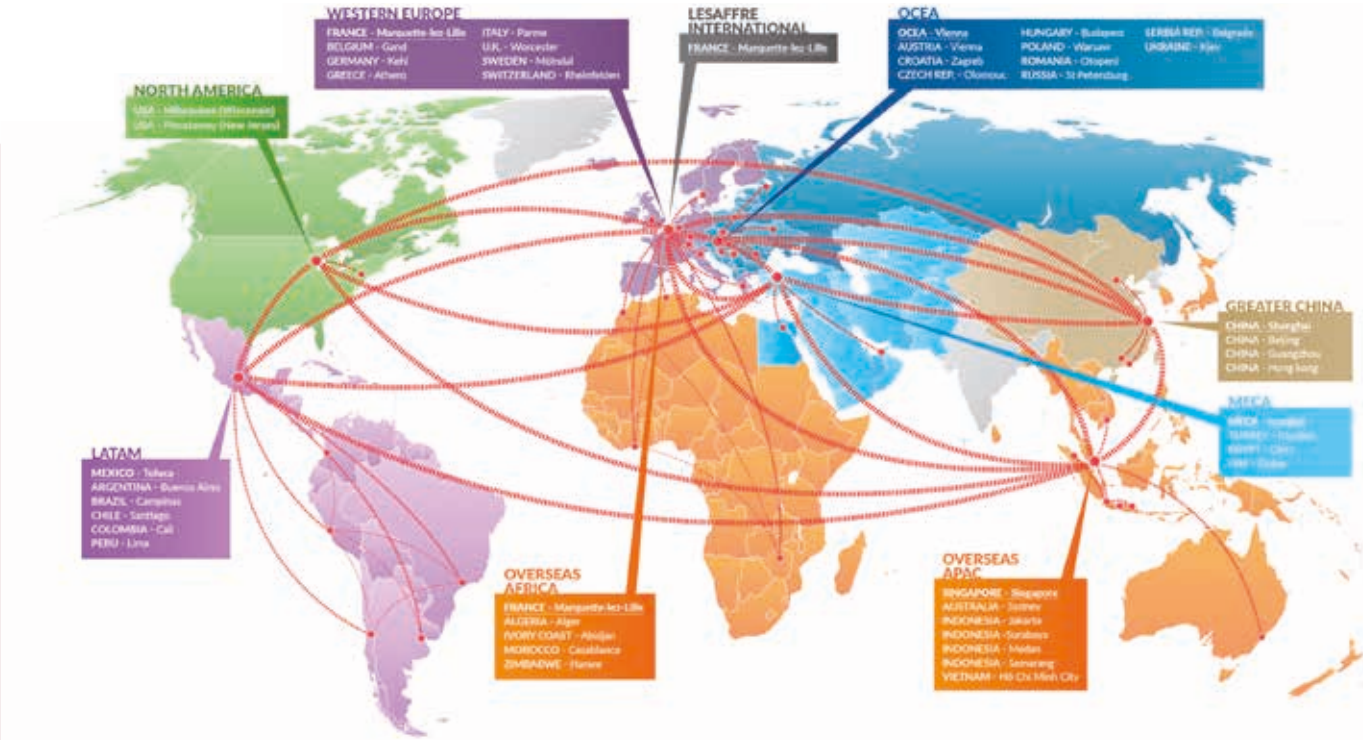
To contribute to reducing the risks of cardiovascular disease and hypertension, our Biospringer subsidiary focuses on salt reduction in food, which is in line with WHO recommendations. With their natural taste properties, notably the famous 'Umami' taste, yeast ingredients have a major role to play in **salt reduction**. By naturally bringing out the taste of food, they make it possible to reduce salt use in food preparation by up to 30%.

Biospringer also focuses on **yeast proteins** that constitute an alternative to animal proteins with the development of its Springer Proteissimo® 101 solution. The life cycle analysis carried out by the Group on this subject highlights the environmental benefits of yeast proteins to combat climate change and preserve biodiversity compared to animal origin proteins. To this end, the Springer Proteissimo™ offering was developed in 2021.

# Being close to our clients and understanding local needs through our Baking Center™ and Culinary Centers

To guarantee proximity and to anticipate our clients' needs, we continue our local deployment through the development of our global Baking Center™ and Culinary Centers network. Our pioneering Baking Center™ concept was created in 1974. It now comprises 50 Baking Center™ spread over 5 continents. They offer ongoing technical support to our clients in the baking world thanks to their 300 technicians who share their baking expertise. This long-standing network, which covers the 5 continents, enables us to share,

between the different Regions, best practices, product solutions and technical information from local areas and in-depth knowledge of local markets. Our global network now includes 8 regional centers, 18 formulation centers, and 6 sensory analysis laboratories. More than 60 languages are spoken within our Baking Center™, enabling us to better understand local needs.



Using the Baking Center™ model, and with the same desire for proximity, we have developed for Biospringer yeast ingredients, a network of expertise and proximity for our clients. Our **5 Biospringer Culinary Centers** work in close partnership with our clients. They help to create natural-origin ingredients derived from yeast fermentation, which make food tastier and healthier, while respecting the planet and humanity. Through this

proximity to clients, these Culinary Centers enable Biospringer to develop products that are the most closely aligned to local needs, to innovate by offering new solutions and to support clients to improve the nutritional and taste qualities of their food.



In 2021, Biospringer strengthened the Culinary Center teams in North America, Asia, and Europe, as well as on a global level. One of the missions of the new food application scientists is to develop partnerships with institutes, universities, and private companies to strengthen our expertise. As such, the Culinary Centers collaborate with institutes in diverse fields such as grains with Clextal and ILVO, drinks with Praxens, and meat with IFIP. They

also work with leading research businesses, such as NIZO, an research center innovating for better food and better health, and JRS, a company specialized in environmentally responsible plant fiber technology. Biospringer has developed a study project with students from the Polytech Sorbonne college, to familiarize them with the Culinary Centers. This partnership includes bibliographical research and practical work such as formulation, evaluation,

and sensory analysis. Biospringer also partners with the ESSEC business school for the Food Business Challenge Chair, to support the training of future business leaders in the agri-food sector to deal with the structural challenges to come.

## A global network of Culinary Center



A network of  
**5 Culinary centers**  
with food technologists to :

- **Support** clients locally
- **Provide** tailored advices
- **Improve** taste
- **Create** new formulations
- Help the BioSpringer's innovation process

## To optimize our online tools for bakers

The mobile app Lesaffre & Moi was developed to offer online support to artisan bakers. This app is constantly developed to meet changing online habits and bakers' needs. It enables bakers to calculate the profitability of

their recipes ('Cost in Use' function) and to choose the ideal sourdough based on criteria such as the process, use, or the taste sought ('Sign your Bread' decision-making tool).

## To support and share our know-how through targeted *Baking Academy* training

Artisan bakers, manufacturers, distributors, R&D teams, and many others: our Baking Center™ network welcomes them all. Through the training courses offered by the Baking Academy, our objective is to nurture innovative projects, adapted to our clients' needs, by creating a relationship of lasting trust with them. The Baking Academy offers different training courses oriented to processes, ingredients, and products. In 2021, we strengthened our remote

training program and successfully maintained a proportion of our in-person training program despite the global pandemic. We have enriched our e-learning tools to enable each employee to undergo training and deepen their knowledge of yeasts, sourdoughs, and ingredients. The Baking Center™ have made it possible **to train 15,000 people** in different training courses in 2021.

## Our perspectives

- To continue to reveal the potential of microorganisms to better nourish the global population.
- To share innovations and best practices across all the Baking Center™ and Culinary Centers.
- To highlight innovation and training via the *Baking Academy* and the *Baking Center™*.





# To drive animal nutrition/health to better nourish and protect the planet

We consider that quality feed is key to good animal health and well-being. To meet this vital need, our **Phileo by Lesaffre** division supplies its clients with a range of nutritional solutions that contribute to the well-being of different animal species, improving livestock profitability and reducing the need for antibiotic use.

