

Shaping *sustainable* growth



2023 Annual Report

Activity & Corporate
Social Responsibility



SAVENCIA
FROMAGE & DAIRY

3-13
Leading the way to better food

- p. 4-7 Portfolio
- p. 8-9 A message from Olivier Delaméa
- p. 10-11 Presence worldwide
- p. 12-13 CSR performance indicators



28-37
Artisans of a more sustainable future!

- p. 30-31 Producers
- p. 32-33 Planet
- p. 34-35 Positive Food
- p. 36-37 People

38
Results and non-financial performance

"The future is a present made for us by the past."

André Malraux

14-27
Shaping sustainable growth in our markets

- p. 16-21 Cheese (Retail)
- p. 22-25 Food service (Dairy)
- p. 26-27 Ingredients (Dairy)



Leading the way to better food

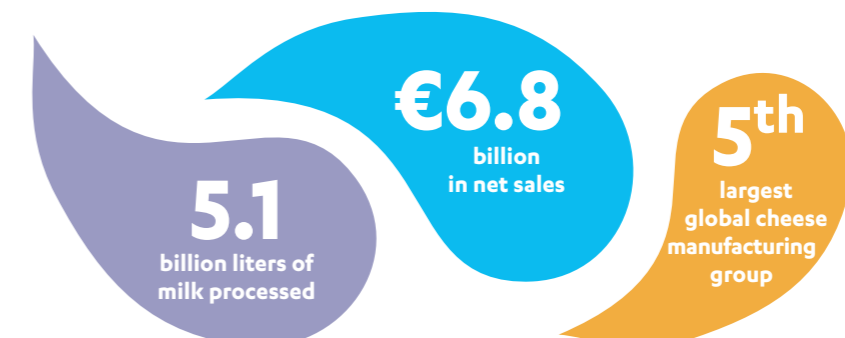
Thus is the vocation of Savencia Fromage & Dairy, an international, family-owned and independent food group. It's a will that guides and motivates us in our quest for sustainable growth, in every aspect of our business.

Leading the way to better food means constantly seeking new answers to consumer expectations, while guaranteeing the pleasure and nutritional quality of our products. With this in mind, Savencia Fromage & Dairy has always encouraged an entrepreneurial approach that favors innovation and the promotion of healthy, tasty food.

Aware that serving the common good can only be done in a context of sustainability and financial strength, the Group is cultivating a sustainable growth momentum based on the strength of its specialty model, its local roots, and its iconic brands. Present in 120 countries and recognized as a major player in the environmental and food transition, Savencia Fromage & Dairy capitalizes on its unique know-how and high-quality products combining pleasure, health, and naturalness.

With its commitment to sustainable growth, the Group meets the expectations of all its stakeholders, from upstream to downstream. Through its Oxygen plan, it is committed to preserving its resources, particularly water, and reducing its environmental footprint by decarbonizing its activities and promoting sustainable dairy production.

To achieve these objectives and translate its vocation into action, Savencia Fromage & Dairy relies on solid foundations: its history, its humanistic culture, its strong values, and its confidence in the future, all shared by its 22,300 employees.



Shaping sustainable growth means...

...cultivating our local roots

Maintain sustainable, local milk collection, work together to ensure the long-term future of the French dairy industry, and contribute to meeting environmental and social challenges: these are the objectives of the partnership agreement signed in 2023 by the Organisation de Producteurs du Sud-Ouest Laitier

(South-West Dairy Producers' Organization or OP SOL) and Fromagerie des Chaumes, located in Jurançon (Pyrénées-Atlantiques). The OP SOL, as the fromagerie, has a long history of promoting sustainable agricultural practices, and the conclusion of this new partnership reflects the commitment of both parties to environmentally friendly farming and to maintaining economic activity in the South-West of France.



"This partnership strengthens the local dairy industry and shall enable us to continue developing the Saint-Albray brand, while maintaining the regional roots of our cheese plant."



-27.5%

between 2019 and 2030

This is our commitment to SBTi to reduce our Scope 1 and 2 CO₂ emissions.



...accelerating decarbonization

In 2023, Savencia Fromage & Dairy confirmed its commitment to decarbonization by validating its GHG reduction targets with SBTi. The aim is to reduce GHG emissions by 27.5% in absolute terms for scopes 1 and 2, and by 22.5% per ton of product for scope 3, by 2030 compared with 2019. With this in mind, the Group is taking action throughout its value chain, from upstream dairy production to the renovation of energy facilities at its sites, right through to the end of the product's life cycle, in order to reduce its overall carbon impact. These actions reflect Savencia Fromage & Dairy's commitment to the fight against global warming.



47

The number of medals, including 17 gold, won by Savencia Fromage & Dairy at the Mondial du fromage et des produits laitiers 2023.

... perpetuating our know-how

After Esquirrou in 2018 and Rogue Creamery in 2019, it was Époisses AOP Berthaut Perrière, in 2023, that gave Savencia Fromage & Dairy its third World Cheese Champion title. A distinction made all the more delicious by the fact that some 50 countries and

almost 1,600 cheeses and dairy products were competing at the Mondial du Fromage 2023. This prestigious title recognizes the exceptional quality of Berthaut's products, and highlights the spirit of excellence shared by the Group, which is committed to both traditional know-how and respect for the terroir.

... capitalizing on our strong brands

Innovating and differentiating through quality: on the strength of these founding principles, since the birth of Caprice des Dieux in 1956 in Illoud, Haute-Marne, Savencia's development has been based on a specialty model that relies on three pillars: unique products offering exceptional taste experiences, and the development of new products and healthy, responsible pleasure; a premium positioning justified by the quality and uniqueness of our products; and strong brands that embody our values of excellence, innovation and quality.

70

This is the maximum number of kilometers between the milk collection points and the Illoud cheese plant, where Caprice des Dieux is produced.



14

The number of subsidiaries certified Top Employer 2023 (Belgium, Brazil, China, Czech Republic, France, Germany, India, Poland, Slovakia, South Korea, Spain and, for the first time, Argentina, Japan and USA).

... sharing humanistic values

Guaranteeing the women and men of Savencia Fromage & Dairy a caring and respectful work environment that shall enable them to give their best: this is one of the objectives of the Group, which in 2023 was certified Top Employer Europe for the tenth year running. In addition, following the survey carried out in 2022¹ using the Great Place To Work (GPTW) methodology, the entities surveyed identified the following priorities and are implementing actions to promote employee fulfillment. Credibility, respect, fairness, pride and friendliness were just some of the issues raised by employees.

(1) In most all subsidiaries with more than 50 employees.

Our *resilience*

is based on our **specialty** model, the complementary nature of **our businesses** and our unique **brand portfolio**.



A message from
Olivier Delaméa,
Chief Executive Officer



Performance and fundamentals

▶ In 2023, Savencia managed to stay on course despite a particularly volatile environment, characterized by the current geopolitical context, persistent inflation, and the sharp fall in world dairy prices in the first half of the year. The Group continued to develop its business, with sales up 3.7% to €6.8 billion, maintaining its volumes thanks to product categories (cheese, butter, cream) that held up well against inflation. These results were made possible by the robustness of our specialty model and the complementary nature of our businesses, to the care we give to the quality of our products, the strength of our brands and the responsiveness of our teams. But also, thanks to our regional dynamics - Savencia Fromage & Dairy being present on every continent and cultivating a strong local base. This approach was strengthened in 2023 with the acquisition of the Williner company in Argentina.

Corporate Social Responsibility

▶ Throughout the year, Savencia continued to roll out its corporate social responsibility initiatives, in line with the objectives of our Oxygen plan, which will end in 2025, and for which all indicators are progressing. The results in terms of decarbonizing our plants and reducing water consumption are noteworthy, as is the awareness-raising of our teams to the major climate challenges with the deployment of the Fresque du Climat workshops, from which 1,900 employees benefited. Other major milestones include the validation of our 2030 decarbonization trajectory ("well below 2°C") by the SBTi (Science-Based Targets initiative) for all scopes (1, 2 and 3), and the launch of the project to bring our extra-financial reporting in line with the new regulatory framework (CSRD).

Committed to a sustainable industry

▶ For several months now, the agricultural world has been mobilizing in Europe to defend the interests of a sector profoundly affected by societal and environmental change. Savencia has reaffirmed its commitment to supporting the transformation of the dairy industry, and is committed to combating its abandonment through a program of support for young farmers, including start-up grants. In France, the Group is continuing to roll out its major transition projects, notably in the areas of production diagnostics, good farming practices and respect for animal welfare. In addition, 200 new producers have chosen to join Savencia over the last two years, and in 2023, the Organisation de Producteurs du Sud-Ouest Laitier (OP SOL) signed a partnership agreement with the Group covering milk collection, in a joint effort to ensure a sustainable dairy industry. Lastly, Savencia Fromage & Dairy continued to ensure fair remuneration for its producers. In two years, the price of milk paid to producers has risen by 26%.

Talented, determined teams

▶ We all share the same pride in our mission: "Leading the way to better food". We owe these good results for 2023 to the talent and commitment of Savencia's teams around the world. With a special thought for the employees of our Ukrainian subsidiary, whose courage and resilience command respect. One of the reasons for the mobilization of the men and women of the Group is undoubtedly the importance we attach to the quality of life at work. This is reflected in the steady growth of the Top Employer label at Savencia: by 2023, 87% of our employees were working in countries where our subsidiary is certified, a ratio up 13%.

Outlook for 2024

▶ In 2024, the world in which we are evolving shall continue to be marked by geopolitical tensions and high volatility. Against this backdrop, we shall continue to capitalize on our specialty model, reinforce the quality of our products and the strength of our brands, pursue our development in our different geographies, while accelerating our extra-financial agenda. I am confident that we shall achieve the objectives of the Oxygen plan, and that Savencia will be able to maintain its profitable growth over the long term.

"I wish to acknowledge the impressive commitment to health and safety demonstrated across all Savencia sites."

Olivier Delaméa



Strong brands and an international presence

With 22,329 employees worldwide and 5.1 billion liters of milk processed in 2023, Savencia Fromage & Dairy is France's second-largest cheese group and the world's fifth largest.

Present in over 120 countries, the Group capitalizes on its strong territorial roots, its knowledge of local markets and its portfolio of iconic brands, both regional and international in scope.

To develop its activities (Retail, Food service and Industry), Savencia relies on human-scale subsidiaries with a wealth of traditional know-how, and on its mastery of cheese, dairy and industrial technologies.

22,329

employees

6.8

billion euros in net sales



NORTH AMERICA

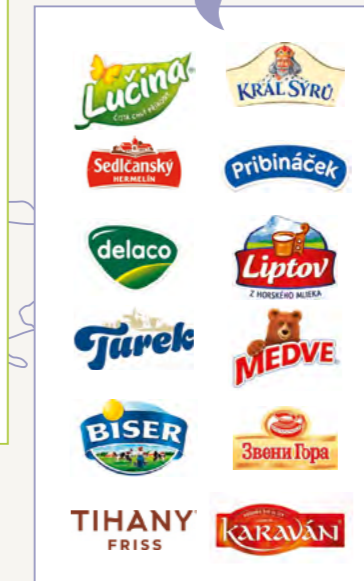


LATIN AMERICA

WESTERN EUROPE



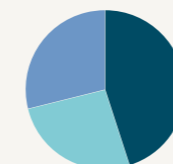
CENTRAL & EASTERN EUROPE



AFRICA & MIDDLE EAST

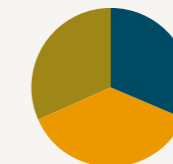


ASIA-PACIFIC



Staff breakdown by region

- 45.2% France
- 26.1% Rest of Europe
- 28.7% Rest of the world



Net sales breakdown by region

- 31.6% France
- 37% Rest of Europe
- 31.4% Rest of the world

Our performance... to support our Oxygen CSR plan

Faced with growing environmental and societal challenges, Savencia is committed to shaping sustainable growth, in harmony with the expectations of its stakeholders and the objectives set out in its Oxygen CSR plan. We firmly believe that improving our value chain requires the commitment of everyone: producer partners, employees, customers, and consumers. Together, we are working tirelessly to build a more responsible future, by implementing virtuous practices that benefit both individuals and the preservation of our planet.



Codeveloping a sustainable agriculture

81.3%

of our milk collection worldwide complies with the Charter of Good Farming Practices

187

young farmers have benefited from at least 1 financial support for setting up



Reducing our environmental footprint

-341,345 t
of CO₂ eq.

This is the reduction in the carbon footprint of our milk collection in France (milk volumes collected in tons of CO₂ eq. cumulated versus 2010)

86.1%

of recyclable or biodegradable packaging

Providing a healthy, delicious and responsible eating

88.1%

of new branded products have adopted a Clean Label approach

71.8%

of store brands display portion-based nutrition labeling



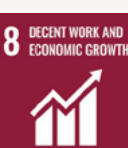
Fostering employee wellbeing

418

apprentices recruited

+28.7%


Increase in the number of Behavioral safety visits carried out in pairs on site or remotely





Shaping *sustainable* *growth* in our markets

In a complex 2023 economic environment marked by high inflation worldwide, Savencia Fromage & Dairy held up well, thanks to the complementary nature of its Retail (Cheese) and Dairy (Food service and Industry) activities, as well as the strength of its brands and specialty model.



Rony Parijs,
Executive Pastry Chef,
Corman

Shaping sustainable growth Cheese (Retail)

Shaping sustainable growth in Retail means innovating in line with new societal expectations: an essential strategy for prospering in a constantly changing environment. And despite the crisis, cheese, butter and cream – simple, naturally good pleasures – remain a safe bet.

... more indulgence



Unlimited success for the blue cheeses

Today, with strong brands such as Saint Agur, Bresse Bleu, Le Coq and Roquefort Papillon, Savencia is number one for blue cheese in France. In Europe, the Group also confirmed its position as leader in blue cheeses, supported by the same flagship brands. Lastly, in Argentina, Bavaria and Santa Rosa put in fine performances. This leadership is based on unique product offers and recipes appreciated by consumers. In France, Saint Agur is perceived as the roundest and fruitiest of the typical blue cheeses, with an ultra-melting texture.

Turek or pleasure in slices

In Central Europe, consumers usually enjoy soft ripened cheeses on sandwiches in the morning. To adapt to this use, the Polish brand Turek added a new creamy slice to its range in 2023, specifically designed for breakfast: an innovation launched in early 2024 in Poland.



Raclette, still at the top

Cheese eaten hot appeals to more and more gourmets every year, and the category as a whole is growing in volume. According to a CSA study, raclette is even the second favorite dish of the French! And in this niche, RichesMonts remains number one with 25% market share.

This historic brand, which has just celebrated its fiftieth anniversary, has evolved with the times. Today, it offers no fewer than thirty references, and didn't hesitate to take to the stage at the end of 2023, with its "RichesMonts Hot Spots" tour of three major French cities. On the menu: a unique experience in a winter chalet setting, with all-you-can-eat raclette.

... more pleasure and convenience

Offers and formats accessible to all



Tihany conquers Hungarian toasts

In Hungary, the historic soft ripened cheese brand Tihany entered the cream cheese market in 2023 with the launch of a new range of healthy, natural spreadable products. A way for Tihany to proudly reaffirm its origins, since the brand was born in the enchanting setting of Lake Balaton.



Elle & Vire enhances every meal, from breakfast to dinner

Elle & Vire reinvents everyday pleasure with its new specialty Le Fouetté de Beurre et Crème, a spreadable with a unique, airy, ultra-melting texture. Available in mild and semi-salted versions, this butter can be eaten at any time of day, accompanying brioche as well as seasonal vegetables: a genuine breakthrough innovation that redefines the taste experience in the refrigerated section.



Multiformat and maxi-use for St Môret

St Môret, the leader in cream cheese, offers a wide range of products, from single portions to 500 g XXL tubs, to satisfy every taste: toast, breakfast, snacks,

aperitifs, pastries. The brand reinforced this positioning with online videos and a radio campaign in France.

Camembert, the good anti-inflation friend

What could be more convivial than sharing a Camembert with friends? This is the message of the new advertising saga from the iconic Cœur de Lion brand, in line with its DNA and a real safe haven in times of inflation. In fact, the brand was the volume growth champion across all cheese categories, and especially for Coulommiers and Cœur de Lion Camembert.



Snacking: new offers tailored to international markets

While remaining true to its French roots, the Ile de France brand is deployed internationally, offering a varied range of products adapted to local markets.

With a presence in many countries, the company posts solid growth in 2023, boosted in particular by the launch of several innovations.

... more

nutrition

Plant-based know-how in Europe

Savencia Fromage & Dairy also knows how to adapt its know-how to the manufacture of products for flexitarians. In Germany, vegan Bresso is a healthy, simple and authentic alternative, with no GMOs and no compromise on taste. Recently launched in Switzerland and Austria, it has already met with some success. And on the French market, Tartare Végétal has also won over its audience. Lastly, under the Paturain brand, consumers in the Netherlands can now discover gourmet vegan options.



High-protein cheese is fashionable!

The promise of protein-rich cheeses, which are increasingly popular with consumers, is that you can indulge yourself while doing something good for yourself. In Spain, Burgo de Arias Protein Plus was named Product of the Year 2024 in the Fresh Cheese category. Its strengths? A 100% natural recipe, with no preservatives or sweeteners, low fat content and 14% protein, more than any other product in its category.

Another winner of the year in this segment, Géramont Skyr is characterized by its protein-rich soft ripened cheese, with a fresh, tangy taste, obtained through maturing with skyr and Géramont's know-how in creamy soft ripened cheeses.



... more

specialties

Haute Fromagerie: spotlight on terroir

With its Haute Fromagerie concept, Savencia Fromage & Dairy aims to promote and distribute top-of-the-range terroir cheeses. In France, it markets several product

ranges adapted to the traditional network via its Le Comptoir du Fromage structure. The ultimate expression of the Group's specialty model, Haute Fromagerie showcases premium cheeses sold by the slice, at traditional creameries, but also in corners adapted to international markets.

In 2023, the focus is on development in Spain and Portugal. Last but not least, we would like to mention the success of the Visiopack®, which offers consumers a ready-to-eat, top-of-the-range cheese tasting tray, showcasing the various terroirs of France.



... more

sustainability

Packaging: less is more!

In addition to its commitment to natural products, Savencia Fromage & Dairy is also committed to reducing the environmental footprint of its packaging. As a result, since 2023, Tartare has been using 50% plant-based plastic, saving the equivalent of

150 tons of fossil-based plastic per year. As for Bresse Bleu, simplifying the composition of the complex film surrounding the cheese has enabled us to reduce the plastic content by 37%. Lastly, the Roquefort Papillon tray is now 100% recyclable and made from 50% recycled material.



World Cheese Awards: 46 medal-winning cheeses!

In 2023, Savencia shone at the World Cheese Awards, winning 46 medals, including two Super Gold for Postel Mi-Vieux and Postel Réserve. The Group also secured six Gold medals, among them one for Mothais sur Feuille from Fromagerie Poitou Chèvre, 21 Silver medals, including one for Roquefort Papillon Rouge, and 17 Bronze medals.

The trio of excellence in the retail market

A strong specialty model, committed sales teams and an ever more efficient customer service: the trio of excellence in the retail market.



Specialty cheeses acclaimed in Switzerland

In the land of Gruyère cheese, Savencia's specialties are a hit with consumers. In these multicultural lands, with their rich tradition of hard cheeses, the Group brings complementary strengths through its specialty brands, such as Fol Epi, a small, traditionally ripened cheese that can be enjoyed by the cut or sliced, classic or extra-fine. Savencia is also a leader in the soft ripened cheese segment with Caprice des Dieux, in the flavored fresh cheese segment with Tartare, and in the goat cheese segment with Chavroux. Four key brands that have won over the Swiss consumers and won their loyalty.



SPLF: "one for all, all for one" in the face of inflation!

In 2023, Savencia Produits Laitiers France was voted second sales force in the "Fresh Creamery" category at the LSA Sales Force Trophies. Against a backdrop of high inflation, the teams have done a remarkable job in the field, successfully developing brands while offering customers high-impact promotional operations. This momentum has been underpinned by the success of the "Discount Brands" operation and the installation of dedicated bins in stores.



Artificial intelligence at the service of quality

Our customer panels enable us to guarantee the consistent, impeccable quality of our products. With the support of in-house IT & Digital Services teams, the Consumer Care department now uses artificial intelligence to optimize its tasks and reduce manual labor time, while improving its ability to analyze and understand feedback. Proofs of purchase are now processed and analyzed automatically, saving time and efficiency for everyone!

In Argentina customer relations are at the heart of our brands' development

"Milkaut was born in Franck, in the heart of Argentina's Santa Fe dairy basin, in 1925. For 153 years, the brand has drawn its authenticity from the roots and values of its native village."



Horacio Gonzalez Llanos,
Modern Trade Sales Manager,
Savencia Fromage & Dairy Argentina



Mattias Frende,
Purchase Manager Dairy,
Frozen Foods and Beverages, La Anónima

In 2023, Savencia Fromage & Dairy announced the acquisition of the company Sucesores de Alfredo Williner (Williner), a major player in dairy products in Argentina. The Group has thus enriched its portfolio with Ilolay, a major local brand with a dairy and family tradition, which has been present in most Argentine households for decades. **This operation strengthens Savencia's presence in the country, where it is already present** with local heritage brands such as Milkaut, Santa Rosa and Adler.

"Our already privileged relationship with the La Anónima supermarket chain has been further strengthened with the arrival of Ilolay in the Group."

We've been working with La Anónima for a long time, and this strategic partnership has resulted in profitable and sustainable growth in sales of our products on the retailer's shelves. This quality relationship has enabled us to get through 2023 in a climate of dialogue, despite an extremely difficult hyperinflationary environment in Argentina.

"Savencia offers a unique range of products, the growth of which is underpinned by the Group's momentum, particularly in terms of innovation and communication."

Our relationship with Savencia is solid and long-lasting. Their products are distributed in La Anónima supermarkets, and as far away as Ushuaia, the world's southernmost city, located 3,000 kilometers from Buenos Aires and 13,000 kilometers from Paris! Every year, some of our employees also visit the Savencia Cheese School for training and to perfect their cheese culture. We also hold regular joint meetings to work even more efficiently.

Annual Meeting of Savencia teams from Argentina, Uruguay and Chile - December 2023.



Shaping sustainable growth in Food service (Dairy)...

... means capitalizing on the bakery-pastry market

which is particularly buoyant in Asia and the Middle East, while continuing to support gastronomy professionals with products recognized for their excellence.

Lab Seoul, a place of inspiration for Korean pastry chefs

Inaugurated on June 5, 2023, by BakePlus teams, Lab Seoul is an innovative platform for Korean pastry chefs. In this space, the only one of its kind in the world, Savencia offers a true hub for bakery and pastry, a place for dialogue, training, creation and experimentation. The aim is to help customers and their chefs get to grips with the Group's products



so that they can use them to the best effect, as well as to federate a local community of professionals. This is an opportunity to enhance recipes with well-known brands such as Elle & Vire Professionnel, Lescure, Corman and Liberty Lane. With this "lab", Savencia intends to put its expertise at the service of a more sustainable Korean gastronomy, in tune with the times.



In Korea, Lescure butter stages its PDO

The Protected Designation of Origin (PDO) label helps win the hearts of Korean consumers. Throughout 2023, the latter were very receptive to marketing initiatives such as the "inside kits", which showcase Lescure PDO butter-based pastries at points of sale, as well as by-products bearing the brand's effigy. This top-of-the-range scenography around the PDO raises public awareness of the premium qualities of Lescure butter: its exceptional French terroir, its consistent taste properties and the technicality of its dry butter, recognized by professionals.

