

TRAVEL

TO THE HEART OF OUR COMMITMENTS

ACTIVITY AND SUSTAINABLE
DEVELOPMENT REPORT
2017


ROQUETTE
Offering the best of nature™

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Introducing the QR code in TRAVEL for a new and interactive approach to reading your Activity and Sustainable Development Report.

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ROQUETTE IN BRIEF

"Offering the best of nature"

Roquette is a global leader in plant-based ingredients and a pioneer of new vegetal proteins.

In collaboration with its customers and partners, the Group addresses current and future societal challenges by unlocking the potential of Nature to offer the best ingredients for Food, Nutrition and Health markets.

Each of these ingredients responds to unique and essential needs, and they enable healthier lifestyles.

Thanks to a constant drive for innovation and a long-term vision, the Group is committed to improving the well-being of millions of people all over the world while taking care of resources and territories.

Roquette currently operates in over 100 countries, has a turnover of around 3.3 billion euros and employs 8,400 people worldwide.

LET'S ALL OF US DARE TOGETHER!



Edouard ROQUETTE
Chairman of the Board of Directors



Jean-Marc GILSON
Chief Executive Officer of the Roquette Group

Our strategy is inspired by Nature. Wherever we operate, in France, in the United States, China or India, Roquette unlocks the potential of Nature to better serve Food, Nutrition and Health markets.

In 2017, we consolidated our positioning as a leading producer of plant-based ingredients, and we are seeing the benefits of the efforts we took over the past five years. The Group is delivering a sound industrial and commercial performance, as well as good financial returns.

Our financial performance is not an end objective as such. However, it enables the development of long-term strategies and consolidates our Group's independence, led by our family shareholders. It is therefore a critical goal for us all.

It gives us the freedom to innovate, invest, attract the best talents and break new ground, something that Roquette has been doing for 85 years. It also gives us the freedom to pursue our mission: offering the best of plant resources to ensure better diets, more specific nutrition and the improvement of women's and men's health.

In 2017, we reinforced the Food-Nutrition-Health triple focus. We launched our major project to produce plant proteins in Portage la Prairie, Canada.

EXECUTIVE COMMITTEE



Jean-Marc GILSON
Chief Executive Officer



Sophie ANCELIN
Human Resources



Jeremy BURKS
*Global Business Units
& Commercial*



Armand CHEN
Quality

There, we will develop pea proteins, a food ingredient coming from local agricultural resources. This promising innovation will allow us to provide our customers with ingredients that contribute to healthier lifestyles.

Regarding health, we made two major investments that set our roots in high-growth areas: the acquisition in Brazil of Itacel, a key player in the market of excipients of natural origin, as well as the development of an innovation and regional technical support center for nutrition in Singapore.

During this same year, we also launched the Roquette Foundation for Health. This relevant initiative exemplifies our long-term commitment.

It will support innovative or educational programs in the fields of food and nutrition, complementing the initiatives that we undertake as part of our local community relations.

In 2017, we also projected ourselves into the future with our “Imagine 2022” medium-term plan. This ambitious and impelling plan gives continuity to the “Leadership 2018” plan launched five years ago, and which our goals have been exceeded.

At a time when our Group must enhance its global setup—One Roquette—during the year we formalized our position in order to spread it more widely: vision, mission, ambition, position, values.

We know where we are going. We know where we want to invest.

“We” means the 8,400 dedicated people who make up our Group, beyond the tandem of us two, working together in mutual trust to better serve the world.

“We” means our customers around the world, the food and health sector players, our day-to-day partners of the solutions we design and help implement every day.

“We” means our shareholders, the 250 members of the Roquette family, who guide and support us in order to steer the business through this change.

In 2018, we are stepping further up. We execute our actions with professionalism and determination. We are accelerating our growth investments, with a third of them devoted to the plant proteins project alone.

The investments are always geared toward innovation. We are accelerating the digitalization of the Group to serve our customers: they will interact, in real time, with our teams. We also want to make our organization more dynamic. To make it more agile. So that everyone contributes to an organization that drives more accountability, with the customer at the heart of the business. We are going to develop and support our Leaders.

Leaders who are committed, who provide meaning and who are beacons of excellence on a daily basis. For Roquette’s future, our greatest risk would be to not dare.

Let’s all of us dare together!



Emmanuel DE GEUSER
Finance



Nathalie JOANNES
Group General Counsel



Thierry MARCEL
Research & Development



Gianfranco PATRUCCO
Global Operations

OUR MARKETS AND OUR PRODUCTS

The Roquette Group is a leading global producer of plant-based ingredients and a pioneer of new vegetal proteins for Food, Nutrition and Health markets.



OUR CONVICTION IS OUR VISION

Nature has the answer to provide people with the Food, Nutrition and Health they need according to their lifestyle choices, their age, where they live and what they do.

OUR CONTRIBUTION TO SOCIETY IS OUR MISSION

Using plant-based resources, we collaborate with our customers and partners to imagine and offer ingredients to better feed and cure people. Each of our ingredients responds to **unique and essential needs**. They enable **healthier lifestyles**.

Here are a few examples of our products and their benefits for your day-to-day life:

- Provide a source of energy specifically conceived to ensure the proper growth of your infants and young children through the **GLUCIDEX® Premium maltodextrins**,
- Provide plant proteins for your daily diet, which are adapted to special nutritional needs (maternity, sports, seniors, vegetarians, clinical nutrition) through the **NUTRALYS® proteins**,
- Offer solutions that are adapted to people with diabetes thanks to our ingredients with a low glycemic index such as **SweetPearl® maltitol**,
- Help achieve your daily recommended fiber needs thanks to the **NUTRIOSE® soluble fiber** without sugar,
- Facilitate treatment intake, which, for example, enables the remission of rheumatoid arthritis through the **PEARLITOL® BioPharma mannitol**,
- Improve intake of medicine that patients find hard to swallow thanks to orodispersible tablets that melt in the mouth, and which are made with **mannitol-starch, PEARLITOL® FLASH**,
- Provide nutritionally balanced proteins that are adapted to fish and cow feeds through the **VITEN® wheat gluten** or the **GLUTALYS® corn proteins**.

At Roquette, thanks to a constant quest for innovation and a long-term vision, we are committed to improving the well-being of millions of people around the world.

A presence
in more than
100
COUNTRIES

8,400
employees

900
Americas
5,000
Europe
2,500
Asia

300
employees
dedicated
to research

Turnover
3.3
billion euros

20
industrial sites

3
Americas
9
Europe
8
Asia

40
patents
per year



2017 was an exciting year. Even though we were faced with severe turmoil in a complex environment, we have obtained excellent results.

Thanks to our teams' great dedication, we continue to grow internationally and strengthen our position as a leading global producer of plant-based ingredients.

Emmanuel de GEUSER
Executive Vice President
Finance

GOVERNANCE

Roquette, a Group committed to sustainable growth



*Didier de Menonville,
Denis Delloye,
Stéphane Baseden,
Christophe Roquette,
Carole Lajous,
Edouard Roquette
(Chairman),
Jean-François
Rambicur
(Vice Chairman),
Sonia Artinian,
Marc Roquette,
Pierre-Emmanuel
Lepers*

Roquette is a **family-owned Group with a global reach**, led by the 3rd generation of family directors. Without a long-term vision, its history would not have stood the test of time.

Since the creation of the company by Germain and Dominique ROQUETTE in 1933, the shared values remain strong and contribute to the cohesion of the family and the teams. The commitment of the 250 family shareholders and the 8,400 employees contributes, every day, to the development of a project that is marked by **solid and sustainable growth**.

To this effect, the governance changes regularly in order to adapt to the circumstances and the ecosystem in which it operates, thus preparing the Group's future in a responsible manner.

The Board of Directors, which mainly determines the strategic orientation, is particularly keen on societal issues.

The Group strives to promote sustainable human practices and draws its strength in respecting the values of **Authenticity, Excellence, Forward-looking** and **Well-being**. These core values enable all entities of the Group, around the world, to reconcile financial performance and environmental concerns with the development of the men and women who form the Group.

They also allow the Group to assert its vision to provide as many people as possible with specific answers to better feed and cure themselves according to their lifestyle choices, their age and where they live.