**Our policy on animal health and nutrition** meets two major commitments:

- To drive animal health/nutrition to better nourish and protect the planet in line with our shared vision: **Act with nature for animal care.**

Probiotic yeasts covered the equivalent of approximately 1/4 of global milk production, which is an increase of 25% between 2020 and 2021. This is explained by the promotion of the Milk Profit program that showcases the benefits of the Actisaf solution. This meets the needs of a more sustainable dairy industry: increased milk yield and quality, improved feed efficacy making it possible to produce with fewer resources, and better management of digestive health, well-being, and fertility. The other additives cover the equivalent of approximately 1/6 of eggs produced in the world, a proportion which has remained stable compared to 2020.

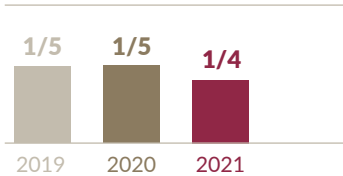
- To develop sustainable solutions with a positive impact on the planet through our value chain from farm to fork.

This policy is led by the Phileo Business Unit Managing Director, a member of the Executive Committee. The Phileo Marketing Strategy Director steers this challenge on an international scale and the sales management team drive increased product sales.

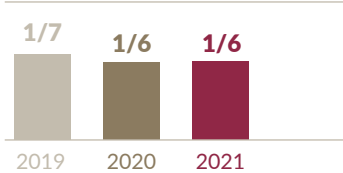
## 2021 Key performance indicators

**Live yeasts and yeast additives produced by Phileo have covered:**

**1/4** in milk equivalent and dairy products consumed around the world



**1/6** in egg equivalent produced or consumed in the world



Our contribution to animal health and nutrition policy is guided by five objectives:

- To contribute to animal well-being and health.
- To improve human health by reducing the risk of zoonoses.
- To improve livestock farming productivity by improving feed efficacy.
- To reduce the use of resources consumed by animal production.
- To reduce overfishing linked to the use of bone meal, particularly in aquaculture.

By improving livestock farming performance, we fulfil our major ambition: **to better nourish and protect the planet.**



Our range of animal feed solutions also enables us to **contribute to the 'Zero hunger' and 'Good health and well-being' Sustainable Development Goals.**



## Our Business Unit Phileo offers perennially natural solutions to help animal health and performance

Now more than ever, in view of the existing link between food and human health, animal health and well-being is as important for humans and the planet as the quality of animals' food. Yeast probiotics and yeast fractions make it possible to reconcile the challenges of animal health and well-being while **preserving the planet's natural resources** with production processes that respect the environment. In 2021, we highlighted our societal and environmental ambition in our Manifesto, written around Phileo's shared vision: **Let's act with nature for animal care.**

In doing so, Phileo has inscribed CSR as one of the four pillars of its strategy to 2024. Our range of probiotics yeasts, yeast fractions, functional ingredients and innovative solutions for the animal feed industry are designed to achieve two main objectives:

- **To improve livestock farming performance:** our products make it possible to optimize the growth and production of livestock animals (ruminants, pigs, poultry, and aquaculture), while contributing to the quality of end products.

- **To benefit the well-being and health of livestock animals:** the probiotic yeasts we sell offer numerous beneficial effects for animal nutrition and health, such as resistance to thermic stress and pathogens, digestive health, and support for immune defenses.



# Let's act with nature for animal care

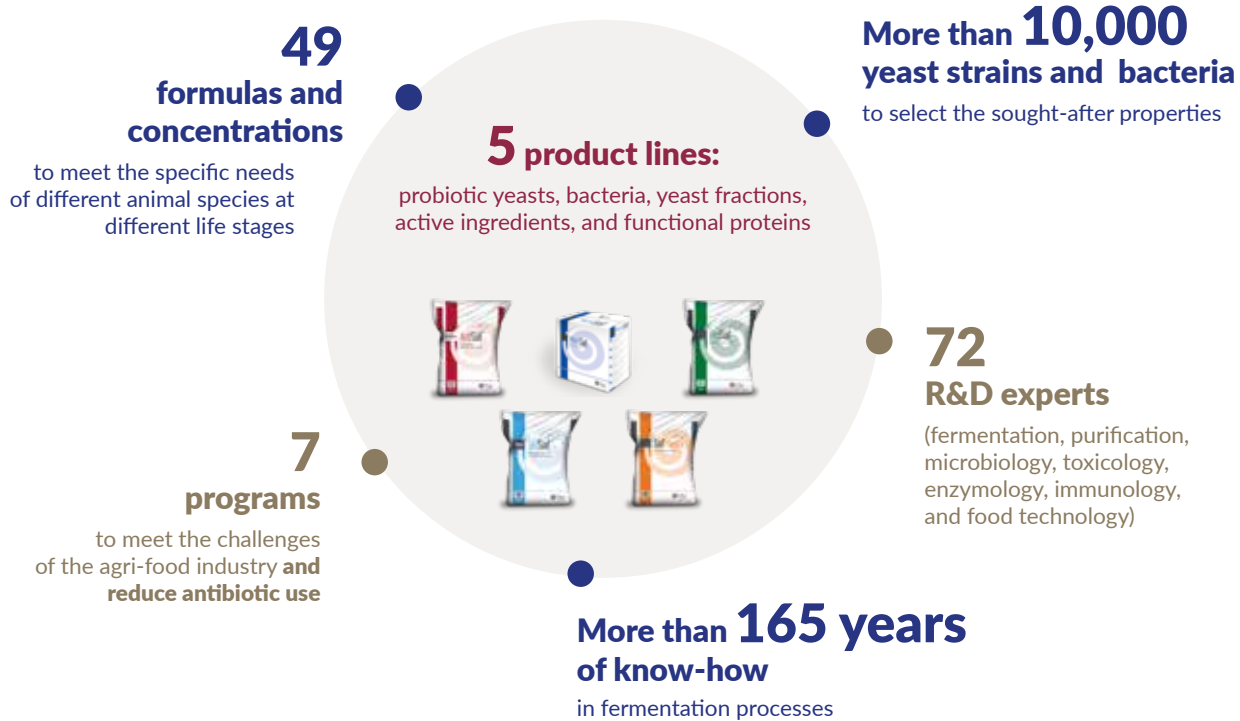
A shared **vision** based on **respect for animals and the planet**, by putting the well-being of animals and environmental resources at the heart of our priorities.

**Phileo's mission:** to improve animal health to better nourish and protect the planet, by using microorganisms to naturally improve human and animal food.

Products for animal well-being, disease prevention and health to preserve the planet's resources.

A scientific eco-system based on excellence and innovation.

Developing **in-vitro tests** to preserve animal well-being and accelerate the transition of the agri-food industry.



## Our impact on animal well-being and health

### In ruminants

- Stimulation of the rumen's metabolism
- Improved digestibility and valorization of the ration
- Reduction in risk of acidosis
- Increased productivity

### In pigs

- Enhanced digestive comfort
- Increased feed efficiency
- Reduction in the presence of pathogens
- Optimization of performance levels and economic results





# Supporting innovation in terms of animal nutrition/health

In 2021, we continued to support innovation in terms of animal nutrition and health to perfect the efficacy of probiotic yeasts. In particular, **research studies** were undertaken with a network of research institutes and pilot farms. Our research and development activities cover all species and address the growing need to produce quality animal protein to nourish humans and animals in a healthy way.

Through our Phileo division, we contribute to the global effort to address our society's major issues, notably by innovating in the two following research axes:

- **To develop more responsible aquaculture (Prosaf project):** the development of a more responsible aquaculture that respects the planet is a major challenge in terms of human food and reducing the depletion of wild fish stocks. Today, the use of marine ingredients, such as fishmeal and fish oil, is considerably reduced in aquaculture production due to reduced availability of these products worldwide. Although producers are turning increasingly to plant origin ingredients, their use remains limited due to their limited

nutritional value for breeding. So, we have developed **Prosaf**, a water-soluble purified yeast extract, obtained by primary fermentation, with a high protein content that is easily digestible, making it possible to stimulate appetite, food assimilation and growth performance. The life cycle analysis for Prosaf was carried out by a third-party research organization and shows the environmental interest of this protein source compared to other alternative sources of proteins designed for aquaculture farming. The use of Phileo products as part of the Prosaf project made it possible to reduce the use of fishmeal in aquaculture by 30%-60%.

