

Cooperating...

**... for the progress
of agriculture...**

**Sustainability
Report**

**... everywhere,
for everyone.**



Contents

EDITORIAL p. 04

Chapter 1 p. 05

Limagrain, an international seed group owned by a French agricultural cooperative

1.1. Limagrain in 2019 p. 06

1.2. Limagrain, founded and directed by French farmers p. 08

Shares owned by farmers p. 08

Limagrain's cooperative governance p. 09

1.3. Our business: a seed producer above all else p. 11

Seeds p. 11

Garden products p. 13

A concentrated competitive environment undergoing major change p. 13

Cereal products: promoting the production of our cooperative partners p. 14

1.4. Our organisation: close to our markets and our customer's requirements p. 15

1.5. Our challenges p. 16

1.6. Our answers p. 21

1.7. Our value creation model p. 17

Chapter 2 p. 22

Our Corporate Societal Responsibility commitments

2.1. Our CSR policy and its governance p. 23

The three CSR priorities p. 23

Operational organisation p. 24

2.2. Our risks and opportunities p. 25

Chapter 3 p. 26

COOPERATING...

3.1 Contribute to sustainable performance of coop-members' farms p. 27

Producing seeds for new species p. 27

Developing new production opportunities for cooperative partners p. 28

Providing support for the digital transformation of agriculture p. 28

3.2 Promote a common culture p. 29

Rallying around a company project p. 29

Bringing cultures closer together through the Limagrain Academy p. 29

Working better together p. 30

Induction programmes p. 30

3.3 Engage in communities related to our sites p. 31

Engaging in Limagrain's region of origin, the Limagne-Val d'Allier plain p. 31

In the regions of all our sites p. 34



Chapter 4 p. 38**... FOR THE PROGRESS OF AGRICULTURE...****4.1 Propose innovative and responsible solutions based on plant genetics** p. 39

Developing sustainable plants and crops solutions to help meet the challenges of the future p. 39

Supporting changes to different models of agriculture for better farm performance and a more sustainable world p. 43

Ensuring our customers have safe, quality products p. 43

4.2 Protect, enrich and disseminate plant biodiversity p. 46

Innovation protection systems in the field of plants p. 48

4.3 Interact with our stakeholders about the stakes of seeds p. 49**Chapter 5** p. 52**... EVERYWHERE, FOR EVERYONE.****5.1 Foster professional fulfilment** p. 53

Encouraging social dialogue p. 53

Guaranteeing the health and safety of individuals p. 54

Attracting and developing all talents p. 58

Committing to diversity and professional equality p. 64

5.2 Act in compliance with our Ethical Principles and Code of Conduct p. 67

Disseminating and respecting our business ethics p. 67

Developing a responsible purchasing policy with our suppliers p. 75

Protecting data and information systems p. 76

5.3. Limit our environmental impact p. 77

Measures to prevent, recycle and eliminate waste p. 79

Lowering our energy consumption and greenhouse gas emissions p. 81

Saving water and controlling our aqueous emissions p. 84

Protecting the ecosystems on our main sites p. 86

Chapter 6 p. 87**Limagrain in numbers**

6.1. Corporate data p. 88

6.2. The environmental impact of Limagrain p. 89

Chapter 7 p. 91**Methodological note**

7.1. Scope p. 92

7.2. Methodological Procedures p. 92

7.3. Relevance and choice of indicators p. 93

7.4. Consolidation and internal control p. 93

7.5. Limagrains's commitment to the Global Compact p. 95

Chapter 8 p. 96**Independent third-party report**

.....

Design, production:

The Group Corporate Social Responsibility (CSR) Department

Graphic design:

Agence PatteBlanche

Photo credits:

Vincent Bouchet, Jérôme Chabanne, Gyro/Roman Jehanno, Fair Planet, LPO/Clément Rollant, CEN Auvergne/Romain Lecomte, photo library of Limagrain and its subsidiaries, Adobe Stock, Getty Images

Translation into english:

Into-Nations - F-69001 Lyon



Editorial



This first Limagrain Statement of Non-financial Performance (SNFP) is an opportunity to publish our thoughts on the purpose of our group and its social, societal and environmental responsibilities. Formalised by our Corporate Project and new Corporate Social Responsibility (CSR) programme, these set out our identity and the responsibilities incumbent on us with respect to our stakeholders, respecting our values of Progress, Perseverance and Cooperation.

Our identity as an international seed group owned by a French agricultural cooperative is unique in our field of business and gives us responsibilities at a range of levels.

