

FINANCIAL REPORT

YEAR 2022
Roquette Group



ROQUETTE
Offering the best of nature™



NOTE 8

DECLARATION OF EXTRA-FINANCIAL PERFORMANCE

The Group's medium- and long-term development plan is based on a sustainable approach that is built on economic, social, and environmental principles. Since 2008, the Group has implemented a specific approach to sustainable development. This approach is based on four pillars: *Innovating Sustainably*, *Acting Sustainably*, *Biorefining Sustainably* and *Sourcing Sustainably*. These pillars make it possible to favor the innovation of proposed solutions and the performance of the actions implemented at the service of customers and of all of the other stakeholders. Each one of them has been associated with precise commitments, supplemented in 2016 with performance indicators. These pillars, commitments and performance indicators are presented in this report.

Since 2018, a significant change for extra-financial reporting, brought about by the transposition of the European Directive on extra-financial information (2014/95/EU), into French law, which modifies Article L225-102-1 and R225-105 of the French Commercial Code in its version that was initially amended by the Grenelle II law. This new approach is an opportunity for the Group to bring its sustainable development approach to the forefront.

Through a description of the Group's business model, the main issues related to Corporate Social Responsibility (CSR) and the actions implemented to address them, this report reflects how the Group meets the expectations of all its stakeholders, creates value for the Group, its shareholders, its customers, its employees, and interacts with its ecosystems.

REGULATORY FRAMEWORK

The Group's corporate, social, and environmental information has been defined, consolidated, and analyzed as of December 31, 2022. In order to respond to the regulatory framework, the Group describes in this extra-financial performance declaration the company's business model, the main CSR challenges linked to its business, or to the use of its products and services, as well as the policies applied in order to meet these challenges and their results (including selected performance indicators). In accordance with the new regulation, this report will be made available on the Group's website.

KMPG was tasked with verifying this information as an independent third-party body and Co-Auditor. This resulted in a reasoned opinion attached to this report concerning the compliance and sincerity of the extra-financial performance declaration. The measurement and reporting procedures were inspired by best practices and established by a team of experts representing the Group's various departments and business lines. The latter were shared and distributed in order to consolidate the qualitative and quantitative information as of December 31, 2022. These methodologies are part of a continuous improvement process within the Group.

This report meets the requirements of article R 225-105-2 of the French Commercial Code on the Declaration of consolidated Extra-Financial Performance concerning the period ended December 31, 2022, in application of the provisions of article L 225-102-1 V of the French Commercial Code and of decree no. 2012-557 of April 24, 2012 such as modified by order no. 2017-1180 of July 19, 2017 and of decree no. 2017-1265 of August 9, 2017.

The consolidation scopes cover all the activities in the world over which the Group has operational control. Any scope limits are described below.

1. Social Scope

Depending on their type, social indicators and data refer to one of the following consolidation scopes (unless otherwise specified):

- **Group Scope:** Roquette Frères and all its subsidiaries that are directly or indirectly more than 50% controlled as of December 31 of the reference year.
- **Restricted Scope:** Roquette Frères and all its industrial subsidiaries with a workforce of more than 50 employees, directly or indirectly controlled by more than 50% and belonging to the Group for at least one year as of January 1 of the reference year. This restricted scope is justified by the operational complexity of reporting certain social indicators and data.

In 2022, the Group's scope of consolidation is unchanged compared to 2021. On the other hand, the restricted scope included the addition of a site: Crest Cellulose, a recent acquisition by the Group.

In 2022, the Group's workforce was comprised of 8,252 employees, including 447 temps (fixed-term contracts and work-study contracts). Recall that the workforce in 2021 was 8,129 employees.

As of December 31, 2022, the Restricted Scope represented nearly 96% of the Group's permanent workforce (7,528 employees out of 7,805).

The Group collects information as follows:

- The data required for social reporting is extracted from the Group's Human Resources Information System (HRIS) which was set up in 2017 for the main subsidiaries. Management and updating are decentralized to the subsidiaries' Human Resources departments.
- Social data that is not managed in the Group's HRIS is collected by the Human Resources Departments in each country. The latter are in charge of collecting the social data for their respective organizations based on a standard form.

The Group's Human Resources (HR) Division as well as the Group's HSE (Health, Safety and Environment) provide for the consolidation of the social data based on the information contained in the Group HRIS and feedback from the various countries, after a coherency check conducted by them.

A Group HR manual explains how human resources are managed within the Group and presents the organization, processes, and directives applicable throughout the Group.

The various HR expertise centers around the world focus on two main areas of intervention, of which all are directly related to the Group's the extra-financial social reporting:

- Compensation and social welfare benefits (see section on compensation), HR systems and excellence (see section on workforce), and international mobility.
- Human capital development, with employee development and training (see section on training), change management and organizational development (see sections on diversity and employee well-being).

2. Societal Scope

The activities of the Group's sites create direct employment for 8,252 people and also develop a local network of companies which are very often the Group's service providers. The impact of the local companies is important and involves open, transparent and responsible exchanges. All of the production sites are in constant contact with local authorities (town halls, local governments, etc.). In addition, the Group and the Roquette Health Foundation carry out numerous support initiatives with local communities (see "Activities with local communities").

3. Environmental Scope

Various scopes have been selected for reporting environmental indicators:

- The energy performance (or Carbon performance) and avoided CO₂ emissions industrial performance indicators are calculated for all the Group's industrial sites (producing ingredients) whose total annual energy consumption per site is greater than 5,000 TOE (Tonnes of Oil Equivalent), during the two years prior to 2022, and whose capital is more than 50% owned for at least three years.

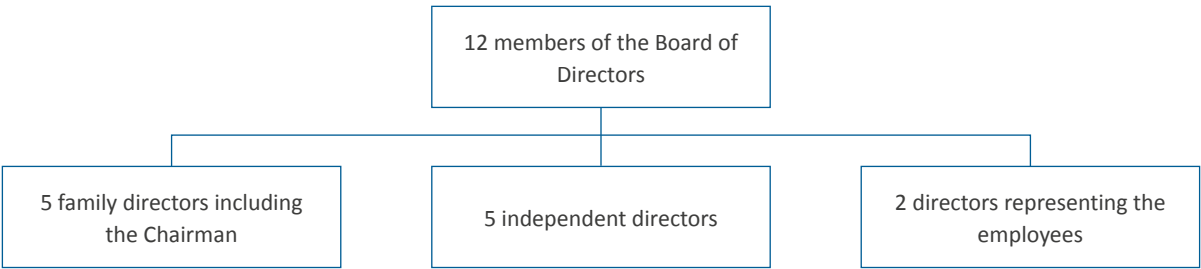
- The Group's water consumption performance indicator, as well as CO₂ emissions per kt of raw materials (scope 1 and 2), are calculated by including all plants (which have been more than 50% owned for at least three years) using the following plant-based raw materials: corn, wheat, potato and peas. Water used in open loop cooling systems is excluded from the calculation.
- All other energy and environmental data are taken from all industrial sites (producing ingredients) whose energy consumption is greater than 1,000 TOE per year and whose capital has been more than 50% owned for at least three years.

The reporting scope for the various environmental indicators represents more than 96% of the Group's turnover.

GOVERNANCE

The Group's governance changes regularly in order to adapt to the circumstances and the ecosystem in which it operates, thus preparing the its future in a responsible manner. The global context of 2022 confirmed the soundness of the company's strategy which was decided by the Board of Directors: a strategy dedicated to Food, Nutrition, and Health. The Board of Directors places particular importance on social and environmental issues.

The Group promotes sustainable human practices and draws its strength from upholding its values of authenticity, excellence, proactiveness, and well-being. These core values enable the Group's entities worldwide to reconcile financial performance and environmental concerns with the development of the men and women who make up the Group.



There are four committees made up of members of the Board of Directors:

- Appointments and Compensation Committee.
- Strategy Committee.
- Audit Committee.
- Ethics and Sustainable Development Committee.

The group addresses environmental and societal challenges under the strong impetus of the Ethics and Sustainable Development Committee, which meets four times a year. This committee is supported by the *SD Committee* which is made up of Group employees and coordinated by the Communications and Public Affairs Department. This operational committee is made up of people from the company's main departments and works closely with the Board of Directors' Ethics and Sustainable Development Committee, proposing the main CSR issues to it. It meets three to four times a year.