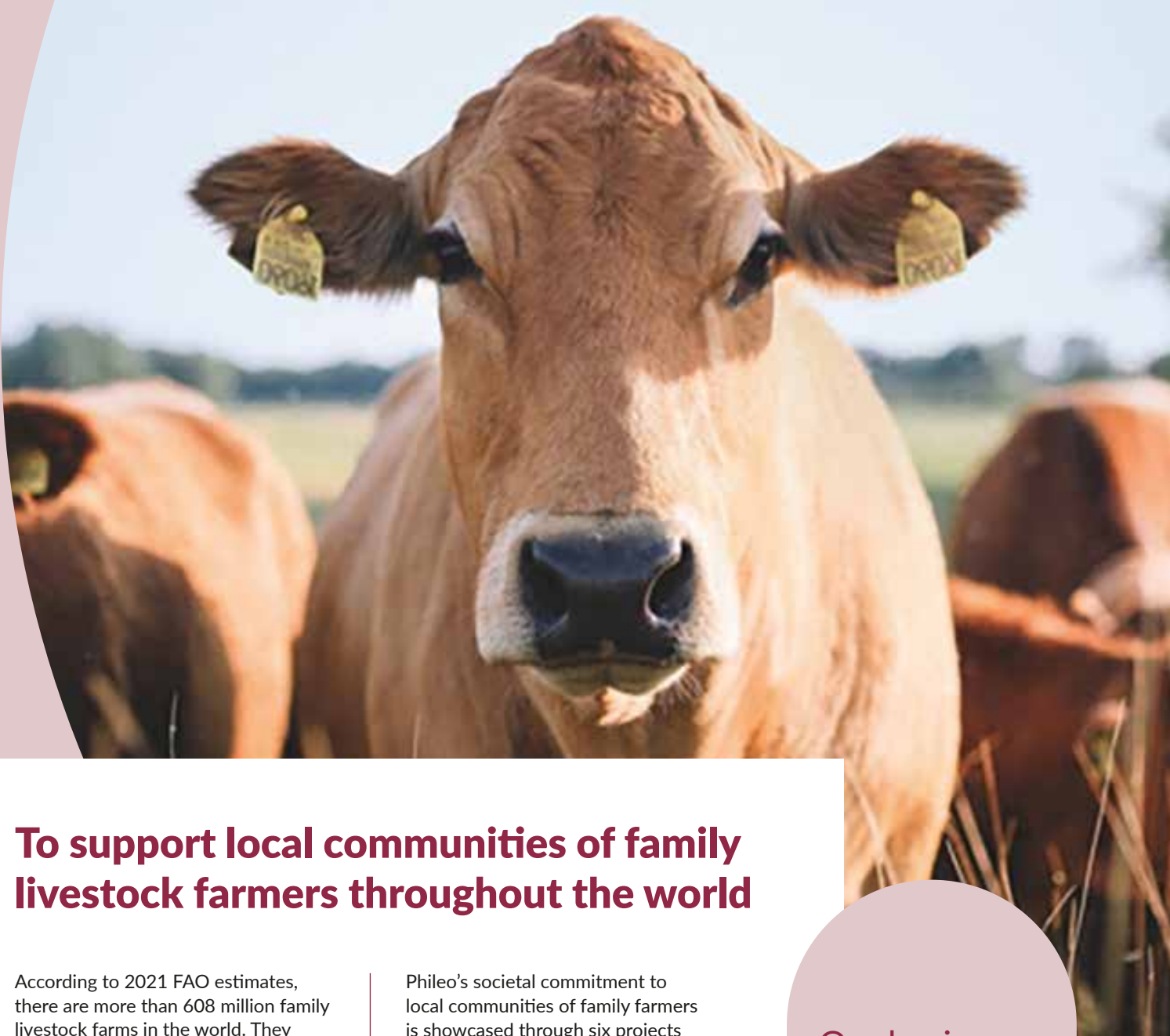
- **To support the development of a more sustainable dairy industry (Actisaf project):** we have written a **white paper on a more sustainable dairy industry** that was published on our social media networks and shared widely throughout the industry in Europe. With regards to dairy cattle farming, all our trials show that a daily dose of 5g per animal of our **Actisaf** probiotic yeast helps to improve the feed conversion ratio (Kg of feed consumed/Kg of milk produced)

by facilitating the digestibility of forages and the assimilation of concentrates and the stability of the digestive microbiota to guarantee good animal health and fertility. A reduced feed requirement, increased milk production and an animal in good health helps the farmer's revenue and has a reduced environmental impact for the planet.



30-60%

reduction in the use of animal meal in aquaculture



## To support local communities of family livestock farmers throughout the world

According to 2021 FAO estimates, there are more than 608 million family livestock farms in the world. They occupy between 70% and 80% of the world's agricultural land and produce approximately 80% of food globally (in value). In this context, we are committed to supporting the local communities of traditional livestock farmers to help them to produce in good conditions, particularly by avoiding antibiotic use and by reducing animal mortality while guaranteeing them a decent income. In 2021, we supplied small bags (1kg) adapted to the needs of local communities of traditional livestock farmers in Asia to make Phileo's solutions accessible beyond industrial livestock farming.

Phileo's societal commitment to local communities of family farmers is showcased through six projects presented at the 2021 CSR Awards:

- The Viparc project in Vietnam to reduce antibiotic use in poultry.
- The Heat Stress Program to mitigate the effects of thermic stress for animals as well as farmers.
- The Salmo Control Program in the United States to strengthen food safety.
- The Prosaf project to reduce fishmeal use in aquaculture.
- The Melindika project in Zambia to support local communities of livestock farmers.
- The Entobel project to develop the sustainable production of insects to feed humans and animals.

### Our business perspectives

- An impetus within the sales division to establish life cycle analyses for the major products as part of the Business Unit 2024 strategy.
- To participate in reducing the level of greenhouse gas emissions in milk production and nitrogen waste in pork production.



# 03

WHILE PROTECTING  
THE PLANET:  
fermentation and  
preserving planetary  
resources







Through our activities, we have a responsibility to contribute to protecting the planet. This ambition is guided by three challenges:

- The need to **protect agricultural crops** while **preserving biodiversity and soil fertility**.
- The urgency to decarbonize our industrial activities to **mitigate climate change**.
- The necessity to **participate in the transition towards a circular economy** to preserve resources and protect biodiversity.

To preserve our ecosystem, we are prioritizing several levers for action: offering our clients agricultural biosolutions, encouraging energy savings and the use of renewable energy at our sites, valorizing our organic raw materials as fertilizers and biofuels, and optimizing our water consumption. All these levers for action have a main objective: **to participate in the fight against global warming by limiting the carbon footprint of our activities**.

In terms of environmental protection, we have set ourselves clear objectives. For example, 15% of our industrial spending will be allocated to actions that reduce our environmental impact, and 20% to 30% of our investments in the construction of new production sites is reserved for environmental protection initiatives.



# To protect crops while preserving biodiversity and soil fertility

Aligning agriculture with a reasoned approach, **respectful to the environment and human health**, is a major challenge for the entire agricultural sector. Our subsidiary Agrauxine plays an active role in achieving this objective by developing and selling biocontrol, biostimulation and bionutrition products, created from microorganisms. **These natural solutions guarantee crop protection against diseases and make it possible to improve plant nutrition, while limiting the recourse to chemical pesticides.**

Our **agricultural crop protection policy** answers Lesaffre's commitments in this area:

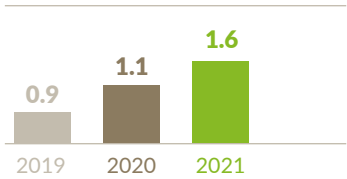
- To offer approved products for plant health and stimulation.
- To participate in the agroecological transition by offering alternative products to chemical pesticides.

Agrauxine General Management, who lead this policy, prioritize the international deployment of products and support for research into agroecological transition. The subsidiary's Executive Committee

is tasked with defining the strategy. The biostimulant product manager is responsible for the commercial development of the solution chosen as a performance indicator and the sales management team drive increased sales for the product. The Managing Director promotes the use of biocontrol products and their development through commitments within associations such as IBMA (International Biocontrol Manufacturers Association) or the Biocontrol Consortium in France.

## 2021 Key performance indicator

**1.6 millions** Hectares of arable crops protected against hydric stress worldwide by our MF55 product



The area of arable crops protected worldwide against hydric stress by our MF55 product increased by 40% between 2020 and 2021. The continued increase in this indicator is explained by the rise in the number of countries, particularly in Europe, showing a growing interest for biostimulants, as well as a significant acceleration of sales, and therefore use, in Argentina.