THE HIGHEST STANDARDS OF GOVERNANCE

10
*members of the Board
of Directors*

5
*Family
Directors
including the **Chairman***
+

5
*Independent
Directors*

4 COMMITTEES

APPOINTMENTS AND
COMPENSATION COMMITTEE

STRATEGY COMMITTEE

AUDIT COMMITTEE

ETHICS
AND SUSTAINABLE
DEVELOPMENT COMMITTEE

The Board of Directors, particularly the members of the Ethics and Sustainable Development Committee, eagerly supported the creation of the **Roquette Foundation for Health** in late 2017.

This initiative reinforces the strategy and gives guidance to the teams. It illustrates the Group's and its shareholders' capacity to invest responsibly, by supporting projects promoting food awareness and health benefits.

2018 is a year in which the **Board of Directors will be renewed**.

In the course of 2017, the Appointments and Compensation Committee worked on implementing a **balanced Board of Directors**. It selected people with complementary skills and expertise, while ensuring diversity within the Board of Directors.

Thanks to the establishment of **better governance standards** and the strength of its business model, Roquette has the capacity to roll out **an ambitious strategy**. This will sustainably strengthen its position as a global leader and help distinguish the Group as a key plant-based ingredients player, with an organization in close connection with Food, Nutrition and Health markets.

OUR HIGHLIGHTS

Understanding consumer needs is the consistent focus of the Roquette Group. Through its actions and investments, the Group meets the needs of its stakeholders, stimulates innovation and strengthens its global performance.



The Group is building the largest production site for pea proteins in Portage la Prairie (Canada)

In January 2017, Roquette announced the construction of the largest production site for pea proteins in Portage la Prairie, Manitoba (Canada). The groundbreaking was celebrated in September 2017. This major site will enable the Roquette Group to better meet the growing demand for plant proteins for Food, Nutrition and Health markets in North America and the rest of the world.



Roquette invests in its Vic-sur-Aisne site (France) and boosts its global leadership in the pea proteins market

In June 2017, the Roquette Group invested 40 million euros in its Vic-sur-Aisne site in order to increase its production capacity. This investment accelerates the Group's activities linked to pea proteins in order to satisfy the sharp rise in global demand, driven by consumers' desire to take care of their health and their latter's concerns in terms of Sustainable Development.



The Roquette site in Pantnagar (India) celebrates 10 years

In February 2017, during an event with its customers, the Roquette Group celebrated the 10-year anniversary of its production site in Pantnagar. On this occasion, the Group asserted its commitment to constantly strive to better meet its customers' expectations. The energy, passion and dedication of its teams turned this into a memorable event.





Roquette acquires Itacel in Brazil and asserts its ambition to become a leading player in the pharmaceutical excipients market

In September 2017, Roquette finalized the acquisition of Itacel, a key player for the pharmaceutical excipients markets of Brazil and Latin America. This operation reinforces Roquette's position as a major supplier of the pharmaceutical industry and a world leader in pharmaceutical excipient solutions of natural origin.



The Group opened a new regional head office for the Asia-Pacific region and an innovation center in Singapore

In October 2017, the Group opened a new regional head office for the Asia-Pacific region and an innovation center in Singapore. These new facilities are dedicated to nutrition and health in order to better address the eating habits and the health issues of consumers in Asia. They represent a major step in Roquette's ambition to become a global leader of ingredients for Food, Nutrition and Health.



A conversation with Anne Lambin
Head of the Roquette Foundation for Health

IN NOVEMBER 2017, THE ROQUETTE GROUP LAUNCHED ITS ROQUETTE FOUNDATION FOR HEALTH

What are the motivations behind it?

Increasingly committed to sustainable human and financial development, we wanted to assign a new dimension to our commitments. Complementing the Group's Sustainable Development approach, our Foundation is particularly aligned with one of the Acting commitments, which is to "Develop our activities with the local communities."

What is the mission of this Foundation?

Under the aegis of the Fondation de France, our Foundation's mission is to support innovative or educational programs in the fields of food and nutrition.

As such, it can provide support to various types of projects such as:

- Programs to raise food awareness,
- Studies related to the impact of food on diseases,
- Operational and sustainable projects with health benefits...

How will you select the projects to support?

To approve projects, the Roquette Foundation for Health relies on a committee presided by Edouard ROQUETTE, which is comprised of employees, shareholders and experts from the health and medical sectors. It is this committee that defines the guidelines and orientations of the Foundation in order to determine the choice of projects to support.

Today, we believe that businesses must fulfill a social mission, in addition to being profitable, in order to ensure long-term prosperity. I would like the Foundation to become a genuine source of pride for all employees and to inspire all the activities of the Roquette Group.



OUR COMMITMENTS IN LINE WITH THE SUSTAINABLE DEVELOPMENT GOALS OF THE UN

1 NO POVERTY



2 ZERO HUNGER



3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Understand customers' needs and anticipate consumers' expectations: by developing pharma, nutrition, food and industrial innovative solutions that help improve our consumers' health and well-being.

Develop a Sustainable Development journey inspired by customers' expectations: by offering them environmentally friendly, innovative, sustainable and competitive solutions.

Strengthen sustainability in our innovation processes: by including sustainable development criteria as key element in our innovation projects.

Put health, safety and well-being at the heart of our concerns: by continuing the implementation of a world-class HSE (Health, Safety, Environment) management system and developing a culture in which people safety is a core value.

Develop our activities with the local communities (the foundation, supporting local communities): by partnering with our local communities and contributing to their development through sustainable relationship.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Source sustainably and responsibly: by encouraging local supply and optimizing means of transportation to combine economic profitability and low environmental footprint.

Improve continuously our raw material quality: by clearly specifying our needs, strictly selecting our suppliers and reinforcing quality control chains from fields to biorefineries.

Strengthen relationship with our raw materials suppliers: by building partnerships with breeders and farmers to select and use more suitable agricultural resources.

10 REDUCED INEQUALITIES



Build on our diversity: by valuing our differences and promoting the sharing of best practices in a multicultural network.

5 GENDER EQUALITY



Like many other leading companies, we are aware of the societal stakes, and we strive to consistently integrate the Sustainable Development Goals of the UN into our strategy and our Sustainable Development commitments.

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6 CLEAN WATER AND SANITATION



Preserve water: by optimizing our processes to minimize consumptions and installing efficient treatment technologies.

8 DECENT WORK AND ECONOMIC GROWTH



Empower employees: by promoting dialogue, fostering engagement and developing skills.

11 SUSTAINABLE CITIES AND COMMUNITIES



SUSTAINABLE DEVELOPMENT GOALS

13 CLIMATE ACTION



Optimize our energy consumption: by installing energy-efficient solutions and using relevant renewable energies.

7 AFFORDABLE AND CLEAN ENERGY



14 LIFE BELOW WATER



Further reduce other environmental impacts: by implementing the most relevant solutions based on local specificities.

15 LIFE AND LAND



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



17 PARTNERSHIPS FOR THE GOALS



Promote our partnerships: to achieve our commitments in line with the Global Compact of the United Nations.

OUR STAKEHOLDERS

SOCIAL SPHERE

Employees
Future employees
Social partners
...

COMMERCIAL SPHERE

Customers
Suppliers
Contractors
Distributors and Agents
Industrial Partners
...

PUBLIC & SOCIETAL SPHERE

Public authorities
Local communities
Professional organizations
Scientific
and academic institutions
The media
NGOs
Consumers and
Citizens
...

FINANCIAL SPHERE

Shareholders
Financial institutions
Banks
...

OUR VALUES

AUTHENTICITY

EXCELLENCE

FORWARD-LOOKING

WELL-BEING

THE GLOBAL COMPACT

RESPECTING THE 10 PRINCIPLES OF THE GLOBAL COMPACT

The UN Global Compact brings together businesses, organizations, UN agencies, labor stakeholders and civil society around ten universally recognized principles designed to build companies that are more stable and more inclusive.

Roquette has been a member of the UN Global Compact since 2009. Every year, our Sustainable Development and Activity Report gives us the opportunity to describe our actions in support of these 10 principles.

Roquette created an internal audit function in order to address the expectations of its stakeholders, particularly shareholders and customers. This function was certified by the IFACI (French Institute of Auditing and Internal Control) in October 2017, who confirms its professionalism. Among its activities, the Internal Audit Function devotes its utmost efforts to combat fraud. These efforts involve raising awareness through the Code of Conduct and holding special training sessions at the Group's sites. As such, in 2017, over 500 people benefited from that. The efforts were supported by the setup of an alert hotline: alert@roquette.com, which is open to all stakeholders. Roquette, through the related efforts, meets the demands of the Sapin II Act.