BUSINESS MODEL

1. Methodology

As in 2021, the Group's business model, a world leader in plant-based ingredients for the Food, Nutrition and Health markets, aims to describe, for the 2022 financial year, how the company creates value and maintains it over the long term by presenting its business and global operations as they interact with the broader business environment. To do this, the way it is structured and its content is based on the regulatory framework of the extra-financial performance statement (law of August 9, 2017) and the intersection of the recommendations of the main guides and current reference frameworks relating to business models (IIRC - International Integrated Reporting Council, MEDEF guide, Business Model Canvas, etc.). In this regard, it presents five main categories of interdependent information specific to the Group:

- **The essential resources that its activity relies on ("what we rely on"):**

The activity is based on several assets: on the one hand, the potential of plant resources and the agricultural world; on the other hand, a global customer-oriented organization with 8,252 employees representing more than 45 nationalities, 25 industrial sites, innovation capacities with more than 300 people dedicated to R&D, and over 300 family shareholders.

- **A unique value proposition (what makes us unique):**

The vision that Nature has the answer to men and women's various needs in terms of Food, Nutrition, and Health, the company's values (Authenticity, Excellence, Proactiveness, and Wellness), combined with its 89-year history, create the uniqueness of the Group's business model to this very day.

- **Description of the business and markets served through the range of products and services ("what we do and why we matter"):**

Using plant-based resources, the Group works with our customers and partners to develop and offer ingredients that help to better feed people and cure patients. Each of our ingredients responds to unique and essential needs. They contribute to healthier lifestyles. The Group's products and solutions serve the pharmaceutical, cosmetics, food and nutrition, animal nutrition markets, and other industrial sectors.

- **The strategy that the company uses to create value ("how we create value"):**

The Group's sustainable development approach is based on four core principles: Innovating, Acting, Biorefining and Sourcing. This is expressed through concrete commitments that can be measured, thereby contributing to the emergence of innovative solutions and new operational initiatives benefiting customers and all the company's stakeholders.

- **The way the added value created is distributed among the company's various stakeholders ("who we create value for"):**

Through its activities, the Group directly or indirectly serves more than 5,000 customers worldwide through its network of distributors and maintains close relationships to innovate with them and develop high quality ingredients. It provides market expertise and regulatory support. The company favors long partnerships with its suppliers and all of its other partners. It is committed to developing its employees and in empowering them. Preserving the environment and working very closely with the ecosystem is essential for the company. Together, the Group is committed, involved, and firmly rooted in the local communities. The Group's family heritage and values are at the heart of its culture. They guide its growth vision in the long term, for the benefit of everyone.

To maintain this value creation process over the long term, the Group has created a feedback loop where the value created is reinvested to provide new resources as well as tangible and intangible capital for the company.

2. Context - Future Trends

The Group creates value by adapting to the needs and societal challenges of today and the future. The world is changing and is facing many challenges such as population growth, new eating habits, an aging population, and resource scarcity.

In 2022, the pandemic (Covid-19) as well as the impacts of the war in the Ukraine (volatility of commodity and energy markets) rendered the global geopolitical and economic situation uncertain and very complex. Numerous changes have continued to take place, especially when it comes to consumption, but also in supply chains and work organization. Over the past 90 years, the Group has gone through a wide variety of situations and economic circumstances and has always adapted to them. The situation was unprecedented, but thanks to a relentless drive to innovate and a long-term vision, the Group focused on ensuring the continuity of its activities in order to meet the needs of the food and pharmaceutical markets, while protecting the health and safety of all its employees.

By 2050, the world's population is expected to reach 9 to 10 billion people, which means that health and food issues will change. We are seeing a growing consumer demand for plant-based ingredients, health-friendly foods, high-quality pharmaceuticals, and environmentally friendly industrial solutions.

3. Description (see the next page)

OUR BUSINESS

HOW WE CREATE VALUE OVER THE LONG-TERM

What we draw on

The best of Nature

Plant-derived raw materials



corn



wheat



potatoes



peas

Farmers



ONE Roquette

Customer-oriented organization

Employees

Skills and experience

- Over **8,200** employees worldwide
- **45** nationalities

Operations

Production

- **25** industrial sites
- The best technologies

Energy

Water

Supply Chain

Innovation capabilities

- **300** researchers assigned to R&D
- **90** years of know-how and expertise
- Open Innovation
- Customer Technical Services
- **40** patents per year

Family capital

- **300** family shareholders
- **90** years of investments

What makes us unique

Our Vision

Nature has the answer to men and women's **various needs** in terms of **food**, nutrition, and health, depending on their lifestyle choices, their age, where they live and what they do.

Our Values

- Authenticity
- Excellence
- Well-being
- Proactiveness

What we do

Using **plant-based resources**, we work with our customers and partners to develop and offer ingredients that help to better **feed people and cure patients**.

Each of our ingredients responds to **unique and essential needs**. They contribute to **healthier lifestyles**.



PHARMA



FOOD & NUTRITION



COSMETICS



ANIMAL NUTRITION



INDUSTRIES

How we create value

Innovating

- Understanding customers' needs and anticipating consumers' expectations
- Developing a sustainable development approach inspired by our customers' expectations
- Strengthening sustainability in our innovation processes

Biorefining

- Optimizing our energy use
- Conserving water
- Reducing other environmental impacts

Sourcing

- Sourcing sustainably and responsibly
- Continuously improving the quality of our raw materials
- Strengthening links with our raw materials suppliers

Acting

- Putting health, safety and well-being at the center of our concerns
- Empowering our employees
- Building on the richness of our diversity
- Developing our activities with local communities

Who we create value for

Customers and consumers

Collaborations

- More than **5,000** end customers
- Sales network in over **100** countries
- Worldwide network of distributors
- Close collaboration to innovate in nutrition and health

Market knowledge

High quality ingredients

Regulatory support

Supplier partnership

- Long-term relationship and partnerships
- Innovation and development of capacities

Responsible employees

- Safe working conditions
- Positive, attractive work environment
- Leadership and people development
- About **27** hours of training per year per employee

Company and shareholders

- Turnover: **5.1** billion euros
- **10%** invested in R&D and investment projects
- Return to shareholders

Environment

- Reducing environmental Impacts (greenhouse gas emissions)
- Conserving water
- Optimized use of resources

Our ecosystem

- Employment
- Attracting new talent
- Territorial projects with local communities
- Dialog with the stakeholders and politicians
- Roquette Ventures
- Roquette Foundation for Health

IDENTIFICATION OF THE EXTRA-FINANCIAL CHALLENGES

4. Methodology

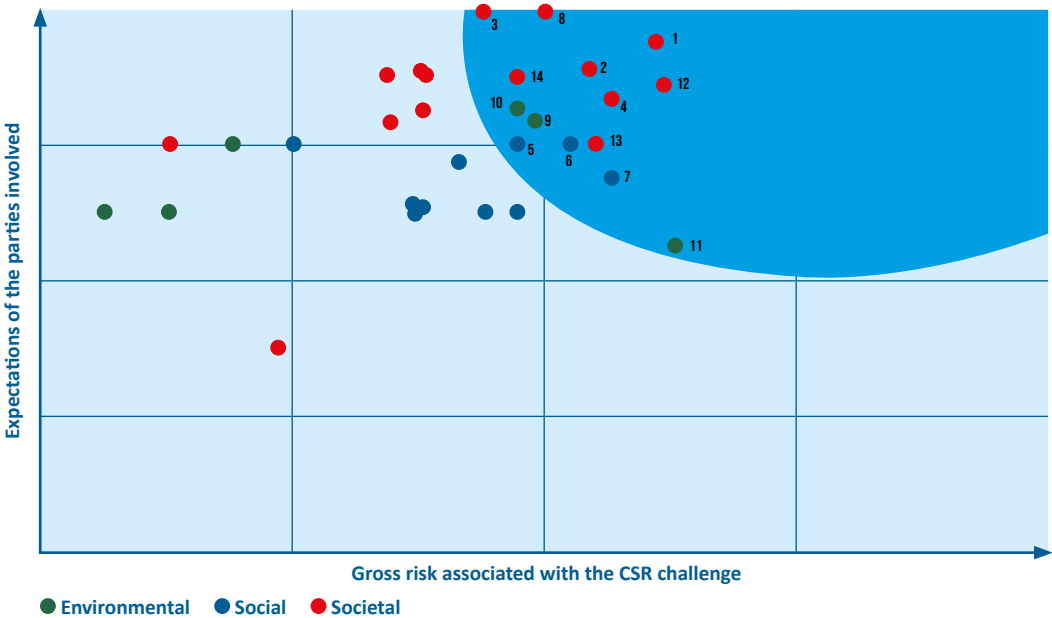
The materiality matrix included in this extra-financial performance statement presents an analysis of the environmental, social, and societal issues related to the Group's activities.

These challenges have been identified according to their gross risk in relation to the Group's activities and the expectations of its stakeholders. They have been defined based on the information mentioned in Decree no. 2017-1265 dated August 9, 2017, which was supplemented with the principles of action of standard ISO 26 000 (a standard concerning Corporate Social Responsibility) and a sector benchmark, as well as the Group's commitments.