Our policy to contribute to agricultural crop protection is guided by two objectives:

- To increase the proportion of approved products in the next few years to grow the use of biocontrol products in the plant protection market. To develop the market share of these products in France from 11% to 30% through innovation, information, training and public policies.
- To invest in research at the level of 1/4 of annual turnover and to be a dynamic player in agroecological transition.

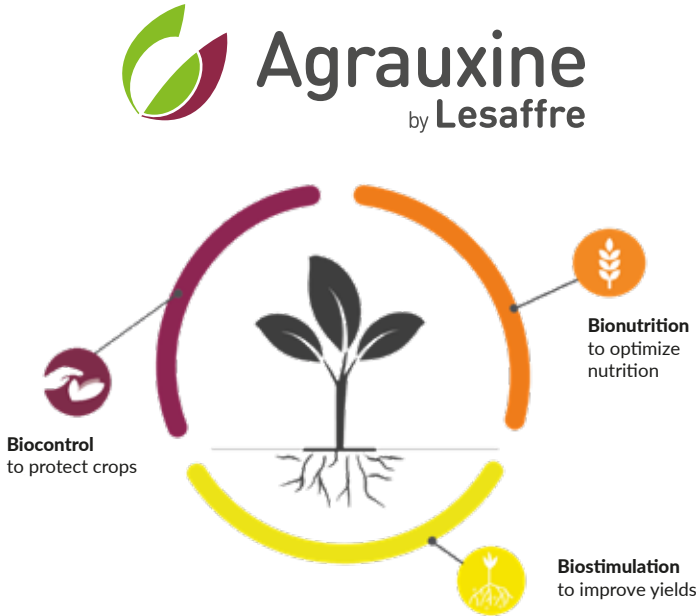


By participating in this way in the development of virtuous agricultural practices, **we contribute to the United Nations' 'Life on Land' Sustainable Development Goal.**



# To develop sustainable solutions to preserve soil health and biodiversity

Every day, through our subsidiary **Agrauxine**, we strive to offer new ways to combat plant diseases and to implement new, highly environmentally friendly production systems, to protect soils and biodiversity.



Agrauxine aims to contribute to the production of **healthy food** for humans and the establishment of **sustainable, high-performance agriculture**.

**Biocontrol** products make it possible to limit the recourse to synthetic pesticides. The use of these methods also makes it possible to significantly minimize the level of residue in harvests, thereby improving the quality of consumer food.

**Biostimulants** for plants contain inert substances or microorganisms that act to enhance the physiological processes in crops to improve plant growth at key stages and to limit the impact of abiotic stress.

**Bionutrition** products created from microorganisms stimulate the natural processes that are produced in the soil to improve plants' nutrient absorption and the efficacy of fertilizers.

## R&D

**600m² of R&D laboratories in Angers**, and more than **25%** of annual expenditure dedicated to research and technical development at Lesaffre.  
A Plant Care Center in Argentina: **1 x 200m² greenhouse** and **10,000 m²** of micro-plots.

## Production

Lesaffre's technical and industrial know-how in terms of products derived from liquid fermentation. A unique production site in Loches for **filamentous microorganisms** produced through solid-state fermentation.

## Sales

A presence in **38 countries** worldwide through local partnerships to meet our clients' needs with proximity.

**Partnerships**, an accelerator for innovation and a vector for the development of innovative products that benefit the entire industry, **are an integral part of the R&D approach**. Agrauxine by Lesaffre collaborates continually with universities, research centers and technical institutes, which are expert in their fields.

Agrauxine by Lesaffre solutions are aimed mainly at the following markets: vineyards, fruits and vegetables, arable crops, and seeds.

# To encourage knowledge sharing among agricultural professionals to advance sustainable solutions



Innovation is at the heart of the Agrauxine by Lesaffre challenges. Every year, we invest a quarter of our turnover in research. Through the development of its activity dedicated to plants, Lesaffre collaborates actively with universities, technical institutes and renowned research bodies such as INRAE or Végépolys, a global hub of players dedicated to innovation.

We are also one of the **founder members and patron of the 'Bio4Solutions' chair** at the ENSAIA University of Lorraine, the first chair in France dedicated to biosolutions.

It is dedicated to agroecological transition and research support. The aim is to train agricultural professionals, as well as future generations of engineers.



# To accelerate our products access worldwide to participate in a global agroecological transition

Working on products internationalization is essential for Agrauxine by Lesaffre. Above and beyond sales challenges, by deploying its **products, which are naturally vertuous** for humans and the planet, the subsidiary participates to the global **agroecological transition**. By promoting our solutions and innovative production methods we act to encourage this transition.

In 2021, we acquired the American company 'Advanced Biological Marketing' (ABM). This business is specialized in seed treatment with microorganisms, in particular for American Midwest arable crops. This technology aims to reduce the nitrogen consumption used in crop production by capturing air nitrogen

to redistribute it in the ground to benefit crops. We are continuing with ABM projects, including two new biocontrol technologies, which will be brought to the American market in the next few years.

The same year, in Brazil we launched the 'Romeo SC' biofungicide, in partnership with Brazilian company IHARA. This preventive biocontrol solution based on our active substance Cerevisane is designed to activate plant's metabolic defense pathways and to help soybean producers obtain the best yields while limiting the recourse to synthetic pesticides. This type of fungicide has recently become more relevant, as the efficacy of chemical fungicides to fight soybean rust has reduced because

of the pathogen has developed resistance to the main products available on the Brazilian market.

Above and beyond the intrinsic qualities of our products, at Agrauxine by Lesaffre we are initiating consideration about the decarbonization of our industrial processes. We have set ourselves the objective to reduce by 15% the use of single-use plastic in our solid substrates' production processes between 2021 and 2025.



# To decarbonize the activities of our industrial sites

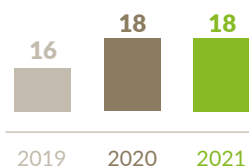
**Our policy to contribute to the fight against climate change** is led by the Group Industrial Director, a member of the Executive Committee. The Group Quality, Safety and Environment management team and the Substrates Purchase and Derivative Products Director manage the implementation of this policy. The industrial and

technical management teams and the environment managers oversee the implementation of this policy at a local level. To embed a strong impetus to the reduction of our carbon footprint, in April 2021 we recruited a **Sustainability Development Manager**. He is attached to the Group Industrial

management team and reinforces the teams by coordinating sustainable development matters across the entire value chain, with priority given to the decarbonization of industrial activities, the consolidation of water saving and the improvement of our products' carbon footprint.

## 2021 Key performance indicator

**18 millions** Nm<sup>3</sup> biogas reused per year



Our policy to contribute to the fight against climate change is guided by several objectives:

- To improve energy efficiency: optimizing energy sources across all our activities.
- To reduce greenhouse gas emissions: integrating renewable energy into the mix.
- To reduce the carbon footprint

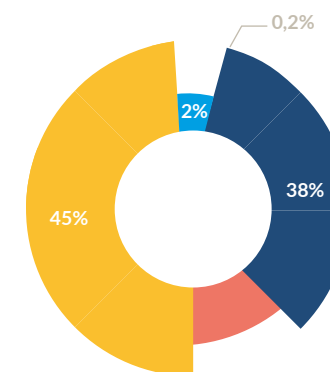
By striving in this way to reduce our environmental impact, **we contribute to the 'Take urgent action to combat climate change and its impacts' Sustainable Development Goal.**



## Measuring our carbon footprint...

### Breakdown of sources of emissions in 2021

- Scope 1: direct emissions from stationary combustion sources
- Scope 1: direct fugitive emissions
- Scope 1: direct emissions from combustion engine mobile sources
- Scope 2: indirect emissions linked to electricity consumption
- Scope 2: indirect emissions linked to steam consumption



In 2021, we undertook a significant data collection project to calculate our Scope 1 and Scope 2 greenhouse gas emissions from 2015 to 2020:

- **Scope 1** groups together direct emissions of fixed or mobile installations from sources held or controlled by the Group (combustion from fixed and mobile sources, industrial processes not including combustion, refrigeration fluid leaks...).
- **Scope 2** groups together indirect emissions associated with the production of electricity or steam imported by our activities.