Corman butters, the perfect allies for pastry chefs

Could Corman tourage butter be the secret weapon of pastry chefs the world over? To verify this, Rony Parijs, Corman's executive pastry chef, went out to meet them. The aim is to show how the brand's innovation and expertise play a key role in the daily lives of industry professionals. Like Bruno Zago, for whom Beurre Corman saves time and makes work easier for his teams.



Elle & Vire Professionnel: first cheesecake contest in the Middle East

To promote both culinary innovation and emerging talent, in 2023 Elle & Vire Professionnel launched its first cheesecake competition in the United Arab Emirates, Saudi Arabia and Kuwait. The operation aimed to highlight the versatility and quality of Elle & Vire Professionnel cream cheeses, boost their reputation in the Middle East, and provide a platform for young pastry chefs to express themselves. The gamble paid off, as the event attracted almost fifty chefs and led to the acquisition of thirty new customers, with a significant increase in sales for this range and for the brand as a whole in 2023.

La Maison de l'Excellence Savencia®, headed by its executive chefs, is made up of pastry chefs and cook chefs who travel all around the world to meet our customers.

... means developing ever more

virtuous and practical products

ELLE & VIRE PROFESSIONNEL

Cooking Cream Sour Taste makes a successful debut

A new star in the Elle & Vire Professionnel galaxy, Cooking Cream Sour Taste was launched in 2023 in almost twenty-five countries with the support of multi-starred chef Pierre Gagnaire. A product for both hot and cold uses, characterized by its unique fresh cream taste and long shelf life. Thanks to its successful presentation at the Sirha and Gulfood 2023 trade shows, and the strong commitment of the Ambassador community, particularly on social media, this new benchmark has reached nearly six hundred thousand chefs around the world since its launch.



ARGENTINA

A special version of Dulce de Leche for baked goods

Specifically developed for the pastry and confectionery industry, Milkaut Professional Dulce de Leche Pastelero is ideal for making alfajores, Argentina's traditional shortbread with milk jam. It's also perfect for tall cake toppings that require a structure capable of withstanding transport. Milkaut Professional Dulce de Leche Pastelero offers a texture that won't run, and its versatility makes it an ingredient of choice for both raw and cooked recipes.



... means capitalizing on the **fast-growing**

Limited Service Restaurants (LSR) market, which includes Quick Service Restaurants (QSR), cafés and pizzerias.

ALOQUETTE

Crème de Blanc, the ultra-versatile cream cheese

An expression of Savencia Fromage & Dairy's specialty model, the Crème de Blanc innovation, launched in the United States under the Alouette Professional brand, reinterprets the traditional cream cheese, offering a value-added solution for chefs. Its unique texture, softer than that of classic cream cheese, makes it easy to use. Its high organoleptic profile and exceptional malleability make it an ideal ingredient for a variety of culinary creations, from enhancing appetizers to enriching soups and sauces, from adding a gourmet touch to pizzas to creating creamy spreads.



INDIA

A comprehensive offering in a buoyant market

Savencia Fromage & Dairy India offers innovative, gourmet cheese solutions for the fast-food sector. In this country, the Group is a pioneer in certain cheeses, thanks in particular to the remarkable adoption of its Milkana Professional's Filler Cheese product by fast food

participants. To keep pace with growth in the fast-food sector, the Indian subsidiary continued to expand its production facilities in 2023. At the same time, the subsidiary inaugurated a new line, a milestone for Milkana Professional.



In China, Sinodis puts its innovative drive to **work for Pain Chaud**

Pain Chaud and Sinodis are indeed partners: the number-one French bakery brand on the Chinese market works closely with the subsidiary Sinodis, giving it access to Savencia brands.

"Our team focuses on creating innovative recipes that fuse Chinese and Western flavors."

Dora Pan



Dora Pan, Sales Supervisor, Sinodis



Mark Yu, Executive Chef, Pain Chaud

"Our mission is to anticipate their needs to ensure the success of their business."

"Pain Chaud and Sinodis enjoy a solid working relationship, based on trust and transparent communication. To meet their needs, we don't just sell products, we strive to offer solutions. This includes regular demonstrations, as well as practical training courses for chefs, focusing on the latest culinary trends. The aim is to help them customize their recipes to meet their specific needs and cost constraints."

"Sinodis understands the importance and benefits of close cooperation with chefs."

"Sinodis' commitment to quality is perfectly aligned with Pain Chaud's, but what really sets it apart from other suppliers is its recognition of the importance of working with chefs. In addition, Sinodis has considerably strengthened our R&D and innovation capabilities: with this support, we have been able to successfully develop themed products, such as chocolate gingerbread men for Christmas."

"Sinodis is a real solution provider and demonstrates exemplary professionalism."

Mark Yu

Shaping sustainable growth in ingredients (Dairy)...

... means focusing on **high value-added production**

of cutting-edge ingredients, recognized by our industrial customers.



An organic range enriched with lactoferrin¹ from Modilac

For over forty years, Laboratoire Modilac, the French expert in infant nutrition, has been inspired by breast milk and innovating for the health of infants. With its Doucéa Lf+ range, the brand was already the only one in France to offer infant formulas enriched with lactoferrin¹ (the second protein in breast milk). In 2023, it went one step further by enriching

its Organic range with organic lactoferrin¹, making the Bio Lf+ range a world exclusive. And because caring for babies also means preserving the environment in which they will grow and flourish, Laboratoire Modilac produces its Doucéa Lf+ and Bio Lf+ ranges in Normandy, with over four hundred farms, for 100% French milk from a quality terroir.

⁽¹⁾ Lactoferrin of bovine origin produced by Armor*, excluding the Croissance formula.

Paslek: infant formulas for allergic babies

When it comes to infant nutrition, meeting the specific needs of allergic babies is a major challenge that Paslek (Poland) is committed to meeting. The site designs and manufactures innovative, cow's milk protein-free alternatives that are nutritionally adapted to the needs of these infants, in compliance with strict quality and food safety standards. This process involves a meticulous search for allergen-free components and the setting up of dedicated production lines to prevent any risk of cross-contamination. With these specific formulas, Paslek aims to respond to the concerns of parents and offer a quality nutritional solution to healthcare professionals.



In the land of the Rising Sun, the quest for health boosts protein powders

In Japan, the health crisis has changed the profile of protein powder consumers: almost 40% of the public is now made up of young buyers concerned about the lack of exercise and the quality of their nutritional intake. In response to this development, and in the face of heightened competition in this fast-growing niche, a major player in the food industry launched a new range of high-end protein powders in 2023, using Armor's advanced Protarmor 80 formula*. Objective: appeal to sporty customers looking for products with unique and high-performing compositions.

Armor*, specialist in ingredients for health and well-being



In a global context where health issues are becoming increasingly complex, food is an essential source of good health and well-being for all. A specialist in its markets, Armor* is an iconic brand dedicated to **the manufacture of functional and nutritional ingredients for the food, pharmaceutical and animal nutrition industries.**

Armor* has built up cutting-edge, high-performance scientific expertise, enabling it to offer premium-quality, tailor-made specialties.

Value-added ingredients

Lactoferrin, a bioactive protein with multiple properties, is used in the composition of top-of-the-range infant formulas. Always in search of innovation, Armor* now offers the world's first range of organic lactoferrin.

“Understand the customer’s market positioning and cross-reference this analysis with consumer expectations.”

“We offer our customers customized concepts, adapted to their needs and uses. We also present our overall innovations with a global reach that meet market expectations, notably at trade shows or through targeted media campaigns.”

Soline Hazebroucq, Marketing Director



Armor* also produces a **pharmaceutical lactose** used as an excipient in medicines.



The **Whey Protein Concentrate** offered by the brand is renowned for its high content of essential amino acids, enabling athletes to control their protein intake and maintain their metabolism.



Artisans of a *more* sustainable future

In the face of growing environmental and societal challenges, Savencia is committed to shaping sustainable growth, aligned with the expectations of its stakeholders, and embodying its mission “Leading the way to better food”. This collaborative approach is at the heart of our CSR strategy, illustrating our conviction that working across our entire value chain requires the involvement of everyone: partner producers, customers, consumers and employees. Together, we take action at every stage, from upstream farming to the marketing of our finished products, to ensure the well-being and safety of our teams in the workplace, to reduce our environmental impact and to pursue our mission at the heart of the regions.

Sandrine Durant,
a passionate collaborator at
the Fromagerie des Chaumes
(Juraçon)

Building the future with milk producers

Shaping sustainable growth means supporting milk producers in their drive towards sustainable production, with a focus on **decarbonization and the adoption of practices that respect both the environment and animal welfare.**



Towards greener milk collection logistics

Savencia Ressources Laitières has adopted an ambitious strategy of decarbonizing its logistics, with the aim of using as little fuel as possible, particularly fossil fuels, to transport milk to its cheese plants. With this in mind, the company is focusing in particular on optimizing collection routes using digital tools and training its drivers in eco-driving, as well as introducing more virtuous fuels into its energy mix. The Illoud site (52) is a pioneer in this respect, with its truck running on bioNGV from the organic farm of Philippe Collin, a farmer whose methanization unit produces electrical energy through biogas cogeneration. Savencia is also aiming for 100% sustainable mobility for the fleet of its subsidiary Messageries Laitières, which now runs exclusively on B100, a biodiesel derived from rapeseed oil made in France. A total of twenty-five clean-energy trucks now criss-cross the west and north of the country, reducing CO₂ emissions by 60% since 2021.

Welcoming new producers every year

Savencia's "Terroirs de lait 2032" program reflects the Group's ambition to collectively build the dairy production of tomorrow. A strong commitment to a sustainable and responsible industry, aimed at securing dairy supplies while ensuring generational renewal, with a three-pronged program: welcoming new producers, setting up young producers and, lastly, retaining partner producers. Among the newcomers to 2023, Pascal Monchamp (from the GAEC⁽¹⁾ of Choulet) was delighted to be able to "work with Savencia in a spirit of partnership and understanding". Also in 2023, in February, the Group signed a major agreement with the OP SOL⁽²⁾, which represents almost 134 farms and 50 million liters of milk.

(1) GAEC: Groupement Agricole d'Exploitation en Commun (Collective Farming Grouping)
(2) OP SOL: Organisation de Producteurs du Sud-Ouest Laitier (South-West Dairy Producers' Organization).



Encouraging the decarbonization of upstream dairy

To significantly improve its carbon footprint, Savencia is working alongside its partner producers to help them activate all the levers of sustainable dairy production, from herd efficiency to feed, from the treatment of livestock effluents to CO₂ sequestration. A great number of dairy operations now place sustainability at the heart of their considerations: for example, the GAEC⁽¹⁾ of Brison-Valognes has reconsidered its work organization, freeing up every second weekend while improving feed efficiency, herd performance and reducing its carbon footprint. For his part, the producer Alain Fourdrain now relies on decision-support tools such as the Be Api app to manage his cropping system more resiliently and adapt his practices, in partnership with his cooperative Cérésia.

(1) GAEC: Groupement Agricole d'Exploitation en Commun (Collective Farming Grouping)

6,500

This is the number of producers whose milk was processed by Savencia Fromage & Dairy in France in 2023.

"All Together for a responsible and sustainable dairy industry"

What characterizes the new generation of farmers?

F.-X. H. The profile of operators is changing, with some arriving from other sectors with a different outlook on the business. What's more, many of them are already working on changing their business model. This new generation is determined to transform the sector's image and gain recognition for the societal role played by livestock farmers, whether in terms of land development, food supply or the preservation of biodiversity.

S. G.-M. We feel this strong motivation and note that the young farmers who join Savencia do so because they are aligned with our family-based, independent business model. For our part, we provide them with support through our "Terroirs de lait" program, which translates into concrete guarantees and tools for setting up in the long term.

What are the major challenges facing the profession in terms of ecological transition?

F.-X. H. Livestock farming and the dairy industry are at the heart of our regions, on the front line when it comes to the consequences of global warming, as we saw with the drought of 2022. Farmers are well aware that the transformation of their business is inevitable, and many have already embarked on it, with a focus on three issues: decarbonization, water management and biodiversity preservation.

The FNIL and its members, including Savencia, are strongly committed to securing the future of the dairy industry and **supporting farmers** in the **ecological transition.**



François-Xavier Huard, Chairman and CEO, FNIL (Fédération Nationale de l'Industrie Laitière)



Sophie Godet-Morisseau, General Manager, Savencia Ressources Laitières et Approvisionnements Laitiers

S. G.-M. On all these subjects, Savencia supports its partner producers by working with them to develop an action plan to improve their carbon footprint, following a diagnosis of their operation. In some cases, we even co-finance part of the process.

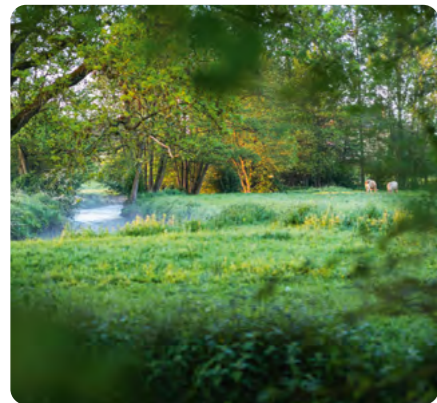
What shall the decree modifying the regulation on the reuse of milk water change in France?

F.-X. H. This is a subject to which the industry has been committed for a long time, and I'm delighted to see this work come to fruition. In fact, milk is 88% water, and the water resulting from its processing into dairy products is of a quality close to that of drinking water. This change in regulations should save nearly 11 million cubic meters of water per year, equivalent to the consumption of a city like Lille. A major step forward in resource conservation.

S. G.-M. This decree will have a major impact on our dairy industries, since we will be able to reuse milk water in our processes. Beyond that, the issue of water is also part of our support for milk producers. In fact, we work alongside them on soil quality regeneration and cow watering, two major issues for them.

Becoming a sustainable pillar of our environment

Shaping sustainable growth means **committing actively to the reduction of the environmental impact** of our operations while acting to preserve biodiversity.

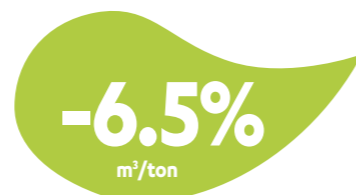


Armor* is committed to energy sobriety

At some of its sites in France, Armor* has formalized action plans to reduce its carbon footprint and improve energy efficiency. A program that includes a project to promote energy sobriety, the renovation of energy-hungry installations (with the support of the France Relance program in 2022), planning for the installation of heat pumps from 2026, and the exploration of new energy sources to achieve a significant reduction in CO₂ emissions of almost 70% over time. As a reminder, Armor* develops tailor-made solutions for functional and nutritional ingredients derived from milk and whey, for the human nutrition and food industries.

Biodiversity: Fromagerie Tessier takes care of an ecosystem

With the aim of preserving biodiversity, Fromagerie Tessier decided to take concrete action in association with the SMBAA (Syndicat mixte du bassin de l'Authion et de ses affluents) to transform a poplar grove into an alluvial wood. The aim of the operation? Protect the wetland and make the ecosystem more biodiversity-friendly, with the ecological study of the fauna and flora having identified over forty bird species and almost one hundred and thirty plant varieties to be safeguarded on this natural site. In all, 1,850 trees and shrubs of some thirty different species were planted, offering every employee the opportunity to sponsor one. At the same time, four ponds were created to diversify habitats. A year later, the ecological diagnosis revealed the presence of dragonflies, webbed newts and numerous plants: an initial source of satisfaction for the cheese dairy and environmentalists alike.



This is the percentage reduction in our water consumption compared with 2015, thanks to actions implemented at our various sites.



Arias receives its first Lean & Green star

A 20% reduction in CO₂ emissions: this is the performance for which Arias has been awarded its first star by Lean & Green, a European collaborative platform aimed at reducing emissions linked to the logistics process, in line with the objectives defined at COP21. To achieve this, Arias has teamed up with a more virtuous logistics partner, resulting in optimized routes and a reduction in the number of kilometers traveled. The result: savings of over 1,500 tons of CO₂ equivalent between 2019 and 2022.

"In Ducey, a winning synergy for the environment"

How did this approach come about?

D. H. Our site had identified the dual objective of controlling production costs and meeting environmental challenges. With this in mind, we challenged the consumption of gas, electricity, water and detergents, leading to an action plan. The program includes the recovery of waste energy¹ via a heat pump, the replacement of washing tunnels to reduce water consumption, and the switch to LED lighting.

S. S. Although the starting point was economic, the environmental objective very quickly took precedence, particularly the issue of water supply. We took advantage of this momentum to look closely at the energy aspect, in conjunction with the Group's experts.

How did the CSR and maintenance teams work together?

D. H. On the heat pump and washing tunnel projects, CSR has played an active role in the various working groups, helping to set up meters and prepare funding applications.

S. S. Our CSR/SSE teams are very committed to supporting our sites. In the case of Ducey, the presence of Florence Barbot (site HSE manager) provides support in decision-making and the management of projects.

At the Cœur de Lion manufacturing plant in Normandy, **the CSR and Maintenance teams** are working together to preserve resources.



Sylvie Schneider, CF&R CSR Director



Dominique Harivel, Maintenance Manager, CF&R Ducey site

What challenges have you overcome together?

S. S. Managing to carry out such a project while maintaining the site's activity and hygiene rules was a real challenge! We had to scrupulously keep to the schedule, despite the sometimes fluctuating delivery times of our various suppliers...

D. H. What's more, these projects took place in a tense global geopolitical context, marked by strong demand for these activities, which made the situation even more complicated.

What are you most proud of on these projects?

D. H. When you look in the rear-view mirror, the objectives have been met, and in some cases exceeded. Internally, this has enabled us to get the message across that "it can be done!" Both at Ducey and at the Group's other sites. I'm convinced that awareness of our environmental responsibilities can only be raised through actions like these, which give everyone a sense of purpose and positive energy.

S. S. The implementation of these projects is changing the way we work and mobilizing all our staff around sustainable development in a concrete way. It's a great team effort and a great achievement! Because, in the final analysis, we are all concerned by these environmental issues as we build and sustain the Group's activities.

⁽¹⁾ Energy recovery or waste energy is the amount of energy unavoidably present or trapped in certain processes or products.

Healthy pleasure hand in hand with responsibility

Shaping sustainable growth means **developing a healthy, natural offering** while accompanying consumers towards more responsible eating.



Two Sirius awards for the #PositiveFood x Jow campaign

At the end of 2022, five committed Savencia brands (St Môret, Saint Agur, Elle & Vire, Chavroux and Tartare) and the Jow app joined forces around #PositiveFood to launch a joint initiative aimed at guiding consumers towards a diet that combines pleasure, balance and sustainability. This operation has had a significant positive impact on purchasing behavior, and in 2023 received two Sirius awards: the Food Transition Award and the Consumer Award. These awards, presented by the Institut du Commerce, recognize companies and initiatives making a significant contribution to the transformation of commerce towards a more sustainable and responsible future.



Natural nutritional benefits

Committed to the nutritional qualities and naturalness of its recipes, Savencia Fromage & Dairy offers consumers minimally processed products made from simple, healthy ingredients. In Argentina, Milkaut launched a plain yogurt with no added sugar (Milkaut Yogur Cremoso Sabor Natural), which meets the recommended nutritional thresholds for sugar and saturated fatty acids. In Italy, Ferrari has completed its range with Mozzarella & Scamorza, a duo of protein-rich grated products. Finally, in the Czech Republic and Slovakia, Savencia has launched a lactose-free cheese, rich in protein and calcium, under the Liptov brand.

+ 600

The number of flexitarian recipes around our brands available on our digital platforms
quiveutdufromage.com, jaime-le-fromage.ch
 and ich-liebe-kaese.de

Positive Food conquers Serbia

Our Serbian subsidiary, Mlekoprodukt, pushed ahead with the development of its CSR project Biser Nutry Akademija which aims to raise awareness of the importance of a healthy and balanced diet for children's development. In 2023, a Cheese and Vegetables operation, involving two products from the "Biser Perfetta" range, was set up in 11 Univerexport stores, located in Belgrade, Novi Sad and Zrenjanin. Fruit and vegetable consumption is insufficient in Serbia, and the aim of this operation was to encourage people to buy and eat more vegetables. At the local level, our subsidiary is a pioneer in implementing point-of-sale activations around the topic of eating better, and in particular in highlighting seasonal vegetables associated with our cheese brands in gourmet, balanced recipes composed of cheese and vegetables.



"Recycled bricks = optimized environmental impact"

How did the idea for this project come about?

A. L. B.-M. When we carried out an audit of the waste generated by our site, we started talking to Veolia about the possibility of finding virtuous recycling channels.

A. E.-V. We came to Elle & Vire to bring the site up to standard, and we wanted to take this opportunity to suggest ways of increasing the percentage of waste recycled.

How did you co-construct the process?

A. L. B.-M. Initially, a discussion on waste sources enabled us to identify bricks as a potentially recoverable source, which led us to launch trials with Veolia.

A. E.-V. We then carried out a full-scale test in various stages. All these milestones were communicated to Elle & Vire employees, enabling them to learn more about sorting, and also to exchange ideas.

What's the outlook for the short and medium term?

A. E.-V. We're aiming to increase the tonnages recycled by capturing new production lines, and we also have other sorting projects in the pipeline.

A. L. B.-M. Our ambition is to roll out the approach to all our production lines and achieve a ratio of 100% of empty soiled bricks recycled in this way.

How do you view the project?

A. E.-V. It really is a win-win partnership, and one that was set up in less than three months, thanks to the enthusiastic mobilization of the Elle & Vire teams. Together, we have turned a complex subject into a recycling success story. And the experience enabled us to test a new way of collaborating and communicating between us, the service provider, and our customer.

A. L. B.-M. I have vivid memories of the first employee awareness campaigns, with staff gathered around sorting garbage cans in the rain: we were really motivated! That's why I'm all the prouder today to have contributed to the creation of this new sector with Veolia, as part of a reflection on the circular economy and zero waste. And I'm happy to see our initiative highlighted, because it shows the value of everyone's efforts to reduce our impact on the natural environment.



Anouchka Le Blond-Marro,
 Safety & Environment Manager,
 Elle & Vire



Alice Esteve-Vilain,
 Key Account Manager
 Normandy, Veolia

Cultivating the entrepreneurial spirit

Shaping sustainable growth means guaranteeing the safety of our employees, supporting their development and committing to well-being in the workplace, by creating an environment where **each individual is encouraged to be a responsible entrepreneur.**



A group focused on the younger generations

Convinced of the benefits of integrating young employees at an early stage, Savencia pursues an active apprenticeship policy: every year, the Group takes on five hundred apprentices in all its business lines, including maintenance, production, sales, marketing, quality, information systems and human resources.

At the same time, in order to raise its profile among future graduates, Savencia regularly takes part in school events, as was the case in 2023 at the Ensam during the CSR day organized on the campus of this engineering school, on the topic of water management by manufacturers. Or a half-day introductory course in cheese appreciation and quality management for students at Audencia and UniLaSalle, presenting the Group's businesses and its PDO cheeses.



Savencia Academy: three years to become an expert in dairy economics

For almost two decades now, the Savencia Academy program has been offering specialized, in-depth, three-year training to around thirty Group managers each year (with maintenance, technical and industrial backgrounds). The course focuses on scientific and technical skills related to the milk industry and its processing, to improve participants' skills through three main components: theoretical training on milk, sharing Savencia's best industrial practices and mastering cheese production processes. Enriched by international exchanges and site visits, the program also offers significant recognition in participants' career paths and enables them to enrich their internal network.