For each one of the challenges, based on 42 themes previously mentioned in Article R225-105 of the French Commercial Code and

adding the challenges that are specific to the Group's activity, the associated risk was evaluated (impact and likelihood of occurring) and crossed-referenced with an assessment of the stakeholders' level of expectations. These levels were estimated using ratings from 21 interviews with strategic internal stakeholders representing the various departments within the Group. The assessment of the risk level is based on the internal methodology used by the Risk Management department, as well as on the ISO 31 000 standard (risk management standard).

Following this rating, the upper righthand third of the matrix presented below (dark blue area) defines the fourteen CSR challenges identified and monitored since 2018 according to their gross risk and stakeholder expectations. In 2022, the fourteen core CSR issues were still deemed relevant.



INNOVATING SUSTAINABLY	ACTING SUSTAINABLY	BIOREFINING SUSTAINABLY	SOURCING SUSTAINABLY
1. Product quality and food safety	5. Health and safety	9. Preservation of water resources	12. Procurement of raw materials
2. Customer satisfaction	6. Training	10. Energy efficiency	13. Supplier selection
3. Innovation	7. Work organization	11. Adaptation to climate change	14. Environmental and human rights in the value chain
4. Data protection (security and cyber security)	8. Activities with local communities		

The CSR issues identified through the materiality matrix were naturally incorporated into the sustainable development approach that the Group launched over ten years ago. The policies, initiatives, and results related to CSR challenges posing major risks are described in the sections below and have been supplemented by the additional mandatory information described in Article R225-105 of the French

Commercial Code (topics not numbered with an asterisk): responsible, fair and sustainable food, social dialog, diversity, respect for animal well-being, the fight against food insecurity, food waste, and the circular economy. This information is noted with asterisks.

Challenges	Number in the matrix	Pillars of Roquette's Sustainable Development approach
Product quality and food safety	1	Innovating
Customer satisfaction	2	Innovating
Innovation	3	Innovating
Data protection (security and cyber security)	4	Innovating
Health and safety	5	Acting
Training	6	Acting
Work organization	7	Acting
Activities with local communities	8	Acting
Preservation of water resources	9	Biorefining
Energy efficiency	10	Biorefining
Adaptation to climate change	11	Biorefining
Procurement in raw materials (including the aspects relative to the farming supply chain)	12	Sourcing
Supplier selection	13	Sourcing
Environmental and human rights in the value chain	14	Sourcing

5. Pillars and commitments of the Sustainable Development approach

As mentioned in the introduction, the Group's development plan in the medium and long term is based on a sustainable approach that is based on four core principles: Innovating, Acting, Biorefining and Sourcing. These four pillars, as well as the associated commitments and performance indicators, are explained in the table hereinbelow.

In 2022, Roquette made a new major commitment to sustainable development. The Group committed to reducing its greenhouse gas emissions by -25% between 2021 and 2030 on scopes 1 and 2, based on the Science-Based Target Initiative framework. This will be rolled out in 2023 in the form of action plans and performance indicators.

To achieve this new goal, Roquette has set up a brand new department devoted to sustainable development that reports to General Management.

The team was established at the end of 2022 and will coordinate initiatives and projects with all Group departments and lead efforts to increase the impact and improve the sustainability culture within the Group for years to come.

In 2022, some challenges are described using quantitative data with no associated target. They are:

- **Challenge 1:** product quality and food safety with the percentage of FSSC 22 000 certified sites.
- **Challenge 4:** data protection with three associated data: the percentage of employees who have received training in the code of conduct, the percentage of employees who have received training on data protection and the number of "Data protection" courses available in the e-learning catalog.

A new indicator has been added on Challenge 13 *Selecting Responsible Suppliers*. It also includes Challenge 14, environmental and human rights in the value chain, concerning the communication and systematic validation of the Group's supplier code of conduct.

Principles	Commitments	KPIs (Key Performance Indicator)
INNOVATING	<ul style="list-style-type: none"> # Understanding our customers' needs and anticipating consumer expectations by developing innovative solutions for the pharmaceutical, nutrition, food and industrial sectors to improve the health and well-being of consumers. # Developing a sustainable development approach inspired by our customers' expectations by offering them environmentally friendly, innovative, sustainable, competitive solutions. # Strengthening the sustainable development approach in our innovation processes by integrating sustainable development criteria as a key element in our innovation projects. 	<ul style="list-style-type: none"> • By 2025, we are committed to ensuring that 80% of the new solutions provided to our customers as a result of these same projects meet the UN's Sustainable Development Goals (Challenge 2). • That 70% of our projects meet the criteria of "sustainable" chemistry (Challenge 3).
ACTING	<ul style="list-style-type: none"> # Putting health, safety and well-being at the heart of our concerns by continuing to deploy a leading health, safety, and environment system and by developing a culture in which personal safety is paramount. # Empowering employees by promoting dialog and listening, fostering engagement and developing skills. # Leveraging our wealth of diversity by valuing our differences and encouraging the sharing of best practices within a multi-cultural network. # Developing our business with local communities by working in conjunction with our local communities and contributing to their development through sustainable relationships. 	<ul style="list-style-type: none"> • By 2025, we are committed to achieving a Frequency Rate 1 (FR1) of 0.5, a Frequency Rate 2 (FR2) of 1.5 and to deploying twenty initiatives per year in terms of well-being at work (Challenge 5). • By 2025, we are committed to ensuring that our employees benefit from an average of 25 hours of training per year (Challenge 6). • Our aim for 2025 is to achieve a 25% female workforce and to deploy 20 initiatives per year to promote interaction between generations (Challenge 7). • Each year, we make a commitment to local residents and communities by supporting a minimum of 40 projects or initiatives (Challenge 8).
BIOREFINING	<ul style="list-style-type: none"> # Optimizing our energy consumption by installing optimized energy solutions and using competitive renewable energy sources. # Conserving water by optimizing our processes to minimize consumption and by installing high-performance purification technologies. # Reducing other environmental impacts by continuing to implement solutions that are best suited to local conditions. 	<ul style="list-style-type: none"> • Between 2020 and 2025, we are committed to reducing CO₂ emissions at the usage level (workshop excluding utilities) per ton of finished products by 5% (Challenge 10). • Reducing our water consumption per ton of agricultural commodities by 1% each year between 2019 and 2025 (Challenge 9). • Finally, we are committed to setting up technical facilities that emit less CO₂ and thus avoid 1 million tons of CO₂ emissions by 2025 (Challenge 11).
SOURCING	<ul style="list-style-type: none"> # Sustainably and responsibly sourcing by encouraging local sourcing and optimizing transportation to combine economic profitability with a minimal environmental footprint. # Continuously improving the quality of our raw materials by clearly specifying our needs, selecting our suppliers and reinforcing the quality control chain from the farm to the factory. # Reinforcing the ties with our raw materials suppliers by building partnerships with seed companies and farmers to select and use the most suitable agricultural resources. 	<ul style="list-style-type: none"> • The KPI for our certified or rated "sustainable or responsible" procurement is being reassessed (Challenge 12). • By 2025 we are committed to qualifying 90% of our strategic suppliers using our computerized qualification process to control supplier risk in a consistent and responsible manner (Challenge 13).

EXTRA-FINANCIAL CHALLENGES

6. INNOVATING

Product quality and food safety (1)

In 2022, all internal Quality indicators, mainly related to monitoring complaints and product compliance with release specifications, continued to show significant improvement over the past few years. This good performance is therefore becoming permanently embedded in the company's culture.

The Group is making and keeping its commitments by continuing to implement the Total Quality Culture:

- Since 2020, the Global Function dedicated to Quality has been strengthened year after year with increased global expertise in quality control and supplier monitoring. In 2022, it is mainly the global quality control unit that has acquired new analytical expertise.

- Planning and implementation of master plans and quality investments at the sites in the short and medium term.
- The development of skills and quality culture supported in particular by a range of e-learning modules and a very active network of instructors.
- An intense customer quality culture, through a varied customer relationship: from answering qualification questionnaires, to customer quality audits and handling complaints. The pandemic has slowed down the dynamics of customer visits, but the Quality teams have always found ways to stay connected to the markets they serve.

Within the Group, many workshops and processes have been certified for more than twenty years according to the various international standards and markets targeted (FSSC 22000, ISO 9001, EFISC, etc.).

Roquette delivers a large number of its products to the agri-food markets for which food safety is paramount. In order to serenely ensure the marketing of its products, Roquette relies on the HACCP (Hazard Analysis Critical Control Point) system. In the processes, this recognized method ensures the sanitary safety of food. It makes it possible to guarantee the safety of products during their final use. This system is applied throughout the manufacturing and supply chain: from the receiving of raw materials and packaging to delivery to customers.