This work, covering a representative sample group of 63 sites, aimed to establish a situational analysis and to identify the main sources of greenhouse gas emissions in our production and industrial sites. In 2021, our total Scope 1 and Scope 2 greenhouse gas emissions amounted to 1,140,000 equivalent tons of CO<sub>2</sub>, of which more than 80% is due to fixed source combustion (Scope 1) and the purchase of electricity (Scope 2).



## ... to define a route to decarbonization

Thanks to this assessment, in collaboration with the industrial management teams, we are building a decarbonization roadmap for our production sites. It is based on seven main pillars adapted to the nature of our activities:

### 1- Improving energy efficiency:

A growing number of sites are certified ISO50001 such as the SIL, Asmussen, Lesaffre Italia plants and LIS since November 2021.

### 2- Implementing electrification:

Several sites have installed heat pump systems to reduce their fossil fuel consumption.

### 3- Use of biomass and derivative products:

A third site, LIS France, will be equipped with a biomass boiler in 2022.

### 4- Optimizing biogas use:

We want to convert a growing proportion of organic matter used in production sites to encourage a circular production method, to preserve biodiversity and limit dependency on fossil resources present in energy and fertilizer. Notably, several sites have initiated the production of biogas. Production sites, notably those in Hungary, Ukraine, China, Spain, Mexico and in France, have set up biogas plants during the past few years. Two sites in Egypt and Chile have invested in set ups to better valorize biogas.

### 5- Developing renewable energies:

More and more sites can use renewable energy, such as the Gand site in Belgium, which will install a wind turbine in September 2022.

Lesaffre is also carrying out a study on other levers to accelerate its decarbonization:

### 6- Engaging in long-term contracts with green energy suppliers:

A study is underway on the purchase of green electricity in a few target countries.

### 7- Measuring and valorizing avoided emissions

for a selection of our products in terms of a baseline scenario and to finance low-carbon projects.





## Our perspectives

- To assess current Scope 3 greenhouse gas emissions in 2022.
- To implement sustainable development across the entire value chain for the Group's activities related to industrial functions, purchasing, co-products, packaging, and supply chain.
- To facilitate the installation of biogas plants in sites.

## Décarbonation on the LIS site in France.

### The project :

Global supply project for 85% of the steam on site derived from biomass combustion for local supply.

### The benefits:

Reduction in CO<sub>2</sub> emissions of approximately 15,000 tons per year.



Installation of the biomass boiler on the LIS site in France.

## Decarbonization - Wind Power

### The project :

Project to supply 15% of electricity needs from a wind turbine installed on site.

### The benefits :

A reduction in CO<sub>2</sub> emissions of approximately 3,000 tons per year.



Installation of a windmill at the Algist site in Belgium.

## Phileo: training employees and rethinking sourcing to combat climate change

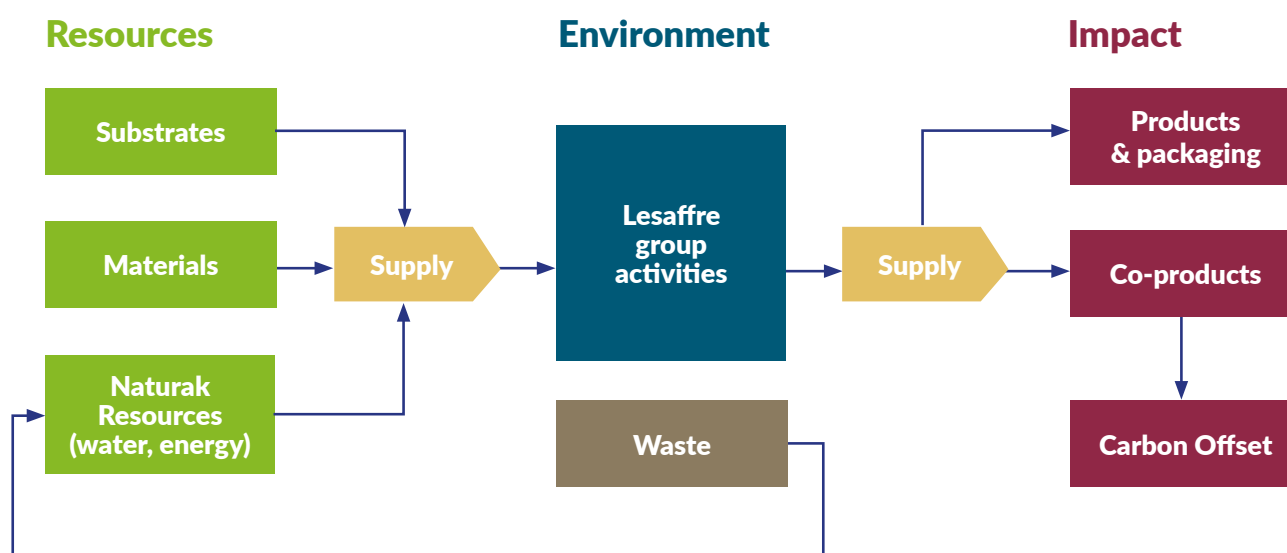
Four Phileo employees underwent training to become Climate Fresk animators. Phileo organized the first Climate Fresk workshops in 2021. We will deploy them across all the regions in which Phileo operates in 2022. Following these workshops, each team will establish an action plan to set out how Phileo can contribute to the fight against climate change at a local level.

Phileo has also trained all its employees on the significance of environmental impact thanks to a life cycle analysis during three training sessions. This training

focused on animal feed additives, with a complete scope from production to farm.

In 2021, Phileo set up transport flow analyses to reduce the environmental impact of its supply chain by favoring regional production. For example, the Business Unit started work in 2021 to expand a production unit in Spain dedicated to yeast enriched with organic selenium. From 2022, this will complement the production sites in Mexico and the United States to facilitate regional sourcing.

In addition, Phileo has implemented recyclable single-material packaging for all its flagship products. For the next stage, the Business Unit plans to switch from recyclable packaging to recycled packaging. Lesaffre is centralizing subsidiary purchasing and regularly updates a code of conduct to include purchasing in a sustainable approach.



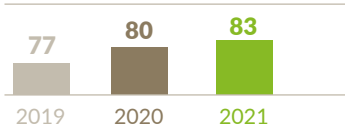


# To use circularity to preserve resources and protect the environment

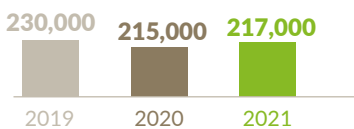
As with the policy to combat climate change, our policy to contribute to resource preservation and biodiversity protection is led by the Group Industrial Director, a member of the Executive Committee. The Group Quality, Safety and Environment management team and the Substrates Purchase and Derivative Products Director manage the implementation of this policy. The technical directors, the co-product production workshop managers, the associated sales teams, the environmental managers and members of the environment and co-product communities oversee the implementation of this policy at a local level.

## 2021 Key performance indicators

83% of water used is returned to nature



217,000 ha Crop surface area for which the potash needs are covered by Lesaffre co-products per year (ha)



The crop surface area for which the potash needs are covered by co-products remained stable between 2020 and 2021, while the proportion of water returned compared to water used increased by 3 points with the integration of three new sites into the parameter and the roll out of our action plans.

Our policy to contribute to environmental protection is guided by three objectives:

- To increase, each year, the proportion of water returned to nature. In 2021, 3 new sites joined the parameter. The existing sites continue efforts in this area.
- To encourage the use of Lesaffre co-products to cover the potash needs of certain crops.

- To strengthen the process for collecting and consolidating environmental data.

The entire environmental community strives to optimize the functioning of our production sites to reduce our water and energy consumption, and to better valorize all our co-products. To put in place all the necessary actions to achieve these objectives, we allocate a proportion of our industrial budget to reducing the environmental impact of our activities.

By committing thus to reducing our environmental impact, we contribute to the United Nations' 'Clean water and sanitation' and 'Responsible consumption and production' Sustainable Development Goals.



## Preserving water resources to participate in the transition to a circular economy

We monitor with precision the quantities of water consumed per ton of yeast produced across all our sites. Site by site monitoring of this ratio makes it possible to put in place targeted actions for each production site. The Group distinguishes between two types of water usage:

- Process usage: water is an ingredient in yeast itself.
- Utility usage: water is used in the boiler rooms and cooling towers, and for cleaning needs.