Locally, in the area of the cooperative, the role of Limagrain is to help the sustainable performance of the farms of its cooperative partners, whilst playing a role in the global development of the area. Limagrain has succeeded in developing agro-industrial channels, from seeds to bakery products, that are able to bolster the activity of its cooperative partners, in addition to becoming a leading local employer. Strengthened by its development and attached to the Limagne Val d'Allier plain, Limagrain plays a responsible role in the drive and the influence of its area.

In parallel, as a leading international seed producer, Limagrain intends to contribute to the progress of all agriculture through its capacity to provide farmers and growers the world over with innovative solutions based exclusively on plant genetics. Limagrain thus helps to meet global food needs, both in terms of quantity and quality.

This report also provides an opportunity to read about the new CSR programme we will be pursuing over the next three years and on which we will be reporting on progress in this annual document. It includes our policies, indicators and actions related to our responsibilities under our dual identity, as well as to human rights, basic liberties, the environment and anti-corruption measures, in response to our commitment to the United Nations Global Compact.

For Limagrain, acting sustainably can be summed up by "cooperating for the progress of agriculture everywhere and for everyone".

Pascal Viguier, CEO

Damien Bourgairel, Deputy CEO



Limagrain, an international seed group owned by a French agricultural cooperative

Proud of its dual nature,
Limagrain is an international
seed group whose parent
company is a French agricultural
cooperative.

Founded and directed by farmers from central France, it provides the Group with its roots and governance, as well as developing integrated chains locally to promote the production of its cooperative partners. This duality embodies the very nature of Limagrain and is reflected in our daily work.

1 LIMAGRAIN IN 2019

An international seed group
owned by a French agricultural cooperative



4th WORLD SEED
PRODUCER



No.2 FRENCH
industrial producer
of bakery products

€1,883 million
sales revenue



€678 million
sales revenue from
strategic partnerships

€80 million
net profit



Over
10,000
EMPLOYEES
in the world

1,500
Cooperative
PARTNERS



80
nationalities



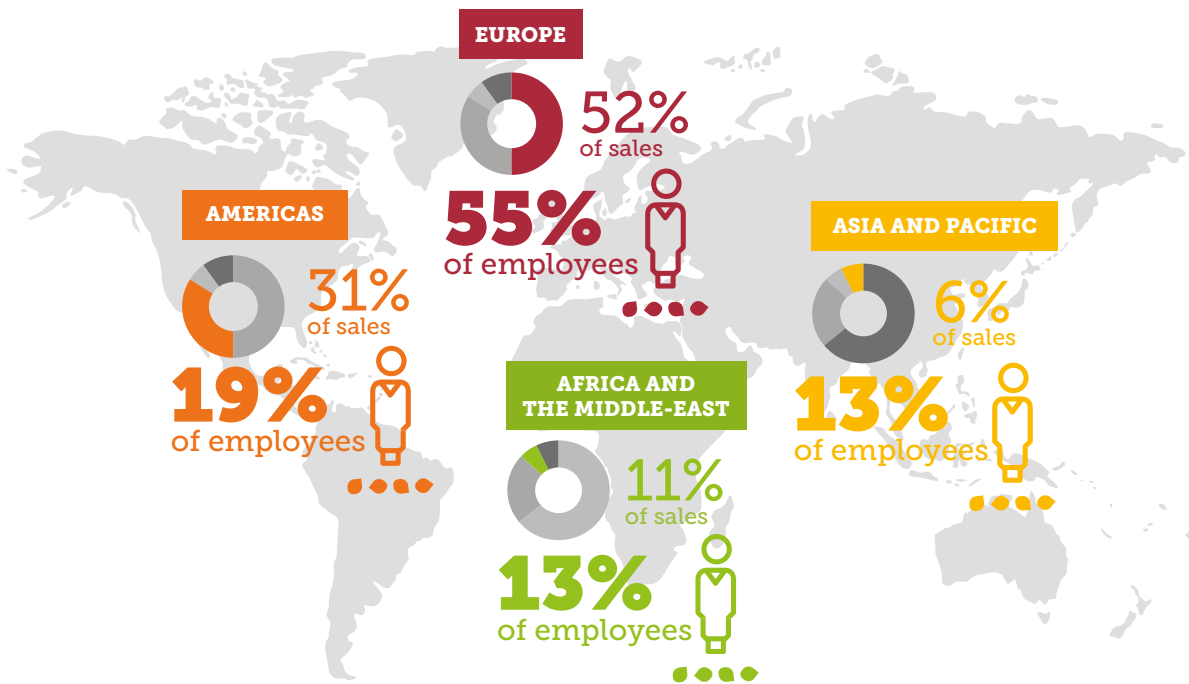
SUBSIDIARIES IN
56 COUNTRIES



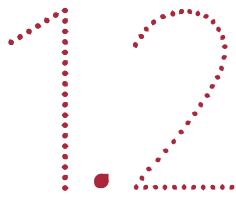
Over
40,000 ha
of production under
contract in Limagne