As a result, more than 99% of production lines (all countries combined) are FSSC 22 000 certified (compared to 98% in 2021), with the extension of the Keokuk plant's certification scope to include the glucose syrup line, which was not certified until then.

In 2022, the Group continued to answer the call for delivering raw materials for pharmaceutical use, especially those used in manufacturing drugs. With its recognized expertise and its production facilities that meet pharmaceutical standards, the Group remains strongly committed to its customers by offering them active substances under GMP (*Good Manufacturing Practices*) and high-purity excipients.

Responsible, fair and sustainable food* **PLANT-BASED PROTEINS**

Following the increased concerns pertaining to health, the environment or animal well-being, many consumers are diversifying their protein intake to plant-based alternatives. Anticipating this demand, the Group continues to invest in developing plant-based protein solutions, particularly from peas. In addition, the environmental footprint of growing peas is particularly low because they require very little water and fertilizer and enrich the soil with nitrogen for future crops.

Plant-based proteins have many applications in vegetarian, flexitarian, dietary, sports, clinical nutrition, and traditional diets. For more than ten years now, Roquette's scientific teams have conducted independent clinical studies demonstrating the nutritional quality and health benefits of NUTRALYS® pea protein, which have been published in leading scientific journals.

After the inauguration of the Canadian plant in Portage la Prairie at the end of 2021, the Group developed and marketed new plant-based protein solutions that meet the needs of local markets. The first certified organic line of pea protein isolate was developed through a network of farmers growing organic peas in Canada. Other innovations were launched during the year, including a new range of organic textured proteins produced in Europe. These new proteins provide customers with innovative solutions for tastier, healthier, more sustainable plant-based cuisine.

SPECIALTY INGREDIENTS INCLUDING FIBER

Fiber

Consumers are aware of the quality of their food and how it affects their health. Fiber is an important key to digestive health: two out of three consumers say gut health is essential to overall wellness* (**Innova Health & Nutrition Survey 2021*). Improving gut and digestive health is in the top three of consumers' food decisions. Consumers are increasingly aware of the topic of gut health: three out of four global consumers have heard of beneficial bacteria, 54% of global consumers are aware of prebiotics and 30% have purchased prebiotics in the last 12 months**. (***FMCG GURUS, Survey, Global and regional prebiotics, January 2022*).

In 2022, in partnership with academic and private teams, R&D dedicated to nutrition assessed the health effects of fiber in the Group's portfolio like NUTRIOSE®. The NUTRIOSE® line of soluble fibers can be regarded as a prebiotic that promotes the selective growth of certain bacteria, resulting in a healthy effect on the body. NUTRIOSE® helps maintain intestinal health. Its excellent digestive tolerance makes it a good choice to make up for the lack of fiber and contributes to good intestinal health. At the same time, the R&D community is seeking to develop new fiber products with sustainable processes aimed at new health benefits.

Roquette's teams communicate with the human food industry about these studies and the link between a high-fiber diet and health benefits, especially through scientific articles (peer-reviewed journals or popularization) and presentations (conferences and webinars).

Polyols

In 2022, Roquette invested 25 million euros in its Lestrem site to strengthen its unique positioning in the polyols market. The Lestrem plant is thus the largest polyol plant in the world, offering a wide range of products. In a complex and rapidly changing environment, Roquette remains deeply committed to continuously improving its facilities. This major investment ensures a strong, sustainable supply to the market to meet growing customer expectations for flexibility and reinforces Roquette's position as a leader in polyols for developing healthy, tasty foods and pharmaceutical excipients used in medicines.

Reconnecting with customers

"Reconnect" was the key word for 2022. After two years of remote meetings with customers, we were able to meet in person in 2022 at trade shows such as IFT First in Chicago, Health Ingredients Japan in Tokyo, the CPHI (Convention of Pharmaceutical Ingredients) in Frankfurt and Food Ingredients Europe in Paris.

These events were an opportunity to present to the Group's customers its application innovations, with new food concepts on the themes of plant-based alternatives, health benefits - digestive health, prebiotics, immunity - sugar management or taste and texture. Roquette's marketing, R&D Nutrition Health and CTS application laboratory teams also spoke about their expertise, their vision, and their advice on how to meet the challenges of the food industry in terms of food, nutrition, and health.

Food insecurity*

To combat food insecurity, each of the Group's sites is developing close relationships with its neighboring communities.

Each year, numerous initiatives are implemented.

Here are two examples from 2022:

- As part of Giving Tuesday in the United States, the three American sites provided financial assistance to nine local food banks.
- In early December, the Singapore site partnered with a food bank to sort and package food donations for distribution to people in need. Thirty Roquette employees from various departments volunteered their time to pack more than 485 kg of food rations, which is equivalent to providing approximately 1,560 meals.

These examples of initiatives testify to the Group's involvement in fighting food insecurity around its sites.

Customer satisfaction (2)

The Group is committed to understanding its customers' needs and anticipating their expectations by developing innovative solutions for the pharmaceutical, nutrition, food, and industrial sectors in order to contribute to improving the health and well-being of consumers.

In order to meet the growing expectations of customers and markets in this area, the Group is committed to reinforcing its CSR (Corporate Social Responsibility) approach in its innovation processes by integrating sustainable development criteria.

The UN's Sustainable Development Goals (SDG) give the approach to follow in order to respond to these requests. They echo the global challenges that everyone is confronted with. In 2021, building on the slightly updated approach of the previous year, two of these SDGs were seen as opportunities for transformation and innovation: "Good health and well-being" (SDG 3) and "Responsible consumption and production" (SDG 12). The company has developed specific internal criteria for each one of these goals to ensure that new solutions offered to customers also provide a benefit in terms of sustainability. The Group is committed to ensuring that, by 2025, 80% of the new solutions brought to its customers, resulting from projects meeting the criteria of sustainable chemistry (see chapter on Innovation (3)), meet the UN Sustainable Development Goals.

Innovating Indicator	2021	2022	Change between N and N-1	2025 Goal
% of solutions offered to our customers that meet the UN Sustainable Development Goals*	67%	73%	+ 6 pt	80%

The Group's "Sustainability Assessment of Innovative Developments" internal directive aims to set up the tools required to assess the sustainability of the Group's development projects as well as that of the new innovating solutions intended for customers or final consumers.

Innovation (3)

As mentioned above, the Group is committed to developing a sustainable development approach inspired by the expectations of its customers by providing them with solutions that respect the environment, are innovating, sustainable and competitive, and complying with the Group's "Sustainability Assessment of Innovative Developments" internal directive.

Innovation, the third challenge of the Innovating principle, is part of the Group's DNA. This is why the Group is committed to going further and reinforcing its sustainable development approach in its innovation processes by integrating sustainable development criteria as key elements in its innovation projects.

Innovating Indicator	2021	2022	Change between N and N-1	2025 Goal
% of projects meeting several "sustainable chemistry" criteria	72%	71%	-1 pt	70%

In order to define this indicator, the Group has developed internal criteria based on the twelve principles of green chemistry that specifically take into account the prevention of waste, atom economy, reducing risks, and energy efficiency. This approach makes it possible to quantify the sustainability of innovation projects.

Given that the target initially set for 2025 was reached in 2021, a review of this KPI with an even more ambitious target will be launched shortly.

As an example, Roquette announced in 2022 the launch of its new NUTRALYS® range of textured organic pea and bean proteins for the European markets. This launch positions the Group as a key partner for its customers who want to develop new and ever more tasty plant-based products. Bean and pea proteins are becoming increasingly popular with consumers for their environmental and health benefits.

Data Protection – Security and Cyber Security (4)

The Group's data protection strategy is focused on people and business activities. The Group works with its network of corporate function data protection coordinators and local DPOs (Data Protection Officers) to improve its level of compliance, harmonize practices, and streamline internal processes.

Given the growing cybersecurity threats and new technological challenges, it is more necessary than ever to secure information systems to protect the personal data of users, customers, partners, and Group employees.

In this context, the Global Digital, Cyber Security and DPO teams assessed themselves according to the Cybervadis protocol and obtained a "developed" rating, indicating that the Group takes into account its information security needs and has developed an advanced approach to security. The methodology is based on:

- The main cybersecurity standards (ISO 27001/2 Standard, NIST Cybersecurity Framework (CSF), etc.).
- The requirements of data protection laws and regulations (GDPR, etc.).
- Dedicated questions for specific environments.

After this first Cybervadis assessment, the Group continued its continuous improvement plan and will pursue its commitments and implement additional control measures and KPIs.

Percentage of HR employees who have received training in data protection	68%
Number of "Data Protection" training courses available in the 2022 catalog (in several languages)	36

Creating a culture of privacy and data protection contributes to the organization's success in multiple areas: legal, contractual, ethical, HR, customer relations, and strategic. Creating a culture of personal privacy shows customers and employees that they are important to the Group and builds loyalty based on trust. It also provides individuals with an appropriate level of control over the data they share with the Group.