Climate Fresk workshop: 1,900 employees trained

Because raising awareness of climate issues is a major issue for Savencia, the Group has been mobilizing since 2022 by promoting Climate Fresk workshops within its teams. The year 2023 was a record year in this respect, with over a thousand participants trained: a success that owes much to Savencia's commitment to the deployment of the approach. Based on the principle that the words of a colleague who is already involved have more impact than those of an external speaker, the Group has already trained 43 employees to run this workshop, and the number of subsidiaries involved in the approach is increasing significantly each year.

1,392,000

The number of meals equivalent to our donations to Food Banks in 2023. This also won us the "Actor in Food Aid" award.



"A united collective means acting for the safety of us all!"

Your firm has carried out a safety perception survey between 2019 and 2023 within the Group. What lessons can you draw from this?

N. B. Savencia's safety culture index has risen by 23% between 2019 and 2022, with a strong presence of the safety value felt by employees in Europe. Nearly 20% of Savencia's subsidiaries already consider that their managers and employees feel in charge of their own safety, able to act safely on a daily basis, in "independent/interdependent" mode on the Bradley curve™.

What's the priority project?

N. B. One of the main areas for improvement identified is the need to develop managerial skills in the area of safety, with dedicated training courses for executives. This approach has already been taken at the highest level, with the launch of the "Leadership in Safety" program in 2021.

How would you rate Savencia's safety culture?

N. B. The "Safety Leadership" training courses have considerably changed the situation, and we've seen a very strong mobilization of executives and managers. They are much more involved on a day-to-day basis, by actively listening to their employees and preventing accident risks, having clearly understood that the benefits of such a policy impact the site's overall performance.

From operators to top management, **all Savencia employees are committed to safety**, as at the Angatuba plant in Brazil.



Nicolas Brocherieux,
Account Manager & Senior
Consultant, dss+ Company



Marcelo Tardelli,
Plant Manager, Angatuba
(Polenghi), Brazil

The results of the safety perception survey carried out in 2023 revealed a strong perception of safety culture by your employees at the Angatuba site. As site manager, what are the reasons for this safety performance?

M. T. In fact, we haven't had a lost-time accident in the last four years. This means ongoing commitment, with, for example, a commitment display board, a visual "mandala" of the ten essential rules, or immediate notification of any incident via WhatsApp. Not forgetting the purely human dimension, with a weekly conversation on safety and the monthly "People Who Make the Difference" day.

How do you put your safety approach into practice on a daily basis?

M. T. I try to make it clear that safety is my priority at the plant and that, without safety, we can't achieve any of our objectives. That's why every accident is immediately reported to me, before being analyzed in depth. And because progress is something to celebrate, every month we celebrate at least one safety achievement.

What do you believe is the key to successful awareness-raising?

M. T. It's essential to touch people's hearts, by explaining why we do what we do, because they are the focus of our actions and attention. Another important parameter is to always look for creative solutions to the problems we encounter in our operations. Lastly, don't hesitate to involve families and local associations in our actions, as this has a definite multiplier effect.

Key figures for 2023

Results and non-financial performance

- 39 - Key figures for 2023
- 42 - Non-financial performance report
- 76 - Corporate governance
- 77 - Simplified group structure
- 78 - Stock market activity in 2023
- 79 - Consolidated financial statements
- 80 - Consolidated balance
- 81 - Consolidated cash flow statement

Net sales

The revenue for 2023 shows a growth of +3.7% compared to the previous fiscal year, reaching €6,790.7 million. The organic growth is favorable at +11.6%. The structural effect of +2.1% mainly comes from the integration of SAW S.A.'s activities starting from April 3, 2023. The currency effect is negative at -10%, primarily due to the devaluation of the Argentine peso, which was further accentuated in the fourth quarter, as well as the evolution of the Chinese, Russian, and North American currencies.

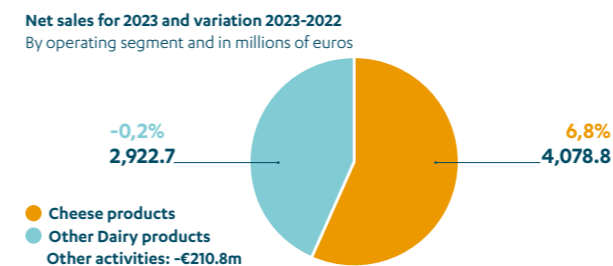


Net sales for 2023 and variation 2023-2022

By activity

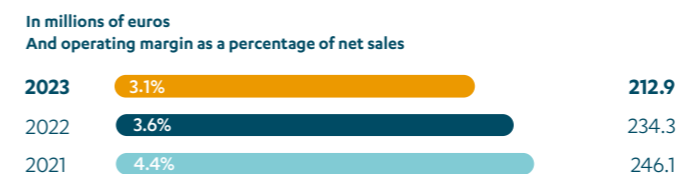
Cheese Products account for 60.1% of the consolidated revenue. The revenue shows a growth of 6.8%. At constant exchange rates and scope, the revenue for Cheese Products grows by 8.0%. This growth is driven, on one hand, by tariff adjustments implemented across all markets to cope with high global inflation. On the other hand, it benefits from solid volumes despite pressures on purchasing power and changes in consumer behavior, with a tendency to prioritize more affordable options in the face of inflation.

Other Dairy Products represent 43% of the consolidated revenue and show a variation of -0.2%, including an organic growth of 17% driven by strong volume performance in certain countries and the recovery of out-of-home dining, as well as price effects on a portion of the portfolio that offset the negative impact of falling prices for industrial products (butter, powder, and whey) in 2023.



Current operating profit

Current operating profit shows a decrease of -9.1% with a positive perimeter effect of +2.5% and a negative currency effect of -11.3%.

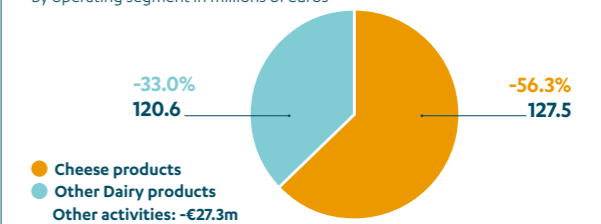


Current operating profit for 2023 and variation 2023-22 change

Current operating profit for Cheese Products in 2023 shows an increase of 56.3%. The current operating margin rate has improved from 2.1% to 3.1%. The resilience of volumes, price adjustments, cost control, and productivity efforts have helped offset the inflation of production costs.

On the other hand, the operating income for Other Dairy Products has declined by 33.0%. The current operating margin rate has decreased from 6.1% in 2022 to 4.1% in 2023. This can be mainly attributed to a less favorable valuation of Ingredient activities due to the drop in quotations of industrial products, but partially offset by the recovery of Food Service activities.

Current operating profit for 2023 and 2023-2022 change By operating segment in millions of euros



Group share of net income

The Group's share of net income increased by 41.8%. Non-recurring expenses decreased by €27.8 million and continue to be impacted by asset impairments, restructuring costs, and litigation. Financial expenses decreased by €6.4 million, mainly due to a favorable result on currency hedges, offsetting the negative impact of rising interest rates. The result on monetary position slightly increased by +€0.4 million, reflecting the application of IAS 29 standard for countries experiencing hyperinflation (Argentina). The contribution from equity-accounted investees slightly changed by +€0.2 million. Corporate income tax decreased by €7 million due to a decrease in non-deductible asset impairments. The net income for the period attributable to non-controlling interests decreased by €8 million.



Net debt and equity

The capital expenditures for tangible and intangible assets amounted to €178.90 million, a decrease of 5.0%. The acquisitions of companies amounted to €34.2 million in 2023. The net financial debt stands at €439.1 million, an increase of €28.5 million. The equity has decreased by €9.3 million compared to 2022.



Business model

OUR MISSION
Leading the way to better food

Resources

22,329 EMPLOYEES committed to our common values.
62.2% men / 37.8% women.

STRONG AND UNIQUE BRANDS including local heritage brands, brands of origin and PDO.

5.1 billion liters of processed milk, collected from **DAIRY FARMERS** who are partners of SAVENCIA Fromage & Dairy.

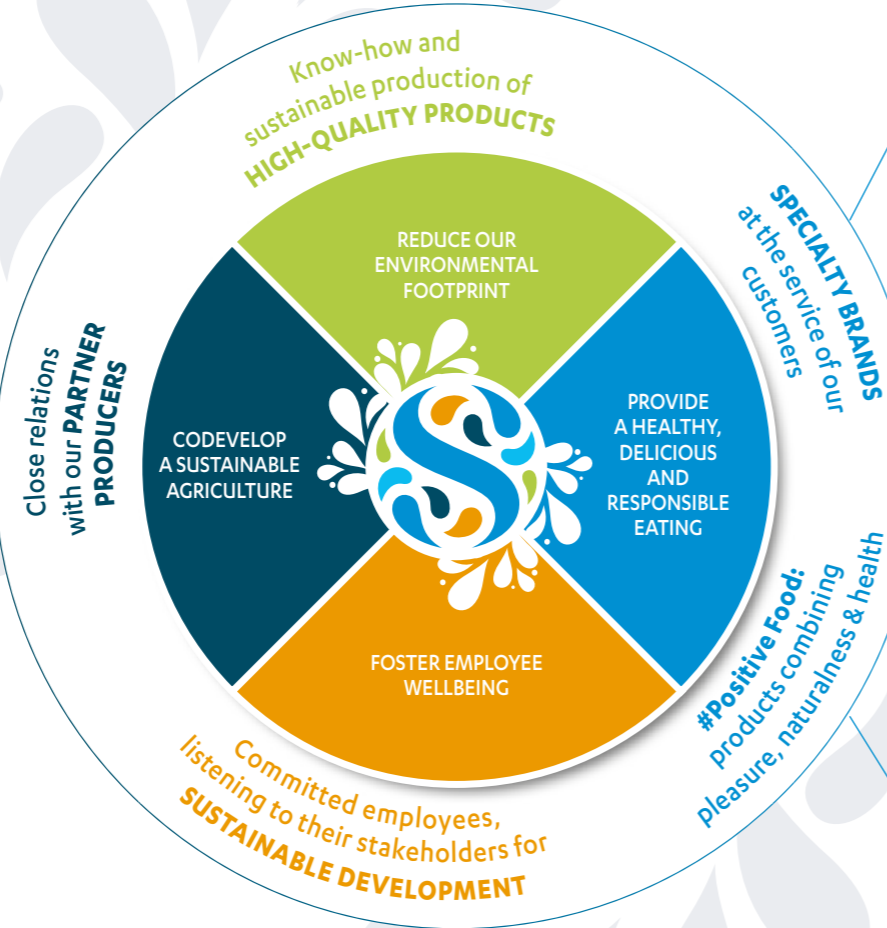
Quality, R&D and business expertise in our **PRODUCTION SITES** around the world.
Continuous improvement in natural resources management.

An omnichannel strategy, with partnering **SALES NETWORKS** and customers globally.

A **"GLOCAL" MODEL** with shared global expertises and local subsidiaries in close proximity to their markets.

The stability of A **FAMILY SHAREHOLDING** majority.

Value creation



OUR STRATEGY
Creating value through specialty differentiation and innovation



Retail
Cheese Products
Butter, cream, infant formula



Food service
Cheese, cheese sauces
Butter, cream



Industry
Dairy ingredients and nutritional solutions
Technical butters



13th largest dairy group in the world
5th largest cheese group

Shared value

FOR EMPLOYEES:
a recognized HR policy with 14 countries certified as Top Employer 2023-2024.
Commitment to youth employment with 418 apprenticeship contracts in 2023.
43% of female managers.

FOR PRODUCERS:
187 young dairy farmers supported with our Installation Pack.

FOR CLIENTS:
SAVENCIA, 2nd sales force of the department creamery in France in 2023.

FOR CONSUMERS:
nutritional improvement and clean label products, support for responsible consumption via our #PositiveFood approach.

FOR THE ENVIRONMENT:
-341,345 t CO₂ eq between 2010 and 2023 for our milk collection. 16% reduction in our GHG emissions, scopes 1 & 2, per ton manufactured between 2015 and 2023.

FOR SOCIETY AND COMMUNITIES:
we contribute to the development of local territories. 69% of our subsidiaries support solidarity actions.

OUR CULTURE

Values: tolerance, courage, honesty, loyalty
Principles for action: subsidiarity, collegiality, autonomy



1 Introduction

In terms of non-financial reporting, this year's 2023 report will truly have a flavor of its own. We are in the midst of turning a new page on the reporting process: the new European CSRD (Corporate Sustainability Reporting Directive) regulatory framework is coming into full force, making this the final edition of the Non-Financial Performance Statement. In a year's time, we will be producing our first Sustainability Report, the ambitions of which, in terms of non-financial reporting, will require us to step up our non-financial performance management. This is a real opportunity for us to transition towards a truly global performance model, coupling non-financial ambitions with financial performance.

This edition of the 2023 Non-Financial Performance Statement presents us with the opportunity to warmly thank all of the teams working towards the report's completion, both locally and around the world. Each annual report is a clear demonstration of our operating model's strength and vitality, made obvious by the wealth and diversity of our nonfinancial initiatives throughout all the regions in which we operate. We are making progress with each passing year, and it's a great source of pride to witness our collective growth through the compilation of this document. These initiatives form the very core of our "Leading the way to better food" mission and align with the one of the Group's overarching values that is most near and dear to us: "Serving the greater good."

The initiatives that we report on and highlight here are the fruit of the labor of our employees and partners, all of whom work hard to implement our vision throughout our entire value chain. Their dedication makes possible our collective actions in favor of the health and wellbeing of our teams, the preservation of the planet and the regions in which we operate, and the future of our agricultural sector, which is currently exposed to the immense challenges of ecological transition. Last but not least, our full spate of products and solutions, via which we transmit our commitments and responsibilities to our customers and consumers, receives our undivided attention as we work to make it ever healthier and more responsible.

If we had to highlight one particularly significant event for 2023, it would undeniably be the SBTi (Science Based Target initiative) approval of our decarbonization trajectory in March 2023. This external commitment is proof of our firm dedication to mitigating climate change by limiting greenhouse gas (GHG) emissions at all levels of our organization, given that our commitment covers all target scopes (scopes 1, 2 and 3). Above and beyond this commitment, a new culture is being instilled in the company, one that emphasizes sobriety and value (rather than volume), crucial to tackling all the pressing challenges that we face in addition to carbon emissions, such as protecting global water supplies and biodiversity!



2 Our CSR approach

1. Governance

SAVENCIA heeds to a value-creation strategy that profits from the diversification and differentiation of its products and specialty brands.

The Group draws its strength by pairing human-scaled, autonomous subsidiaries, each one in close contact with its local markets, with global expertise shared across the entire Group. These subsidiaries play an active role in the local development of their surrounding regions and maintain regular dialog with their various stakeholders.

The synergies between Groupe SAVENCIA's core businesses (retail, food service and industry), along with its broad and diverse presence around the world, ensure that the Group remains resilient to future risks.

SAVENCIA is committed to supporting the efforts necessary to transition towards global systems that benefit our shared economic, social and technological needs, particularly:

- the transition of food systems, to encourage healthier and more sustainable food production and consumption. SAVENCIA's goal is to play a leading role in the transition towards better food systems, by offering an array of sustainable and high-quality products that meet consumer expectations and its own #PositiveFood approach, which promotes a diversified, nutritious and tasty diet composed of healthy, natural and minimally processed goods;
- the ecological transition, to mitigate climate change and its long list of associated impacts. The Group is committed to reducing the environmental impact of its own activities while helping its suppliers to evolve their agricultural practices;
- the digital transformation, which affects both our core businesses and the entirety of our value chain, from supply to distribution;
- the societal transition, with consumers and employees demanding that companies respond to society's greatest contemporary challenges.

1. CSR governance

To support the roll-out of its Oxygen plan, the Group has set up a dedicated governance structure that brings together the organization's most senior executives alongside corporate teams and subsidiaries.

Company-wide governance

The Group Ethics and Culture Committee (GECC) is comprised of the Group's Chief Executive Officer, the Secretary-General, who chairs the committee, the Chief Financial Officer, the Chief Legal Officer, the Chief Human Resources Officer, and the Chief Compliance Officer. This committee is responsible for leading the Group's compliance policies, especially with regards to matters of due diligence. It meets at least

twice a year and schedules additional meetings whenever warranted by latest events.

The Group's CSR Department deploys the Oxygen plan worldwide, develops and implements the Sustainable Development strategy and assesses and manages environmental and societal risks. The Chief CSR Officer is a member of the SAVENCIA Fromage & Dairy Executive Committee.

The Oxygen Committee was created in 2019 under the CSR Division's responsibility. This committee brings together supporting expertise from the Human Resources, Dairy Supply, Purchasing, Nutrition, Quality, Compliance and Industrial Departments. It provides expertise and ensures that the action plans are carried out.

The Board of Directors of SAVENCIA Fromage & Dairy determines the Group's business activities' strategic direction and oversees its implementation. The Board of Directors is assisted in this effort by specialized committees, to which it provides the resources necessary to performing their respective missions, ensures support from the various departments concerned and allows to seek advice outside the Group. The Board of Directors has enlisted the help of the Social & Environmental Responsibility Committee (SERC) to examine and oversee the Group's CSR issues.

The goal of the **SAVENCIA Fromage & Dairy Corporate Social Responsibility Committee (CSR)** is to assist the Board of Directors in assessing the challenges of Corporate Social Responsibility in order to better anticipate associated opportunities, stakes, and risks. It takes into account the Group's full activities and policies as well as the progress of its principal action plans as they relate to the various aspects of Corporate Social Responsibility. In order to carry out its missions, the Corporate Social Responsibility Committee can seek counsel from the Statutory Auditors, Executive Directors, CSR, Compliance, Human Resources and Operations Directors. This list is non-exclusive. It receives all documents required to carry out its mission. The Committee is comprised of at least three members who are either Directors or Non-Voting Directors, and is chaired by an independent Director. The Corporate Social Responsibility Committee comprises six directors, one of whom is also Chairman of the Audit and Risks Committee. The Group's CSR Director acts as secretary. In 2023, the Committee met five times. As part of its mission, it took stock of the Oxygen corporate program and shared future challenges in light of the current context. Throughout the year, Committee members collaborated in the various phases of strategic planning, particularly the diagnostic phase (specifically with regards to climate change, planetary limits, new societal expectations and new regulatory frameworks) and the analysis phase, in response to contemporary challenges, be they the reduction of our environmental footprint (water and carbon), the nature of our future products and services (including packaging) or supporting our agricultural partners, key players in our value chain.

The SAVENCIA Fromage & Dairy Audit and Risks Committee (ARC) assists the Board in closing business accounts and accompanies the preparation the Group's financial information and statements. It also ensures the continued relevance and proficiency of internal and external control systems.

The SAVENCIA Fromage & Dairy Management and Compensation Committee (MCC) assists the Board of Directors in applying the Company's Human Resources Policy and makes recommendations for appointing and reappointing directors, non-voting members and corporate officers.

Subsidiaries and businesses governance

The CSR Department has set up a network of CSR coordinators whose role within each subsidiary is to act as an interface between the subsidiaries' Management Committees, the CSR action sponsors and the Oxygen Committee. They support the roll-out of commitments defined by the overarching framework.

Within each business department, operational sponsors implement the CSR framework and monitor the department's progress to ensure that the roadmap objectives are met.

This tightly-knit network, which covers every tier of the Group, places CSR at the heart of all employees' commitments and activities, thereby enabling the Company to achieve its stated objectives.

Risk management and compliance

SAVENCIA has a Risk Management and Compliance Department headed by the Chief Compliance Officer. This team is responsible for designing, deploying, coordinating and monitoring compliance actions across the Group with the aim of bringing all identified risks under control.

The Compliance Department is assisted by a network of Subsidiary Compliance Officers, who are tasked with coordinating compliance measures within local companies. A person who is specifically responsible for Due Diligence ensures coordination with the CSR department. Training on these subjects is mandatory for all Group employees.

2. Materiality assessment

SAVENCIA undertook an initial consultation process in 2018 with more than 185 internal and external stakeholders around the world, including employees, producers, customers, consumers, suppliers, executives, investors and members of civil society. Their insights were subsequently used to produce a materiality assessment. This exercise was instrumental in identifying and selecting priority issues for the Group and all its stakeholders.

In 2021, the materiality assessment was updated to reflect contemporary social trends and the latest developments in our sector of activity. This process was carried out by the Oxygen Committee and involved internal experts across several departments, including Human Resources, Purchasing, Dairy Supply, Marketing, Nutrition, Quality, and Industry. Some of the challenges were reassessed, namely: climate change and net-zero carbon, animal welfare and farming practices and water management. This materiality assessment was presented to the Executive Committee and the Corporate Social Responsibility Committee.

The issues identified during the materiality assessment have been incorporated into the focus areas underlying our Oxygen plan:

- Healthy, tasty, and responsible nutrition
- Sustainable agriculture
- Our environmental footprint
- Our employees' wellbeing

Compliance with regulations was also verified by ensuring that the required topics (social, societal, environmental, human rights, anti-bribery, and anti-tax evasion) were indeed covered, in addition to other expected topics (climate change, circular economy and food waste, poverty, healthy and sustainable food, animal welfare, diversity and disability initiatives, collective bargaining agreements, physical and athletic activities).

Following SAVENCIA's decision to give certain CSR issues greater priority, relevant KPIs for our sector of activity have been associated with each issue. The process used by Groupe SAVENCIA to select its main CSR issues is identical to the process employed in 2021.

Within the framework of the Corporate Sustainability Reporting Directive (CSRD), which the Group will be following for the 2024 publication (to be released in the first semester of 2025), preparations are being made to undertake a double materiality assessment.

Materiality analysis, CSR priority issues



- 
Healthy, delicious and responsible eating
- 
A sustainable agriculture
- 
Environmental footprint
- 
Employee wellbeing and community
- 
Ethics and compliance

3. Our key issues

Issues	Risks	Contribution to UN Sustainable Development Goals
<p>Healthy, delicious and responsible eating</p> <ul style="list-style-type: none"> Improve the nutritional quality and design of our products Promote responsible consumption 	<ul style="list-style-type: none"> Potential risk of impacting consumer health Risk of overconsumption and food waste 	
<p>Sustainable agriculture</p> <ul style="list-style-type: none"> Codevelop more sustainable sourcing with our suppliers of agricultural raw materials Promoting responsible purchasing 	<ul style="list-style-type: none"> Risk of poor animal husbandry or farming Risk of social and environmental rights violations via the supply chain 	
<p>Environmental footprint</p> <ul style="list-style-type: none"> Reducing our greenhouse gas emissions Managing our water resources Optimizing waste management Developing eco-design for our packaging 	<ul style="list-style-type: none"> Risk of activities exacerbating climate change, needing to adapt to the consequences of climate change Risk of stressing water systems Risk of pollution Risk of waste over-production 	
<p>Employee wellbeing</p> <ul style="list-style-type: none"> Guaranteeing our employees' safety Improving quality of life at work Developing skills Our commitment to diversity and inclusion Encouraging employee engagement with local communities 	<ul style="list-style-type: none"> Risk of adversely impacting employees' health and physical safety Risk of deteriorating working conditions with negative impacts on employee wellbeing Risk of incompetence Risk of discrimination Risk of limited local roots 	
<p>Ethics and compliance</p> <ul style="list-style-type: none"> Respect for Human rights Combating corruption Combating tax evasion 	<ul style="list-style-type: none"> Risk of breaching basic Human Rights Risk of unethical practices Risk of damage to brand reputation 	

3 Healthy, delicious and responsible eating

1. Improve the nutritional quality and design of our products

1. Issue, risk and policy

In full according with its mission "Leading the way to better food," Groupe SAVENCIA works to achieve public health goals by offering high-quality natural products that are both healthy and delicious, thus enabling consumers to maintain a diversified, healthy, and sustainable diet.