15.9%
professional sales
re-invested in **RESEARCH**



The regional breakdown of sales and headcount includes data from the Group (IFRS11) and strategic partnerships (AgReliant, AGT, Genective, Seed Co, Soltis, Canterra Seeds, Hengji Limagrain Seeds, Carthage Génétique, and Prime Seed Co).



LIMAGRAIN, FOUNDED AND DIRECTED BY FRENCH FARMERS

Shares owned by farmers

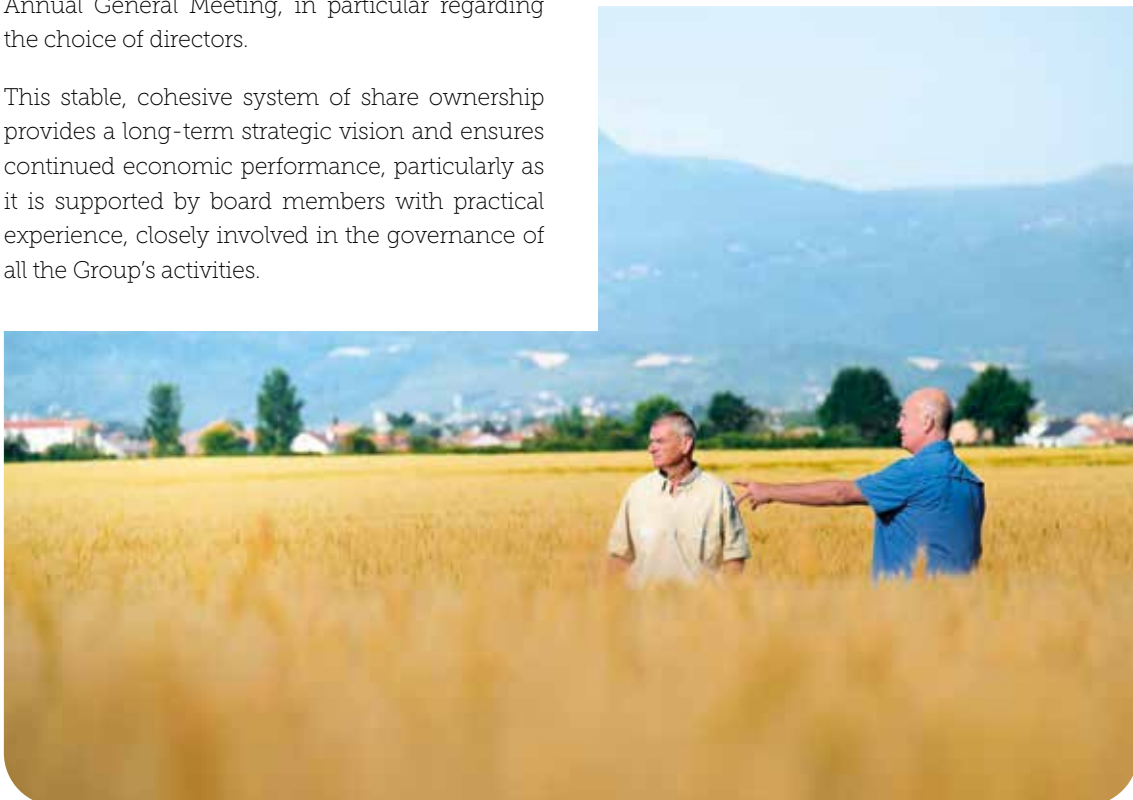
Cooperation forms part of our DNA in that we are a company of people, rather than of equity. In the panorama of global leaders in seed production, which is dominated by major agrochemical groups, we have a unique form of governance. The Limagrain cooperative is our parent company and its 1,500 cooperative partners own the shares of our Group.

Cooperative partners are shareholders, suppliers and customers of their cooperative. Our members are committed to a democratic functioning model: one person = one vote, regardless of the number of shares held by an individual member. They are organized into 5 geographical sections and elect the section delegates who in turn vote at the Annual General Meeting, in particular regarding the choice of directors.