To be ethical, the Group's organizational structure must respect the personal privacy of its employees and customers. Ethics and compliance are intrinsic to the Group's values and Code of Conduct. Monitoring certain data is an essential part of this.

In the field of cybersecurity, the Group is continuing to invest, recruit, and train. The Group takes steps to protect information systems, sensitive information, and production tools. It has adequately renewed its insurance policy in the face of growing threats and is preparing its teams to ensure business continuity in the event of a major incident. It thus confirms its commitment to working to ensure ever greater security for its employees and for the environment.

Respect for animal well-being*

The Group is taking on the current and future societal challenges by unlocking nature's potential to deliver the best ingredients for the Food, Nutrition, and Health markets.

Veganism, flexitarianism, vegetarianism: there are more and more diets aiming to reduce or eliminate the consumption of animals. Consumers are turning to plant-based alternatives, based on plant proteins (legumes such as peas/beans or cereals such as soy/corn) for reasons of individual health, ethics (in particular animal well-being) and also for environmental commitments.

In just 20 years, the Group has developed one of the broadest ranges of pea-based proteins available on the market today and has contributed to its development in the sector of plant-based protein alternatives to meat.

The Group is constantly innovating to better serve its customers. It proposes safe and effective ingredients and new solutions based on reliable scientific studies.

The well-being and ethical treatment of animals is one of its major concerns: as a responsible company, the health, safety and well-being of everyone (humans and animals) are at the heart of its commitments.

The Group is working on putting an end to its animal experiments as quickly as possible by adopting alternative methods, such as in vitro methods, wherever possible, except in cases of regulatory necessity.

7. ACTING

Health and Safety (5)

The Group takes care of resources, territories, and communities. We are constantly innovating in order to contribute to the well-being of men and women all over the world.

The Code of Conduct, a collection of the company's convictions and commitments, also mentions the sustainable improvement of the well-being, health, and safety of people, employees, and partners who work at or visit the Group's facilities.

Confident that all occupational accidents and illnesses can be prevented, four fundamental principles guide the Group's ambition and daily operations:

- Compliance with local laws and internal health and safety guidelines.
- Identifying, assessing, and controlling risks.
- Applying operational best practices selected internally or from recognized external stakeholders.
- Developing a culture of continuous improvement involving all the stakeholders at the sites.

In 2022, our main achievements were:

- A 40% reduction in the accident severity rate.
- Ten industrial sites including Keokuk in the United States, Lianyungang in China, Crest in India and Horst in the Netherlands did not have any lost-time accidents and achieved a cumulative total of 23 million hours worked without a lost-time accident.
- The sites in China have all obtained the "China Health Workspace gold standard" certification.
- A safety fortnight at the Lestrem site, involving 2,800 participants.
- Deployment of a self-contained safety program for all employees and subcontractors at the Benifaio site in Spain.
- A Safety Award given to the Beinheim site by the European association Starch Europe for having achieved 1 million consecutive working hours without a lost-time accident involving an employee or subcontractor.
- Continued deployment of e-learning programs on the "golden rules of safety".

The Group's TF1 and TF2 indicators show a significant improvement: the efforts made in the Americas and Europe are bearing fruit and will be continued.

A safety culture survey was conducted in France, gathering information from over 1,000 employees. The results confirmed the employees' and the company's strong commitment to this issue. Work themes were also provided in order to continue to involve and encourage each employee's commitment.

It is therefore essential to continue to work on the two areas of progress that have already been identified:

- The development of field safety leadership to ensure that risks are perceived and controlled on a daily basis. It is essential that all those involved systematically take these risks into account: for example, too many accidents are still linked to tripping and falling.
- Compliance with group requirements in terms of risk management at the sites: for example, managing electrical risks, confined spaces, or co-activity.

Acting Indicator	2021	2022	Change between N and N-1	2025 Goal
Frequency rate of work accidents with stoppage per million hours worked (FR1)	2.25	1.55	(45%)	0.5
Frequency rate of accidents declared per million hours worked (FR2)	4.18	3.69	(13%)	1.5

The Group also confirms its intention to implement safety management systems based on the ISO 45001 standard (occupational health and safety management) at all its industrial sites by the end of 2023, with a target of 80% of industrial sites certified or certifiable by the end of 2023. This alignment with an international benchmark will lead to a more robust and sustainable working environment for all employees and subcontractors, with the aim of continually improving. The Group will also include subcontractors when calculating its TF1 and TF2 indicators in 2023.

In 2023, data will be collected that will enable us to set up a more global indicator on employee health (including accidental and chronic events).

In order to strengthen health performance, a long-term HSE roadmap has been drawn up. The human health focus includes three pillars: physical, mental, and social health. They will be implemented in a collaborative manner with the company's various departments.

In addition, expertise in ergonomics will be reinforced, as well as expertise in chemical risk prevention, in order to establish concrete approaches that are tailored to the challenges within the Group.

Well-being and Quality of Life at Work

In 2022, the Group continued to adapt to the impacts of the Covid-19 health crisis by deploying and adjusting its Personal Protection Plan, developed during the pandemic, as well as local regulations. The individual and collective involvement at all levels has made it possible to guarantee, once again this year, the health and safety of employees at the sites and working remotely.

The Group continues to apply the measures required by the local Covid situation to ensure the various stakeholders' safety.

In order to assist and support its employees while promoting their well-being and quality of life at work, the Group has continued its "Well-Being" program which is consistent with its core values. The program was adjusted and enhanced to meet local and global needs and has led to the implementation of a number of initiatives

aimed at employees working both on site and remotely: listening and support systems in all countries, providing practical guides and reference sheets to "get (re)connected", events held at the sites to encourage collaboration and cohesion, days dedicated to mental health, promotion of physical activity through health challenges, group walks, webinars and workshops held on site, the first social barometer conducted as a pilot to collect feedback, analyze trends, and identify avenues for progress to continue enriching action plans for employee well-being, etc.

Acting Indicator	2021	2022	Change between N and N-1	2025 Goal
Number of initiatives per year contributing to employees' well-being at work	31	51	65%	At least 20 initiatives per year
Number of initiatives to promote physical activity and sports	-	12	-	-

Training (6)

As for this second issue of the Acting pillar, the Group empowers its employees by promoting listening and dialog, fostering engagement, and developing skills. Training forms a key axis in professional and personal development for employees and allows the company to perform better. At the crossroads between the company's needs and those of its employees, it enables the company to respond to the demands of internal and external changes, whether they are related to the business lines or technologies, whether they are technical or non-technical, such as leadership, and to support the company's strategy, while maintaining and reinforcing the employability of employees.

The objective is to encourage a culture of performance and development, worldwide as well as locally. To do this, the Group continues to implement its Learning strategy to enable all employees to learn, share, and grow so that they can become contributors who bring high added value to their fields and thus meet the company's strategy and needs. Due to Roquette's continuously developing learning culture, every employee has the opportunity to learn and share attractive training course content on an ongoing basis.

Since 2020, new training events (such as "Learning Week" and "Learning Days") have become an integral part of the year's highlights, offering attractive learning formats based on digital technologies (webinars, e-learning, web conferences, and tutorials) or on the dynamics of (re)connecting teams at the site. Even if the training efforts vary from one geographical area to another, the remote and in-person training course opportunities represent an important driver of engagement for the group's employees. For the second year in a row, the total number of training course hours in the Restricted Scope will exceed 200,000 hours, with 203,869 hours in 2022 (compared to 207,221 hours in 2021), or an average of 27.1 hours per employee.

In 2021, the Group exceeded its 2025 target and will keep up this positive momentum in 2022. This performance is due in particular to preparations for the Group's strategic transformation in France. Awareness-raising initiatives on Compliance and Safety have also contributed to this performance in all countries.

Number of training course hours and average per employee ("Restricted Scope - Permanent Workforce")

Acting Indicator	2021		2022		2025 Goal
	Total Hours	Average Hrs /employee	Total Hours	Average Hrs /employee	
Europe	109,189	25.3	110,269	25.3	
Americas	31,608	30.7	22,657	21.3	
Greater Asia	24,844	20.8	26,718	22.1	
China	41,580	47.1	44,225	49.7	
Group	207,221	27.9	203,869	27.1	25 hrs per year per employee

Work organization (7)

The work organization, the third CSR challenge in the Acting pillar, may differ from one country to another depending on the company's needs, which may vary according to the nature of the sites' activities (industrial and/or commercial). It also takes the rules, agreements and practices at a local level into account. This includes the number of days worked per year, the number of hours worked per day, the number of paid vacation days, etc.