Pierre-Arnaud Cresson
Internal Audit Director

P.12 to P.14

HUMAN RIGHTS

Businesses should:

1
Support and respect the protection of internationally proclaimed human rights,

2
Make sure that they are not complicit in human rights abuses.

P.34 to P.37

LABOR

Businesses should:

3
Uphold the freedom of association and the effective recognition of the right to collective bargaining,

4
Contribute to the elimination of all forms of forced and compulsory labor,

5
Contribute to the effective abolition of child labour,

6
Contribute to the elimination of discrimination in respect of employment and occupation.

P.26 to P.29 and P.42 to P.46

ENVIRONMENT

Businesses should:

7
Support a precautionary approach to environmental challenges,

8
Undertake initiatives to promote greater environmental responsibility,

9
Encourage the development and diffusion of environmentally friendly technologies.

P.15

ANTI-CORRUPTION

Businesses should:

10
Work against corruption in all its forms, including extortion and bribery.



WE SUPPORT





INNOVATING SUSTAINABLY



1

UNDERSTAND CUSTOMERS' NEEDS AND ANTICIPATE CONSUMERS' EXPECTATIONS

By developing pharma, nutrition, food and industrial innovative solutions that help improve our consumers' health and well-being.

2

DEVELOP A SUSTAINABLE DEVELOPMENT JOURNEY INSPIRED BY OUR CUSTOMERS' EXPECTATIONS

By offering them environmentally friendly, innovative, sustainable and competitive solutions.

3

STRENGTHEN SUSTAINABILITY IN OUR INNOVATION PROCESSES

By including sustainable development criteria as a key element in our innovation projects.

IN 2025

we are committed to ensuring that

70%

of our projects meet the criteria of "sustainable" chemistry and that

80%

of the new solutions offered to our customers from the same projects meet the Sustainable Development Goals of the UN.

INNOVATING

The family heritage and long-term vision that drive the Roquette Group lead the company to engage in constant exploration and innovation. This drive is the key to meeting customers' expectations and anticipating their needs in a consistent manner. When offering the best of plant resources, we work with all our partners to imagine and offer ingredients that meet the unique and essential needs of the various consumer lifestyles.

PRIORITY TO INNOVATION!

Innovation should be increasingly **agile and in tune** with the fast-changing world. That is why the Research and Development (R&D) teams of the Group work on several fields. Several initiatives have thus been launched over the past few years:

This new center counts on a wealth of scientific and expert knowledge in the fields of analytical technologies, pharmaceuticals and nutrition.

- **Open innovation:**

Although internal expertise is essential, it remains insufficient in the current world.

Changes in innovation approach are vital. We are aware of this fact and are working on the internationalization of our R&D teams, plus open innovation initiatives at the research centers in Singapore, France and the United States. Fostering **partnerships** with academic or institutional excellence teams, participating in these knowledge ecosystems guarantees the quality of our innovations and speeds up the development of new solutions.

Speeding up innovation will be one of the key priorities of the Group in 2018. The action program called "SpeedUp Innovation," initiated with our teams in late 2017, marks the desire to position customers and consumers at the heart of innovations.

- **Research centers all around the world:**

In 2017, the Roquette Group inaugurated a new innovation center for pharma, food and nutrition sectors, which is based in **Singapore**. This reflects the ambition of the Roquette Group for the Asia-Pacific region and the commitment to work closer to Asian consumers in order to gain a better understanding of their needs and the emergence of new trends.



Innovation center in Singapore

ZOOM



THE KEY NUTRITIONAL NEEDS FOR EACH STAGE OF OUR LIVES

Objectives of this webinar:

- Identify the nutritional needs at the various stages of the life cycle (maternity, early childhood, weight management, seniors),
- Raise awareness on the ingredients that address specific nutritional needs, market trends and consumer expectations (natural quality, safety, quality and practicality),
- Offer concepts of innovative food products to address the needs of each type of population.

The seminar was a roaring success.



THE ROQUETTE GROUP, LIVE!

Consistently keen on training and interacting with our customers and other stakeholders, we develop **webinars, interactive seminars open to everyone**. These online events allow us to share our expertise and solutions. Each of them was followed live by many people, with participants from different continents. Three seminars based on topics addressing consumer expectations were held in 2017 and they are still available online:

- Nutritional solutions and key ingredients to meet the needs of each stage of life,
 - Ingenious snacks,
 - Greens in our meals.
- The participants were able to address **many questions** to the Group's experts. The audience consisted of researchers, food manufacturers, marketing specialists, nutritionists, academics, representatives of government agencies, start-ups, etc.

CREATILICIOUS™ FOOD TRUCK AN ORIGINAL CONCEPT

The CREATILICIOUS™ Food truck was presented for the first time at the Food Ingredients Europe (FIE) fair, in November 2017, in Frankfurt. The food truck concept is an original way of presenting the benefits of the Group's ingredients through delicious and original recipes.

Visitors were invited to taste a menu consisting of new recipes specially created by our experts in food applications.



ENHANCING SENSORY EXPERIENCES

The “So Wow” chewing gum: owing to its soft chewy texture, this sugarless chewing gum made with **SweetPearl® maltitol** and **LYCASIN® maltitol syrup** provides a burst of flavor and an instant cooling effect.

ENHANCING PRACTICALITY

Pasta with a high protein content: Vegan traditional pasta. Enriched with proteins, they are made with **NUTRALYS® pea protein**. This concept allows us to offer an alternative to meat for daily diet.

ADDRESSING SPECIFIC NEEDS

A chocolate-based snack with a high protein content: made with **NUTRALYS® pea protein** and **SweetPearl® maltitol**, this **muffin** enriched with proteins presents soft texture, without any added sugars, and a lower glycemic response.

HELPING PEOPLE TO ADOPT A HEALTHY LIFESTYLE

A plant-derived drink made of pea proteins: this plant-based drink can be enjoyed anytime, with cereals or in a smoothie. A source of plant proteins, with an exceptional taste and texture, this drink is naturally lactose-free and does not contain dairy or soy products—thanks to **NUTRALYS® plant-based protein**.



NUTRALYS® PEA PROTEIN FOR PATIENT CARE

Patient malnutrition is a very common problem, which affects in particular their recovery. Based on this fact, the teaching hospital of Aalborg, the largest hospital in northern Denmark counting 800 beds and 3,000 meals per day, recently developed a **special nutritional program** called "KULINARIUM."

Research has demonstrated that regular snacks generally do not provide enough energy or proteins for patients, as they only cover a third of the daily required intake between meals. After several unsatisfactory tests, the hospital tried **yellow pea protein** in its snacks, particularly **NUTRALYS®** yellow pea protein from Roquette; a grade that was specifically developed for **clinical nutrition**.

Thanks to the new menu based on NUTRALYS® pea protein, patients **of the "KULINARIUM" program** noted an increase in the daily intake in energy (+20%) and proteins (+78%).

PEA PROTEIN, A HEALTHY AND SUSTAINABLE ALTERNATIVE

In 2050, we will be nine billion people on Earth. The ability to feed the population while preserving food security, each person's health and our planet's resources is a major challenge. **Pea proteins** can help address this challenge.

Drawn from yellow peas, pea protein is an excellent source of vegetable proteins for all, on a daily basis. It offers multiple **nutritional and functional properties**. Not included in the list of major allergens (EU), with a gluten- and lactose-free profile and offering excellent digestibility, pea protein is complementary to animal proteins and an alternative to soy, as well as a significant source of essential amino acids.

We have thus developed **NUTRALYS®** yellow pea protein, which offers clinically proven benefits for muscle mass development, satiety and calorie intake. Anyone **can include this**

healthy ingredient in their daily diet.

GMO-free, yellow pea cultivation presents a number of benefits. It fosters biodiversity, limits irrigation and does not require fertilizers. Yellow pea is ideally cultivated in a crop rotation system as it naturally enriches the soil with nitrogen for the benefit of the next crops. The environmental footprint of pea cultivation is thus particularly low.

Pea protein presents **many advantages** to all stakeholders of the production line, from **farmers** to **consumers**.