This stable, cohesive system of share ownership provides a long-term strategic vision and ensures continued economic performance, particularly as it is supported by board members with practical experience, closely involved in the governance of all the Group's activities.

Our aim is to help farms in Limagne Val d'Allier achieve sustainable performance and make our land of origin an area of agricultural excellence. We do not consider profit as an end in itself, but as a means to carry out our plans. Limagrain therefore strives to develop agricultural production and solutions that meet the needs of the agricultural family entrepreneurship of this region.

Our performance is part of the long term and our income is used to pay farmer members and employees fairly and ensure the Group's stability, development and sustainability. This vision is shared with the minority shareholders of certain subsidiary entities.



Limagrain's cooperative governance

Limagrain's decision-making system is divided into 3 governing bodies, namely the Board of Directors, the Bureau and the Executive Board.



From left to right:

Daniel Jacquemond: representing the Executive Directors; Sébastien Briffon; Annick Brunier, Bureau member; Guillaume de Quatrebarbes; Patrice Grand; Philippe Blateyron, Bureau member; Bernard Montel; Joel Arnaud; Séverine Darsonville; Pascal Viguier, Chairman, Bureau member; Philippe Aymard, Vice-Chairman, Bureau member; Jean-Luc Petoton; Claude Raynaud, Vice-Chairman, Bureau member; Bruno Gueguen; Pierre-Antoine Rigaud; Yannick Chassaing; Eric Greliche, Bureau member; Sébastien Vidal, Vice-Chairman, Bureau member.

The Board of Directors

comprises 17 farmers and one executive director. A third of the Board of Directors is renewed annually. It elects its Chairman and appoints a CEO following proposals by the Chairman, as well as Chairmen for the activities of the Group. The Board of Directors meets 15 times a year, alternatively to consider local cooperative-related issues and international issues.

The Bureau comprises 7 elected farmers, members of the Board of Directors and 3 executives (the CEO, Deputy CEO and Head of the Cooperative). It meets twice a month.



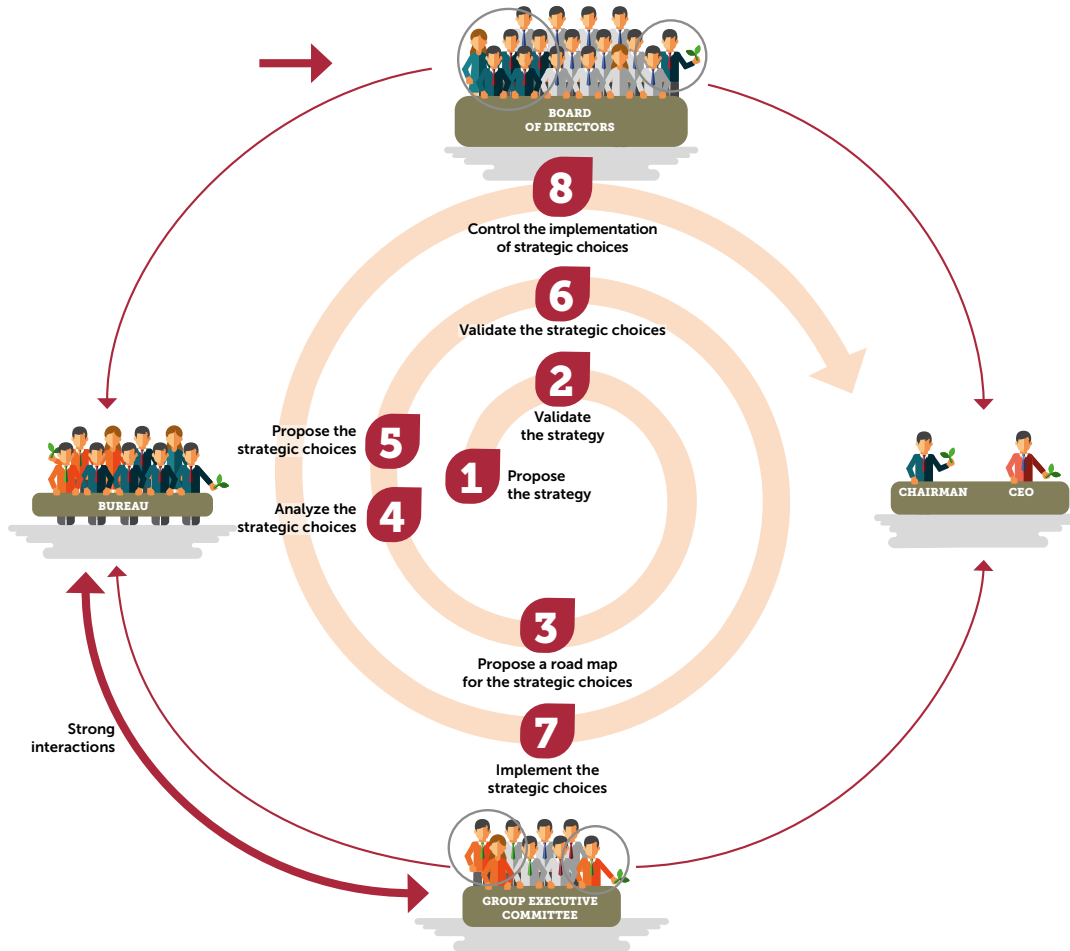
From left to right:

Régis Fournier: Head of Field Seeds; Christophe Brassat: Head of Limagrain Coop; Valérie Mazza: Head of Scientific Affairs and Innovation; Daniel Jacquemond: Deputy CEO; Damien Bourgarel CEO; Agnès Mistretta: Head of Human Resources and CSR; Vincent Supiot: CFO; Franck Berger: Head of Vegetable Seeds

The Group Executive Committee

comprises the CEO and Deputy CEO, the heads of the Group's activities and support functions. It meets twice a month.

➤ **The decision-making process involves the three bodies, according to the following distribution and sequence:**



Our governance model is based on three specific characteristics:

- the Group is managed by a Chairman, who is an elected farmer, and a CEO, who is an employee appointed by the Board of Directors;
- this tandem is reproduced within Limagrain's six operational activities worldwide;
- the company's top executives, whatever their country of origin, hold shares in the Cooperative's capital as "non-cooperative partners" alongside the farmers. One of them sits on the Board of Directors as their representative.

This model encourages proximity between cooperative partners, their elected representatives and the top executive bodies. It enables effective decision-making, thanks to a shared strategic vision and comparative exchanges between members of the board and salaried top executives.

This culture of cooperation, shared by the farmer members and the employees, extends to scientific, industrial and commercial collaboration projects run by our Group all over the world.

13 OUR BUSINESS: A SEED PRODUCER ABOVE ALL ELSE

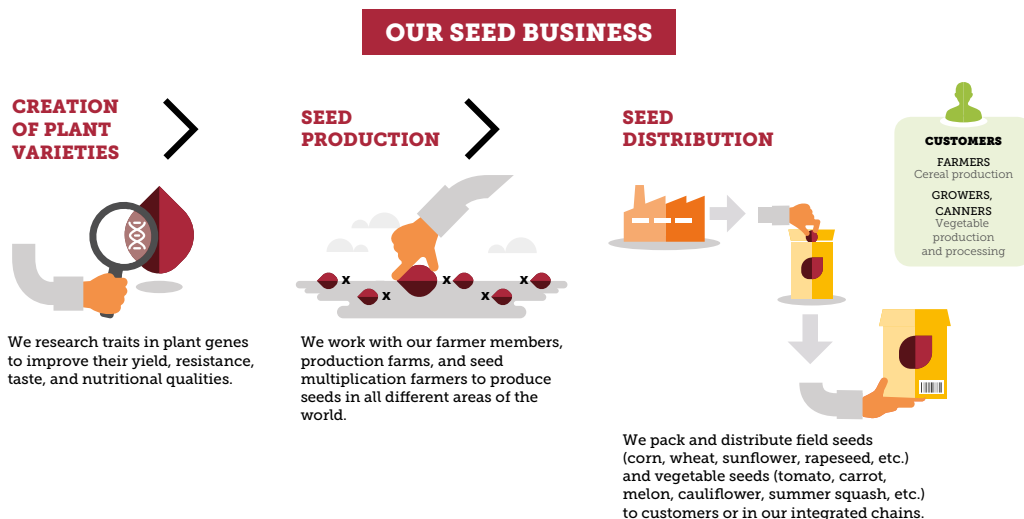
As a creator of plant varieties, Limagrain produces and markets field crop and vegetable seeds. Unlike its main international competitors, Limagrain's sole business is seeds. Indeed, Limagrain does not have an agrochemicals activity, but as a complement to its business activities for professionals, farmers and growers, it sells seed to home gardeners.