However, common points do exist:

- Most of the Group's industrial sites operate continuously or on several shifts. Shift workers work during the day, at night and on the weekend.
- Internal regulations, which are specific to each site, regulate shift work as well as other work schedules, while incorporating the mandatory legal and regulatory provisions.
- In addition, the company regularly informs its employees of the main changes in terms of work organization.

As of December 31, 2022 ("Restricted Scope"), nearly 42.9 % of the employees work in shifts compared to 42.6 % in 2021.

Since 2020, during this unprecedented period marked by the Covid-19 crisis, the Group has rapidly adapted its working methods. This unprecedented situation was also an opportunity to reinvent work methods for the future. In response to employee expectations, working remotely is now an integral part of the group's working methods. In addition to working remotely, the gradual implementation of "Smart Working" within the Group since 2021 enables employees to work with greater freedom and flexibility on site or remotely. In 2022, priority was given to (re)connecting teams. Numerous events were held to allow employees to share, collaborate, and create together to ensure the right balance between flexibility and collaboration for on-site, in-person teams.

Organization of the workforce by Day/Shift work ("Restricted Scope – Permanent Workforce")

	2021					2022				
	Total	Day schedule		Shift schedule		Total	Day schedule		Shift schedule	
		Men	Women	Men	Women		Men	Women	Men	Women
Europe	4,320	1,911	1,022	1,350	37	4,363	1,947	1,018	1,360	38
Americas	1,028	316	186	490	36	1,066	317	175	526	48
Greater Asia	1,194	390	84	720	-	1,210	388	86	736	-
China	882	209	145	463	65	889	213	152	458	66
Group	7,424	2,826	1,437	3,023	138	7,528	2,865	1,431	3,080	152

Organization of the Full Time/Part Time workforce ("Restricted Scope – Permanent Workforce")

	2021					2022				
	Total	Full time		Part time		Total	Full time		Part time	
		Men	Women	Men	Women		Men	Women	Men	Women
Europe	4,320	3,217	823	44	236	4,363	3,230	837	77	219
Americas	1,028	804	222	2	-	1,066	843	223	-	-
Greater Asia	1,197	1,111	86	-	-	1,210	1,124	86	-	-
China	882	672	210	-	-	889	671	218	-	-
Group	7,424	5,803	1,339	46	236	7,528	5,868	1,364	77	219

The company also offers the possibility the employees who make the request to work part time. The systems that govern part-time work can vary from one country to another depending on the possibilities authorized by the law such as parental leave in France.

Number of employees**Number of permanent employees ("Group Scope")**

	2021					2022					
	Total	Men	Women	Managers	Employ.	Total	Men	Women	Not reported	Managers	Employ.
Europe	4,477	3,354	1,123	848	3,629	4,492	3,383	1,106	3	865	3,627
Americas	1,064	817	247	180	884	1,106	856	250	-	174	932
Greater Asia	1,305	1,196	109	195	1,110	1,276	1,166	110	-	205	1,071
China	923	703	220	181	742	931	703	228	-	177	754
Group	7,769	6,070	1,699	1,404	6,365	7,805	6,108	1,694	3	1,421	6,384

In 2022, the number of permanent employees in the Group Scope was 7,805 (7,769 in 2021).

Number of temporary workers ("Group Scope")

	2021					2022				
	Total	Men	Women	Managers	Employ.	Total	Men	Women	Managers	Employ.
Europe	322	205	117	3	319	418	267	151	2	416
Americas	25	10	15	-	25	18	7	11	-	18
Greater Asia	13	6	7	5	8	11	5	6	5	6
China	-	-	-	-	-	-	-	-	-	-
Group	360	221	139	8	352	447	279	168	7	440

In 2022, the number of temporary employees in the Group Scope was 447 (360 in 2021).

In 2022, the number of total employees in the Group Scope was 8,252 (8,129 in 2021).

Recruiting

Recruiting, which consists of hiring staff for selected positions, is one of the ways in which the Group is able to constantly adapt its strategy, organization, and staffing and skills requirements.

In 2022, 615 permanent employees were recruited within the Group.

Number of new hires ("Group Scope" - Permanent Workforce)

	2021					2022						
	Men		Women			Men		Women		Not declared		
	Total	Managers	Employ.	Managers	Employ.	Total	Managers	Employ.	Managers	Employ.	Managers	Employ.
Europe	107	4	56	7	40	257	23	163	4	63	-	4
Americas	160	3	118	5	34	223	12	153	5	53	-	-
Greater Asia	17	-	9	-	8	56	6	35	3	12	-	-
China	51	-	38	1	12	79	3	53	1	22	-	-
Group	335	7	221	13	94	615	44	404	13	150	-	4

In the system for permanently adapting the organization, internal mobility is always favored. In line with the principles defined in its Internal Mobility Charter, the Group encourages each employee to be the "entrepreneur of their career". Once validated, mobility results in the assigning of an employee to a new position as well as in long-term efforts which consist in definitively contractualizing employees who already held a temporary position in the company.

Departures**Number of departures ("Group Scope" – Permanent Workforce)**

2022							
	Total	Resignations	Lay-offs	Joint agreement	Retirement	Death	Other
Europe	321	101	68	49	94	7	2
Americas	177	104	49	3	18	3	-
Greater Asia	97	84	6	2	2	3	-
China	73	52	4	6	10	1	-
Group	668	341	127	60	124	14	2

	Total	Resignations	Lay-offs	Joint agreement	Retirement	Death	Other
Europe	243	69	62	43	59	10	-
Americas	214	115	78	5	15	1	-
Greater Asia	83	64	11	2	3	3	-
China	103	78	8	12	5	-	-
Group	643	326	159	62	82	14	-

Increased employee turnover in 2022 is due to significant labor market activity on both sides of the Atlantic and in Asia as a result of the pandemic and also due to a higher number of people retiring.

Social dialog*

The social relations within the company, between the management representatives and the employee representatives, take many forms and are governed by the law, whether regarding the exchanging of information, consultations, or negotiations.

These regular exchanges between the representatives of the personnel and the management contribute to the quality of the management-staff dialog. They not only make it possible to inform the employees on economic, social and organizational subjects, but also to jointly define and decide internal rules, solutions that are concrete, precise and adapted to the Group's specific circumstances which are suitable to the parties in both the individual as well as collective aspects.

At the Group's French sites, the company engages in dialog with employee representative bodies such as the Social and Economic Committee (CSE) and the Health, Safety and Working Conditions Commission (CSSCT).

In France, social dialog has made it possible to continue assisting the company in the special circumstances of the pandemic through eleven agreements.

Any employee can adhere freely to a union or be a candidate in the professional elections for the staff representative bodies.

Worldwide (Restricted Scope), 29 agreements were signed in 2022 with social partners in France, Italy, India, Brazil, and Spain.

Diversity*

The Group leverages its wealth of diversity by valuing our differences and encouraging the sharing of best practices within a multi-cultural network. As an essential factor in the Group's growth and customer satisfaction, diversity and inclusion help create a pleasant working environment and are strongly rooted in the local communities where the Group operates.

In line with its values and in accordance with its ethics charter, the Group ensures strict equal opportunity among its employees as well as compliance with the principle of equal treatment between them. In order to continue making progress in terms of diversity and inclusion, the Group continued its awareness campaigns in 2022, based this year on e-learning modules, awareness raising sessions, testimonials, and the implementation of mentoring programs.

Female managers represent 21.3% of the female workforce - up from 20.4% in 2021 and 18.5% in 2020 (permanent workforce), which is greater than the percentage of male managers (17.4% of the permanent male workforce). The Group is continuing to implement its action plan to promote gender diversity. Numerous initiatives have been carried out within the Group, including: promoting professional equality between men and women on International Women's Rights Day, setting up and monitoring a quarterly indicator for professionals for the second year running, showcasing "role models" through sharing testimonials, increasing the number of women in management bodies, mobility and career development. In 2022, the Women@Roquette network celebrated its fourth anniversary, continuing to grow with more than 250 members in ten countries. With a presence on each of the continents where the group operates, the network launches specific initiatives each year that are tailored to the local circumstances, culture and needs, while meeting the global challenges of diversity and inclusion. The group can thus rely on this collaboration and complementary nature of the initiatives carried out by the Women@Roquette network and the overall strategy implemented by the HR department to pursue its commitments to promote gender diversity.

Where diversity is concerned, in 2022, the Group confirmed its commitment to encouraging interaction between generations, through integration programs for new arrivals, apprenticeships, International Corporate Volunteering, mentoring, awareness-raising sessions on the theme of generations, and initial pilot projects on skills transfer. The goal of 20 initiatives per year to promote interaction between generations was exceeded again this year.