ZOOM

THE END OF THE “DIFFICULT TO SWALLOW TABLETS”

On a day-to-day basis, the Roquette Group applies its know-how and expertise to develop **innovative excipients**, which help to produce **orodispersible tablets in particular**. By facilitating medicine intake for children or the elderly, these new forms are preferable to tablets to be swallowed or chewed. They dissolve almost instantly, without water, without a bad taste and they present a pleasant feeling.

The Roquette Group manufactures excipients such as **PEARLITOL®mannitol**. This excipient is present in the first tablet, **printed through 3D technology**, designed for reducing the intensity of epilepsy episodes.

This type of personalized medicine will certainly feature among future innovations in the medical realm.

THE ROQUETTE GROUP CONSOLIDATES ITS POSITION IN PHARMACEUTICALS MARKETS

“Roquette has great development ambitions for Health markets. Our ambitions are achieved through organic growth as well as through acquisitions,” Paul Smaltz, Head of GBU Pharma (Global Business Unit) of Roquette. More than ever, we are active in the **pharmaceuticals and nutraceuticals markets**.

The acquisition of Itacel in Brazil was a first step. Firstly, this operation enables Roquette to expand its excipients offering, with specific regard to the oral dosage forms in pharmaceutical and nutraceutical applications. It also provides the opportunity

for fast growth, a key factor given the current context of these expanding markets.

The second step was taken with the inauguration of new facilities in Singapore, including the **BioPharma** laboratory, which will become the Group’s global BioPharma center of excellence. More than ever, we are a partner to our customers in terms of development and **commercial opportunities on a global scale**.



SUSTAINABLE SOLUTIONS FOR INDUSTRIES: CHALLENGE ACCOMPLISHED!

The products that we develop for industrial markets address consumer demands in terms of healthy, renewable and recyclable solutions.

They often serve as **alternatives** to products derived from fossil-based chemistry.

Manufacturing activities using plant-based raw materials allow to integrate the products within the natural carbon cycle, thus limiting greenhouse gas emissions. Our products can present both **technological and functional innovation**.

PERFORMANCE MATERIALS

The combination of our **POLYSORB® Isosorbide** with other monomers allows us to offer new plastic polymers with **better functionalities than existing materials**. As such, better UV or scratch resistance increases the life of plastic materials.

Greater resistance to high temperature also serves in the sterilization of a container or content and in filling bottles with hot liquid, thus facilitating hygiene or product preservation.

BIO-INDUSTRY

Bio-industry is a thriving sector. Demand for naturally derived solutions that respect people and the environment, such as alternatives to chemical products, is on the rise. Bio-industry also includes fermentation industries, which enable the development of a **biochemistry of living organisms**. The products developed by the Roquette Group enable, for example, cultivation of micro-organisms for nutritional and health applications.

THE PAPER INDUSTRY

Over the past two decades, the paper sector has been working on forest and recycling management, and has been seeking solutions to limit the use of products derived from oil, such as synthetic latex.

The ranges developed by our teams in the application laboratories address these aims.

Our products and innovations associated with our technical expertise, particularly in India, enable our customers to improve **their processes**, while contributing to **preserving the environment**.

With the introduction of high-performance starches for instance, consumption of starch has declined, while the product quality and bonding properties have increased, and the operation of machines under various conditions has improved.



A close-up photograph of a hand gently holding a stalk of wheat. The background is a warm, golden glow, suggesting a sunset or sunrise. The text "SOURCING SUSTAINABLY" is overlaid in white, bold, sans-serif capital letters. A thin blue vertical line is positioned on the left side of the image, below the text.

SOURCING SUSTAINABLY

A close-up photograph of a hand holding a stalk of grain, possibly wheat or barley, against a warm, golden background. The hand is positioned in the center-left of the frame, with the fingers gently gripping the stalk. The background is a soft, out-of-focus field of similar grain stalks, bathed in a warm, golden light that suggests a sunrise or sunset. The overall mood is peaceful and natural, emphasizing the connection between human labor and agriculture.

1

SOURCE SUSTAINABLY

By encouraging local supply and optimizing means of transportation to combine economic profitability and low environmental footprint.

2

IMPROVE CONTINUOUSLY OUR RAW MATERIALS QUALITY

By clearly specifying our needs, strictly selecting our suppliers and reinforcing quality control chain from fields to biorefineries.

3

STRENGTHEN RELATIONSHIP WITH OUR RAW MATERIALS SUPPLIERS

By building partnerships with breeders and farmers to select and use more suitable agricultural resources.

SOURCING

We optimize all the components of our raw materials. They are derived from agriculture and as such renewable annually.

IN 2025
we are committed
to ensuring that
20%
of our
supplies be
certified or rated
as "sustainable
or responsible."

We engage in trust-based relationships with our customers, partners and shareholders. One of the four pillars of our Sustainable Development approach concerns our sourcing mode. It is due to this reason that we are committed to ensuring sustainable and responsible sourcing with our partners and suppliers.

MASSIMILIANO BENSO
Head of Global Purchasing

A CODE OF CONDUCT FOR THE SUSTAINABLE SOURCING BRANCHES

Within the framework of our approach, we drafted a **code of conduct** for our suppliers based on the principles of the United Nations Global Compact and the conventions of the International Labor Organization (ILO), as well as the Roquette Group's Ethics and Responsibility Charter and Code of Conduct. This code enables us to establish a **long-term relationship** with our partners, while creating sustainable growth.

For all of us, the document complements the various regulations, standards and laws in force in the different countries. Suppliers also commit to respect the regulations, standards and laws in the countries in which they operate. Each supplier of the Group is required to adhere to and communicate this code of conduct to all of their employees, and to ensure that the principles are learned and respected.





Model of the future Roquette warehouse in Port de Santes (France)

ZOOM

MINIMIZE IMPACT ON THE ENVIRONMENT LINKED TO TRANSPORTATION

In 2017, across the entire Group, we continued to **optimize** our **transportation means** in order to combine the ambitions of **lowering** our **environmental footprint** and **improving** our **financial performance**.

To this end, various initiatives were established;

SUSTAINABLE AND RESPONSIBLE ALTERNATIVES

Whenever possible, we arranged for more sustainable delivery by lowering carbon footprint, particularly by setting up **recycling chains**.

To this effect, in Japan, over 8,400 plastic pallets used for the deliveries of a warehouse were recovered and recycled within the framework of the “Green Program.”

MORE SUITABLE TRANSPORTATION MEANS

We consistently seek transport solutions with a low environmental impact, both in terms of sourcing cereals and inter-site transportation or customer

deliveries. To this end, we encourage rail or multimodal transportation as much as possible.

As such, in Europe, the Group renewed its partnership with Fret SNCF, who holds all the **rail transport contracts of the European sites**. This partnership enables us to optimize and potentially to increase the volume of the goods we transport by rail.

AN OPTIMIZED LOGISTICS PRESENCE

We reflected on how to **organize** our **logistics chain in a sustainable and responsible manner** in order to better align it with our growth ambitions, while lowering the environmental impacts linked to transportation.

For example, in the American continent, our actions helped leverage our warehouses in the USA after the acquisition of a new subsidiary in Brazil. By **improving** our **logistics flows**, we met the expectations of our customers in terms of safety, quality and performance.

INNOVATING WITH MULTIMODAL MEANS

In late 2017, the Group officially signed leases for a set of storage warehouses with an overall surface area of 90,000 m², located in Port de Santes, about thirty kilometers from the Lestrem site (France). The new building spanning 42,000 m² and whose construction will begin in 2018 will add to the current 48,000 m² and will be operational in September 2019.

It will significantly increase our **storage capacity**, while optimizing **logistics flows**. The proximity to a future multimodal platform will allow the transfer of pallets from the Lestrem site to the warehouses, as well as their shipment to customers through **river-based, rail and road networks**.

This solution will reduce the flow of road transportation in the neighboring villages and **will limit CO₂ emissions**.



PEA, SUSTAINABLE COLLABORATION FOR A RESPONSIBLE SECTOR

Changes in **lifestyles** and **dietary habits** are leading to a progressive reduction in animal proteins and a rising interest for proteins derived from plant-based raw materials.

The Roquette Group, a **pioneer of new vegetal proteins**, has anticipated this market evolution by developing a protein derived from yellow peas, which is popular for its nutritional qualities, color and neutral taste.