Thanks to the Cooperative's local roots and its vocation to promote the produce of its cooperative partners, Limagrain has also developed its integrated chain activities for cereal products in its home region. Here too, the starting point lies in seeds, through the creation of corn and wheat varieties that combine adaptation to the local conditions of the Limagne Val d'Allier to the industrial processes used for the production of cereal ingredients and bakery products

Seeds

Being a seed producer firstly involves creating new higher-performing varieties from existing genetic diversity. The seeds from these varieties must then be produced, engineered to ensure quality and

sold to farmers and growers. Limagrain masters all these activities, both for field and vegetable seeds and has a portfolio of renowned brand names for marketing purposes.



Vegetable seeds

Limagrain is the world's leading vegetable seed producer. Its customers are growers – who produce vegetables for the fresh produce market – and processors specialised in canning and freezing.

The Limagrain range is highly diverse, featuring around fifty species, including the world's most consumed vegetables, such as tomatoes, sweet and chilli peppers, onions, watermelons, carrots, cucumbers, melons, lettuce, cabbages, cauliflower, sweetcorn, green beans and courgettes, as well as local species such as chicory in France, fennel in Italy, kabocha squash, mustard greens and Cantonese cabbage for Asian countries and tomatillo in Mexico.

Limagrain is world leader for some of these species, such as tomatoes (the world's highest-value vegetable species), carrots, melons, cauliflower and courgette and is no. 2 in beans and no. 3 in peppers, for example.



Field seeds

World no. 6 in the sector, Limagrain markets field seeds for farmers.

Corn and wheat are the two main species produced by Limagrain worldwide. Alongside this, the company develops a portfolio of species adapted to each region and market in which it operates. Due to their importance in the European domestic market, sunflower and rapeseed are strategic species. Regional species have also been identified for their essential complementarity to meet the requirements of different markets. Limagrain has introduced a plant breeding programme for some species, such as barley, soybean, millet, rice and pulses. For others, including forage, beans and sorghum, Limagrain has distribution agreements with the breeders of these species that enable it to offer local customers a comprehensive range.

The Limagrain field seeds business has traditionally been strong in Europe and North America, but since 2010 has also been expanding in new areas such as Asia, South America and Africa.





Garden products

Limagrain also provides hobby gardeners in some European markets with a full range of seeds (vegetable, flower and grass) and related products, such as bulbs and garden equipment. The range of garden products has expanded and diversified over the past two fiscal periods, illustrating the shift in marketing strategy towards products that meet the needs of urban environments and digital transformation. Limagrain's aim is to become a partner for all gardeners in their gardening experience.

The customers of the Garden Products business line are the distribution networks of these products, including garden centres, DIY stores and food hypermarkets. The Garden Products range is also sold online through various websites, both garden specialists and general online stores.

A concentrated competitive environment undergoing major change

Within a competitive environment that is already highly concentrated, a number of bids and mergers occurred recently. These involve key operators in the seed and agrochemical sector. Consequently, even though market integration remains unequal depending on the zones and species, the five top seed producers now represent over half of the global commercial seed market (in terms of seed sales).