Acting Indicator	2021	2022	Change between N and N-1	2025 Goal
Number of initiatives per year to promote intergenerational interaction	28	28	=	At least 20 initiatives per year

Acting Indicator	2021	2022	Change between N and N-1	2025 Goal
Proportion of women in the workforce	22.6%	22.6%	=	25%

Handicap

In France, diversity is also reflected in a strong commitment supporting the disabled, which resulted in the signing of the first company agreement on May 13, 2022 for a period of two years.

The three main thrusts are based on:

- Integrating and recruiting people with disabilities.
- Maintaining employment and supporting the career paths of disabled employees.
- Support mechanisms for employees with one or more dependent children with disabilities.

As part of rolling out this agreement in the second half of 2022, various communications and awareness-raising initiatives were initiated by Mission Handicap France at the five French sites:

- Awareness-raising webinars for all executives and local managers.
- During the European Week for the Employment of People with Disabilities in November 2022, as part of the "Handi'tour", awareness-raising workshops such as "I'm learning sign language" or "I'm leaving my mark to build a wall of commitments" were held for all employees at the French sites. Participants learned about the different aspects of having a disability. At that time, they were given the company's disability guide.
- An inspiring conference featuring Louis Noël, French champion paratriathlete, who is preparing for the 2024 Olympic Games.
- The company's participation in Duoday, fifteen disabled persons were able, during one day, to immerse themselves in the daily activities of different teams - Digital, Engineering, Manufacturing, and Research.

The Group is thus continuing its commitments in terms of diversity and inclusion through ongoing work at all its sites, involving all the company's players and its stakeholders to create a positive, attractive workplace for everyone.

Activities with local communities (8)

For this fourth CSR challenge in the Acting pillar, the Group commits to developing its activities with local communities by working jointly with them and by contributing to their development through sustainable relationships. To do this, the initiatives carried out are based on an internal directive entitled "Support to Local Community Involvement process" which harmonizes and formalizes the guidelines for all support (financial, technical, human, etc.) for the local communities around the Group's facilities. Each year, the company agrees to work with local people and communities. To further increase this commitment, we have revised the 2025 objective to make it more ambitious: "at least 40 initiatives" has become "at least 100 initiatives"!

The activities being supported are related to nutrition, health, environment, education, emergency aid and more marginally to more specific local needs (such as building school infrastructures in India).

Acting Indicator	2021	2022	Change between N and N-1	2025 Goal
Projects or initiatives with local communities	62	90	31%	At least 100 initiatives

The number of initiatives has increased by more than 30% due to the end of Covid lockdowns, the introduction of in-person initiatives, and the addition of the eleven initiatives in Canada (new site taken into account). For example, for 2022, several initiatives were launched to support the Ukrainian people: Lithuania, Italy, Spain and France took up collections at the various sites and the group decided to make a donation of €200,000 to the *International Federation of Red Cross and Red Crescent Societies*.

Roquette Foundation for Health

The Roquette Foundation for Health, created in November 2017 under the impetus of the Fondation de France, has given its support since it was created to 25 different projects, 7 of which are international. Nearly 2.5 million euros have thus been distributed.

After five years in existence, a review of the foundation's work, strengths, and areas for improvement was conducted in 2022. A small group of employees reflected on the future and on the new roadmap for the next five years. The vision and mission were adjusted and included the notion of food insecurity.

New support has also been approved for the Écail study (Étude Clinique Alimentation Infantile), an interventional study that will assess the effectiveness of the "Malin pour bien grandir" program. The aim of this program is to offer an innovative, sustainable, viable solution to the nutritional problems of young children from families with socio-economic difficulties, by giving them access to a balanced, quality diet.

In 2021, the Foundation launched a new internal initiative called "Act&Help". This initiative enabled five associations supported closely by Group employees to receive a "grant" of 5,000 euros for a project concerning "feeding the most vulnerable". This initiative was renewed in 2022 and allowed six new projects (two projects could not be selected) to be supported. They are located in Cameroon, Madagascar, Nepal, India, Canada, and Brazil.

8. BIOREFINING

The Group's environmental policy aims to prevent pollution and reduce the environmental impact of its activities. It is incorporated all throughout the production process and can be broken down into general objectives. Deployed at the factory and workshop level, these objectives are controlled and are audited on a regular basis. The four French sites (Lestrem, Beinheim, Vecquemont and Vic-sur-Aisne) are subject to ICPE authorization and are integrated into the reporting.

The major challenges in the environmental approach are directly in line with customer satisfaction, employees and communities around the industrial sites. This is primarily based on controlling the environmental parameters, reducing waste, optimizing methods, the search for new "cleaner" technologies and the reduction of the impacts linked to the logistics chain. For each one of the group's industrial sites, the environmental approach is based on ISO 14001 (standard concerning environmental management). In 2022, ten sites are ISO 14001 certified (three sites in India, three sites in China, one site in Italy, one site in Spain, one site in Lithuania, and one site in France), other sites are in the process of formalizing the environmental management system in order to be certified in 2023. The environmental information presented below is calculated using established methodologies (see Chapter 3 - Environmental Scope), each defining indicators, calculation or measurement methods, and the units used.

The environmental data collection software, set up by the *Global Environment* division and integrated with SAP, enables environmental data to be collected and consolidated for all relevant sites.

The Group devotes a substantial amount of resources and investment for preventing environmental risks and pollution. In 2022, several tens of millions of euros were invested in various initiatives, such as increasing the capacity of the Lestrem wastewater treatment plant (France), collecting and separating rainwater in Viramgam (India), improving effluent collection and creating an emergency reservoir in Keokuk (USA).

After raising awareness of global warming issues among the Executive Committee and R&D teams at the end of 2021, other *Climate Mural* workshops (a collaborative approach in which participants collectively build a mural summarizing the main mechanisms of climate change) were held in 2022 for various teams, notably on World Environment Day or at seminars focusing on sustainable development.

Conserving water resources (9)

For the first CSR challenge of the Biorefining pillar, the Group is committed to conserving water by optimizing its processes to minimize water use and by installing high-performance purification technologies. Water is an essential resource that has to be preserved.

The extraction and manufacturing methods of the Group's industrial units require the use of an aqueous solution. Certain locations are seeing their taking authorizations for water go down due to increasingly strict regulations. This therefore needs to be anticipated and new methods of working need to be implemented. The actions that stem from this revolve around two major lines:

- Treating pollution at the source to reduce wastewater treatment circuits.
- Recycling water without diminishing the quality or changing the properties of the finished products - for example, following the Viramgam (India) site, the Gokak (India) site invested in zero discharge technology in 2022 with the goal of recycling 100% of the water used.

In 2022, the pumping of water (total rivers + water tables + urban network) is about 45.8 million m³ compared to 46.3 million m³ in 2021.

In terms of controlling the volumes consumed and prevention for the quality of the water, many investments have been made and high-yield internal treatment plants make it possible to treat most of the takings carried out before discharging into the natural environment. Some of these facilities are equipped with an effluent methanization unit before biological treatment, which makes it possible to combine purification treatment with biogas production.

In 2022, the significant events were the commissioning of the increase in capacity of the Lestrem wastewater treatment plant, aimed specifically at reducing phosphorus emissions into the river in order to achieve the best performance under future European standards, and the construction of a wastewater treatment plant at the Itapevi site (Brazil) to treat effluents, as well as the improvement of effluent collection and the creation of an emergency reservoir at Keokuk (USA).

Consumption performance indicators

Since 2020, the Group decided to set up monthly extra-financial reporting on water to manage water use in a more detailed manner.

The performance indicator, revised in 2020, corresponds to the total fresh water consumption in relation to the tonnage of plant-based raw materials. It is more representative of actual consumption.

Biorefining Indicators	2021	2022	Change between N and N-1	2025 Goal
Number of m ³ of fresh water/ton of plant-based raw materials	6.64 m ³ /t	6.50 m ³ /t	(2.1%)	5% reduction from 2019 (2019 value = 6.96 m ³ /t)

Although water use in absolute terms is relatively stable, the result for this KPI shows a more efficient use of water.

Energy efficiency (10)

The Group is committed to optimizing its energy use by installing optimized energy solutions for this second CSR challenge in the Biorefining pillar. Nine production sites are ISO 50,001 certified (Nanning and Lianyungang in China, Beinheim, Vic, Vecquemont and Lestrem in France, Benifaio in Spain, Cassano in Italy, and Panevezys in Lithuania).

The Group is diversifying its energy sources by favoring renewable energies such as geothermal energy, biomass (wood, rice straw, etc.), and biogas which make it possible to combat climate change.

The Group's two largest energy uses are electricity and natural gas.

In 2022, the Group's total electricity use (imported and generated) was 2,510 GWh compared to 2,534 GWh in 2021.

Natural gas use was approximately 7,492 GWh in 2022 compared to 7,333 GWh in 2021.

2022 was marked by a more intense use of biomass to the detriment of coal in the Greater Asia region and, for the Europe region, improved energy efficiency combined with better saturation of production tools.