In response to consumers' growing demands for better nutrition and given the potential health impacts of poor diets, we are committed to developing high-quality products that are minimally processed and as natural as possible.

Our teams design and adhere to concrete, step-by-step progress plan with the aim of continuously improving the nutritional quality and design of our products.

In 2023, the Group continued the roll out of SAVENCIA's Charter for Responsible Design, established in 2019. The goals of the charter are to:

- provide all subsidiaries with guidelines and proactive directions for more sustainable and responsible design and redesign of our products;
- establish Group's collective goals;
- facilitate the audit process and structure proposals for product and packaging improvement;
- share common methods and terminology across all teams.

The Charter has three parts:

- Responsible product design
 - ensuring the best possible nutritional content, in terms of the product's organoleptic quality and use;
 - aligning, as much as possible, the nutritional content of our products made for children with the thresholds provided by the WHO's marketing guide for children's goods;
 - preserving the natural nutritional properties of the raw ingredients (protein, calcium, and vitamins in milk).
- Eco-design of packaging

Groupe SAVENCIA's goal is to create packaging that meets fundamental requirements (containing and conserving the product's qualities; protecting the product from shocks, light, and contaminants; storing, collecting and transporting the product) while adapting to changing consumer preferences and designing for minimal environmental impact.

- Responsible communication and marketing

This approach applies to all our brands' communication, whatever the targeted group (customers, consumers, etc.) and whatever the targeted media (packaging, audiovisual media, printed and digital materials, point-of-sale advertising, etc.).

It rests on several principles: sincere commitments, transparent consumer engagement, incentivizing healthy consumption and attention to our communications' societal and environmental impacts.

We have committed to implementing a Clean Label Approach on 100% of all our brands' new products by 2025. The Clean Label Approach calls for making continuous improvements to products' contents by improving their recipes and removing certain controversial additives and substances.

2. Actions implemented and results

- The Clean Label component of the SAVENCIA Responsible Design Charter, which was updated at the end of last year, was rolled out across the Group in 2023. To this end, the Group's Nutrition Department has provided specific support to several of our subsidiaries to help them understand and apply the various levels of the Group's Clean Label Approach. Support was also provided to undertake the preliminary diagnosis required for the innovation and renovation of their brand-name products.
- The global network of brand ambassadors, created to ensure the success of our #PositiveFood campaign, organized several actions in 2023. This network enables best practices to be shared between subsidiaries and the various countries in which we operate. The aim of this initiative is to promote a tasty flexitarian diet, advocating for a positive dietary transition towards a diversified food-production model, with meal portions and consumption frequencies that are well-adapted to each food group.
- The Group's Nutrition Department organized meetings to convene the network of #PositiveFood ambassadors throughout 2023. These exchanges enable projects to be shared and for concrete, targeted roadmaps to be drafted to constantly improve products' nutritional content and design. Local specificities, such as gastronomic culture and culinary practices, are taken into account to develop local actions that motivate consumers to engage in healthier, more sensible and more responsible consumption.

Several brands drafted and enacted plans for progress in 2023 to optimize their products' nutritional content.

These blueprints seek to improve products' nutritional benefits by reducing sugar and fats and sometimes even adding proteins, minerals, and vitamins.

- **Less sugar:**
 - > In the recipes of chocolate puddings sold in France and internationally, as well as the recipes for caramel pudding. Sugar was also reduced from Pribinaček, a desert pudding manufactured in the Czech Republic.

- **Less fats:**
 - > In France, a reduction in fats across the P'tit Louis product line, in the Tartare Ail et Fines herbes and in the Elle & Vire "Mon Grec" line of deserts;
 - > Internationally, in Argentina: fat reduced from Milkaut's creamy yogurt base and the Crematto Classic. Fats also reduced from the Ilolay Kids yogurts, deserts, and custards, followed by an enrichment in vitamin B9 and zinc. In Germany: fats reduced from the Milkana Shane spreadable processed cheeses and from Kräuter, as well as the Brunch Balance and the Bresso der Cremige cream cheese.

New products offering multiple nutritional benefits have been launched:

- > The Fol Epi Classic 5 mini slices, a source of proteins and rich in calcium, allowing for a balanced consumption;
- > Ferrari's Mozzarella & Scamorza, rich in proteins;
- > In the Czech Republic and Slovakia, the Liptov brand launch of a lactose-free product that is rich in proteins and calcium;
- > In France, the launch of Uhaitza, lactose-free and rich in proteins and calcium;

- > In Spain, the Burgo Arias Proteines Plus, with no additives.

- Several Clean Label plans for progress have also been put in place, notably:

- > Elle & Vire: elimination of artificial flavors and coloring in the Crèmes Dessert (desert puddings). Elimination of artificial flavoring and coloring throughout the entirety of the dairy-based Mon Grec and Fruits desert lines;
- > In Italy, the launch of Ferrari's preservative-free Mozzarella & Scamorza;
- > In India, several products of the Milkana line are preservative-free;

3. Key performance indicators

- > In 2023, 88.1% of new branded products having adopted a Clean Label approach.

	2021	2022	2023	2025 target
% of new branded products having adopted a Clean Label approach	58.6%	75.4%	88.1%	100%

The increase in this KPI in 2023 can be credited to the subsidiaries' greater engagement with the Clean Label approach and a more targeted focus on behalf of the R&D and marketing teams.

2. Promote responsible consumption

1. Issue, risk and policy

Supporting consumers and our employees alike in adopting more sensible consumption practices is a societal challenge that the Group is explicitly invested in.

As a leader of the global food industry, in line with our corporate commitments, we are striving to contribute to the attainment of the United Nations' Sustainable Development Goals (SDGs). The food safety and nutritional value of our products is of primary importance to us. In response to the risks of over-eating, which can lead to excessive weight-gain, obesity and other chronic illnesses, our goal is to positively influence the greater public's consumption by encouraging consumers and employees to adopt more sensible eating habits, consistent with the principles of a healthy and sustainable diet.

Portion sizes are an effective tool for fostering balanced and diversified dietary practices. The Group has set a goal for 100% of its branded retail products to include per-portion nutrition labeling by 2025, thereby going above and beyond local regulatory requirements.

The official recommendations issued by many countries target frequency of consumption and portion sizes for each type of food. By adding per-portion nutrition labeling on all its major retail brands, the Company seeks to provide consumers with an enhanced understanding of its products' nutritional benefits. For fixed-portion products like cheese slices, or products that display the image of a single portion, such as chocolate squares, the actual size of the unit (one or more units) is specified on the label so that consumers can identify the recommended portion and practice a wise and well-informed consumption.

For products that do not come in fixed portions, portion size is roughly the recommended portion (30 grams of cheese) or the portion usually consumed as part of a balanced diet. In addition to per-portion nutrition labeling, we have been using the Nudge methodology since 2016 to encourage a smarter and healthier consumption of our products, most notably by adding serving size visuals directly to the product and/or packaging.

In an effort to limit food waste and combat food insecurity, Groupe SAVENCIA takes on initiatives such as food bank donation drives or designing products tailored to consumer needs (portions, resealable packages, etc.).

2. Actions implemented and results

Encouraging consumers and employees to adopt smarter habits

As an active player in the transformation of our food systems, SAVENCIA encourages consumers to adopt healthier and more sensible consumption practices. In order to ensure that our nutritional policies are successfully enacted, the Nutrition Department team assists all of the Group's brands in their efforts to improve their products' nutritional content, thereby integrating them into the core of a healthy, tasty, and balanced diet.

The rollout of our #PositiveFood campaign, which embodies our commitment to responsible diets that combine pleasure and health, with natural products or as little processing as possible, continued in 2023 with numerous actions. Over 600 #PositiveFood recipes across the Group's major brands are available on our digital platforms quiveutdufromage.com, j aime-le-fromage.ch, ich-liebe-kaese.de and on our brands' web pages. These are flexitarian recipes for healthy, delicious meals. Our in-house #PositiveFood tool, which enables our brands to develop balanced recipes, has incorporated the new algorithm used to calculate a product's Nutriscore. This update has enabled us to re-evaluate the rating of certain recipes.

Several partnerships were also set into motion in 2023, of which we can cite:

- The operation, initiated by the Nutrition Department and carried out in partnership with the JOW app, aims to promote a delicious, balanced and sustainable diet. Via this app, consumers have access to #PositiveFood recipes that are rich in seasonal vegetables, in which our cheeses contribute to the well-balanced nutritional content and taste of vegetarian recipes. The app provides consumers with these flexitarian recipes and generates a list of necessary ingredients. This list is then automatically added to their shopping basket and sent to the drive-through of the store chosen by the user. Tartare, Elle & Vire, Chavroux, Saint Môret and St Agur have taken part in this initiative. The impact of this operation was measured by a study designed to analyze the purchasing behavior of JOW users exposed to the #PositiveFood campaign. The study showed a positive impact on purchasing behavior, with an increase in the purchase of vegetarian recipes and the sale of fresh fruits and vegetables.

Thanks to this innovative, collaborative approach to helping consumers enjoy healthier, more sustainable food, SAVENCIA won two SIRIUS awards in 2023:

- > the SIRIUS Food Transition Award
- > the SIRIUS Consumer Award

The mission of the Institute of Commerce's SIRIUS awards is to shed light on the future of business by highlighting the companies and initiatives contributing to its evolution. The aim is to disseminate valuable and collaborative initiatives, thereby accelerating their implementation. They showcase how all players can work together on a project and reward the best collaborative industry-commerce initiatives responding to consumers' new societal expectations.

- Another example of successful partnership is the one carried out this year with the METRO group within the Consumer Goods Forum (CGF) collaborative platform. Along with other industry players, we took part in a multi-brand operation with the METRO group through its "Mon restaurant passe au durable" ("My restaurant goes sustainable") initiative. The aim of this initiative was to help customers,

restaurateurs, and professional caterers, integrate healthier, more sustainable and more accessible recipes into their menus. Using our #PositiveFood tool, we developed multi-brand, healthy, delicious, and responsible recipes, with Nutriscores of A or B, that cost less than 3 euros. These recipes were promoted in their stores for a month, and the operation had a positive impact on the sale of healthier products.

- Still within the framework of partnerships, collaborative actions within the Carrefour Food Transition Pact continued throughout 2023. The operation "le meilleur du végétal" ("the veggies' very best") was set up in 22 Carrefour superstores across France to promote a flexitarian diet by recommending recipes Nutriscored A or B.

- Our Serbian subsidiary, Mlekoпродукт, continued to develop its "Biser Nutri Academy" CSR project which raises awareness around the importance of a healthy, balanced diet for children's development. In 2023, a Cheese and Vegetables initiative, involving two products from the Biser Perfetta line, was set up in Belgrade, Novi Sad and Zrenjanin. Given that fruit and vegetable consumption is lacking throughout Serbia, the aim of this operation was to encourage people to buy and eat more vegetables. On a local level, our subsidiary is a pioneer of retail activation, highlighting in particular the seasonal vegetables associated with our brands in delicious, balanced recipes prepared with cheese and vegetables.

- The Institute for a Positive Food, which promotes and advocates for a healthy and sustainable nutrition, combining taste and health, wholesomeness, and responsibility, awarded a Positive Food Innovation Prize in 2023. The jury, made up of members of the Scientific Advisory Board and a member of the Institute's Board of Directors, awarded the prizes to two winners:

- > La Picorée for its delicious and natural snacks that prevent the risk of malnutrition,
- > Alim'Mater for its project "9 mois à croquer" ("9 months to munch"), a prevention program promoting nutritionally sound and sustainable maternal diets.

- The roll-out of the ALISA (ALimentation Saine, durable et Accessible) program, launched in collaboration with the LYFE research center (formerly the Paul Bocuse Institute) and the Vivons en Forme (VIF®) program, continued in 2023. These three partners, working with local authorities, are pooling their experience and resources to implement the ALISA action program for people aged 55 and over.

In 2023, a feedback session was organized for the first participants and local employees to discuss the program during a luncheon that marked the end of the pilot project carried out in the town of Ecully. The event was attended by several participants.

This year, the program was extended to three new towns in northern France: 40 workshops were set up, enabling 60 people to benefit from the full ALISA program. The program was presented at the Salon de la deuxième jeunesse in Nogent-sur-Oise in May 2023. The aim of this trade show, dedicated to people aged 50 and over, is to enable them to discover the latest trends in health, wellbeing, leisure, and age-appropriate technologies.

The first results of the ALISA program were presented in the form of an e-poster at the Journées Francophones de Nutrition (JFN), an annual interdisciplinary and interprofessional conference devoted to all aspects of nutrition. The JFN brings together experts in nutrition, food physiology, biology, food science and animal nutrition.

Combating food waste

As a responsible Group that is aware of the global issues of food access and resource preservation, Groupe SAVENCIA combats food waste by implementing several types of initiatives aimed at:

● raising consumer awareness:

> SAVENCIA Fromage & Dairy has pledged to reduce food waste by signing the Consumption Dates Pact launched in France by Too Good To Go (TGTG) and backed by the French Ministries for Ecological Transition and Solidarity and Agriculture and Food. The St Môret brand pushed ahead with this commitment by including best-before date pictograms on its packaging;

> In Romania, our subsidiary Delaco ran a campaign to raise awareness around food waste reduction by proposing low-waste recipes: “let’s make pizza” and “let’s make salad.” The aim of these programs was to promote the consumption of vegetables by using “fridge leftovers,” proposing balanced and tasty recipes.

● encouraging donations to local organizations to combat food insecurity:

> The Groupe SAVENCIA, which is part of the Entreprises Solidaires des Banques Alimentaires (Companies in Support of Food Banks), restated its commitment to food banks and its desire to fight food waste while helping the most disadvantaged access quality products. Several initiatives have been carried out with this goal in mind:

> In France, many Company employees joined forces with Food Banks to partake in the November national food drive, which took place in 8,000 stores. This moment of exchange and social inclusion was particularly appreciated by our employees and Food Bank volunteers alike. This event was organized within the framework of the Company’s skills sponsorship program;

> For the third year running, we have committed to doubling the donations made by consumers as part of the Paniers solidaires (Solidarity baskets) program. These are donations made by individuals on a virtual collection platform set up by the Food Banks: monpaniersolidaire.org. The donor selects a type of basket (student, baby, family, etc.) and, in the form of a financial donation, offers it to a Food Bank recipient;

> Product donations have continued, with an increase of 36% compared to 2022.

> Other community organizations receive regular donations from our subsidiaries, and in 2023, 76.3% of donations made by production sites were in-kind donations.

3. Key performance indicators

In 2023, 71.8% of branded retail products including per-portion nutrition labeling.

	2021	2022	2023	2025 target
% of branded retail products including perportion nutrition labeling	42.9%	59.6%	71.8%	100%

In 2023, this indicator advanced in large part thanks to the marketing and nutrition teams’ close collaboration with subsidiaries.



1. Codevelop more sustainable sourcing with our suppliers of agricultural raw materials

1. Issue, risk and policy

Alongside its suppliers of agricultural raw materials, SAVENCIA is developing more sustainable and value enhancing sourcing practices, to ensure the resilience of its dairy industry and to meet the climatic and societal challenges facing the ecosystems in which it continues to evolve.

The Group centers around strong and well-recognized brands that require flawless raw materials. It engages in long-term partnerships with its suppliers, with whom it strives to foster and maintain fair and balanced business relationships. In order to meet our consumers’ growing demands for corporate social responsibility, the dairy supply teams are committed to developing high-quality branches that respect workers’ rights and, more broadly, human rights, animal welfare, and the environment, thereby avoiding the risk that poor animal husbandry or crop farming practices worsen the impacts of these activities.

These commitments rely on close collaboration with producers and partners on the ground to collectively enact more responsible and sustainable practices. Reducing greenhouse gas emissions, preserving natural resources and biodiversity, guaranteeing animal wellbeing, and imagining sustainable solutions that meet the challenges of the ongoing ecological transition are priorities for SAVENCIA. Our commitments focus on our main strategic raw material, milk, with:

- the extension of our Charter for Best Farming Practices (or its country – or sector-specific equivalent) to all our milk sourcing worldwide by the end 2025;
- the deployment of our “Sustainable Milk Production” diagnostic to 50% of our milk producers by the end of 2025 and a reduction in the carbon footprint of the industries involved in the production of milk.

2. Actions implemented and results

In 2023, SAVENCIA Fromage & Dairy bought 5.1 billion liters of milk from cow, ewe and goat farms around the world.

As part of the Oxygen plan, our dairy supply teams are focusing on two specific objectives for developing sustainable and responsible sourcing as part of the “Terroirs de lait” approach:

- Develop responsible dairy supply practices in collaboration, with our stakeholders;
- Building the future with the “Terroirs de lait 2032” program: secure

global milk supplies, sustain and assure the succession of generations of farmers and significantly improve the entire supply carbon footprint with partner producers, by activating the key drivers of sustainable dairy production and accounting for animal welfare.

Codevelopment of a more sustainable milk sourcing

France accounts for the majority of our milk sourcing worldwide and all the milk we process in France is of French origin.

At the heart of the Group’s commitments lies the desire to engage in open dialogue with both milk producers and all of our partners, to continue to progress together, collaborate and co-construct over time.

The Group instills the right balance (quality, quantity, lead times, costs) between needs and resources in terms of liquid dairy materials. It guarantees efficient supply to its dairies through responsive and competitive high quality logistics. Groupe SAVENCIA supports a responsible milk purchasing policy and encourages producers to form collective structures, whether they be cooperatives or producer organizations.

In 2023, SAVENCIA Fromage & Dairy continued to enhance the value of France’s dairy industry, in accordance with the EGalim law.

Our processing privileges proximity to and local sourcing from our dairies’ surroundings.

We thereby bring value and vitality to our sourcing and processing sites, mainly by creating activities and jobs in rural areas that are losing their attractiveness.

In terms of quality of production and farming conditions, compliance with our Charter for Best Farming Practices is contractually required for all our French cow’s milk suppliers. This requirement will be progressively extended to all our milk sourcing worldwide. In 2023, 81.3% (compared to 86.8% in 2022) of our global volumes already met this charter’s standards or those recognized as equivalent by specific countries or subsidiaries. This indicator’s fluctuations are tied to the recent integration of the Williner company into the scope of consolidation in 2023. In 2024, local teams in charge of dairy sourcing will continue to implement actions initiated this year in order to apply our commitments to this new source.

This Charter for Best Farming Practices contains seven chapters: animal traceability, animal health, animal feed, clean milk production, social sustainability, the environment, and animal welfare. The charter was updated in 2022 and has become the standard tool allowing livestock farmers to implement the social responsibility framework championed by the French milk industry’s “France Terre de Lait” program. The 2022 version includes a new feature, namely an audit to assess the welfare of dairy herds, followed by an individual progress plan defined alongside the producer.

Our Dairy Resource Coordinators are in daily contact with producers to support them in updating their practices. They visit each of the farms at least once a year and offer technical support as needed, including quality assessments of the milk they produce. Numerous initiatives have been implemented: meetings, working groups, a website dedicated to producers, a quarterly bulletin, videos, corporate support for events, etc.

To participate in the future of the sector and share its expertise, SAVENCIA Fromage & Dairy works with all players of the French value chain: the National Federation of Dairy Industries, the Association for Dairy Processing and the National Association of Food Industries. SAVENCIA Fromage & Dairy sits on the board of directors of the CNIEL (the French Dairy Interbranch Organization), the ANICAP (National Umbrella Organization for the French Goat Industry), the FBL (National Interprofessional Sheep's Milk Association) and their respective regional bodies.

On the international level, SAVENCIA Fromage & Dairy has also signed the "Pathways to Dairy Net Zero" declaration and is an active member of the International Dairy Federation (IDF), the Sustainable Agriculture Initiative (SAI) and the Dairy Sustainability Framework (DSF). SAVENCIA Fromage & Dairy's commitments cover all the criteria and fundamental principles of the DSF: greenhouse gas emissions, soil nutrients, waste, water, soil quality and retention, biodiversity, animal care, working conditions, market development, rural economies, product quality & safety, respect for local legislation, human rights and the fight against deforestation.

"Terroirs de lait 2032" program: Securing milk sourcing from around our dairies and improving our environmental footprint
The Terroirs de Lait program aims to secure sustainable milk sourcing from around our dairies and to reduce their environmental footprint.

In order to deploy this approach, we have developed a program for French producers that contains financial measures and specific supports structured around three axes:

- welcome and onboard new producers: 134 farms chose to join us in 2023;
- help young producers get their farms up and running. Young farmers are provided with a "getting started pack" entitling them, among other things, to financial aid and a contractual commitment over the long term. This pack also includes technical support: a guide for conducting individual audits and a 10-day training program (operations management, environmental approach, etc.). This year, 187 young farmers benefited from this start-up support.
- build loyalty: in addition to ensuring fair prices for their milk and bolstering the investments we have made in individual farms, we have set up a number of investment support programs with various partners. This system supports projects conducted on farms through tangible (dairy machinery and livestock) and intangible (training) investments.

In 2023, SAVENCIA notably participated in several forums dedicated to helping young farmers get started, as well as many interventions in schools, mostly within high-schools specialized in agriculture and university programs specialized in agricultural engineering.

Promoting animal welfare

To strengthen its commitments to animal welfare and communicate them more widely around the world, the Group has implemented since 2021 an Animal Welfare Charter based on the expertise of the international NGO Compassion in World Farming (CIWF), which specializes in farm animal welfare. Four major issues have been defined:

- high-quality, sustainable and locally-sourced animal feed: ensure the quantity and quality of animal feed via best practice charters and audits, use specific high-quality animal feed via differentiated supply chains (organic, GMO-free or even locally-sourced from the PDO);
- guaranteed outdoor access: promote pasture grazing for dairy cows wherever climatic conditions permit, with a target of attaining 100% of cow and ewe farms by 2025;
- comfortable housing: guarantee litter bedding for 100% of goat farms in 2025 and stalls or minimum surface areas of 10 m² per cow in a fully straw-covered space for 100% of dairy cows by 2030, eliminate the practice of tethering cows by 2030, limit the time spent by calves in individual pens to no more than eight weeks;
- better health: advocate for careful use of antibiotic treatments, treat the pain suffered by young cattle during disbudding and eliminate adult dehorning by 2030 throughout all our milk sourcing areas.

These indicators are inspired by the Welfare Quality© method and implemented in France by means of the Boviwell system, which stipulates animals' five fundamental freedoms: freedom from thirst and hunger; freedom from discomfort; freedom from pain, injury, and illness; freedom to express normal behavior; and freedom from fear and distress.

In 2023, 69%, (compared to 64.5% in 2022) of the Dairy Supply employees at SAVENCIA sites were trained on animal welfare. They will subsequently be required to audit livestock farms worldwide using recognized standards and work alongside farmers to define specific action plans.

Audits were initiated in 2023, mostly in France, Central Europe, and Argentina, and will continue to be phased in until 2025. By the end of 2023, 1,394 farms were audited for animal welfare around the world.