In the 2000s, we began **processing yellow peas** at our site in Vic-sur-Aisne (France). To anticipate the rising demand in the market, we adjusted our **sourcing strategy** in order to comply with all the country regulations, with particular regard to sanitary aspects. French peas that we used to buy was a standard pea. We worked on establishing more stringent specifications to obtain a **pea with a specific quality** to meet the needs of **Food, Nutrition** and **Health** markets.

Working **closely with our usual local pea suppliers** and the Hauts-de-France cooperatives, we established a shared agricultural journey and launched it for the 2017 season.

We defined the best agricultural practices, especially to promote reasonable use of plant protection products in compliance with the various regulations, but also with the aim of reducing the environmental impact.

We also established a traceability procedure from upstream agriculture to downstream production.

We initiated progress measures. For example, we are currently using a satellite tracking experiment using GIS (Geographic Information System) technology to track identified plots. We expect this to help optimize crop cultivation.

Responsible agronomic specifications and adoption of modern technologies form the basis of the new pea production activity.

We are proud to be supported and to be working within a framework of continuous environmental progress in partnership with the Roquette Group.

Feedback from a farmer

ZOOM

SATELLITE IMAGES FOR PRECISION AGRICULTURE

We launched a new approach to monitor crops and engage in early detection during the previous season. Result: We tracked 30 plots using the **GIS (Geographic Information System) technology**, allowing satellite observations to detect deficiencies in nitrogen and monitor the crops and the yields.

This demonstrates the mutual willingness to improve the image of our production by adopting **agricultural practices that respect the environment**. With our partner, we would like to steer towards precision agriculture in order to better master the use of pesticides and fertilizers and to reduce mechanization so that we improve CO₂ emissions.

POTATOES, FOSTERING A LONG-TERM PERSPECTIVE

Thanks to potato starch, the Roquette Group offers solutions with **unique properties**, particularly for dietary applications such as instant noodles and soups, as well as for the pharmaceuticals, animal nutrition and some industrial sectors.

The end of the starch regime determined by the last reform of the Common Agricultural Policy of the EU entailed a profound modification of balances in production. We therefore launched a thought process on how to **secure sourcing** at our plant in Vecquemont (France) in collaboration with our suppliers. This led to a dual objective: to create a **production activity** capable of complying with this reform and **to sustain it** in order to better address the expectations of our customers and consumers.

In mid-2017, we signed an exclusive contract with our historical supplier, the Coopérative Féculière de Vecquemont (CFV), which counts over 800 members who produce starch potatoes in the Hauts-de-France and in Normandy.

This agreement with the CFV will help establish, over a period of 10 years, a **genuine partnership with the farmers**, a crucial aspect in terms of developing the value chain.

The goal, which is highly ambitious, is to optimize the capacity of the plant within three years, which represents a delivery of up to one million tons. This requires a search for new farmers in order to obtain additional hectares. We reserved a significant place for support measures, which will involve crop inspectors from the Roquette Group along with CFV agronomists.

The improvement of **agricultural practices** and support for **the new farmers** will enhance the performance of the starch potato cultivation. Experimental fields that are jointly monitored will be used to test new varieties as well as more modern agricultural practices.



A close-up photograph of two hands holding dark, rich soil. The hands are positioned in the lower half of the frame, with the right hand holding a larger clump of soil and the left hand holding a smaller amount. The background is a soft, out-of-focus mix of green and yellow, suggesting a natural, outdoor setting. A bright, circular light flare is visible in the upper left corner, creating a warm, golden glow. The overall composition is centered and balanced, emphasizing the texture of the soil and the human touch.

ACTING SUSTAINABLY



1

**PUT HEALTH, SAFETY
AND WELL-BEING
AT THE HEART OF
OUR CONCERNS**

By continuing the implementation of a world-class HSE (Health, Safety, Environment) management system and developing a culture in which people safety is a core value.

2

EMPOWER EMPLOYEES

By promoting dialogue, fostering engagement and developing skills.

3

**BUILD ON
OUR DIVERSITY**

By valuing our differences and promoting the sharing of best practices in a multicultural network.

4

**DEVELOP OUR
ACTIVITIES WITH LOCAL
COMMUNITIES**

By partnering with our local communities and contributing to their development through sustainable relationships.

ACTING

IN 2025

we are committed to achieving a Frequency Rate 1^(*) of

0.5

and a Frequency Rate 2^(**) of

1.5

Every year, we implement our commitment to local populations and communities by supporting a minimum of

20

projects or activities.

(*) number of accidents with work stoppage per million hours worked

(**) number of accidents notified per million hours worked

SAFETY IS ONE OF OUR PRIORITIES

SAFETY: AIMING FOR EXCELLENCE

Safety is one of our priorities, and we continue to demonstrate on a daily basis that health and safety are crucial to the Group's sustainability and to our ability to achieve its goals. Each member of the community contributes to the zero accidents goal!

No battle is ever entirely won. We must continue our efforts to achieve excellence.

JEAN-LUC GRIBOT
HSE Manager

2017 RESULTS

In 2017, our **performance** was **exceptional**. The Group, yet again, achieved a significant improvement in our results for the year in this respect. The number of employees of the Group who had lost working time accidents declined significantly: 18 compared to 32 in 2016. This notable decline may be due to a number of factors, but **safety culture training** greatly contributed to the outcome. The training helps increase the impact on the field through discussions and interactions.

Despite the excellent results, the Group acknowledges that there is still more to be done in order to **achieve the zero goal**.

Each employee plays an essential role in terms of their own safety and that of their colleagues. Together, each person must strive to improve and go beyond every day.



Poster campaign on safety



Safety leadership session in Lestrem (France)

SAFETY LEADERSHIP ESTABLISHED ON A GLOBAL SCALE

The safety leadership training, which was set up in 2016, picked up speed in 2017 and will continue in 2018.

The training aims to **empower each person in terms of day-to-day safety.**

We would like to enhance the safety culture. To this end, one should step out of the interdependence sphere and into that of independence: this means that each person must actively ensure their own safety, but also be capable of ensuring that of others.

Since the course was launched in 2016, over **3,300 employees had been trained** by the end of 2017.

All of these measures, included in the Group's HSE (Health, Safety & Environment) strategic plan, contribute and will contribute to raising Roquette to the level of the best companies in the world in terms of health and safety.

FR2*

3.45
in 2017



5.06
in 2016

*Frequency rate 2 = number of accidents notified per million hours worked

EXTERNAL AWARDS

ASIA: The Prashama Suraksha Puraskara Award for the Gokak plant delivered by the National Council for Safety in India. The award rewards companies for good results in terms of workplace safety and health.

EUROPE: Safety Awards awarded by Starch Europe to 6 Roquette plants: Vic-sur-Aisne (France), Benifaió (Spain), Cassano (Italy), Panavezys (Lithuania), Beinheim and Lestrem (France). These awards reward effective safety management and employees' commitment to safety.



Safety Bravo in Lianyungang (China)

IN 2017, FOR THE FIRST TIME, THE IN-HOUSE SAFETY BRAVOS WERE AWARDED:

No lost working time accident.

LIANYUNGANG: 5 million hours

PANTNAGAR: 3 million hours

LESTREM AND BEINHEIM:

2 million hours

GOKAK AND VIRAMGAM, KEOKUK:

1 million hours

No accident:

CASSANO: 1 million hours

WOMEN AND MEN AT THE HEART OF OUR STRATEGY

Providing a positive and attractive professional environment, in which every person can learn, grow, contribute to the overall performance of our company and be recognized as such, is a priority for a family-owned group like ours. The everyday Roquette spirit in ten words:

ACCOUNTABLE LEADERSHIP ACT PERFORMANCE
POSITIVE DEVELOP RECOGNIZE
TRUST ENTREPRENEURIAL COMMITMENT

WORKDAY, SUPPORTING OUR EMPLOYEES ON A DAILY BASIS

The June 2017 launch of Workday @Roquette, our **new Human Resources system of reference** for the Group, is in perfect alignment with our strategy. Indeed, this digital solution, which harmonizes practices at Group level, serves as a facilitator for employees, managers and HR teams.



How can Workday help me? Simply put, a new position. Thanks to this platform, I could communicate about my career aspirations, consult all the openings published within the Group, apply and change function. I became the first employee to benefit from internal mobility following an application through Workday!

ALBIN LANNOY
Risk Management Coordinator

I really like the collaborative approach of Workday. For example, it's employees who suggest their goals. As a manager based in the United States, I can then review them, discuss about them and adjust them if necessary. The same goes for the "career" section, which helps us develop our most precious resources - our employees. It's a great demonstration of how the digital environment can help us unlock all our potential.