Energy performance indicators

Several years ago, the Group decided to challenge the energy performance of its plants as well as their CO₂ emissions. The *utilities* part (electricity and steam production) is already covered by the avoided CO₂ indicator.

To meet this objective, a new indicator called "Carbon Performance Indicator" was introduced in 2021. It replaced the energy performance indicator previously used. It is built on the same principle. It compares, workshop by workshop, the quantity of CO₂ emitted with a so-called reference quantity of CO₂. The reference is based on the performance of the reference year (2019) and the production of the workshop. Consolidations by site, country, region and for the Group are based on weighted averages of quantities emitted.

In order to better monitor this relevant indicator, the Group has developed software for calculating the indicator, enabling it to directly collect the energy use data entered in the ERP (Enterprise Resource Planning) and the production data used by the financial teams. This makes for a more dynamic calculation, an indicator calculated monthly and a possible workshop by workshop monitoring in terms of CO₂ emissions and energy use.

Finally, to allow monitoring at each level of the company, the results are available to everyone via an online sharing tool.

The energies taken into account cover all the energies used in the transformation process: electricity, steam, natural gas, etc.

This initiative is featured on the "Ambition for climate" site, where major French companies report on their specific efforts to combat climate change.

Biorefining Indicators	2021	2022	Change between N and N-1	2025 Goal
Europe	98.1%	95.8%	(2.3)	
Americas	101.2%	101.3%	+ 0.1	
Greater Asia	98.8%	94.8%	(4.0)	
China	93.0%	92.8%	(0.2)	
group	98.2%	96.6%	(1.5%)	5% reduction compared to 2019

Adaptation to climate change (11)

The Group considers global warming to be a major concern for the environment, biodiversity, and all humanity. Therefore, in 2022, the Group decided to agree on a carbon reduction plan in line with the provisions of the Paris Accord and in accordance with the Science-Based Targets Initiative framework. The target has been set at -25% of GHG emissions in 2030 compared to 2021 for scopes 1 and 2. This will be rolled out in 2023 in the form of action plans and performance indicators.

In 2022, the Group also established a carbon footprint report including the three scopes in order to define the 2021 baseline.

Decarbonization programs and initiatives to reduce the Group's emissions are being implemented in the various departments (Manufacturing, Purchasing, Logistics, etc.).

In 2022, three major decarbonization projects won calls for projects organized by ADEME and will be carried out in the coming years to make a significant contribution to achieving the objectives.

The Group agrees to reduce its environmental impact by continuing to implement solutions that are most suited to the local conditions and by favoring competitive renewable energies. In 2015, the Group agreed to set up technical facilities that emit less CO₂ in order to avoid one million tons of CO₂ emissions by 2025, in order to meet the third CSR challenge of the Biorefining pillar.

CO ₂ emissions	2021	2022	Change between N and N-1
Scope 1 teq CO ₂ /kt of plant-based raw materials	285	271	(5.0%)
Scope 2 teq CO ₂ /kt of plant-based raw materials	79	74	(7.0%)

Performance indicators on annually avoided industrial CO₂ emissions

This is defined as the sum of the benefits provided by a set of initiatives aimed at reducing CO₂ emissions (tons of CO₂ avoided per year) equivalent to the Group's industrial facilities (variable speed drives, biofuels, cogeneration, etc.).

Biorefining Indicators	2021	2022	Change between N and N-1	2025 Goal
Europe	574,154	546,174		
Americas	40,493	22,373		
Greater Asia	254,397	403,707		
China	26,413	33,891		
group	895,457	1,003,572	12%	1,000,000 teq CO ₂ avoided

This year, the increase in avoided CO₂ is mainly due to a fuel change at the Gokak site (India), where coal was partly replaced by biomass from sugarcane bagasse.

Food waste*

The Group's activity is to process all of the plants' constituents without generating waste.

4. SOURCING

Procurement of raw materials (12)

The Group's consumption of plant-based raw materials (wheat, corn, potatoes, and peas) for 2022 is stable at approximately 6.9 million tons.

All of the plant raw materials used are recycled almost entirely. They are derived from agriculture and as such renewable annually. That is why the company is committed to sustainably and responsibly sourcing by encouraging local supply and optimizing means of transportation to combine economic profitability and low environmental footprint. It also commits to continuously improving its raw material quality by clearly specifying its needs, strictly selecting its suppliers and reinforcing quality control chains from fields to biorefineries.

For this first CSR challenge of the Sourcing pillar, the company also wants to reinforce the ties with its raw materials suppliers by building partnerships with breeders and farmers to select and use the more suitable agricultural resources. In Italy since 2021, the X-Farm project makes it possible to collaborate with several farms and to set up sensors in the field and a digital app that guarantees full traceability. This app also helps farmers to grow Waxy corn in a more efficient, sustainable manner (including calculating CO₂ emissions). This is a continuous improvement approach that was agreed upon with local farmers.

In light of previous achievements and the changing sustainable agriculture standards, this KPI is being revised.

Nevertheless, it should be noted that the drought in all corn supply regions in Europe resulted in a sharp reduction in yields per hectare and changed supply areas, which will have an impact on the results of this year.

Raw materials are defined as "sustainable or responsible" when they are purchased with a certification according to the SAI (Sustainable Agriculture Initiative) reference standard or the equivalent (example 2BSvs), or according to an internal specifications/protocol (inspired by the best farming practices concerning sustainability comparable to the requirements of the SAI reference standard).

Sourcing Indicator	2021	2022	Change between N and N-1
% of "sustainable" raw materials	37.1%	38.7%	1.63%

Supplier selection (13)

The Group's Supplier Code of Conduct is shared with all suppliers. At the beginning of 2020, a new version was sent to suppliers and put online on the website. In order to meet this second challenge of the Sourcing pillar, this Code of Conduct for Suppliers is based on the Universal Declaration of Human Rights, the principles of the United Nations Global Compact and the conventions of the International Labor Organization (ILO), as well as the Group's Ethics and Responsibility Charter and Code of Conduct. It does not serve as a substitute for the various regulations, standards and current laws in the different countries.

This code is today signed by any new supplier in the framework of the registration process. In addition, for the main suppliers, a qualification campaign is conducted which systematically includes their signing the Code of Conduct. In 2022, the suppliers all signed the Code of Conduct and were all qualified.

In 2020, the company rolled out a supplier qualification tool that enables it to monitor supplier risks in a consistent, responsible manner (particularly in relation to human rights). In 2023, qualification will be accelerated, especially with the integration of a new solution.

Qualification indicator	2021	2022	2025 Goal
% qualification of strategic suppliers	-	70.9%	90%

Environmental and human rights in the value chain (14)

Respect for human rights and the environment is a priority for the Group. For this third CSR challenge in the Sourcing pillar, these two topics are emphasized in the two codes of conduct: the Supplier Code of Conduct and the Roquette Code of Conduct. The Universal Declaration of Human Rights and the principles of the International Labor Organization (ILO) are the bases of the values defended by the company as well as respect for the environment and the preservation of natural resources.

As part of its activities, each Group supplier is required to comply with and communicate this Code of Conduct to all of its employees and to ensure that these principles or equivalent principles are known and followed by its own suppliers and subcontractors.

The code of conduct is systematically communicated and validated as part of the process of referencing Roquette's suppliers.

Circular economy*

The Group's markets, including food, nutrition, and health, are part of the circular economy. Industrial sites, as ecosystems integrated in the heart of the territories, are an illustration of the bioeconomy strategy, as they make it possible for optimal use to be made of farming plant-based resources and are a source of growth and therefore of jobs.

The Group specifically focuses on three key factors of the circular economy: material effectiveness, economic and industrial efficiency, and contributing to the local ecosystem:

- Material effectiveness, since all of the Group's plant-based raw materials are almost entirely processed. Thus, for the corn sector, the starch extracted from the plant is valorized so it can be made available to the Nutrition and Health or Industrial markets, while the other components of the plant are directed towards other markets, such as Animal Nutrition.
- The economic and industrial efficiency, as at the sites of Lestrem, Beinheim, Vecquemont (France), Cassano (Italy), Benifaio (Spain) where the methanization of effluents generates biogas used in the boilers. This allows for a reduction in the use of natural gas.
- The contribution to the territorial ecosystem by using the effluents from the plants for farming fertilization, thus generating an economy for the whole sector. For example, in 2022, at the Lestrem site, the effluent treatment sludge from the corn and wheat processing was spread and used as fertilizer by farmers in the fields. They provide nutrients to the crop, improve the quality of the farming soil, and are more economical for the farmer.

Conclusion

This report reflects the Group's commitments and actions so as to meet the expectations of all of its stakeholders and to create value for the Group, its shareholders, its customers, and its employees by interacting with its internal and external ecosystems.