Improving the environmental footprint of our milk sourcing

Groupe SAVENCIA has been committed to reducing greenhouse gas emissions for more than 10 years, progressing towards this collective goal through daily collaboration with its producers.

The Company has committed to significantly improving its carbon footprint in collaboration with its producers by putting into effect the entirety of the tools at the disposal of the sustainable milk industry: herd efficiency, nutrition, livestock runoff waste treatment, and carbon sequestration.

In 2021 we proceeded to the calculation of emissions tied to our upstream milk production across all sourcing areas in France and around the world. The emissions caused by the milk production sector represented a significant portion of the Company's "scope 3" emissions, a common characteristic throughout the food and agriculture industry.

These past years have seen an acceleration in the deployment of initiatives that strike at the heart of milk production. In 2023, we thereby surpassed our set targets with a reduction of 341,345 Teq CO₂, shooting past our target of -300,000 Teq CO₂ by 2025.

SAVENCIA Fromage & Dairy has established a decarbonization roadmap that centers around three axes to be developed over a period of 5 years by partnering producers:

- accelerate the roll-out of carbon reduction initiatives on the ground, with support, in France, from the CAP2'ER milk industry diagnostic tool;
- defining ambitious action plans for with respective producers;
- support efforts for transition and innovation with producers on the ground through technical and financial tools.

By the end of 2023, 25.6% of our milk supply is sourced from farms that have undergone the Sustainable Milk Production assessment (compared to 23.8% in 2022).

Over a year ago, SAVENCIA Fromage & Dairy put in place a multi-partner program to test prototypes for reducing cows' methane emissions. Some twenty farms from around France and Poland volunteered to join the program. In France, this test is part of a larger "nutritional" technical support program aiming to reduce cows' enteric methane emissions.

We are also working to reduce the carbon footprint of our dairy sourcing's transportation:

- in France, in 2023, the Savencia Ressources Laitières subsidiary was awarded the "Objective CO₂ - Carriers get involved" a national first for milk collection that made clear our commitments undertaken over the past years, certified by the Ademe. Our inter-factory transportation fleet Normandie Bretagne Transports is also certified "Objective CO₂ - Carriers get involved" proof of high energy and environmental performance;
- alternative fuels are used throughout our fleet, most notably by trucks running on biofuels such as the XTL, the B100 and the bioGNV. In 2023, these three fuels were rolled out to entirety of our collection trucks, which resulted in a reduction of our carbon footprint of around 3,800 Teq CO₂. We actively encourage our partnering providers and cooperatives to transition towards alternative fuels by supporting them with topical technical expertise and more attractive rates in our call for tenders sent out to suppliers.

3. Key performance indicators

	2021	2022	2023	2025 target
Expand the "Charter for Best Farming Practices" worldwide (% total milk sourced)	85.8%	86.8%	81.3%	100%
Deploy the Sustainable Milk Production diagnosis (% total milk sourced *)	21.6%	23.8%	25.6%	50%

* The volume of milk collected subject to the assessment is estimated based on the average volume of milk collected per farm for the applicable scope (with contractual milk supply from Compagnie des Fromages & RichesMonts - CF&R - at around 37%).

This indicator's change over time is tied to the integration of the Argentine Williner company in 2023. The roll-out of the Charter for Best Farming Practices and the Sustainable Milk Production Diagnosis had not yet been launched in this new collection zone by end of 2023.

If the previous years' perimeter was applied to the 2023 measurements, 88.3% of our global milk supply would meet the requirements of our Charter or equivalent standards.

	2021	2022	2023	2025 target
% of Dairy Supply employees at SAVENCIA sites trained on animal welfare.	Information not available*	61.5%	69.0%	100%

*Indicator created in 2022.

	2021	2022	2023	2025 target
Reduction in the carbon footprint associated with our milk sourcing (by volume of milk collected, in tons of CO ₂ eq compared with 2010 in France)	-282,000	-311,000	-341,345	-300,000

4. Acting in favor of biodiversity

The development of a sustainable, eco-friendly farming model must imperatively take into account the preservation of the planet's biodiversity. In accordance with our corporate social responsibility approach, which calls for enhancing our partners' sustainable agriculture practices, we are committed to preserving biodiversity and promoting its development.

Biodiversity is a source of added value for our ecosystems and our producers, whose activities play a major role in protecting it.

This is one of the areas for improvement identified in our Sustainable Milk Production audit, offered on a volunteer basis to our milk suppliers. Once the audit has been performed, solutions are offered to producers to:

- preserve soil fertility;
- safeguard their natural surroundings;
- adopt positive farming practices.

Our subsidiary Savencia Ressources Laitières (SRL) has joined "Pour une Agriculture du Vivant" ("For a Living Agriculture"), a movement fostering cooperation and innovation among players from across the agricultural and food supply ecosystem, in a bid to transition towards a more resilient and value-enhancing model that will rely in large part on advancements in agroecology. Within this movement, SRL will heed scientific and agronomic expertise in order to roll-out new agroecological practices in several pilot regions, made possible in large part thanks to the Regeneration Index.

Another way to act in favor of biodiversity: regenerate agroforestry ecosystems via the planting of trees or hedges, which impart multiple benefits. Trees filter, source and recycle water; capture and sequester CO₂; counter erosion; dampen thermal peaks; moderate wind speeds and even offer cover and shelter to auxiliary species such as birds and insects. They play a major role in the preservation and restoration of biodiversity.

In 2023, trees were planted on sites in France and around the world.

- A biodiversity restoration project was launched by the Louis Tessier Cheese plant in the Maine-et-Loire region; in partnership with the "SMBAA (Syndicat Mixte du Bassin de l'Authion et de ses Affluents, meaning Mixed Syndicate of the Authion Basin and its Tributaries)". The project's aim was twofold: promote the development of surrounding ecosystems and protect the wetlands. The old poplar grove, having reached maturity, was therefore transformed into an alluvial woodland, further enhancing biodiversity. More than

1,850 trees and tree shrubs, accounting for some thirty different species, more adapted to humid soils, were planted by people in work reinsertion programs accompanied by a local community organization. Four ponds were also created. This protected wetland acts like a sponge, capturing rainwater to replenish ground aquifers, thus enhancing the preservation of fresh water sources.

Elvir employees helped plant hedges on the farm of a Condé-sur-Vire farmer participating in the “Vaches de Races Normandes” (“Norman Breed Cows”) project. In addition to promoting the development of an entire ecosystem, these hedges will protect his cows from the sun and wind.

In Argentina, the tree-planting program run by our subsidiary Milkaut, in partnership with its milk suppliers, continued throughout this year. Since 2022, 42 dairy farms have participated in the program, and over 3,300 trees have been planted by farmers and volunteering employees.

Eco-pasturing is another effective method for protecting biodiversity. The implementation of this type of procedure enables better ecological management of the landscape with greater respect for the environment. Eco-pasturing, which continues to be developed around our sites through 2023, enables for gentler weeding practices that preserves a meadow-like appearance and preserves entire ecosystems, which attracts pollinating insects back into the area. At the Messageries laitières in Normandy, in partnership with the company Ecomouton, thirty Ouessant sheep maintain the plot around the site. At Fruisec in Dordogne, three “retired” horses now maintain the grassy area around the site.

Agroforestry projects with a direct impact on the protection of biodiversity are also supported by the Company.

Through its “Leading the way to better food” endowment fund, the Company supports agroforestry projects, like the one spearheaded by Des Enfants et Des Arbres, a community organization that enables schoolchildren and college students to plant trees on farms in their home regions alongside farmers themselves. Pupils in 4th, 5th and 6th. grade help farmers near their schools to plant hedgerows and/or farmland trees. The farmers receive technical support from the organization and visit the classrooms to present their work and the crops they grow. Teachers are provided with an educational kit to help them understand the challenges of agroforestry and the realities of the farming world. The aim of this project is to promote the development of agroforestry and the regeneration of hedgerows, all while fostering inter-generational links.

In Cambodia, the Bayon School, which has been supported by the Fund for several years, enabled 20 young people from disadvantaged regions in the north of the country to be trained in agroecology in 2023. After a year-long training and a 4-month internship during which they explored various topics (pepper cultivation, crop planting, etc.), these young graduates are now fully prepared to enter the professional world.

In Madagascar, the Fund is also involved in the Naturevolution community organization’s “graines de changement” (“seeds of change”) project, which aims to combat food insecurity and protect the unique biodiversity of the Makay forests. SAVENCIA is also committed to advocating for collective action against deforestation linked to soy production in South America. The Company is committed to the Duralim strategy and therefore contributes to the implementation of collective actions for the sake of non-deforestation.

2. Promoting responsible purchasing

1. Issue, risk and policy

Following the enactment of France’s “Sapin II” and Due Diligence obligations, the Company has reinforced its legacy systems to ensure that its purchasing processes comply with its obligations to eliminate undeclared labor, ensure transparency, tackle bribery, and prevent violations of human and environmental rights.

Groupe SAVENCIA develops long-term collaborations with its main suppliers, aiming to consistently evolve its practice of responsible purchasing, meet the various challenges facing society at large, and prevent the risk of breaching social and environmental rights across the supply chain.

The Company’s suppliers are selected by metrics assessing quality, security, service, competitiveness, and their ability to support the Company over the long term.

Since 2010, a Charter for Sustainable and Supportive Purchasing has been submitted to the Company’s main suppliers for signing. The charter is consistent with the Company’s Ethical Charter and with the Charter for Best Purchasing Practices prepared under the aegis of France’s Ministry for the Economy, Finance, Industry, Competition, and National Mediation, which the Company signed on January 10, 2012. Since January 1, 2018, the Charter for Sustainable and Supportive Purchasing, supplemented by the Company’s recently published Charter for Combating Corruption and Influence Peddling, has been renamed the Responsible Purchasing Charter.

The CSR risks associated with our suppliers have been assessed within the framework of the EcoVadis evaluation process since 2010.

The four themes assessed are: environment; social, ethics and corruption; supplier relations; and supply chain.

The Company endeavors to develop responsible purchasing practices with its suppliers, with the exception of suppliers of agricultural raw materials, via its Responsible Purchasing Charter and the EcoVadis evaluation process. Their roll-out is deployed in planned phases to continuously expand coverage.

By 2025, 80% of the Company’s external expenditures overseen by the Purchasing function and carried out with major suppliers (exceeding €1 million per year) will be covered (excluding the sourcing of agricultural raw materials).

2. Actions implemented and results

In 2023, the Company Purchasing Department conducted three EcoVadis evaluation campaigns. A reminder as to our deployment goals and a general update are prepared and communicated twice yearly to our Company purchasers.

Several subsidiaries were assessed by EcoVadis and received recognition for their CSR performance in 2023: Armor Protéines, Corman GmbH, and Valrhona were all awarded the Gold medal.

3. Key performance indicators

	2021	2022	2023	2025 target
% of Group external expenditure overseen by the Purchasing function and carried out with major suppliers* under the Responsible Purchasing Charter	68.6%	66.8%	73.0%	80%
% of Group external expenditure overseen by the Purchasing function and carried out with major suppliers* under EcoVadis evaluations	71.5%	75.7%	80.8%	80%

* Excluding Japan, India, Ukraine, Serbia, Romania, Poland and Russia, whose external expenditures cannot yet be automatically consolidated.

As of December 31, 2023, more than 1,345 Responsible Purchasing Charters had been signed, covering 73.0% of the Company’s expenditure overseen by the Purchasing function and carried out with major suppliers (exceeding €1 million per year)* excluding agricultural raw materials.

The assessment of CSR risks by EcoVadis was performed for 775 suppliers. The EcoVadis evaluations cover 80.8% of Company expenditures overseen by the Purchasing function and carried out with major suppliers (exceeding €1 million per year)* excluding agricultural raw materials. The average score obtained was 56/100 (versus 46/100 on average for the EcoVadis Food & Beverage Panel).

5 Environmental footprint

1. Reducing our greenhouse gas emissions

1. Issue, risk and policy

Aware of the global challenges posed by greenhouse gas emissions and the need to combat climate change and its consequences for our operations, the Company is committed to reducing its activities' environmental footprint to limit our impact on climate change and adapt to its consequences.

The various programs underway are continuing as part of the Oxygen plan. Company-wide, dedicated teams monitor and support sites in accordance with the global policy implemented through this plan. Locally, environmental points of contact are responsible for coordinating the approach and steering actions.

The system is rounded out by thematic internal guidelines known as Best Practice Guides. They enable production sites to optimize their processes and make their facilities increasingly efficient. Successful experiences are shared so that they can be multiplied across all Company sites.

A specific internal reference document, the Industrial CSR Guide, covers all the issues to be addressed within this framework and provides further details on our processes. This document is made available by the Operations Department to all those concerned.

To adapt to the consequences of climate change on its activities, the Company has commissioned a climate risk analysis from a specialist consultancy to identify its main areas of vulnerability.

Groupe SAVENCIA is committed to:

- reducing the environmental impact of its activities, with a 20% reduction per ton produced by 2025 (compared to 2015) in greenhouse gas emissions from production and transport;
- reducing its greenhouse gas emissions in line with its Science Based Target Initiative (SBTi) objectives;
- increasing its share of renewable energies.

2. Actions implemented and results

Energy consumption reduction and decarbonation

In 2023, the Science Based Target initiative validated SAVENCIA Fromage & Dairy's "Well Below 2°" reduction targets, which commit the company to reducing its greenhouse gas emissions by 2030 compared to 2019 by:

- > 27.5% in absolute terms for scopes 1 & 2;
- > 22.5% per ton of products manufactured on scope 3 (commitment made on four emission categories contributing to 96% of scope 3).

This commitment confirms SAVENCIA Fromage & Dairy's determination to actively combat climate change and is in line with the initiatives to reduce greenhouse gas emissions that have already been implemented for several years.

All our teams around the world are mobilized to achieve this goal by 2030.

Within the Operations Department, a sole-purpose team is responsible for implementing and monitoring this decarbonization plan, with two main levers:

- > energy-saving measures such as the implementation of digital energy measurement and use management plans or, for example, the replacement of obsolete, wasteful washing machines;
- > conversion actions requiring major investment programs to replace fossil fuels with decarbonized, competitive, and resilient energies. Studies are being carried out on heat pump installation, emerging technologies, and the deployment of innovative solutions.

Several modernization projects have been launched. These include cold production systems, energy recovery systems, and heat pumps to recover heat from cold equipment and reduce energy consumption:

- For several years now, European regulations concerning the power of industrial facilities required our Elvir site in Normandy to pay a substantial financial contribution as a consequence of the CO₂ emissions generated by its activity (CO₂ quotas). To reduce its impact, the Condé-sur-Vire teams carried out a major analysis of energy consumption (breakdown, peaks, etc.) throughout last year, and implemented energy-saving measures that led to the possibility of limiting boiler output 20 MW below the installed capacity. As a result, energy consumption, particularly gas consumption (down 10%), has fallen below the regulatory threshold. The application for exemption from CO₂ quota regulations was approved by prefectural decree. This is an important milestone in Elvir's decarbonization strategy, and rewards the work carried out by our teams.
- At the Compagnie des Fromages & RichesMonts site in Ducey, the heat pump and washing machine have been the cornerstone of an effort to reduce gas consumption by over 20% and greenhouse gas emissions by 22%. In addition, the refrigeration system has been renewed, with the cooling towers replaced by a heat-exchange-free system that uses no chemicals or refrigerant gases. The heat pump recovers the heat produced by the cold equipment and supplies the washing machine (instead of gas), while the new compressors consume less and are more efficient. Across the site, the various

initiatives implemented have reduced total energy consumption by 10%.

- Fromagerie des Chaumes, in Saint Antoine de Brueil, has achieved 12% energy savings by replacing its cooling towers and installing a heat pump.
- In Burgos, Spain, Arias reduced its energy consumption by 4% by installing a heat exchanger with heat recovery and by grouping production. The steam control system was also replaced by a more efficient one.
- In 2023, the Company continued to roll out the Climate Fresk workshop to all its employees. Since October 2022, 1,988 employees in more than 27 subsidiaries, mainly in Europe, have been trained. We are supported in this deployment by external coaches as well as by Savencia employees, trained to run the Climate Fresk workshop. They can intervene within their own subsidiary as well as within other Company subsidiaries. By the end of 2023, this internal network of Climate Fresk facilitators will comprise 50 "Facilitators," as they are known. The deployment of the Climate Fresk will continue in 2024, with the aim of raising awareness among many of our employees in all our subsidiaries.

In 2024, new programs will be launched at our sites to pursue the Company's commitment to reducing energy consumption and associated greenhouse gas emissions.

Developing renewable energies

- In 2023, the deployment of electricity with a guarantee of origin has been prioritized in countries where grid electricity is the most carbon intensive. In China and India, 100% of electricity comes with a guarantee of origin.

SAVENCIA Fromage & Dairy is a member of the "Club des entrepreneurs pour le climat," launched by the Orygeen institute, which brings together French family businesses committed to the fight against climate change.

Reducing greenhouse gases linked to transportation

SAVENCIA is committed to decarbonizing its transport and travel activities. Several initiatives have been implemented:

- In France, our Messageries Laitières logistics platform has installed airtight seals on the dock doors. When the truck backs up and the wheel blocks are installed, the seal inflates automatically and fills the space between the dock and the truck, limiting both heat ingress onto the dock and cold loss. This action tops off the efforts already undertaken by our subsidiary, notably with regard to its own truck fleet, which runs exclusively on Oleo 100, a 100% vegetable and biodegradable fuel made in France.
- In Spain, Arias was awarded its first Lean&Green star for reducing its CO₂ emissions in its logistics process by 20%. To achieve this result, Arias contracted a more virtuous logistics partner and optimized its routes to improve loading and reduce the number of kilometers traveled.

Actions are also carried out on our sites with our employees:

- Messageries Laitières, in partnership with Zenride, is testing the possibility for employees to voluntarily rent a bicycle with the option to purchase for their home-work and personal travel. The aim of this project is to encourage our employees to use alternative mobility solutions and promote access to a bicycle for everyone, whatever their role within the Company. Messageries Laitières covers 70% of the total cost (rental, maintenance, and insurance). The cost varies according to the type of bike chosen: folding, cargo, classic or electric. In Germany, our sales subsidiary also offers its employees the same type of package to promote alternative mobility solutions.
- For the fifth year running, the Company organized a Mobility Week to encourage as many people as possible to opt for eco-friendly transport and other alternatives to private cars. Several initiatives were offered to employees at sites taking part in the challenge: games to encourage the use of sustainable transport, promotion of car-sharing, loan of bicycles of various types and a repair workshop, etc. In 2023, this mobilization saved over 122,833 km of transport by private car.

3. Key performance indicators

In % of change versus 2015

GHG Reduction Scopes 1 & 2	2021	2022	2023	2025 target
Variation in Scope 1 & 2 GHG emissions (tons eq. CO ₂ /ton produced)	-6.5%*	-10%*	-16.5%	-20%

* The 2021 and 2022 values for the Pontmain site (Sofivo) have been subsequently corrected to update emission factors. The values presented in the table above have therefore been restated.

	2021	2022	2023
CO ₂ emissions of the owned fleet (in tons eq. CO ₂)	2,010	1,144	1,235

In 2023, the Messageries Laitières fleet was expanded, which explains the slight increase in CO₂ emissions. The entire fleet of trucks owned by Messageries Laitières is fueled by Oleo 100, a 100% vegetable and biodegradable fuel made in France.

Direct emissions (scope 1) include emissions linked to the combustion of fossil fuels, non-energy processes (due to wastewater treatment) and refrigerant leaks.

Indirect emissions (scope 2) include emissions linked to the production of electricity, steam, heat, or cooling purchased and consumed by sites, as well as losses incurred on lines.

SAVENCIA Fromage & Dairy's 2022 Scope 3 emissions (other indirect emissions) were calculated using the GHG Protocol methodology.

SAVENCIA Fromage & Dairy Carbon Footprint (in KT equiv. CO ₂) *	2022	2023
Total scopes 1 & 2	499	481
Scope 1	364	354
Scope 2 - market based**	135	127
Total scope 3	8,100	/
Inc. scope 3 upstream	7,696	/
Inc. scope 3 downstream	404	/

* Carbon footprint based on GHG Protocol categories. Categories 3.8, 3.11, 3.13, and 3.14 are not applicable to the Company's activities.

** Calculation method described in GHG Protocol documents (www.ghgprotocol.org).

In 2023, SAVENCIA Fromage & Dairy updated its complete carbon footprint assessment for 2022, enabling it to identify more precisely the main levers that will enable it to reduce its impact.

SAVENCIA Fromage & Dairy's upstream scope 3 covers all emissions linked to products and services purchased, upstream goods' transportation and distribution, emissions linked to fuels and energy, fixed assets, waste generation, and commuting.

SAVENCIA Fromage & Dairy's main source of emissions is the purchase of products and services, particularly upstream in the dairy sector (breeding, pasture management, animal feed, etc.). Action plans are already in place to improve the environmental footprint of our milk sourcing (see Improving the environmental footprint of our milk sourcing).

Scope 3 downstream includes emissions linked to the transport and distribution of goods, the processing of products sold, the life of products sold, and SAVENCIA Fromage & Dairy's investments.

To reduce emissions linked to upstream and downstream transport, which will represent around 363 kt eq. CO₂ by 2023, the Supply Chain Department is working with subsidiaries and their transport service providers to draw up and deploy action plans aimed at reducing these emissions.

Work has also continued to enhance the quality of scope 3 assessment as part of a continuous improvement process. This work is part of an iterative approach and has involved replacing the majority of monetary flows with physical flows. To date, the factors used come from generic sources, and will evolve as action plans are implemented with suppliers to improve their accuracy.

SAVENCIA Fromage & Dairy's reduction targets have been validated as "Well-below 2°C" by SBTi. The scope of SBTi commitment on scope 3 includes emissions from purchased goods and services, fuel and energy-related activities, upstream transport and distribution, and end-of-life processing of sold products. These emissions account for 96% of SAVENCIA Fromage & Dairy's carbon footprint.

On scope 1 & 2, emissions in absolute terms fell by 10.7% in 2023 compared to 2019. As a reminder, SAVENCIA Fromage & Dairy's objective is to reduce scope 1 & 2 greenhouse gases by 27.5% by 2030.

Scope 3 emissions per manufactured tonnage decreased by 4.2% compared to 2019. SAVENCIA Fromage & Dairy's objective is to reduce Scope 3 emissions per tonnage manufactured by 22.5% by 2030.

2. Managing our water resources

1. Issue, risk and policy

Climate change, population growth and excessive water use are all contributing to increasing stress on water systems throughout the world. In this context, and to make a positive contribution to the preservation of increasingly scarce water resources, the Company implements responsible practices with the aim of minimizing its impact on water resources and thus reducing the risk of water stress.

Water plays an important role in our processes to ensure a high level of

product hygiene and safety, especially during cleaning operations. But it can also be used as processing aid during manufacturing as a heating or cooling fluid. It also supplies fire prevention and fire-fighting systems.

In the face of climate change, certain cases of water stress are likely to become more acute. Particular attention is paid to these phenomena to identify and prevent any risk and to reinforce, if necessary, the means of action to limit withdrawals from the natural environment as much as possible.

The aim is to reduce water withdrawals from the natural environment, per ton produced, by 10% by 2025 (*versus* 2015).

2. Actions implemented and results

Several initiatives have been implemented at our sites around the world to reduce water consumption:

- ▶ At one CF&R site, new mold and filler washing tunnels were installed at the end of last year. In 2023, this new, more water-efficient process reduced the quantities of detergents used by 30% and saved the equivalent of one month's water consumption at the site.