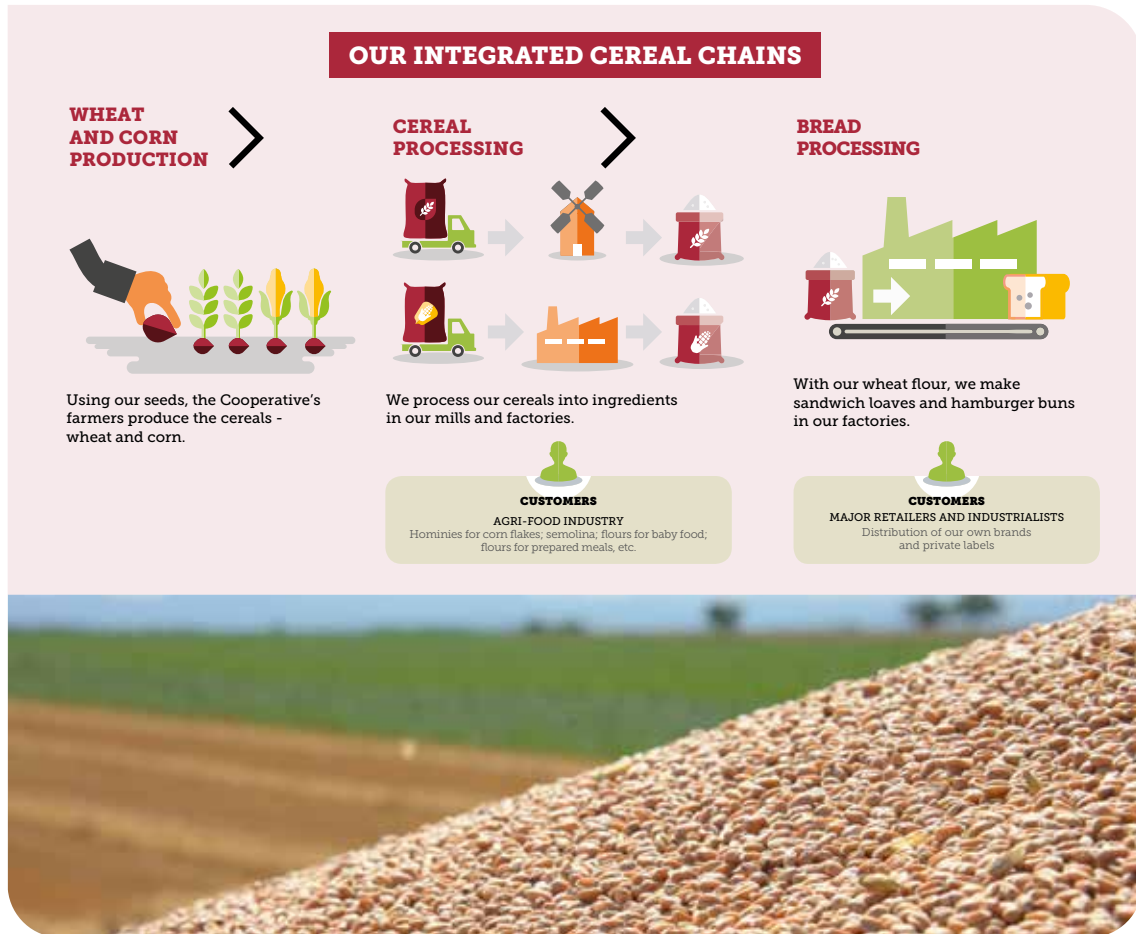
These movements highlight a trend by companies in the agrochemical sector to consolidate their portfolio of assets by integrating or strengthening seeds, in response to difficulties in the agrochemical market affected both by the economic problems of farmers and growing reticence to plant control products in certain countries.

These mergers do not significantly change the size of the main operators in the seed market. However, the geopolitical distribution of key players in the sector has radically changed, bringing the arrival of Chinese players to the forefront. Among the top 10 global seed producers, three are German, two are Chinese and one is American. In this new, global seed producer landscape, Limagrain has retained its competitive position as no. 4 player in the world.

Cereal products: promoting the production of our cooperative partners

In our region of origin, Limagne Val d'Allier, and on the strength of our core business of seeds, we have created integrated chain activities for the wheat and corn production of our cooperative partners.

These integrated chain activities for cereal products create short supply chains that help ensure the long-term future of farms and the vitality of the local region.



Processing cereals

Limagrain Ingredients develops and manufactures traditional and functional cereal ingredients in its mills and plants, using grain produced by our cooperative partners in Limagne Val d'Allier. Its customers are agri-food manufacturers. Every year, Limagrain Ingredients processes around 200,000 tonnes of local cereals in its seven industrial sites to meet the needs of four main markets, namely snacks, breakfast cereals, bakery products and ready-made meals. Limagrain Ingredients is the European leader in functional flours.

Access to end consumers through bakery products

Using Limagrain Ingredients wheat flour, we manufacture bakery products, in particular sandwich loaves and hamburger buns. This range is supplemented by a range of pastries, including cakes, pancakes and waffles. Jacquet Brossard has seven industrial sites in France and Belgium and is no. 2 on the French industrial bakery products market.