We are also working to develop the use of membrane techniques that facilitate water and energy savings in production sites, as well as improved waste treatment in co-product production workshops, and water reuse through biological finishing treatments. Production sites in Vietnam and Spain set up membrane techniques in 2020 and deployed them operationally in

2021. A site in Australia committed in 2021 to launch membrane projects to treat its co-products in 2022. A site in Europe launched a membrane project in 2021 to reuse water treated by its purifying plant.

In addition to membrane techniques, our vision is to reduce water consumption in cooling tools. For example, a site in South America committed in 2021 to transform, by 2023, its closed loop cooling system to reduce water needs. Lesaffre is also considering setting up rainwater recuperation systems for new sites, even though rainwater represents on average limited volumes compared to usage levels in production sites and requires substantial storage to guarantee the continuity of activities. A new French factory has a project to reuse and recycle rainwater in cooling towers.





# Valorizing the organic materials in fertilizers to create a virtuous production cycle

## Our perspectives

- To implement membrane techniques to treat co-products in new sites.
- To optimize water usage in cooling processes at Group level.

Organic materials derived from the production of yeasts and yeast ingredients can, among other things, be reused as a fertilizer via evaporators, as a source of essential proteins for animal nutrition and after transformation as an alternative to other less virtuous products in the industry. Conscious of the importance of producing in a sustainable way, the valorization of organic matter is an integral part of the Group's environmental policy.

Therefore, we invest in new technologies that make it possible to develop a range of co-products for agricultural supplies and techniques, mainly destined for animal nutrition and arable crop **fertilization**.  
**The community** for co-product valorization, created in June 2018,

facilitates between sites the sharing of knowledge and development of best practices in this field. Made up of approximately 15 technical/sales employees, based in more than 10 countries, our co-products community meets virtually every two months to share best practices and coordinate the management of co-products wherever we have a presence. It also continues to support subsidiaries in the implementation of agricultural equipment to facilitate **co-product valorization**. Since last year, Egypt and China have joined Serbia, Russia and Poland with new equipment that is more efficient and more respectful of land plots, making it possible, for example, to pulverize our desugared beet juice concentrates (vinasse).

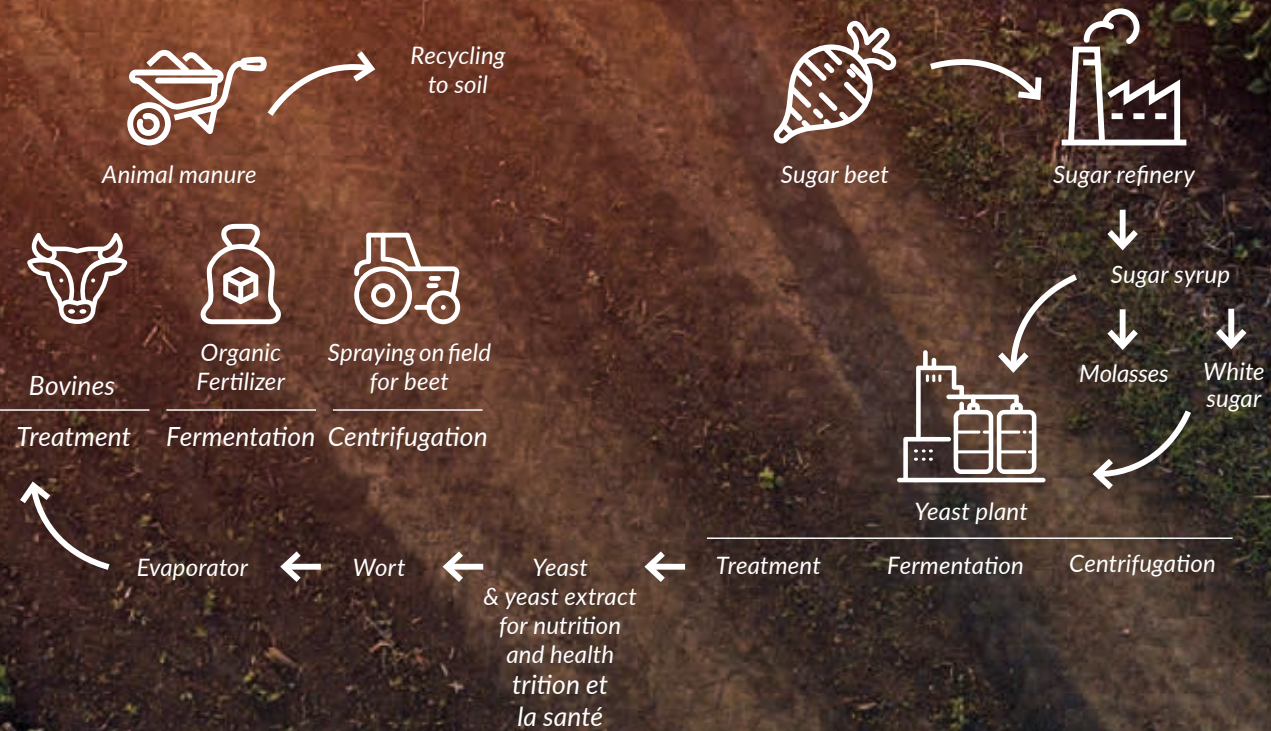


## Gnosis: offering sustainable alternatives to preserve flora and fauna

As part of the government's stimulus plan, Gnosis is currently building in the Hauts-de-France region the first factory in the world dedicated to the production of non-animal origin chondroitin via a fermentation process. This product, traditionally derived from animal carcasses, has existed as a food supplement and in pharmaceutical products as a pain preventative for more than ten years. Lesaffre's investment of 100 million euros will make it possible to preserve flora and fauna.

Gnosis is taking into account ecological considerations in the production site design. More than ten million euros of the hundred million euros allocated for the project will be invested to preserve the environment. For example, we will buy an additional plot of land in direct proximity to the site to protect biodiversity. We will also use a solvent to purify used water that can then be recycled.

## Production cycle from beet to the beet through the yeast





# Appendices

## Methodology for CSR risk identification

The map of challenges was initiated in 2018 with the Lesaffre risk management team, then enhanced successively in 2019 and 2020 during different working groups including directors and managers who represented a cross-section of management, the professions, and roles across the business. Our main challenges in 2021 remain identical to those previously agreed. The point of view of stakeholders (clients, suppliers, employees, local authorities, civil society, etc.) was taken into account through the rating criteria developed with the aim of creating a CSR challenges hierarchy.

The CSR scope studied corresponds to the parameters of financial reporting, not including legal entities acquired during the year referred to in the report.

## Description of challenges, risks and opportunities covered by our EFPR

In our strategy, we have focused our efforts on 10 major CSR challenges.

CHALLENGE	MAIN RISKS AND OPPORTUNITIES	DESCRIPTION
EMPLOYEE HEALTH AND SAFETY	Risks linked to the management of employee health and safety (notably work accidents).	Providing a safe work environment and ensuring the good health of our employees at their place of work is an integral part of our corporate responsibility.
CAREER AND TALENT PROGRESSION	Risks linked to the lack of attraction and retention of talent.	Career progression and valorization of talent are key elements to engage our employees and create employee loyalty.
CHARITY	Opportunity linked to the contribution to the economic development of local communities.	Our worldwide presence enables us to have the necessary proximity to deploy targeted actions for the development of local communities.
FOOD SAFETY AND PRODUCT HEALTH AND SAFETY QUALITY	Risks of failures in terms of product health and safety quality.	Local regulations and our clients' needs require us to guarantee the health and safety quality and an optimal traceability for our products.
HUMAN HEALTH	Opportunity to contribute to human well-being and health in the world.	Lesaffre produces natural ingredients with beneficial qualities used in health and well-being products. In this way, we contribute to the preservation of human health capital.
FOOD	Opportunity to contribute to the fight against malnutrition and undernutrition in the world.	Lesaffre products are the essential food ingredients that form the basis of global nutrition. In this way we participate in healthy and nutritious food for all.
ANIMAL HEALTH AND NUTRITION	Opportunity to contribute to improving animal well-being.	The nutritional solutions produced by Lesaffre improve animal digestive health and immunity, and thus contribute to animal good health and well-being.
PLANT PROTECTION	Opportunity to contribute to the preservation of biodiversity.	Our biocontrol and bionutrition products are an alternative to pesticides. Thus, they ensure crop protection against disease and improve plant nutrition while preserving the environment.
CLIMATE	Risks linked to Group activities' contribution to climate change.	The mitigation of climate change through the decarbonization of our industrial activities is a priority with regards to the climate emergency. Adaptation to climate change with crop protection is also part of our focus. .
CIRCULAR ECONOMY	Risks linked to the depletion of natural resources and the impact of Group activities on the environment.	Our production cycle based on the valorization of co-products and the reasonable use of natural resources enables us to reduce our impact on the environment.