- ▶ For the past three years, Sofivo's plant in Pontmain has been implementing a plan to reduce water consumption. Numerous water-saving measures have been implemented, such as optimizing washing operations, tracking daily consumption using digital technology, and switching certain utilities from drinking water to recycled water. Optimization of the reverse osmosis process by reusing water from the industrial process has led to a significant reduction in urban water consumption. In 2023, the implementation of these various measures reduced the site's water consumption by 11%.

- ▶ At one Fromageries Lescure site, all the water generated by the industrial process is reused to wash the existing cleaning equipment and reverse osmosis circuits. As a result, 10% of water consumption has been saved.

- ▶ At our Le Tholy plant, modifications made to the cooling system in 2022 have reduced the amount of water drawn from the natural environment by more than 8%.

- ▶ At our Cornillé-les-Caves site, the installation of new water meters has enabled us to better prevent any leaks and manage water consumption more closely. This project was carried out in collaboration with the "Agence de l'Eau."

Optimization initiatives are carried out at several sites to improve the quality of water discharges and have already led to significant reductions in the Chemical Demand for oxygen, phosphorus, and nitrogen.

The work carried out by our teams on the potential for reusing water from milk and dairy products has continued and should obtain regulatory approval as early as 2024, particularly in France.

3. Key performance indicators

In % of change *versus* 2015

Reductions in water withdrawal	2021	2022	2023	2025 target
Variation of water withdrawals (in m ³ /ton produced)	2.2%	-1.2%	-6.5%	-10%

3. Optimizing waste management

1. Issue, risk and policy

Processing activities generate waste inherent to manufacturing and packaging processes. It mainly consists of non-hazardous industrial waste (NHIW), most of which, such as cardboard, paper, glass, steel, or aluminum, is treated by recovery or recycling centers. Hazardous industrial waste (HIW) is not widespread and consists mostly of used oils and electrical and electronic waste generated by maintenance operations, which are sorted for recycling by specialized service providers.

To combat the waste of natural resources and reduce the costs associated with waste treatment, the Company is committed to strengthening the sorting and recovery of industrial waste by contributing to circular solutions, with the aim of limiting pollution risks.

2. Actions implemented and results

Several initiatives are carried out by our subsidiaries to optimize our waste management and further develop its recovery:

- Elvir, in Normandy, has become the first French manufacturer to recycle used food bricks from its production site. In 2022, the first trials were launched to recycle waste bricks from production lines. Bricks are sorted on site. They are then handed over to Veolia, which presses and bales the bricks, before a papermaker separates the paper fibers from the plastic/aluminum mix. The paper fibers are then used to manufacture paper towels, handkerchiefs, and toilet paper. The plastic/aluminum mixture is used to make pallets and street furniture. This project, designed in partnership with Veolia, has led to the creation of new, more responsible recycling channels.

- At the Vigneulles site, a major effort was made in 2023 to find new recycling streams. Innovative solutions have been put in place. Sorting of glassine, the rolls of siliconized paper on which labels are affixed, was introduced in July 2023. All single-use personal protective equipment (single use gowns, beard covers, overshoes) is recycled. The same applies to neon lights, molding/hard plastics, electric cables and motors, chemical containers, and the ends of packaging rolls. Hazardous waste is also recycled (oil filters, solvents, dirty packaging, etc.) in dedicated channels. Between 2019 and 2023, an additional 70 tons of waste were recycled.

- At Messageries Laitières, the safety footwear worn by employees in the warehouses is recycled by Takapas, a start-up offering the first safety footwear recycling technology in France. The shoes are sorted and crushed, the metals are returned to the metals recycling circuit, and the rest of the shoe is transformed into Solid Recovered Fuel (SRF).

3. Key performance indicators

In 2023, 73.1% of the non-hazardous waste generated by our production sites was collected for recycling (*).

	2021	2022	2023
% of non-hazardous waste collected for recycling	68.3%	68.2%	73.1%

* Waste can be recovered in several forms: material, biological or energy.

4. Developing eco-design for our packaging

1. Issue, risk and policy

The Company clarified its packaging goals by undertaking to develop eco-designs to reduce the risk of waste overproduction.

The Charter for Responsible Design, drawn up in 2019, specifies the guidelines and directions to be followed in terms of packaging eco-design. It specifically includes measures to reduce packaging at source and to use recycled materials, thus promoting the transition to a circular packaging economy.

The Company has set a goal of 100% recyclable or biodegradable packaging for its branded products by 2025.

2. Actions implemented and results

- The Oxygen steering committee, dedicated to the eco-design of packaging and tasked with meeting the defined target, held three meetings in 2023 to work on the following priorities:

- ▶ reduce the use of materials at the source;
- ▶ ban controversial materials;
- ▶ aim for 100% recyclability or biodegradability;
- ▶ include as many recycled materials as possible;
- ▶ prioritize the use of renewable materials;
- ▶ reduce the carbon footprint of our packaging.

In 2023, the steering committee's work focused more specifically on monitoring regulations such as the French Law Against Waste and for a Circular Economy ("loi anti-gaspillage pour une économie circulaire") and the proposed European Packaging and Packaging Waste Regulation.

In 2023, the development and deployment of eco-design projects remains difficult due to the shortage of packaging materials. Despite the context, SAVENCIA's teams have been very active, and several improvements have been developed, for example:

- Roquefort Papillon: the tray is now 100% recyclable thanks to its new design;
- Milkaut: change in the composition of the subsidiary's transport packaging by replacing 70% of virgin fibers with recycled fibers;

- Polenghi: standardization of shipping packaging structure reduced cardboard consumption by 25%.

3. Key performance indicators

The rate of recyclable or biodegradable packaging is 86.1% in 2023.

Reductions in water withdrawal	2021	2022	2023	2025 target
% of recyclable or biodegradable packaging	86.6%	84.8%	86.1%	Aim for 100%



1. Guaranteeing our employees' safety

1. Issue, risk and policy

Groupe SAVENCIA brings together close-knit organizations united by a strong business culture that guides their operations and their employees' behavior. The wellbeing, physical integrity and health of the men and women who work directly or indirectly for the Group are a priority for everyone at every level of the organization.

A wide range of measures are implemented by Groupe SAVENCIA to prevent any risk to the health and physical integrity of its employees.

Almost fifteen years ago, SAVENCIA implemented a federated approach based on the "SAFETY is OUR business" program. It is supported by an Occupational Health and Safety Charter, co-signed by the Group's CEO and Vice-President, which underpins our goal of zero occupational accidents.

At the Group level, the approach is co-led by the Human Resources and Operations Departments. At subsidiary level, oversight operations are led by a local organization represented by General Management and the Executive Committee, supported by a safety officer appointed at each site.

This approach relies on the network of safety prevention specialists at subsidiaries across the world, as well as on various decision-making and sharing bodies whose aim is to adjust priorities. Face-to-face and remote meetings are regularly organized to coordinate the effort and share best practices implemented on our various sites.

A set of guidelines, tools and methods is made available to all subsidiaries, notably through digital tools that are regularly updated and expanded.

Health and safety results are consolidated each month and distributed to all subsidiaries; they are illustrated with the month's main news, such as best practices and records, as well as incidents or accidents whose lessons must be shared.

The Group is committed to maintaining the safety of its employees, temporary staff, and external contractors working on its sites. The health and safety of temporary workers is monitored and prevented in the same way as that of Group employees. Work-related lost time accidents for temporary employees are thus included in the Company's accident frequency rate (TFI), just like those involving permanent staff.

The Group's ambition is to aim for zero workplace accidents for both employees and temporary workers.

2. Initiatives implemented and impacts

General policy, results and decisions taken through the various coordination and steering bodies guide the initiatives implemented. Important and empowering initiatives for 2023 include:

- The safety culture is laid out in the Safety Charter, and training sessions are provided as part of the onboarding process, notably via an e-learning training module.

- To support the deployment of its safety culture and measure the level of maturity of its sites, SAVENCIA uses the Dupont methodology, and in particular the Bradley curve. This curve classifies an organization's safety maturity in four stages (reactive, dependent, independent, and interdependent). By the end of 2023, all production sites worldwide (after France and Spain in 2022) will have carried out this Safety assessment, providing a measure of their level of maturity.

Initiatives have been launched to involve employees in the process and a new survey will be conducted in January 2026. As part of the action plans implemented, safety leadership training courses are being set up for members of the Executive Committees and managers to support the transformation.

- Since 2021, the Group has progressively implemented a series of operational rules. The Safety Essentials' objective is to prevent accidents and injuries, particularly of the most serious or hazardous kind. Each Safety Essential targets a specific risk and is broken down into four rules that can be applied by everyone, in all circumstances. A full toolkit, available in digital format and translated into all the languages in use at Groupe SAVENCIA, provides all SAVENCIA subsidiaries with tools and methods to support the application of these safety rules. Targeted actions – for example, a project to make equipment and energy repairs safer – are also being implemented, with the help of specialized service providers and selected pilot sites. In 2023, an assessment was carried out on all the Group's industrial and logistics sites to steer prevention initiatives both locally and at the Group level.

- Like every year, a global Health and Safety week was organized in all subsidiaries. The 10th edition was held in June 2023. Employees were given the opportunity to produce an impactful video illustrating a Safety Essential in their daily operations. The challenge was taken up by many countries and sites.

- Several forums bringing together the Company's worldwide network of safety experts were organized remotely. Each time, a specific theme was chosen to share best practices in safety prevention through feedback and participant testimonials.

- The Safety e-platform, which provides reference documents, best practices, and safety-related content was updated and amended to reflect feedback from subsidiaries.

• A plan aimed at reducing the risk of work-related accidents for temporary workers has been in place in France since 2021. Fostering continuous improvement in these matters, quarterly reviews are organized with the national executive team of the four main French temporary employment agencies to monitor the implementation of chosen initiatives and the evolution of the associated performance indicators.

• Since 2021, SAVENCIA's e-learning Occupational Health and Safety (OHS) onboarding training has been added to the compulsory introduction course for new employees. This specific program on occupational risks within the Company is available in several languages. It comprises a common module for all Company employees, entitled "Objective Zero Accidents," and a second module dedicated to managers. At the end of this training, a SAVENCIA Safety Passport is issued when the employee has obtained 100% correct answers to the quiz.

• Behavioral Safety Visits (BSV) are also regularly conducted on-site or remotely. These visits, carried out by two inspectors, seek to reinforce the Company's safety policy by encouraging the implementation of best practices. In 2023, the number of BSVs increased by 28.7% compared to 2022.

3. Key performance indicators

	2021	2022	2023
% of subsidiaries with no workplace accidents resulting in time off (permanent and temporary employees) during the year	42.9%	46.9%	46.9%

2. Improving quality of life at work

1. Issue, risk and policy

Quality of life at work is a key factor in attracting and retaining employees. The Group attaches great importance to quality of life at work and to employees' social relations as a source of personal fulfillment and sustainable performance.

To this end, and to prevent the risks of deterioration in working conditions and their impact on employee wellbeing, the Groupe SAVENCIA is committed to promoting and maintaining social dialogue, internal communication, and employee participation. SAVENCIA has therefore developed initiatives to enhance working conditions and quality of life at work, which it regularly monitors in a bid for continuous improvement.

In line with the Group's principle of subsidiarity, social dialogue takes place as close to the work site as possible to adapt to each profession and to the specific features of each organization.

We therefore undertake to perform opinion surveys and draw up improvement plans in all our subsidiaries to enhance quality of life at work.

2. Actions implemented and results

• In June 2022, an internal opinion survey was conducted in almost all SAVENCIA subsidiaries with over 50 employees. This survey was designed based on the Great Place To Work (GPTW) methodology

and using the Trust Index questionnaire, featuring 60 questions and investigating five key themes, namely credibility, respect, fairness, pride and camaraderie. In 2023, our subsidiaries identified initiatives that are currently being rolled out.

• The Group has also sought to increase its actions with respect to Occupational Health, and since June 2022 has set up SAVENCIA Health Appointments as part of its Caring@SAVENCIA program. Every month, an online appointment is offered on two dates around the themes of physical health, mental health and nutrition, and mental health.

• The Company has entered into an agreement with Stimulus offering various services:

- ▶ a 24/7 anonymous helpline for anyone experiencing difficulties;
- ▶ a Stimulus "Caring" app for employees to take care of their mental wellbeing and physical health;
- ▶ conferences on "wellbeing in the workplace."

• Since 2019, office-based employees have had the option of working from home two days a week provided that remote work is compatible with their job. As such, employees are equipped with the necessary tools for this type of hybrid work model, and various kits are available to employees for adapting their home environment to remote work, such as the "IT Kit" with a double screen, the "Comfort Kit" to cover the cost of purchasing the appropriate equipment, and the "Ergonomic Kit" for employees who require specific arrangements on account of their health. E-learning modules are also available to help managers and employees adapt to remote work.

• Each subsidiary sets up specific activities according to its employees' needs and suggestions, such as inter-company nurseries.

• In 2023, several subsidiaries promoted various types of athletic activities, including bike rides and hikes, weekly fitness breaks, sponsorship of sports events and associations, access to gyms, stretching sessions, and entry in races. The Fromarsac, Grand'Ouche, and Vihiers subsidiaries have organized "Mobility Challenges," in which the total number of kilometers traveled by means other than by car leads to a donation to two partner associations working for alternative mobility solutions (in this case, cycling).

• To provide the Company's employees in France with clearer insight into its labor policies and the various programs available, including pensions, savings and employee benefits, personalized total rewards statements were distributed to all employees across France in June (excluding Compagnie des Fromages & RichesMonts), i.e. to 6,187 employees in 2023.

• Average Company-wide length of service remained stable in 2023 compared to 2022 at 13.0 years.

3. Key performance indicators

	2019 - 2021	2020 - 2022	2021 - 2023	2025 target
% of subsidiaries having performed an internal employee survey in the last three years	99.0%	90.5%*	94.5%	100%

* The fall in this indicator over the 2020-2022 period can be attributed to the larger number of subsidiaries exceeding the 20-employee eligibility threshold and which have not yet organized a survey

3. Developing skills

1. Issue, risk and policy

Maintaining and developing know-how are at the heart of SAVENCIA's priorities.

The Group has always strived to implement a responsible and sustainable strategy, based in particular on the development and promotion of its employees and on a humanistic and entrepreneurial culture favoring the development of skills, nurturing loyalty and maintaining the Group's competitiveness.

This strategy encourages the professional and social fulfillment of the men and women who work for our Company. Driven by its culture, the Company fosters its employees' development by offering a favorable professional environment.

Employee training and career management play a leading role in enabling each employee to build their skills to achieve personal development, contribute to collective success and maintain employability. These factors help reduce the risk of a mismatch between the skill level of employees and the Company's ambitions.

The training policy for the Group's employees focuses on performance management, supporting change, and preserving know-how with the objective of providing each employee with the opportunity to develop professionally and to adopt a behavior consistent with the Group's values.

To encourage employee development, the Group's career management policy favors internal mobility and systematically promotes it at all levels of responsibility. For employees in executive, managerial and supervisory positions, this means providing them with visibility over their career paths, identifying attractive opportunities that meet their expectations, and granting them the chance to develop their skills.

For many years, a policy of vocational training has been favored for the integration of apprentices or trainees. These methods are the most suitable for accompanying future young graduates in their first steps within the Group to offer them subsequent lasting employment within SAVENCIA. The Group plans to continue developing employee skills and has undertaken to double the number of apprentices by 2025 versus 2015.

2. Actions implemented and results

• 14 countries in which the Group operates are Top Employer-certified. In Europe, Germany, Belgium, Spain, France, Poland, the Czech Republic, and Slovakia are certified. This marks the tenth year in a row that we have been awarded the Top Employer Europe label, as we have at least five certified countries in the region. In the Asia-Pacific region, Top Employer certification was awarded in China, South Korea, India, and Japan. In the Americas, Top Employer certification was awarded in Brazil, Argentina, and the United States.

• In 2023, an extensive catalogue of e-learning training modules was made available to employees on a self-service basis. This comprehensive offering features content in a range of languages, incorporating the latest pedagogical innovations and themes to meet new needs. With respect to digital training, compliance and safety modules were reassigned to employees and an online onboarding course was created.

• As part of the Group's CSR approach, "Fresque du Climat" (Climate Fresk) workshops were launched with the training of in-house coaches, who then rolled out the scheme in our subsidiaries. The aim of this initiative is to raise awareness of climate-related issues among our teams by providing them with tools to better understand climate change.

• The Group's in-person training courses have been completely internationalized. For example, training for new managers took place in China for teams based in Asia, and in Brazil for teams based in South America. New courses have also been launched, notably in project management methods.

• The Group's "500 Apprentices" campaign, which seeks to recruit 500 apprentices, reflects SAVENCIA's continuing commitment to training the younger generation. Deployment of this campaign is supported by a network of apprenticeship points of contact. The Company has mobilized its subsidiaries by offering a wide variety of positions. The network of points of contact provides a broader view of vacancies, and many opportunities have been filled within other subsidiaries.

• We have expanded our partnerships with general and specialized schools (business, engineering, and agronomy) to attract emerging talents.

• Our Graduate Program track continues to expand, with the participation of international subsidiaries.

• As part of our roadmap called "Promoting the social protection floor", an agreement on voluntary internal geographic mobility was signed in France, with the unanimous support of the trade unions. This agreement seeks to preserve Company's skills, knowledge, and culture by supporting employees wishing to transfer to another subsidiary. If employees transfer to a different subsidiary within the Company, specific organizational and financial measures are provided, including support for their spouse/partner.

3. Key performance indicators

	2021	2022	2023
% of employees trained during the year (permanent employees)	63.2%	76.5%	76.5%

	2021	2022	2023	2025 target
Reductions in water withdrawal				
Number of ongoing apprenticeship contracts	439	471	471	458

4. Our commitment to diversity and inclusion

1. Issue, risk and policy

Faithful to its values and in compliance with regulatory requirements, SAVENCIA promotes equal opportunity for all to avoid any risk of discrimination. The Group's Ethical Charter recalls that "respect for people" and "equal opportunity" are cornerstones of our corporate culture. With that in mind, agreements have been signed and initiatives taken to facilitate the integration of young people (see Chapter 3 – "Developing skills"), the employment and employability of people with disabilities, and gender equality.

The Group strives to promote gender equality in terms of qualification, training, remuneration, and career development. As part of its Oxygen plan, Groupe SAVENCIA is committed to achieving gender-balanced leadership by 2025.

To change the perspective of employees on disability, to keep people with disabilities in employment, and to promote their recruitment, the Group is implementing a Disability Initiative policy. The commitment is premised on four main axes:

- raising awareness to combat stereotypes;
- continued employment;
- recruitment of people with disabilities;
- development of partnerships with protected and adapted sectors.

2. Actions implemented and results

• Promoting gender equality:

> The working group created in 2022 to accelerate female leadership focused on establishing an action plan after analyzing numerous internal and external quantitative data, conducting interviews with employees (men and women) and liaising with the Group's Executive Committee. Over the course of 2023, an action plan was drawn up, together with an implementation schedule. Some Company-wide initiatives will be rolled out in 2024;

> A working group of volunteers has been set up our head office to identify concrete actions to be implemented to promote gender equity, such as conferences, experience-sharing lunches, and workshops to raise awareness on "How to be an ally";

> The gender equality index for France in 2023 is 86/100;

> 82.6% of women (all socio-professional categories combined) took at least one training course in 2023;

• Promoting employment of people with disabilities:

> Thanks to a communication kit developed at the Group level, the network of Handicap France advisors raised awareness of the following themes in 2023: visual disability, mental disability, psychiatric disability, ASD, digital accessibility, diabetes, DYS disorders, and caregivers;

> To coincide with the European Disability Employment Week in November, the Group is spurring its subsidiaries to educate their employees and combat stereotypes about disabilities through conferences, digital games, briefing sessions, and awareness-raising workshops. During the week, the subsidiaries also take part in the DUO-DAY program. In 2023, 45 people with disabilities were invited to pair up with an employee and discover the core businesses and the industrial and administrative activities of the Group's subsidiaries;

> some subsidiaries call on the services of companies employing disabled people, for example, companies offering cleaning and gardening services. Other events, such as the sale of cakes made by a sheltered workshop to employees of the CF&R subsidiary. The subsidiary matches proceeds from the sale with a donation.

> The rate of employment of people with disabilities is 3.7% and concerns 793 employees.

3. Key performance indicators

	2021	2022	2023	2025 target
% of women managers	42.4%	43.0%	43.0%	50%

5. Encouraging employee engagement with local communities

1. Issue, risk and policy

Aware of its economic and social impact on local communities, and to act as a responsible and supportive agent, Groupe SAVENCIA encourages its subsidiaries and their employees to support local initiatives. Subsidiaries, often located in rural areas, play an active role in local employment and economic and social development, thus limiting the risk of losing touch with the areas in which we operate.

Numerous initiatives have been rolled out in collaboration with local and regional authorities, notably:

- Employment: partnership with national employment agencies, integration of apprentices and other trainees, communication of job offers to schools;
- Training: cooperation with schools and universities, payment of training taxes, sponsorships, employee presentations in schools.

The Group is committed to ensuring that each subsidiary supports at least one solidarity campaign in 2025.

2. Actions implemented and results

• Since 2011, the "Arrondi sur salaire" program enables volunteer employees to donate the cents portion of their net monthly pay. Groupe SAVENCIA matches their donation. In 2023, the employees who joined the program made it possible to collect and donate more than 17,147 euros to the four partner associations.

• A conference was held in April to celebrate the program's tenth anniversary. During the event, the partner associations presented their projects and their evaluation. In line with the Group's vocation of "Leading the way to better food," the four community organizations involved the program are: Vaincre Noma, Association pour le droit à l'initiative économique, Planète Urgence and the Fédération des Banques Alimentaires (which joined the program in June 2023). For the latter, donations will be used to open solidary grocery stores. For Planète Urgence, the chosen project concerns the establishment of ecological vegetable gardens in Benin and Madagascar.

• The Company-wide "Bien Nourrir l'Homme" fund supports employees working with associations, and finances initiatives around the world that provide concrete solutions to ensure sustainable access to sufficient, quality food that respects people and the planet (school canteens, community grocery stores, market gardening, animal husbandry, food education, etc.). In 2023, 18 projects were supported in France and abroad. The Fund supported projects such as cooking workshops for people in vulnerable situations, the development of produce processing units and vegetable gardens, as well as training and awareness-raising in agroecology.

• To foster the "Nation-Army" relationship and support enrollment in reserve forces, several Groupe SAVENCIA executives have been recruited in recent years from the various armed forces as part of an "active" career path, and benefit from specific legal provisions. Numerous actions are also carried out, such as in our Sofivo and Armor subsidiaries, where donations are made to fire departments close to our sites. Several of our sites also have a partnership agreement with local fire departments to facilitate the enrollment of our employees as volunteer firemen.

• In partnership with the country's network of food banks, the Group resumed its engagement in the skills sponsorship scheme during the national collection campaign in France in November. In 2023, employees in France participated in this nation-wide collection of food and non-food products in different stores.

• Our Brazilian teams took part in several events, collecting and distributing products and foodstuffs for vulnerable communities.

• For several years, the Group has nurtured relations with the "SAPERRE Les Classes du Goût" association. The Company's employees can volunteer to lead workshops in local primary schools and/or leisure centers during their working hours. After receiving training on the method for developing children's senses, the workshop leaders (working in pairs) organize six sessions with a dozen children on discovering taste and the other five senses (games, tasting sessions, discussions, etc.). The goal is to help children and the younger generations become informed consumers, able to make healthy food choices, through simple and fun educational activities. In 2023, 68 employees were taste instructors.