PAUL SMALTZ
Head of GBU Pharma

Workday has changed how we manage human resources, by making the use of databases more systematic and by standardizing our processes. At my site in Lianyungang (China), which employs over 600 employees, we no longer need to manually update employee profiles. That's time saved to allow us to concentrate on our strategic missions!

JENNY SONG
Compensation and Benefits Supervisor

ROQUETTE TALKS, INNOVATIVE COMMUNICATION

Convinced that the awareness and commitment of each of the employees are vital for success, the Roquette Group decided to launch a series of innovative initiatives in order to establish a direct link between the Executive Team and the entire company. "Roquette Talks" is one of them. The first edition of this online global meeting took place in late 2017.

It brought together over 1,300 people for presentations and a live Q&A session.

During the session, Jean-Marc GILSON, Chief Executive Officer, along with two other members of the Executive Office, discussed the new position of the Group (vision, mission, ambition, values).

The event, which will be held once or twice a year, is the starting point of a global initiative aimed at taking advantage of Executive Team members' business trips to the various sites of the Group in order to engage them in direct talks with the teams.



Alternating meetings in Lestrem (France)

IMPARTING KNOWLEDGE TO THE YOUNGER GENERATIONS

Knowing that today's youth are the employees of tomorrow, the Group regards education as one of its fundamental pillars. In 2017, we hosted **many students** at various sites around the world.

During the year, the Group joined the Italian Ministry of Education's "Work-Study Program" that allows high school students to complete a 15-day internship at a company. The internship aims at helping them in their **academic orientation**. For this first edition, we hosted 35 high school students across all our departments: sales, finance, operations, R&D, etc., at the site of Cassano (Italy).

In the summer of 2017, 15 intern students worked on interactive projects, at the sites of Keokuk and Geneva, in the United States. Thanks to their experiences, the interns presented us

with many creative ideas for various projects of the Group: a pharmaceutical marketing campaign, improvement of scheduling and manufacturing control measures. This experience proved to be a **constructive exchange**, which boosts our relationships with local and regional universities, while building a **pool of future employees**.

We will host over 70 "work-study" trainees between 2017 and 2018. After production, maintenance, engineering and catering, the work-study contracts opened up to all **careers within the Group**.

Concurrently, "**Annual Work-Study Meetings**" are held at the Lestrem site, which serve to foster sharing, listening and dialogue while encouraging the commitment and development of the skills of future talents.

CULTURAL DIVERSITY, AN ASSET FOR THE ROQUETTE GROUP



Award of the GEIQ diversity CSR label in Lestrem (France)

“As a source of **exchange, innovation and creativity, cultural diversity** is as necessary for humankind as biodiversity is for nature. Article 1 of the UNESCO Universal Declaration on Cultural Diversity (Paris, November 2, 2001).”

In full alignment with this article, the Group implements actions across the world in order to develop an environment in which all cultures can thrive.

In the United States, a “**Diversity for all employees**” training module was implemented. Launched in 2017, this training is compulsory for all employees in the United States. The goal is to raise awareness, to understand each person’s diversity in order to **combat discrimination** in the workplace and to prove that differences are a **source of wealth** that make us stronger.

In France, the GEIQ Employment and Disability (Grouping of Employers working towards Integration and Qualification), recognized the Group’s efforts in terms of its societal responsibility by presenting it with the GEIQ diversity **CSR Label** in September 2017, an award that promotes our differences and experience sharing in the company.

In 2017, **we sent** two newsletters to the employees at the French sites. The first one dealt with a successful integration action at the site in Lestrem and the second, with an invisible disability. The profiles were edited with the help of the SACHA group (Knowing How to Support Each Disability) and complemented with a seminar open to all Lestrem employees.

FOR EQUAL OPPORTUNITIES

In the course of 2016, the Group signed a partnership agreement with the **NQT (French acronym for “Our Neighborhoods have Talent”)** association, thus marking its commitment in terms of integrating young graduates experiencing difficulties when searching for a job. The first actions of NQT in 2005 were rooted in the underprivileged neighborhoods of La Plaine Saint-Denis. This measure is progressively growing within the Group and now counts on 15 sponsors.

“We are particularly keen on the values of solidarity. There are lots of students with real potential. Sometimes, all it takes is a little helping hand. It’s worth **relying on our broad diversity, sharing experiences** within a multicultural network to benefit from expert advice for one’s CV, and to **discuss** about the initial observations with the mentees.”

PIERRE-LOUIS BESCOND

Head of Manufacturing Performance Europe

ZOOM

ZOOM

THE QUALITY OF LIFE IN THE WORKPLACE WEEK IN LESTREM

On the occasion of the Quality of Life in the Workplace Week, the Occupational Health Department of Lestrem installed a booth in the cafeteria of the company restaurant throughout the month of October 2017. The program included:

MEETING THE

Occupational Health Department teams to hear about their missions in terms of employees

A "SELF-MASSAGE"

workshop in order to learn about a number of easy steps for relieving muscle tensions

AN "AMMA MASSAGE"

workshop to effortlessly stimulate and boost the body, improve physical condition and to feel relaxed.

TAKING CARE OF OUR EMPLOYEES

Our success hinges on our 8,400 employees; their health and well-being are our priority.

In **Italy**, preventive medical check-ups were offered free of charge. 40 female employees took part in a full gynecological screening, while 120 male employees above the age of 45 were offered to undertake medical tests to detect prostate cancer.

In **India**, a number of actions were undertaken involving our three sites: blood donation, health camps, sanitary installations and drinking water, etc.

The Roquette Group in **Singapore** set up the "Flexible Benefit" program. This digitalized program based on well-being provides each employee with the possibility of gaining access to activities linked to health and well-being. Some examples: support for parents' medical expenses (in the Asian cultural context, taking care of one's parents is essential), childcare expenses,

gym memberships or sporting equipment, travel, etc.

In **Switzerland** and in **Lithuania**, team building activities were arranged in order to reinforce bonds and collaboration between teams.

In **France** and in **Switzerland**, the first agreements were signed to test telecommuting arrangements designed to promote work-life balance.

In **Spain**, for 12 years now, an "International Volunteer Day" is organized based on a social action. Each year, it serves a great opportunity for creating cohesion around a common solidarity goal. This year, 40 employees and their families went to Alcublas to plant trees in partnership with the WWF and the municipal council of the city.



International Volunteer Day in Spain

TAKING ACTION FOR LOCAL COMMUNITIES



Distribution of drinking water in India

Very active in 2017, the sites of **Pantnagar, Gokak and Viramgam (India)**, based their many actions around three main stakes: health and hygiene, education and the communities. We organized activities within and around each plant: schools, villages, etc.

Health: distribution of nutritional supplements for patients, raising awareness on AIDS, etc.

Infrastructure: renovation of buildings, etc.

Environment: tree planting, river cleaning, free access to drinking water.

Following the decision to build a new pea proteins plant in 2017, in **Portage la Prairie (Canada)**, the Group partnered with Recreation Opportunities for Kids to fund "Roquette After School."

The initiative provides underprivileged children with structured academic after-school programs, healthy snacks and interactive activities such as cooking with the children.

In the **United States**, we funded university scholarships in 2017 for students graduating from several secondary schools located near our sites. A real opportunity to discover the talents of tomorrow, particularly

in the fields of nutrition, health, agriculture or the environment.

In **Keokuk**, the Group gave a financial donation to the Keokuk Neighborhood Initiative in order to take action for the benefit of the region.

The goal is to develop and preserve certain neighborhoods in Keokuk by offering more housing. This is an innovative collaboration with the City, the Keokuk Area Chamber of Commerce, as well as the Southeast Iowa Regional Planning Commission.

We are convinced that our societal actions are vital for the combined growth and development of our business, as well as for the areas in which we operate our activities.

AMITABH TIRIAR

Head of India Manufacturing

"The Keokuk Neighborhood Initiative is not just about tearing down homes and building new ones. It's about changing people's lives and restoring pride in the whole community. The people involved demonstrate a commitment and have a passion to work together to make Keokuk a great place to work, live and play."

MR. PEEVLER

President of the Initiative



"Roquette After School" in Canada



"Shanghai Young Bakers " in China

Since 2011, the Group has been supporting the Shanghai Young Bakers (SYB) charity program, which offers, every year, free training in French baking to 30 marginalized Chinese young people aged between 17 and 23.