## Methodological note of CSR reporting

Scope of the challenges covered by our EFPR.

LEGAL TEXT	LIST OF OBLIGATORY ITEMS	ITEM APPLICATION
DECREE FOR THE APPLICATION OF THE TRANSPOSITION OF THE EUROPEAN DIRECTIVE (N°2017-1265)	Consequences for climate change of company activities and the use of goods and services they produce (contribution and adaptation)	See the 'To protect crops while preserving biodiversity and soil fertility', 'To decarbonize the activities of our industrial sites', and 'To use circularity to preserve resources and protect the environment ' chapters.
	Circular economy	
	Combatting 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 arranged in the business and their impacts on the economic performance of the business	See the 'To develop and protect our human capital' chapter.
	Actions aimed at combatting discrimination and promoting diversity with measures taken to benefit those with disabilities	See the 'To develop and protect our human capital' chapter.
	Societal commitments in favor of sustainable development	See the 'Our CSR strategy: sustainable production while taking care of people and the environment ' and 'To contribute to the economic and social development of local communities' chapters.
30TH OCTOBER 2018 LAW ON SUSTAINABLE FOOD	Combatting food insecurity, working for respect of animal well-being, fair and sustainable food	See the 'To improve food's nutritional and taste qualities and to enable access to healthy and sustainable food for all' and 'To drive animal nutrition/health to better nourish and protect the planet' chapters.



Scope of our indicators and calculation method

CHALLENGE	INDICATOR	SCOPE	DEFINITION AND CALCULATION METHOD
EMPLOYEE HEALTH AND SAFETY	TF2: frequency rate for work accidents with or without lost time for Lesaffre employees (Nb)	100% of employees (not including temporary staff) at production sites as well as sales agencies and the Baking Center™ network.	<b>Definition</b> TF2 is the work accident frequency rate taking into account accidents with or without lost time for Lesaffre employees (not including temporary staff). <b>Calculation</b> $TF2 = (\text{Number of accidents with or without lost time} * 1,000,000) / \text{Number of hours worked by Lesaffre employees..}$
	TF3: frequency rate for work accidents with or without lost time for Lesaffre employees and temporary staff (Nb)	100% of employees (including temporary staff) at production sites as well as sales agencies and the Baking Center™ network.	<b>Definition</b> TF3 is the work accident frequency rate taking into account accidents with or without lost time for Lesaffre employees and temporary staff. <b>Calculation</b> $TF3 = (\text{Number of accidents with or without lost time} * 1,000,000) / \text{Number of hours worked by Lesaffre employees and temporary staff.}$
CAREER AND TALENT PRO-GRESSION	Employee turnover rate for permanent staff (%)	100% of employees and new hires on permanent contracts in all the Group's legal entities.	<b>Définition</b> This indicator shows the rate of company employee turnover for permanent staff. <b>Calculation</b> $[(\text{Number of departures during the year N} + \text{Number of arrivals during the year N}) / 2] / \text{Total on 1st January of the year N.}$
	Number of executives progressing on an international trajectory (Nb)	100% of expatriates, in other words, all executives with a contract in one country who move to work in another country.	<b>Définition</b> This indicator shows the employees with a Lesaffre contract who move to work in another country. It includes employees on a project during the year whether or not that has been completed. <b>Calculation</b> Number of people expatriated on 31/12/2021.
	Rate of role changes, in the TOP450, in the Leadership Teams (%)	100% of 'leadership team' (LT) employees of Group legal entities on the following contracts: Fixed Term, Permanent.	<b>Définition</b> This indicator shows the number of 'leadership team' (LT) employees who have joined the Group or taken a new role internally during the year out of the total number of LT employees. <b>Calculation</b> $[(\text{Number of arrivals in LTs, during the year N}) + (\text{Number of role changes within LTs, during the year N})] / \text{Total LTs on 31/12 of the year N.}$
CHARITY	Number of employees involved in ECHO program actions of solidarity per year (Nb)	The entire Group	<b>Définition</b> This indicator shows the number of employees involved in all projects set up in the Lesaffre Group charitable program ECHO, over one year. <b>Calculation</b> Total number of employees involved in ECHO program actions of solidarity.
	Number of charitable projects identified via the ECHO platform per year (Nb)	The entire Group	<b>Définition</b> This indicator shows the number of projects set up in the Lesaffre Group charitable program ECHO, over one year. <b>Calculation</b> Total number of projects identified via the ECHO platform.

CHALLENGE	INDICATOR	SCOPE	DEFINITION AND CALCULATION METHOD
PRODUCT HEALTH AND SAFETY QUALITY	Proportion of sites covered by GFSI certification(s) (FSSC 22000, BRC, IFS) (%)	100% of the yeast and yeast ingredients production sites	<b>Definition</b> This indicator shows the proportion of sites certified FSSC 22000, BRC or IFS for product health and safety quality. <b>Calculation</b> $\text{Total of all sites with a valid certification for the current reporting year} / \text{Total number of Lesaffre yeast and yeast ingredient production sites.}$
HUMAN HEALTH	Equivalent number of people who have received treatment based on biosourced, yeast and yeast derivative products (Nb)	Global sales of 4 Gnosis products: Dalbavancin (antibiotics), Quatrefolic (Vitamin B9), SAME (anti-depressant) and Boulardii (digestive health)	<b>Definition</b> This indicator shows an estimation of Gnosis' contribution to the preservation of the health capital of people who use its products. <b>Calculation</b> $\text{Sales in kgs of the selected product} * \text{recommended dose} / \text{recommended treatment duration.}$ This calculation is carried out for each of the 4 products selected, the results are then added up <b>Notes on methodology</b> <ul style="list-style-type: none"><li>• To calculate this KPI, it was assumed that people had followed the recommended dose and treatment duration.</li><li>• The data for the recommended dose and treatment duration are taken from scientific papers.</li><li>• <b>Dalbavancin</b> : Francesca Bai, Chiara Aldieri, AnnaMaria Cattelan, Francesca Raumer, Eugenia Di Meco, Maria Cristina Moioli, Federica Tordato, Paola Morelli, Federica Borghi, Marco Rizzi, Evelyn Van Hauwermeiren, Francesco Castelli, Guglielmo Migliorino, Barbara Menzaghi, Giuliano Rizzardini, Annalisa Saracino, Antonio Cascio, Massimo Puoti, Antonella d'Arminio Monforte &amp; Giulia Marchetti (2020): Efficacy and safety of dalbavancin in the treatment of acute bacterial skin and skin structure infections (ABSSSIs) and other infections in a real-life setting: data from an Italian observational multicentric study (DALBITA study), Expert Review of Anti-infective Therapy, DOI: 10.1080/14787210.2020.1798227</li><li>• <b>Quatrefolic (B9)</b> : Honein MA, Paulozzi LJ, Mathews TJ, Erickson JD, Wong LY. Impact of folic acid fortification of the US food supply on the occurrence of neural tube defects. JAMA. 2001 Jun 20;285(23):2981-6. doi: 10.1001/jama.285.23.2981. Erratum in: JAMA 2001 Nov 14;286(18):2236. PMID: 11410096.</li><li>• <b>Adonat (SAME)</b> : GALIZIA, Ilaria, OLDANI, Lucio, MACRITCHIE, Karine, et al. S-adenosyl methionine (SAME) for depression in adults. Cochrane Database of Systematic Reviews, 2016, no 10.</li><li>• <b>Saccharomyces cerevisiae var. boulardii</b> : Szajewska H, Kołodziej M, Zalewski BM. Systematic review with meta-analysis: Saccharomyces boulardii for treating acute gastroenteritis in children-a 2020 update. Aliment Pharmacol Ther. 2020 Apr;51(7):678-688. doi: 10.1111/apt.15659. Epub 2020 Feb 13. PMID: 32056266.</li></ul>
ALIMENTATION	Proportion of bread made with Lesaffre yeast worldwide	100% of subsidiaries producing yeast	<b>Definition</b> This indicator shows an estimation of the average number of breads made worldwide over one year, including the countries where Lesaffre does not operate, thanks to yeast produced by Lesaffre. <b>Calculation</b> <ol style="list-style-type: none"><li>1. Calculation of the quantities of Lesaffre bread yeast and estimation of the quantities of bread-making yeast in the global market.</li><li>2. Calculation of bread made with Lesaffre yeast from our sales figures and our market estimates.</li><li>3. Lesaffre adjusts this result to compensate for the worldwide quantity of bread made without yeast, which correlates to approximately 1 bread out of 3.</li></ol> <b>Notes on methodology</b> The calculation for the '1 bread out of 3' key performance indicator is based on the following sources: <ul style="list-style-type: none"><li>• Internal data on Lesaffre yeast sales,</li><li>• Customs data on yeast,</li><li>• Estimates of local production for all countries,</li><li>• Studies commissioned from international agencies,</li></ul> The market share is estimated based on data available on the date of the EFPR, which is 2020 .