• Several community initiatives related to cancer were launched: In Spain, 66 people took part in the "e-Health challenge", a solidarity and sports challenge. Four community organizations received donations as a result of this challenge, including one for breast cancer. In France, numerous actions were carried out as part of Pink October, with 1,903 euros donated to the François Baclesse research center in Caen and 1,500 euros to the Rose Up association. In Japan, chocolates were donated to women suffering from cancer.

• Numerous subsidiaries sponsored youth events in 2023. For example, the Czech and Slovak subsidiaries organized a sporting event with their employees. Every kilometer run led to a donation to the Ronald Macdonald Foundation. The Normandie Export Logistique (NEL) subsidiary organized a collection of hygiene products for students in Le Havre. In China, the subsidiary supports an organization offering pastry and baking courses to young people aged 17 to 23.

• In 2023, 34.0% will have supported employees in carrying out solidarity actions in line with our mission of "Leading the way to better food" compared with 33.7% in 2022.

• In 2023, 41.2% of subsidiaries made employees available to carry out solidarity actions or events, compared with 38.8% in 2022.

3. Key performance indicators

	2021	2022	2023	2025 target
% of subsidiaries supporting at least one solidarity campaign	35.2%	63.3%	63.3%	100%

7 Ethics and compliance

The issues, risks, policies, and results associated with the respect for human rights and combating corruption and tax evasion are presented below. Given their regulatory nature, specific objectives and key performance indicators have been defined. However, these are not directly integrated into our Oxygen plan.

1. Respect for Human rights

1. Issue, risk and policy

The Group is attentive to compliance with human rights and fundamental liberties and to respecting International Labor Organization (ILO) conventions.

All the policies implemented by the Group's Human Resources Department, in accordance with the Group's culture and values, are designed to promote respect for fundamental human rights, as well as occupational health and safety, social dialogue and its employees' free speech. These aims are achieved through individual employee development initiatives and collective cohesion, as well as by phasing in annual performance reviews in every country across the world and promoting social dialogue through employee representation.

SAVENCIA is a member of the United Nations Global Compact which proposes a framework of voluntary commitments based on 10 principles relating to respect for human rights, international labor standards, the environment, and the fight against corruption. For over 20 years, SAVENCIA has been renewing its membership, thus reaffirming its commitments to social requirements and fundamental human rights in all the countries where it operates.

The Company's Ethics Charter "The Group and its culture," which expresses our values and identity, also restates the principles of the United Nations Compact.

The Responsible Purchasing Charter also covers issues relating to the promotion of and respect for human rights and labor laws. Through the deployment of this charter among its suppliers, the Company ensures that its human rights commitments are respected, to avoid any risk of infringement of fundamental human rights (see chapter "Promoting responsible purchasing").

2. Actions implemented and results

In accordance with the law relating to the Duty of Vigilance of parent companies and contracting companies, a due diligence plan is established annually to assess and thus prevent serious harm related to the Group's activities and those of its subcontractors and suppliers, whether with regard to human rights, fundamental freedoms, health, personal safety or the environment. This plan is available online on the Group's website.

• The Group Ethics and Culture Committee (GECC) is tasked with ensuring respect and sustainability of the Group's culture and in particular enforces ethical behavior in all activities within the subsidiaries. This committee's members include the Group's Chief Executive Officer, Secretary-General, Chief Compliance Officer, Chief Human Resources Officer, Chief Legal Officer, and Chief Financial Officer. The committee held four meetings in 2022. During its bi-annual meetings, issues relating to compliance and culture are addressed, along with any alerts raised, where applicable. Special purpose meetings may also be convened to cover any special matters that arise.

• Due diligence obligations are assigned to a dedicated Compliance Department function. The Group has thus confirmed its determination to promote human rights and fundamental freedoms to all parties in the value chain.

• The Group is committed to developing social dialogue, especially by setting up and leading collective employee representative bodies in its subsidiaries throughout the world. In keeping with the Group's values, it is important to foster direct dialogue with employees with the aim of respecting fundamental rights. An indicator has been set up to measure the rate of employees represented in these bodies.

• Based on the due diligence risk assessment performed at the end of 2022, work has been carried out to identify the salient risks generated by the Group's activities on the human rights of third parties and on the environment, and thus define the preventive and remedial actions implemented or to be implemented.

• In June 2023, a presentation of the Group's labor relations was made to the coordinating HR directors, who represent the different geographical areas in which our subsidiaries operate.

• A mandatory e-learning training program was created in 2023 to train or re-train all Group employees whose work implies engagement with compliance issues. Translated into 19 languages, it comprises a Duty of Vigilance module, an Anti-Corruption module, and an RGPD module (for the European scope). All new arrivals are trained in these Compliance topics.

• The mechanism for due diligence whistleblowing is made available to employees and external stakeholders through a single alert line called SARA – "SAvencia Recueille vos Alertes" – which is shared with the Corruption reporting system (see the "Combating corruption" chapter).

• Additional information is provided in the chapter on "Vigilance plan."

3. Key performance indicators

	2021	2022	2023	2025 target
% of employees with access to collective employee representative bodies **	Information not available*	80%	80.8%	85%

*Indicator created in 2022

**for subsidiaries with more than 10 employees

In subsidiaries with over 10 employees (the French threshold for setting up a Social & Economic Committee), the objective is to ensure that 85% of employees have access to a collective employee representative body by 2025, such as a work committee, works council, or Social & Economic Committee.

Other indicators are available in the due diligence plan.

2. Combating corruption

1. Issue, risk and policy

To avoid the risks of unethical practices, the fight against all forms of fraud and corruption is not only a regulatory requirement but a priority, rooted in our corporate culture.

Our action principles and rules of conduct are included in the Ethical Charter, "The Group and its Culture," provided to each new employee joining the Group.

The Group's Ethical Charter and internal control system help prevent and detect all forms of corruption. Certain countries are subject to special scrutiny on these essential points.

Honesty and loyalty are part of the Group's four fundamental values, and trust and mutual interest are at the foundation of the relationships the Group wishes to develop with its partners. Suppliers are therefore selected on the basis, in particular, of these values, via open and competitive bidding. The Group's subsidiaries undertake to:

- comply with international anti-terrorism and anti-money laundering requirements;
- combat fraud and corruption;
- comply with the principles of fair competition, within the applicable legal framework;
- promote their products and services in an honest and loyal manner.

In the framework of France's so-called "Sapin II" law, the Company has established a map detailing the risks of corruption and influence peddling incurred by the Group.

The objective is to identify, assess and prioritize corruption risks to ensure an effective and appropriate compliance program. The mapping is designed to inform management and provide it with the necessary visibility for implementing measures of prevention and detection proportionate to the issues encountered.

The Group's Risk Management & Compliance Department monitors those measures, assesses their effectiveness, and ensures that all new "at-risk" employees (as defined by Sapin II) are trained in ethics and fraud.

2. Actions implemented and results

• The Anti-Corruption Code of Conduct was updated in 2023 to specify the principles and rules to be respected in terms of ethics and anti-corruption within the Group. It has been translated into 19 languages and applies to all Group employees.

• The e-learning course on anti-corruption awareness continued in 2023 for the employees concerned. It is part of the mandatory onboarding program for all targeted new hires.

• A Purchasing Code of Conduct sets out the rules that buyers apply with suppliers in four key areas: ethics and integrity, communication and collaboration, performance and progress, and sustainable and responsible purchasing.

• The whistleblowing system is operational with a special telephone number and email address. To guarantee the confidentiality and security of information shared, only four members of the Compliance Department, including the Chief Compliance Officer, are authorized to receive calls and view emails from these systems. If necessary, reports are then handled to guarantee a prompt and measured response. In 2023, a new informative poster was made to remind all employees of the Company's whistleblowing system, named SARA – SAVencia Recueille vos Alertes ("SAvencia Receives your Alerts"). It is translated in 19 languages and posted on all our sites.

• As part of the fight against bribery and corruption, compliance officers are responsible for overseeing implementation of the compliance mechanisms in all the subsidiaries.

• In accordance with applicable laws and regulations, the Data Protection Officer (DPO) is responsible for implementing the General Data Protection Regulation (GDPR) and overseeing its application within the Company. Each of the European Union subsidiaries has appointed a GDPR correspondent who has been trained over the past two years by the DPO, as have the general managers. In addition, employees likely to be involved in data processing follow training in digital format. In 2023, 75.0% of employees affected were trained.

3. Key performance indicators

	2021	2022	2023	2025 target
% of employees affected*, trained on the concept of ethics and fraud	96.7%	96.0%	96.0%	100%

* Under the so-called "Sapin II" law.

The reassignment campaign for Compliance training modules was deployed in 2023 on the MySavencia platform. This rollout has been delayed, in particular for the last phase relating to Sapin II. This last phase is currently being assigned.

3. Combating tax evasion

1. Issue, risk and policy

Given the diversity of its geographic locations, the Group could be affected by risks related to tax evasion. However, its exposure is limited given the very nature of its activity.

Tax evasion consists in artificially subtracting sums or assets from the Group's tax liability by locating them in countries subjecting businesses to little or no taxation (such as the non-cooperative states and territories listed by the Council of the European Union, or countries charging little tax and not party to the OECD Convention on Mutual Administrative Assistance in Tax Matters).

In accordance with its values of honesty and loyalty, Groupe SAVENCIA, a family business, develops responsible, measured, and controlled tax and financial policies.

The Group ensures that its subsidiaries comply with local laws and maintains long-term, transparent relations with all partners.

Through its internal process, Groupe SAVENCIA ensures that it does not invest in any "non-cooperative" countries¹. All tax, legal and cash management departments are responsible for complying with any and all applicable regulations.

2. Actions implemented and results

- The tax department of the Finance Department also monitors and updates the list of non-cooperative states prepared by the Council of the European Union to ensure that the Group meets its obligations in this area.^{2,3}

- The Group's internal audit teams ensure that the procedures defined by the Group are properly applied when they perform reviews at subsidiaries.

- The Group deliberately does not have a taxable base in countries charging little tax and not party to the OECD Convention on Mutual Administrative Assistance in Tax Matters.⁴

- The Group's effective tax rate is higher than the weighted average of local tax rates incurred. In 2023, it stood at 32.2%.

3. Key performance indicators

	2021	2022	2023
Number of non-cooperative states and territories* in which the Group operates	0	0	1

* List published in the Official Journal of the European Union (C 413 I/3 of 12/10/2021)

Since February 21, 2023, Russia has been included in the European Union's list of non-cooperative countries. The Group has been present in Russia for many years and continues to operate there with the objective of feeding the local population.

(1) (3) (4) Jurisdictions participating in the convention on mutual administrative assistance in tax matters status – September 13, 2023 https://www.oecd.org/tax/exchange-of-tax-information/Status_of_convention.pdf
 (2) <https://www.consilium.europa.eu/fr/policies/eu-list-of-non-cooperative-jurisdictions/>

Application of European taxonomy

Application of the European Taxonomy to SAVENCIA Fromage & Dairy operations

1. Background

1. Review of the regulatory framework

EU Regulation 2020/852 of June 18, 2020, known as the "European Taxonomy Regulation," establishes a framework to encourage sustainable investment by requiring companies to publish the share of their revenue, capital expenditure, and operating expenditure that make a substantial contribution to any one of the following six environmental objectives:

- Climate change mitigation;
- Climate change adaptation;
- Protection and sustainable use of water and marine resources;
- Transition to a circular economy;
- Pollution prevention and control;
- Protection and restoration of biodiversity and ecosystems.

The European Commission has defined a set of technical criteria for establishing a common language on the concept of sustainability and, consequently, channeling capital towards activities that contribute substantially to achieving one of these six objectives. In June 2023, the European Commission extended the scope of the European Taxonomy to the other four environmental objectives, thus bringing the six environmental objectives into force.

In 2024, companies must therefore disclose, for the 2023 financial year, the proportion of their revenue, capital expenditure and operating expenditure associated with "eligible" economic activities, i.e. those classified in the European Taxonomy. Since the 2022 financial year, companies are required to publish eligible KPIs, as well as the aligned proportion, i.e. meeting the sustainability criteria defined in the Taxonomy for the first two objectives of climate change mitigation and adaptation.

For these four new objectives, eligibility is only required in 2024 for the 2023 financial year.

To meet these reporting obligations, a detailed analysis of all SAVENCIA Fromage & Dairy operations within the various consolidated entities was carried out collectively by the Financial, CSR, Industrial, Legal, Compliance, Insurance, and Tax Departments. The process of identifying the eligible activities and qualifying their level of alignment with the Taxonomy was conducted in accordance

with the instructions and criteria detailed in the delegated acts.

An eligible activity will be considered aligned if it fulfills the technical criterion or criteria for a substantial contribution, if it does not cause significant harm to the other environmental objectives (the so-called Do Not Significantly Harm criteria – DNSH), and if it meets the minimum safeguards for human rights, corruption, taxation and competition.

2. Results

1. Eligibility and alignment results for the 2023 financial year

Eligibility and alignment results for financial year 2023:

The European Commission has prioritized industries that contribute the most to greenhouse gas emissions at EU level. As the food industry is not currently covered by the Taxonomy Regulation, SAVENCIA Fromage & Dairy's eligibility for the taxonomy is relatively low.

SAVENCIA Fromage & Dairy is committed to reducing its operations' environmental footprint and has made a number of investments to this end. The Group has also undertaken to reduce its greenhouse gas emissions by 20% for scopes 1&2 by 2025. Numerous actions are being taken in this sense (see section on "Reducing our GHG emissions"). In 2023, the Science Based Target initiative awarded SAVENCIA Fromage & Dairy's reduction targets the grade of "well below 2".

The data provided below, in application of the taxonomy regulations, are therefore not fully representative of the efforts undertaken by the Group. The level of precision required by the regulations is very high, and the reporting tools are at this stage not yet fully developed. The analysis of eligible activities for the 2023 financial year has modified the eligibility criteria to better integrate the adaptation objective and account for the four new objectives.

It should be noted that, as the reporting tool does not yet allow an investment to be linked to an adaptation plan, no contribution to the adaptation objective has been identified for this year.

Details of the indicators, evaluation methodology and definitions are provided in the appended methodological note on taxonomy.

Revenue indicator:

Like in 2022, SAVENCIA Fromage & Dairy has not identified any eligible revenue since its activity is not targeted by the Taxonomy Regulation objectives.

The Taxonomy Regulation does not consider the food industry as making a substantial contribution the six environmental objectives.

As a result, SAVENCIA Fromage & Dairy's revenue is not eligible.

The regulatory table is appended to this document (cf Tables required under the Taxonomy Regulation).

Total revenue can be reconciled with the financial statements included in the 2023 annual financial report (see statement 1.1 of the consolidated financial statements).

CapEx indicator:

Within the Group, eligible investments made this year cover three of the six environmental objectives (Mitigation, Water, Circular Economy).

Mitigation

- 4.15 Heating/cooling networks
- 5.1 Construction, extension, and operation of catchment, treatment, and distribution networks
- 5.3 Construction, extension, and operation of wastewater collection and treatment networks
- 6.5 Transport by motorcycles, passenger cars, and light commercial vehicles
- 6.6 Freight transport
- 7.1 New building construction
- 7.2 Renovation of existing buildings
- 7.3 Installation, maintenance, and repair of energy-efficient equipment
- 7.4 Installation, maintenance, and repair of charging stations for electric vehicles inside buildings (and in parking lots attached to buildings)
- 7.7 Acquisition and ownership of buildings
- 7.6 Installation, maintenance, and repair of renewable energy technologies

Water

- 2.1 Water production and distribution

Circular economy

- 1.1 Plastic packaging manufacturing
- 2.2 Production of new water resources to ends other than human consumption
- 3.1 New building construction
- 3.2 Renovation of existing buildings

SAVENCIA Fromage & Dairy's eligible capital expenditure for 2023 amounts to 12.65% of a total of €294 million (increase in gross CapEx without restatement of subsidies).

These amounts mainly relate to building acquisition (7.7), construction (7.1) and renovation (7.2). The aligned portion of these capital

expenditures amounts to 0.8% and concerns investments related to activity 7.6 Installation, maintenance, and repair of renewable energy technologies.

With a similar scope, data for financial year 2023 remain consistent with financial year 2022.

The regulatory table is appended to this document (cf Tables required under the Taxonomy Regulation).

Total capital expenditure can be reconciled with the financial statements included in the 2023 annual financial report (see statement 3 of the consolidated financial statements).

For the 2023 financial year, Groupe SAVENCIA is taking into account all its capital expenditure, whatever the source of its financing, i.e. the value of its gross fixed assets. In 2023, given the turbulent and highly inflationary macro-economic context, the Group prioritized its most strategic investments.

OpEx Indicator:

According to the Regulation, companies are exempt from their publishing obligation if the OpEx covered by the Taxonomy is not material. As such, the decision was taken to set a reasonable materiality threshold of 5% in light of market practices and SAVENCIA's understanding of the Regulation.

The demonstration of non-materiality was calculated by comparing the OpEx targeted by the Taxonomy with the total OpEx:

	2023
Total OpEx within the meaning of the Taxonomy	€132,511,414
Total Group OpEx	€6,577,793,000
OpEx Materiality	2.0%

The regulatory table is appended to this document (cf Tables required under the Taxonomy Regulation).

Total capital expenditure can be reconciled with the financial statements included in the 2023 annual financial report (see statement 3 of the consolidated financial statements).

2. Methodology for assessing activities against the criteria

To assess the current level of alignment of the activities identified as eligible, SAVENCIA Fromage & Dairy has verified compliance with the technical review criteria for these activities and the minimum safeguards.

Substantial contribution

For this reporting period, SAVENCIA Fromage & Dairy targeted the CapEx with the highest eligibility and alignment potential, while accounting for the materiality of the amounts.

With respect to the methodology applied for the alignment of activity 7.6, SAVENCIA Fromage & Dairy has verified that the eligible CapEx are correctly described in the list of equipment contained in the substantial contribution.

Generic DNSH - Climate change adaptation

To meet the DNSH criterion relating to the Taxonomy's objective of climate change adaptation, SAVENCIA Fromage & Dairy asked its insurer to carry out a study of physical climate risks covering all entities and geographical locations. This analysis integrates different climate scenarios and provides a medium- and long-term vision.

The report details the various risks by site and by region, as well as the adaptation recommendations to be implemented to mitigate these risks. SAVENCIA Fromage & Dairy has launched adaptation measures to address the risks identified. In the light of this analysis, SAVENCIA Fromage & Dairy felt it met the DNSH adaptation criteria for this reporting period.

Minimum safeguards

SAVENCIA Fromage & Dairy carried out a central review of the minimum safeguards by means of workshops with the relevant departments and concluded that the minimum safeguards are respected, especially through compliance with the non-alignment criteria and implementation of reasonable procedures and due diligence.

Furthermore, SAVENCIA Fromage & Dairy is implementing the necessary processes to validate the rest of the non-alignment criteria. These processes are summarized below:

- To meet the minimum safeguards in terms of **human rights**, SAVENCIA Fromage & Dairy uses a set of human rights policies presented in this document (refer to the chapter on "Respecting human rights") and in its vigilance plan.
- For **corruption** matters, SAVENCIA Fromage & Dairy relies on a comprehensive system, in line with the requirements of the "Sapin II" law, for identifying corruption risks, prevention policies and whistleblowing processes. This system is deployed across all activities in France and internationally, and detailed in the "Combating corruption" chapter of this document.

With respect to **taxation**, SAVENCIA Fromage & Dairy is committed to complying with local legislation in all the countries in which it operates, and has chosen not to invest in all the so-called "non-cooperative" countries (see chapter "Combating tax evasion").

On **competition law**, SAVENCIA Fromage & Dairy is deploying several measures: training in competition law issues, and the provision of an Ethics Charter for employees (see "Combating corruption").

3. Perspectives

1. Areas for improvement

For the 2023 financial year, the analysis of eligibility and alignment with the European Taxonomy has identified areas for improvement for future Taxonomy reporting exercises. SAVENCIA Fromage & Dairy has identified several actions to be implemented in the coming years:

- Improving the feedback of technical information to facilitate the collection of data specific to the Taxonomy. This will involve ongoing training for the teams involved in collecting the information required by the European Green Taxonomy;
- Valuation of investments made as part of adaptation plans.

KPIs Overview SAVENCIA Fromage & Dairy

Key issues	KPI	2022	2023	2025 Target	Progress
Healthy, delicious and responsible eating					
Deploy a Clean Label approach on 100% of new branded products	% of new branded products having adopted a Clean Label appr	75.4%	88.1%	100%	↗
Implement clear nutritional information for 100% of our branded products	% of branded retail products including per-portion nutrition labeling	59.6%	71.8%	100%	↗
Sustainable agriculture					
Expand the Charter for Best Farming Practices to all our milk sourcing worldwide	Expand the "Charter for Best Farming Practices" worldwide (% total milk sourced)	86.8%	81.3%	100%	↘
Deploy the "Sustainable Milk Production" audit	Deploy the Sustainable Milk Production diagnosis (% total milk sourced *)	23.8%	25.6%	50%	↗
Deploy our Charter for Animal Welfare	% of Dairy Supply employees at SAVENCIA sites trained on animal welfare.	61.5%	69.0%	100%	↗
Develop responsible purchasing with all our suppliers, excluding agricultural raw materials	% of Group external expenditure overseen by the Purchasing function and carried out with major suppliers* under the Responsible Purchasing Charter	66.8%	73.0%	80%	↗
	% of Group external expenditure overseen by the Purchasing function and carried out with major suppliers* under EcoVadis evaluations	75.7%	80.8%	80%	↗
Environmental footprint					
Reduce greenhouse gas emissions from production and transport	Variation in Scope 1 & 2 GHG emissions (tons eq. CO ₂ /ton produced)	-10%*	-16.5%	-20%	↗
Reduce the carbon footprint associated with our milk sourcing	CO ₂ emissions of the owned fleet (in tons eq. CO ₂)	-311,000	-341,345	-300,000	↗
Reduce water withdrawals	Variation of water withdrawals (in m ³ /ton produced)	-1.2%	-6.5%	-10%	↗
Strengthen the sorting and recovery of industrial waste by contributing to circular solutions	% of non-hazardous waste collected for recycling	68.2%	73.1%	-	↗
Develop eco-design of our packaging	% of recyclable or biodegradable packaging	84.8%	86.1%	Aim for 100%	↗

* see corresponding chapter



Key issues	KPI	2022	2023	2025 Target	Progress
Employee wellbeing					
Ensure the safety of our employees	% of subsidiaries with no workplace accidents resulting in time off (permanent and temporary employees) during the year	46.9%	49.5%	Target of zero accident in the workplace	↗
Improve quality of working life	% of subsidiaries having performed an internal employee survey in the last three years	90.5%	94.5%	100%	↗
Develop employee skills	% of employees trained during the year (permanent employees)	76.5%	82.6%	-	↗
	Number of ongoing apprenticeship contracts	471	418	458	↘
Commit to diversity and inclusion	% of women managers	43.0%	43.0%	50%	=
Encourage employees to engage with solidarity	% of subsidiaries supporting at least one solidarity campaign	63.3%	69.1%	100%	↗
Ethics and compliance					
Respect for human rights	% of employees with access to collective employee representative bodies **	80.0%	80.8%	85%	↗
Combat corruption	% of employees affected*, trained on the concept of ethics and fraud	96.0%	96.0%	100%	=
Combat tax evasion	Number of non-cooperative states and territories ⁽¹⁾ in which the Group operates	0	1	0	↘

** see corresponding chapter

9 Reporting procedures

Reporting rules have been defined in accordance with applicable standards and practices. The methodological assumptions used to define the social, environmental, and societal KPIs may be reviewed and adjusted to reflect changes in scope, regulations, and market interpretations.