Every year, SYB sends two of its most talented graduates to the prestigious École Française de Boulangerie et Pâtisserie in Aurillac. After receiving their CAP diploma in baking, the students return to **Shanghai (China)** and in turn become trainers for three years. They thus become models of success and a source of inspiration for all the students.

In 2017, over 200 students received their diplomas. The Group provides financial support to this educational program, thus marking a wonderful interactive partnership in terms of societal responsibility.

Since 2011, the Group has been supporting the "ISM 100 Talents Partnership" program in **Lithuania**. The scholarships allow Lithuanian high school graduates to receive quality education free of charge.

Since the beginning of this partnership, 262 students have received scholarships.



The "ISM 100 Talents Partnership" program in Lithuania



For a country experiencing a considerable level of brain drain, it is a victory to be able to retain talented students to study and work in Lithuania.

LAIMA CIGRIJUTE-VITKAUSKIENE

Head of Communications
and Public Affairs Europe

An aerial photograph of a vast, rolling landscape. The foreground and middle ground are filled with green hills and fields, some of which are divided by stone walls or hedgerows. A line of trees runs diagonally across the lower right. In the distance, a valley opens up, showing a small town or village, and further back, more hills and mountains are visible under a sky with soft, wispy clouds. The lighting suggests the time is either early morning or late afternoon, with a warm, golden glow.

BIOREFINING SUSTAINABLY

An aerial photograph of a vast, rolling landscape under a warm, golden sky at sunset or sunrise. The hills are covered in green fields, with some areas appearing more brownish due to the low light. A small cluster of buildings is visible on a hill in the middle distance. The overall mood is serene and expansive.

1

**OPTIMIZE
OUR
ENERGY
CONSUMPTION**

By installing energy-efficient solutions and using relevant renewable energies.

2

PRESERVE WATER

By optimizing our processes to minimize consumptions and installing efficient treatment technologies.

3

**FURTHER REDUCE
OTHER
ENVIRONMENTAL
IMPACTS**

By implementing the most relevant solutions based on local specificities.

BIOREFINING

IN 2025

we are committed to ensuring that, compared to 2015, our energy efficiency improves by

10%

and our water consumption per product ton reduces by

20%

At the same time, we are committed to implementing technical installations that produce less CO₂ thereby preventing

1 MILLION

tons of CO₂ emissions by 2025.

The planet faces major challenges. Climate change has a direct effect on natural capital. We engage in the fight against global warming by developing, for example, renewable energies and by improving our performance in terms of energy efficiency. Generally speaking, the environment and the economy are linked, and any gains made in terms of energy results in a dual economic and environmental advantage.

A NEW ENVIRONMENTAL POLICY

In April 2017, a **new environmental policy** was signed by Jean-Marc GILSON, Chief Executive Officer of Roquette, and was broadly disseminated within the Group and to its customers. Roquette established clear goals for the entire company in the improvement of its environmental footprint. The new environmental policy bears quantified commitments with regard to energy efficiency and water consumption. It also covers implementation of management systems that are certified ISO 14001 and 50001 across all sites, as well as

consideration of local communities and the commitment to reduce and optimize waste in its manufacturing sites. This drive is perfectly aligned with the Biorefining pillar of the Group's Sustainable Development approach.

All employees and sites are concerned. Each person at an individual level must take the environment into account in his or her daily acts and decisions, all over the world.



Roquette site in Lestrem (France)



Roquette site in Beinheim (France)

FOR A MORE SUSTAINABLE WORLD

With the conviction that protecting the planet, and especially global warming, is a key concern of citizens, we strive to **minimize our environmental impact** on a daily basis.

OPTIMIZING OUR ENERGY CONSUMPTION

Committed to a responsible and innovative environmental approach, we eagerly support ambitious projects for the development of **renewable energies**.

In Lithuania, our environmental approach has already led to a reduction in CO₂ emissions by almost 83,000 tons in 2017. 100% of the **electricity** that we use comes from **renewable energy** sources (solar, wind and hydraulic energy) delivered by certified

producers. One of them has identified the Roquette Group as one of the companies most open to innovation and green solutions in terms of energy consumption.

We equally invest in energy-saving solutions, which helps reduce our energy consumption and maximize its efficiency.



Our growth strategy is hinged on our capacity to align our actions, decisions and investments with a long-term approach. The award presented today rewards this vision geared towards long-term sustainability. For an industrial company, investing in renewable energies means reflecting about one's future, considering one's customers and their expectations.

ROQUETTE RECEIVES THE RENEWABLE ENERGIES AWARD

In France, the President of the Renewable Energies Union presented the Roquette Group with the Renewable Energies Award, in recognition of the company's commitment in favor of geothermal power and biomass. Supported by ADEME (French Environment & Energy Management Agency), the establishment of geothermal power and wood energy plants provide an energy supply to the Roquette Group's production site in Beinheim (France) that is 75% renewable.

This geothermal power plant designed for industrial use – first of its kind worldwide – produced in partnership with Electricité de Strasbourg and Caisse des Dépôts, is the result of a great collaboration journey that drew on technical and human know-how.

ZOOM

GIANFRANCO PATRUCCO

Executive Vice President Global Operations



REDUCING OUR **WATER** CONSUMPTION

Water is essential for our manufacturing process and its increasing scarcity worldwide is one of our concerns.

We are committed to **optimizing water consumptions** and to using this resource respectfully on a daily basis.

INCREASINGLY BETTER MANAGEMENT IN THE TREATMENT OF EFFLUENTS

Due to the expansion of the Vic-sur-Aisne site, we have undertaken works to enhance the treatment of effluents:

- Improvement of rainwater treatment,
- Performance improvement in the treatment of nitrogen and phosphorus,
- Reducing the tonnage of plant sludge treatment.

ZERO LIQUID RELEASE TECHNOLOGY IN INDIA

Like at the site of Gokak in 2016, the site of Viramgam has begun setting up the Zero liquid release technology in 2017. It consists of recycling and reusing water, thus reducing the need to obtain fresh water from the river. This action helps preserve the environment and benefits the local communities.

PRESERVING **AIR** QUALITY

The Roquette Group strives to limit major impacts of its production plants on the atmosphere.

A TECHNICAL, HUMAN AND FINANCIAL INVESTMENT

This investment is scheduled to take place over four years at the site of Lestrem (France). After equipping a pilot plant with a biofilter in 2016, the site continues to **treat Volatile Organic Compounds (VOCs)** with the installation of a Regenerative Thermal Oxidizer (RTO) for another production unit. This cutting-edge facility helps treat air and emissions, without external heat sources, once the reaction temperature has been reached.

A NEW HIGH-PERFORMANCE GAS BOILER

At the site of Nanning, China, the replacement of the previous boiler with a new high-performance gas boiler considerably reduces the quantity of dust released into the atmosphere.

ZOOM

CONSUMPTION

In Italy

-16.7%*

*water consumption
between 2013 and 2017*

* m³ of water consumed
per ton of used corn

MINIMIZING AND RECYCLING WASTE

The Roquette Group extracts all the components of plant-based raw materials and generates **very little waste**. To achieve this result, the sites implement various systems contributing to a circular economy:

Spreading

Most of the sites do the spreading of effluents around the plants. This technique makes it possible to provide the soil with an amendment while taking care of the agronomic and environmental qualities of the land.

Methanization

The recovery of energy for certain effluents as biogas makes it possible to reduce CO₂ emissions and waste.

Recycling

Most sites sort their waste, in particular for paper, cardboard and metals.

In 2017, an awareness campaign was launched in Beinheim (France) to improve waste sorting at the source. Without sorting, no recycling! By sorting recyclable waste, we ensure re-utilization thus cutting back on natural resources. It should be noted that the waste sorting in place also helps reduce expenses at the site as many materials are recyclable.

PRESERVING BIODIVERSITY THANKS TO IMPACT STUDIES

For the Roquette Group which extracts ingredients from plant-based raw materials, the protection of biodiversity is essential. The ecosystems are indeed vital for **preserving the natural capital of the planet**.

They supply the planet and help regulate it (protection of natural resources especially against diseases), as well as contributing to the water cycle.

With knowledge of these stakes, we conduct **biodiversity impact studies before any new works**.