CHALLENGE	INDICATOR	SCOPE	DEFINITION AND CALCULATION METHOD
ALIMENTATION	Number of consumers who benefit from salt reduction thanks to Biospringer yeast ingredients (Nb)	Worldwide sales volume of the Biospringer Umami range	<p><b>Definition</b> This indicator shows an estimation of the number of people for whom salt consumption has been reduced thanks to the consumption of products containing Biospringer yeast ingredients, known to increase the salty taste.</p> <p><b>Calculation</b>  <ol style="list-style-type: none"> <li>1. The first calculation stage consisted of extracting sales volumes in tons of the Biopspringer Umami range over the year N.</li> <li>2. An accepted hypothesis for the calculation is that 100% of sales volumes contribute, as a secondary effect, to salt reduction. The Umami products make it possible to naturally reduce added salt by increasing the taste properties of food.</li> <li>3. The worldwide sales volume obtained is divided by the recommended average dose for the Umami range (0.75%), which is in the lower bracket for this type of product (generally between 0.5% and 2%), in order to obtain a volume of end product reduced in salt thanks to the range's ingredients.</li> <li>4. The hypothesis accepted in the calculation relating to the daily average reduction in salt is: 100g.</li> <li>5. The hypothesis accepted in the calculation relates to the consumption frequency of 48 times per year, which means that one person consumes on average one salt reduced portion once a week. This hypothesis is based on the assumption that a reduced frequency would have little effect on the consumer's well-being and health in terms of salt reduction.</li> <li>6. The final calculation carried out is as follows: Volume of reduced salt end products / Daily ration of reduced salt consumption / Consumption frequency per year.</li> </ol> </p>
ANIMAL HEALTH AND NUTRITION	Equivalent proportion of milk and dairy products consumed worldwide covered by Phileo live yeasts and yeast additives	100% of the Phileo subsidiary products	<p><b>Definition</b> This indicator shows an estimate of the proportion of worldwide dairy production covered by Phileo products.</p> <p><b>Calculation</b>  <ol style="list-style-type: none"> <li>1. Quantity of Phileo products sold worldwide,</li> <li>2. Average consumption per cow and per year is calculated from the recommended daily dose and the average duration of use,</li> <li>3. Ratio between the population of dairy cows covered by Phileo and the worldwide population of dairy cows.</li> </ol> </p> <p><b>Notes on methodology</b></p> <ul style="list-style-type: none"> <li>• The data concerning the number of dairy cows and milk production is from the FAO.</li> <li>• To calculate this KPI, it was assumed that all live yeasts and yeast additives are consumed by dairy cows and laying hens.</li> <li>• The average daily doses in grams/day/cow taken into account for the calculation of this KPI correspond to the quantities officially registered in the European market.</li> <li>• Gnosis products are excluded from the calculation of these indicators because their products are solely designed for domestic animals.</li> </ul>
	Equivalent proportion of eggs produced or consumed worldwide covered by Phileo live yeasts of yeast additive products	100% of Phileo subsidiary products	<p><b>Definition</b> This indicator shows an estimate of the proportion of annual worldwide egg production covered by Phileo products.</p> <p><b>Calculation</b>  <ol style="list-style-type: none"> <li>1. Quantity of Phileo products sold worldwide,</li> <li>2. Estimate of the annual quantity of eggs with Phileo products based on food consumption, recommended dose per ton of food and the food conversion rate (Quantity of food / Quantity of eggs),</li> <li>3. Ratio between the annual egg production covered by the average recommended inclusion rate and worldwide egg production.</li> </ol> </p> <p><b>Notes on methodology</b></p> <ul style="list-style-type: none"> <li>• Data concerning egg production is from the FAO.</li> <li>• To calculate this KPI, it was assumed that all Phileo live yeasts and yeast additives are consumed by laying hens.</li> <li>• The average feed incorporation rate kg / ton for poultry taken into account for this KPI corresponds to the quantities officially registered in the European market.</li> <li>• Gnosis products are excluded from this calculation of these indicators because their products are solely designed for domestic animals.</li> </ul>

CHALLENGE	INDICATOR	SCOPE	DEFINITION AND CALCULATION METHOD
PLANT PROTECTION	Crop surface area protected against hydric stress worldwide by our MF55 product (ha)	100% of the Agrauxine subsidiary's sales of their 3 MF55 brands	<p><b>Definition</b> This indicator shows an estimate of worldwide surface area for arable crops and specialized crops that have been protected against abiotic stress thanks to the MF55 product. The arable crops taken into account are principally soya, corn, rape, and grains. Specialized crops are vines, arboriculture, and market gardening.</p> <p><b>Calculation</b>  <ol style="list-style-type: none"> <li>1. The number of crop hectares treated by MF55 is defined by dividing the quantity of products sold in liters by the number of recommended applications.</li> <li>2. The number of product doses and applications is defined by the Agrauxine recommended use information given to clients.</li> <li>3. The result obtained is then divided by the recommended dose in liters per hectare.</li> </ol> </p>
CLIMATE	Quantity of biogas reused per year (Nm3)	100% of Lesaffre sites producing and reusing biogas	<p><b>Definition</b> This indicator shows the proportion of biogas produced that goes back into the boiler room or the cogeneration plant, in other words the proportion of biogas valorized through energy production, thus making it possible to reduce fossil fuel use.</p> <p><b>Calculation</b>  <ol style="list-style-type: none"> <li>1. At each site producing and reusing biogas there are meters that monitor the quantities of biogas produced and the quantities reused.</li> <li>2. The quantity of biogas reused is obtained by subtracting the meter reading from the start of the month N from the meter reading at the end of month N-1.</li> <li>3. The sum of the quantities of biogas reused across all sites makes it possible to obtain the quantity of biogas reused in a consolidated way.</li> </ol> </p>
CIRCULAR ECONOMY	Proportion of water returned compared to water used (%)	100% of Lesaffre yeast and yeast extract sites owned for more than five years. Improver plants are excluded, this indicator not being relevant in view of their activity (little/no water used in product manufacturing)	<p><b>Definition</b> This indicator shows the proportion of city and borehole water consumption for all yeast and yeast extract sites, which was treated and returned to the natural environment through a wastewater treatment plant or an urban treatment plant. This returned water also includes water directly released into the natural environment, as part of the cooling water that does not require special treatment in accordance with local regulations.</p> <p><b>Calculation</b> Volume of water returned over the year / Volume of water consumed over the year.</p>
	Agricultural land area for which the potash needs are covered by our co-products (ha)	A proportion of Group sales of co-products valorized as fertilizer	<p><b>Definition</b> This indicator shows an estimate of the crop surface area for which the potash needs are covered by Lesaffre co-products. Lesaffre valorizes a proportion of its co-products as fertilizers, which are sold to cover crop potash needs.</p> <p><b>Calculation</b> Once the quantities sold are aggregated, the potash content of co-products valorized as fertilizer is then converted per hectare via the use of an average K2O (potassium) dose per hectare.</p>