SAVENCIA Fromage & Dairy voluntarily publishes a Non-Financial Performance Statement (NFPS), drawn up in accordance with European Directive 2014/95/EU on the publication of non-financial information (NFRD), in compliance with the provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code. Data in the format of the previous "Grenelle II" regulations, useful for rating agencies, are available in a specific document that can be found on the savencia-fromagedairy.com website.

Organization

The Corporate Social Responsibility (CSR) indicators are collected by the Group's business departments for their respective areas. They are supported by their network of local experts who contribute the raw data.

The Group's CSR Department is the preferred contact for the Company's external auditors.

Scope

Data presented in this report are consolidated for 2023, from January 1 to December 31, 2023.

- Healthy, delicious, and responsible eating: 100% of subsidiaries.
- Employee wellbeing: 100% of the workforce registered at the end of the period.
- Carbon footprint: 100% of production sites.
- Calculation of carbon footprint SAVENCIA Fromage & Dairy: 100% of sites.

Rules and guidelines

Two sets of environmental and social reporting guidelines define the Group's environmental and social performance indicators. A methodological note outlines the process used by the Company to select the issues addressed.

These documents serve as repositories for the external verification of data, in accordance with the implementing decree of Article L. 225-102-1 of the French Commercial Code.

Tools

Data is reported and consolidated for all subsidiaries using a bespoke Group tool.

An annual questionnaire is sent to and completed by all subsidiaries within the CSR scope, covering all types of sites: production, logistics and sales. It collects all the required information.

Consolidation and internal control

At Company level, CSR reporting managers consolidate the data collected to generate the indicators presented in this chapter.

They also carry out internal data checks, validating consistency and plausibility. To this end, consistency tests are carried out on indicators, and variations are highlighted and justified.

Significant discrepancies are analyzed with the data contributor.

External audit

The nature of the work performed by the independent third party entity, and its conclusions, are presented in an appendix.

Appendices

1. Standard tables required under the Taxonomy Regulation

The appendix of the regulatory tables can be consulted in the DPEF available on the website: www.savencia-fromagedairy.com

2. Methodological note - European taxonomy

1. Reminder of indicators and reconciliation with financial

Revenue

As part of the update of the 2023 eligibility reference framework, the following points should be noted:

- In accordance with European Regulation 2020/852 of June 18, 2020, on the establishment of a framework to facilitate sustainable investment within the European Union (EU), SAVENCIA Fromage & Dairy, due to its status as a public interest entity, is required to publish, for the 2021 financial year, the proportion of its revenue, capital expenditure, and operating expenditure resulting from products and/or services associated with economic activities that qualify as sustainable pursuant to the classification and criteria defined in the Taxonomy for the first two climate objectives. SAVENCIA Holding does not, to date, fall within the scope of this Regulation. The analysis and figures presented therefore concern the activities within SAVENCIA Fromage & Dairy (hereinafter the Group).

- The financial data are derived from the consolidated financial statements as of December 31, 2023; the Taxonomy denominators for the revenue and capital expenditure KPIs can therefore be reconciled with the financial statements as required by the Regulation.

Definition

The proportion of revenue referred to in Article 8 of Regulation (EU) 2020/852 is obtained by dividing the proportion of net revenue derived from products or services, including intangible assets, associated with Taxonomy-eligible and Taxonomy-aligned economic activities (numerator) by the net revenue (denominator) as defined in Article 2 (5) of Directive 2013/34/EU. Revenue includes income recognized in accordance with International Accounting Standard 1, paragraph 82A, as adopted by Commission Regulation (EC) No. 1126/2008.

CapEx

Definition

Note that the FAQ published by the European Commission on December 19, 2022, on Article 8 clarified that the source of funding of the CapEx has no relevance for the purpose of assessing the Taxonomy-alignment of that CapEx.

Eligible and aligned investments meet one of the following conditions:

- These expenses are linked to assets or processes associated with eligible economic activities and aligned with the Taxonomy;
- These expenditures are part of a plan to expand economic activities aligned with the Taxonomy or to enable economic activities eligible for the Taxonomy to be aligned with it ("CapEx plan");

- These expenses are linked to the purchase of production from eligible economic activities aligned with the Taxonomy and to individual measures enabling the targeted activities to become low-carbon or to achieve reductions in greenhouse gas emissions (particularly the activities listed in points 7.3 to 7.6 of Annex I to the delegated act on climate, or other economic activities listed in the delegated acts).

The amounts concerned include additions to tangible and intangible assets during the financial year before depreciation and before any remeasurements, including revaluations and impairments, for the year, excluding fair value changes. It also includes additions to property, plant and equipment and intangible assets resulting from business combinations, as well as contract additions, contract revaluations and changes in scope of consolidation relating to the application of IFRS16.

OpEx

Definition

The operating expenses retained by SAVENCIA Fromage & Dairy in application of the provisions of the Taxonomy, as forecast in 2023, concern the following categories:

- Non-capitalized research and development expenditure, including associated personnel costs, restated for tax credits received over the period;
- Short-term leases as determined in accordance with IFRS 16 and include expenses relating to short-term leases and low-value leases;
- Upkeep, repair, maintenance, and other direct expenses related to the day-to-day maintenance of property, plants, and equipment.

Corporate governance

1. Board of directors

The Board of Directors is made up of sixteen members. They are appointed for a one-year renewable term. At December 31, 2023, eight directors are independent on the basis of the criteria set by France's AFEP-MEDEF report. The Board sets its schedule of meetings, which are held bimonthly unless additional urgent or necessary meetings are called in the interest of the Company.

1. The specialist committees

The Board of Directors is assisted by three specialist committees. SAVENCIA Fromage & Dairy provides them with the means necessary for carrying out their task, when necessary, with the help of the various departments concerned, and it gives them the ability to seek outside advice. Each of these committees meets several times a year and whenever its opinion is deemed necessary by the Board.

2. The audit and risk committee

This Committee comprises at least three members of the Board of Directors. It examines the consolidated financial statements and assesses the bases of their preparation in liaison with the Group's statutory auditors. It verifies the existence and proper functioning of internal controls and examines the Group's major risk exposures and commitments. In each of these fields, it assesses the Group's requirements, the technical and human resources employed and their suitability. It informs the Board of Directors of any observations or recommendations that it considers useful.

Members

Christian Mouillon (Chairman),
Martine Liautaud, Annette Messemer, Xavier Govare, François Wolfovski, and Pierre Lavergne and Arnaud Capdeville (Secretaries).

3. The management and remuneration committee

It assists the Board on the organization and structures of the Group, the composition and development of the members of the Board of Directors and General Management, the Group's Human Resources policy and the compensation policy.

Members

Clare Chatfield (Chairwoman),
Anne-Marie Cambourieu, Xavier Cruse, Ignacio Osborne, and Laurent Marembaud (Secretary).

4. The social and environmental responsibility committee

It includes at least three members of the Board of Directors. Its mission is to assist the Board of Directors in assessing the challenges of social and environmental responsibility. It assesses the Group's policies and the progress of the main action plans for the various aspects of social and environmental responsibility.

Members

Malika Haimeur (Chairwoman),
Armand Bongrain, Anne-Marie Cambourieu, Xavier Govare, Christian Mouillon, Robert Roeder, and Laure Sartout-Siblini (Secretary).

2. Board of directors composition

Alex Bongrain
Chairman

Armand Bongrain
Board member, Member of the Social and Environmental Responsibility Committee

Anne-Marie Cambourieu
Independent Board member, Member of the Management and Remuneration Committee, Member of the Social and Environmental Responsibility Committee

Clare Chatfield
Independent Board member, Chairwoman of the Management and Remuneration Committee

Xavier Govare
Independent Board member, Member of the Audit and Risk Committee, Member of the Social and Environmental Responsibility Committee

Philippe Gorce
Board member representing the employee shareholder

Malika Haimeur
Independent Board member, Chairwoman of the Social and Environmental Responsibility Committee

Martine Liautaud
Independent Board member, Member of the Audit and Risk Committee

Annette Messemer
Independent Board member

Christian Mouillon
Independent Board member, Chairman of the Audit and Risk Committee, Member of the Social and Environmental Responsibility Committee

Ignacio Osborne
Board member, Member of the Management and Remuneration Committee

Robert Roeder
Independent Board member, Member of the Social and Environmental Responsibility Committee

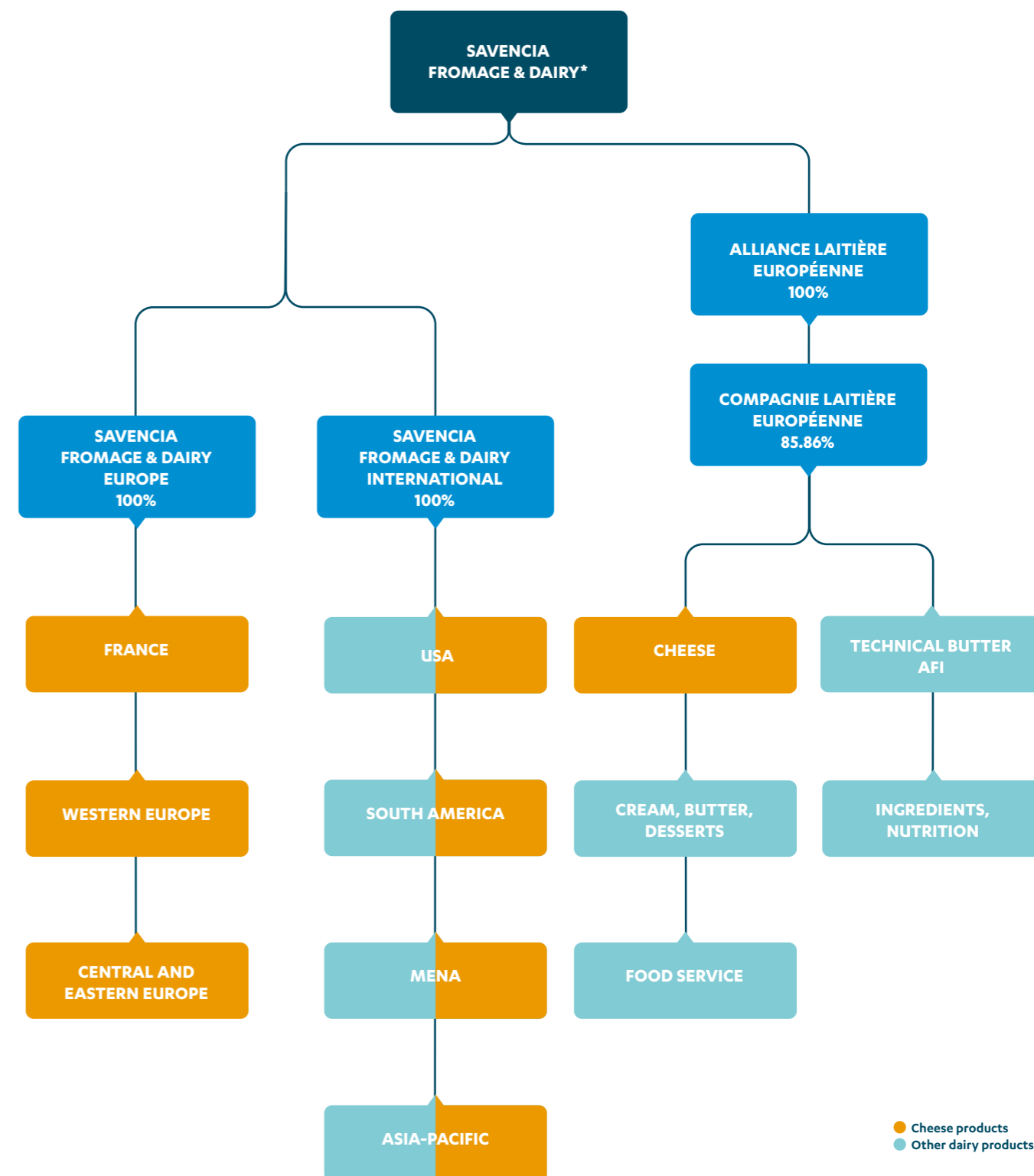
Sophie de Roux
Board member

Bruno Witvoet
Board member

François Wolfovski
Board member, Member of the Audit and Risk Committee

Savencia Holding Company
represented by Xavier Cruse - Board member, Vice-Chairman of the Savencia S.A. Board of Directors - Member of the Management and Remuneration Committee

Simplified group structure



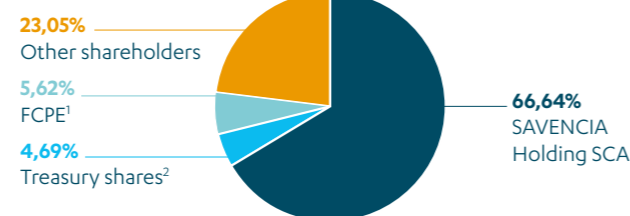
*SAVENCIA Fromage & Dairy is the trade name of SAVENCIA SA

● Cheese products
● Other dairy products

Stock market activity in 2023

- Euronext Paris – Eurolist Compartment B
- Code ISIN FR0000120107
- Par value: €1
- Number of shares: 14,032,930
- Market capitalization at 12.31.2022: €819.5 million
- Euronext closing market price on 12.31.2023: €55
- Market capitalization at 12.31.2023: €771.81 million

Composition of the share capital in 2023



(1) Employees of SAVENCIA Fromage & Dairy and its associated companies, as defined by articles L.3344-1 and following of the french code of Labor law, holding shares.

(2) Including the Company's liquidity contract.

Data per share

In euros	2023	2022	2021	2020	2019
Equity	129.55	130.21	121.36	110.57	104.35
Net income	7.2	5.01	6.05	5.72	5.33
Net dividend ⁽¹⁾	1.4	1.3	1.5	1.5	-
Global yield ⁽²⁾	2.55%	2.23%	2.45%	2.48%	-

(1) Proposal at the AGM held on April 25, 2024

(2) Based on the share price at December 31

Stock market data per share

In euros	2023	2022	2021	2020	2019
Highest adjusted price	64	67	77	64.4	69.4
Lowest adjusted price	52.6	50.7	58.6	47.9	55.4
Price at December 31	55	58.4	61.2	60.4	61.4
Market capitalization at December 31 (in millions of euro)	771.81	819.52	858.82	847.59	861.62

Adjusted share price in 2023



Shareholders' agenda

Annual General Meeting	April 25, 2024
------------------------	----------------

Financial information

Annual net sales for 2023	February 8, 2024
Annual results for 2024	March 7, 2024
1st quarter net sales	April 25, 2024
Half-yearly results	September 19, 2024
3rd quarter net sales	October 24, 2024 before opening market
Annual results	March 2025

Consolidated financial statements

As of December 31, 2023

Consolidated income statement

In thousands of euro	12 months	
	2023	2022
NET SALES	6,790,713	6,551,216
Purchases adjusted for changes in inventories	-4,582,655	-4,364,581
Personnel costs	-1,182,623	-1,156,275
Depreciation and amortization	-203,630	-199,509
Other current operating income and expenses	-608,885	-596,549
CURRENT OPERATING PROFIT	212,920	234,302
Other operating income and expense	-43,612	-71,426
OPERATING PROFIT	169,308	162,876
Financial expenses	-60,040	-38,208
Financial income	42,011	13,766
Result on net monetary position	3,092	2,725
Group share of associates' net income	1,761	1,537
EARNINGS BEFORE TAX	156,132	142,696
Income tax expense	-50,250	-57,267
Net income from continuing operations	105,882	85,429
NET INCOME FOR THE YEAR	105,882	85,429
Net income attributable to equity holders of the parent company	96,479	68,046
Non-controlling interests	9,403	17,383
EARNINGS PER SHARE (in euro)		
Group share		
• basic	7.17	5.01
• diluted	7.17	5.01
From continuing operations:		
• basic	7.17	5.01
• diluted	7.17	5.01

Consolidated statement of other comprehensive income

In thousands of euro	12 months	
	2023	2022
NET INCOME FOR THE YEAR	105,882	85,429
Other comprehensive income:		
Foreign exchange differences ¹	-114,946	18,120
Change in fair value of cash-flow hedges ²	-5,405	9,894
Currency basis spread ³	342	550
Hyperinflation ⁴	38,863	25,517
Share of associates and joint-ventures in recyclable components	78	38
Total recyclable components of other comprehensive income	-81,068	54,119
Actuarial gains and losses relating to employment benefit plans	-4,470	23,337
Share of associates and joint-ventures in non-recyclable components	-	-
Total non-recyclable components of other comprehensive income	-4,470	23,337
Total other comprehensive income net of tax	-85,538	77,456
TOTAL COMPREHENSIVE INCOME NET OF TAX	20,344	162,885
Group share	11,305	143,685
Non-controlling interests	9,039	19,200

(1) Mainly relating to the following currencies: sharp devaluation of the Argentine peso (-€81.5 million), accentuated in the fourth quarter, as well as the evolution of Russian, Chinese, North American and Brazilian currencies.

(2) Mainly relating to hedging of interest rate and raw materials.

(3) IFRS 9 excludes the currency basis spread from the hedging relationship (see note 14.2).

(4) Impact of hyperinflation in Argentina.

Consolidated balance

As of December 31, 2023

Assets

<i>In thousands of euro</i>	At December 31, 2023	At December 31, 2023
Intangible assets	514,148	511,779
Property, plant and equipment	1,284,993	1,299,629
Rights of use assets for leases	65,511	60,702
Other non-current financial assets	29,012	28,077
Investments in associates	28,809	23,838
Non-current derivative financial instruments	17,175	31,225
Deferred tax assets	35,813	29,458
Other non-current assets	6,662	-
TOTAL NON-CURRENT ASSETS	1,982,123	1,984,708
Inventories and work in progress	849,590	865,591
Trade and other receivables	1,131,845	1,112,826
Tax receivables 37,060 33,494	37,060	33,494
Current derivative financial instruments	7,301	9,043
Other current financial assets	45,153	24,019
Cash and cash equivalents	590,984	548,616
Assets held for sale or relating to discontinued operations	3,075	3,952
TOTAL CURRENT ASSETS	2,665,008	2,597,541
ASSETS	4,647,131	4,582,249

Equity and liabilities

<i>In thousands of euro</i>	At December 31, 2023	At December 31, 2023
Paid-in capital	50,516	55,780
Other reserves	-210,010	-85,977
Retained earnings	1,740,188	1,623,759
GROUP SHARE OF EQUITY	1,580,694	1,593,562
Non-controlling interests	237,206	233,660
TOTAL EQUITY	1,817,900	1,827,222
Provisions for pensions	79,156	69,984
Other provisions	21,648	22,612
Non-current financial borrowings	391,564	294,922
Non-current lease liabilities	47,156	40,716
Other non-current liabilities	23,763	17,402
Non-current derivative financial instruments	4,848	6,768
Deferred tax liabilities	82,109	72,871
TOTAL NON-CURRENT LIABILITIES	650,244	525,275
Trade and other payables	1,405,376	1,461,032
Tax payable	23,240	21,146
Current derivative financial instruments	3,686	4,926
Current bank borrowings	722,497	721,836
Current lease liabilities	24,188	20,812
TOTAL CURRENT LIABILITIES	2,178,987	2,229,752
LIABILITIES	2,829,231	2,755,027
EQUITY AND LIABILITIES	4,647,131	4,582,249

Consolidated cash flow statement

<i>In thousands of euro</i>	12 months	
	2023	2022
Net income from continuing operations	105,882	85,429
Income tax expense	50,250	57,267
Amortization and provisions	203,630	199,509
Gains and losses on disposal of assets	-1,448	-7,758
Group share of results of associates	-1,761	-1,537
Net financial expense	21,392	7,539
Other non-cash expenses and income ¹	26,861	63,482
Gross operating margin	404,806	403,931
Interest paid ²	-56,182	-23,181
Interest received	35,590	13,532
Income tax paid	-51,093	-51,958
Change in working capital	-72,510	-87,274
NET CASH FLOW FROM OPERATING ACTIVITIES	260,611	255,050
Acquisition of subsidiaries, operating units ³	-30,699	-3,541
Disposal of activities net of transferred cash	-	-
Acquisitions of investments in associates and joint ventures ⁴	-3,520	-
Purchase of tangible and intangible assets	-178,911	-188,397
Disposal of tangible and intangible assets	3,145	6,263
Acquisition of long-term financial assets	-3,964	-1,587
Disposal of long-term financial assets	2,142	1,667
Changes in other current financial assets	-25,021	-15,226
Dividends received (including dividends received from associates)	541	1
NET CASH USED IN INVESTING ACTIVITIES	-236,287	-200,820
Purchase and sale of own shares	-5,264	-13,271
Capital increase received from minority shareholders	-	3,871
Changes in interests in controlled entities ⁵	-9,621	-
New borrowings	122,707	26,235
Repayments of borrowings	-26,860	-16,506
Repayment of lease obligations	-28,350	-28,592
Dividends paid	-24,428	-26,880
NET CASH FLOW FROM FINANCING ACTIVITIES	28,184	-55,143
Impact of foreign exchange differences	-16,336	8,502
Net change in cash and cash equivalents	36,172	7,589
OPENING CASH BALANCE	496,902	489,313
CLOSING CASH BALANCE	533,074	496,902

(1) Including the impact of non-current provisions for contingencies and charges (€20.7 million in 2023 (see note 9.1), compared with €61.5 million in 2022, of which €47.6 million on the Russia CGU) and the impact of the restatement for Argentina's hyperinflation (€4.5 million in 2023 against €5.7 million in 2022).

(2) Including interest paid on lease obligations (see note 9.3).

(3) In 2023, the acquisition of 100% of SAW S.A..

In 2022, the acquisition of 51.04% of Poitou Chèvre SAS.

(4) In 2023, the acquisition of a 50% stake of Wiskerchen Cheese LLC, company.

(5) In 2023, purchase of 15% of Bake Plus following the partial exercise of the put & call option and exercise of the put & call option of 30% of Palace Industries.



 **SUSTAINABLE DEVELOPMENT GOALS**



The United Nations Global Compact

As a signatory of the United Nations Global Compact, Savencia Fromage & Dairy is committed to upholding to its ten principles in the areas of Human Rights, labor, environment and anticorruption, and contributes to the UN Sustainable Development Goals.



Savencia Fromage & Dairy is committed to the Science-Based Target initiative.

Document designed and produced by the Corporate Communications department – Savencia SA, a French joint stock company in the form of a Société Anonyme with a share capital of 14,032,930 euros – 847 120 185 RCS Versailles. Conception & production: Angie. Drafting: Corinne Martin-Rozès, Savencia SA. Photo credits: Savencia SA, Alice Bertrand, Guillaume Murat, Studio des Fleurs, Colombe Production, Skovdal Nordique, René Limbourg, Cléo Productions, Nourriture et texte, Getty Images International, Patricia Kettenhofen, Chef Nini, Hélène Bouroullec, Le Photographe CBA.

This document has been printed, using vegetable inks, on paper produced from sustainably managed forests.



SAVENCIA SA
42 rue Rieussec – 78220 Viroflay – FRANCE
Phone: +33 (0)1 34 58 63 00
www.savencia-fromagedairy.com