For example, the implementation of the new boiler at the site of Gokak (India) was preceded by a study of the impact on a bird sanctuary located about ten kilometers from the site.

The cleaning of the Markhandeya River, located near the site, and the planting of 500 trees were also done in 2017.



ZOOM

ISO 50001

ISO 50001 is an international standard that defines the requirements for implementing energy management systems. Efficient energy management helps organizations to cut costs, reduce their energy consumption and address global warming.

Over the last two years, the Italian, Spanish, Lithuanian and the four French sites have been ISO 50001 certified.

We must continue to improve our culture in terms of the environment and we aim to obtain ISO 14001 and 50001 certification for all sites by 2021.

**JEAN-FRANÇOIS
HERLEM**

Head of Environment

RELYING ON AN EFFICIENT HSE REPORTING SYSTEM

With the aim of supporting **cultural change in HSE** (Health, Safety & Environment), we set up a new tool for recording events.

It now helps improve prevention by collecting all types of HSE events around the world (accidents, near misses, hazardous situations, etc.).

The analyses and solutions established for each one of them are registered, something that promotes the **sharing of good practices** and helps **consolidate the statistics** of the Group.

Referred to as **IRIS** (Incident Reporting Initiative & System), it relies on our internal information system. It was rolled out to all sites around the world in six months thanks to many ambassadors specifically trained to this end.

This approach is fully aligned with the HSE cultural evolution, helping achieve a level of excellence that is crucial for improving our **collective performance**.



HSE workshop



Operational Excellence team

OPERATIONAL EXCELLENCE

THE GUARANTEE OF SUSTAINABLE PERFORMANCE

Our commitment in terms of Excellence was strengthened in 2017. Many key people became genuine ambassadors for rolling out improvement initiatives.

The goal is to help frontline employees with the continuous improvement of our performance.

The development of their skills was a key aspect undertaken by the Manufacturing Excellence team, and supported by local resources at our manufacturing sites. **We delivered specific and** appropriate training at the dedicated **in-house Academy**.

Substantial improvements were noted for production issues as well as for service and environmental issues.

The establishment of a number of tools and standards fostered a **consistent quest for Excellence** and helped in setting up and sharing best practices.

A genuine dynamic was initiated.

These efforts constitute the framework of the RAISE (Roquette Active Improvement in Sustainable Excellence) program, which is based on:

- Training sessions followed by systematic application in project management,
- The setup of a reference system for best practices,
- Available standards.

In 2017, a number of employees received Black Belt, Green Belt and Yellow Belt training. These courses rely on the concepts of Excellence and Six Sigma, structured methods aimed at consistently improving process quality and efficiency.



ENVIRONMENTAL DATA

		2017	2016	GRI
FOSSIL ENERGY USED				
Electricity	GWh	2,552	2,401	G4-EN3
Natural gas	GWh	7,286	7,629	G4-EN3
Domestic heating oil	m ³	283	121	G4-EN3
Coal + Petcoke	Kt	366	366	G4-EN3
RENEWABLE ENERGY USED				
Wood	kt (100%DM)	136	109	G4-EN3
Rice husk	Kt	117	195	G4-EN3
ENERGY PRODUCED				
Electricity	GWh	1,578	1,529	G4-EN3
Biogas	GWh	69	79	G4-EN3
PUMP WATER				
Process water (rivers, aquifers, urban network)	10 ⁶ m ³	63.9	59.2	G4-EN8
Water returned	10 ⁶ m ³	34.0	40.0	G4-EN22
COD discharged	t/kt of starch	2.17	1.45	G4-EN22
AIR				
CO ₂ emissions (Scope 1 and 2)	teq CO ₂ /kt of starch	773	795	G4-EN16
SO ₂ emissions	t/kt of starch	0.32	0.30	G4-EN21
NOx Emissions	t/kt of starch	0.92	1.00	G4-EN21
Dust	t/kt of starch	0.35	0.26	G4-EN21
WASTE				
Hazardous	t/kt of starch	0.28	0.27	G4-EN23
Non-hazardous	t/kt of starch	11	11	G4-EN23
Recycled (except spreading)	t/kt of starch	25	32	G4-EN23
Spreading	teq 100%DM/kt of starch	33	39	G4-EN23

	2017	2016	GRI
WORKFORCE (ENTIRE GROUP – TOTAL PERMANENT STAFF AND FIXED-TERM CONTRACT STAFF AS OF DEC. 31)			
Per geographic region			
Europe	5,031	4,955	G4-10
Americas	895	532	G4-10
Asia	2,473	2,522	G4-10
Group	8,399	8,009	G4-11
PROFESSIONAL EQUALITY (ENTIRE GROUP – TOTAL PERMANENT STAFF AND FIXED-TERM CONTRACT STAFF AS OF DEC. 31)			
Male Employees	6,590	6,314	G4-LA12
Including % of managers	15.5%	15.9%	G4-LA12
Female Employees	1,809	1,695	G4-LA12
Including % of managers	14.0%	12.4%	G4-LA12
Ratio of Women/Men	27.4%	26.8%	G4-LA12
HIRES/RETIREMENTS (ENTIRE GROUP)			
Hires	559	650	G4-LA1
Resignations	295	247	G4-LA1
Layoffs	63	127	G4-LA1
Death	14	13	G4-LA1
Retirement	55	38	G4-LA1
Other departures (common agreement, transfers to other sites, etc.)	87	87	G4-LA1
TRAINING (LIMITED SCOPE)			
Hours/employees	21.6	22.5	G4-LA9
INTEGRATION OF WORKERS WITH DISABILITIES (FRANCE SCOPE)			
Workers with disabilities	180	181	G4-LA12
SAFETY (ENTIRE GROUP)			
FR1 and FR2 (see page 50)			
Days lost	810	1,108	G4-LA6
Severity rate	0.06	0.08	G4-LA6

PERFORMANCE INDICATORS

		2017	2016	2025 Goal
BIOREFINING INDICATORS				
Energy efficiency	Ratio	0.98	0.99	0.90
Specific water consumption	Ratio	0.98	1.24	1.00
CO ₂ tons avoided annually	teq CO ₂ avoided	760,117	706,035	1,000,000
SOURCING INDICATOR				
% of "sustainable" raw materials	%	6.3%	6.0%	20%
INNOVATING INDICATORS				
% of projects meeting several "sustainable chemistry" criteria	%	54%	53%	70%
% of solutions offered to our customers meeting the Sustainable Development Goals of the UN	%	85%	62%	80%
ACTING INDICATORS				
Frequency rate of work accidents with stoppage (FR1)		1.24	2.31	0.5
Frequency rate of work with and without stoppage (FR2)		3.45	5.06	1.5

Since 2008, the Roquette Group has been publishing a Sustainable Development & Activity Report.

REPORTING METHOD

To ensure the reliability of our information, we apply several methods prepared by the various Group departments. These documents define the scope and provide, in a precise and easy to understand way, the definitions of the indicators chosen in this report and in the management reports.

Indeed, in accordance with the enforcement order for the French Act known as Grenelle II (Article 225), extra-financial reporting became a requirement for the company in 2013. To this effect, the indicators and the information published in the management report are reviewed by one of our independent external auditors, KPMG. Much of the information is also listed in this report.

Lastly, Roquette was inspired by the “G4 Guidelines” of the Global Reporting Initiative (GRI), and our indicators are listed according to the GRI classification (workforce indicators G4-10 and G4-11, for example).

SCOPE

Several frames have been defined, based on the indicators. Social indicators: the Group scope includes the legal entity Roquette Frères and all its directly or indirectly controlled sites with a stake of more than 50% at December 31 of the year of reference.

The limited scope includes the legal entity Roquette Frères and its industrial subsidiaries with a workforce of over 50 employees, directly or indirectly controlled at more than 50% and counted as part of the Roquette Group for at least one full year on January first of the reference year.

Environmental indicators: the scope defined concerns all industrial sites integrated into the Roquette Group for at least three years at January 1 of the year of reference, directly or indirectly controlled with a stake of more than 50%, and for which the energy consumption is above 1,000 tons equivalent petroleum (TEP) per year (and above 5,000 TEP/year for the two last years that preceded the fiscal year for the three performance indicators).

THANK YOU TO ALL OUR CONTRIBUTORS!

This report was prepared with the help of many Roquette employees, as well as other stakeholders outside the Group.

We thank each one of them for their valuable collaboration and contribution to the development of this 10th edition.

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