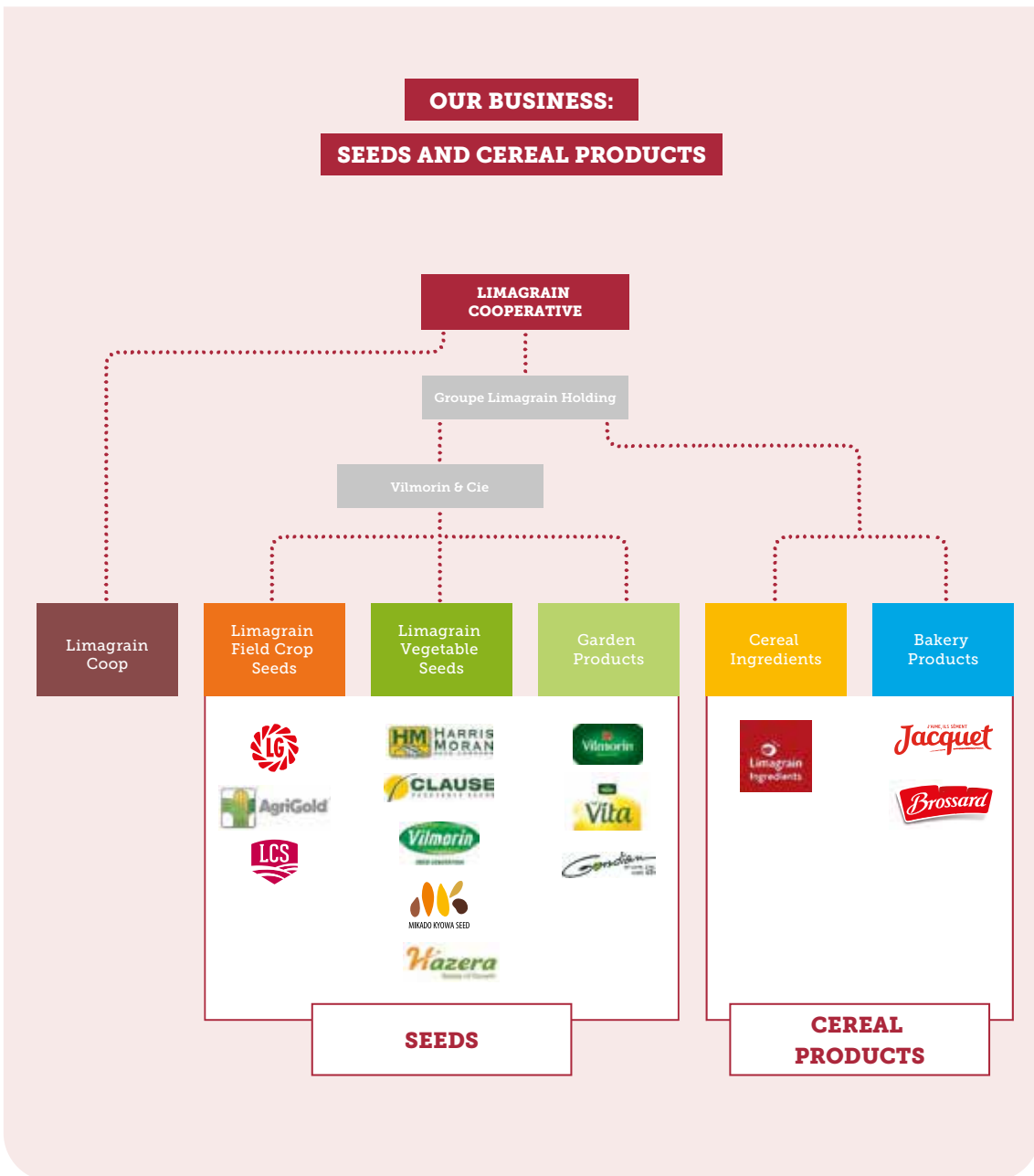


OUR ORGANISATION:

CLOSE TO OUR MARKETS AND OUR CUSTOMER'S REQUIREMENTS

We have chosen to organise ourselves into Business Units (BU) to favour proximity to our various markets, which are highly segmented both geographically and in terms of products. This

organisation is a real source of strength, enabling us to better take our customers' requirements into account, be more efficient and agile, as well as raising our global position.



15 OUR CHALLENGES

Limagrain's challenges are directly related to the key trends affecting the seed and agricultural sector.



CHALLENGE No. 1

In order to feed nearly 10 billion people in 2050, agricultural production needs to rise by 60%.

We know that demographic challenges go hand-in-hand with increased urbanisation and changes in lifestyles and eating habits. We must also take climate change into account, along with the need to preserve natural resources. We therefore need to produce more and better. Our business as a seed producer has an important role to play in meeting these challenges through the capacity seeds have to positively impact agricultural production, whilst helping to reduce negative external factors thanks to the genetic progress they disseminate.

CHALLENGE No. 2

Accessing plant biodiversity and financing research to meet the challenges facing agriculture, food and the environment

Plant breeding is key to meeting the food, economic and environmental challenges we are currently facing. Diversity of genetic plant material, together with accessibility and preservation, are essential for creating new varieties. Furthermore, plant breeding requires time and technologies that are increasingly high-tech and expensive. On average, 7-10 years of R&D is required before a new variety is developed. We must also pay particularly close attention to protecting the rights of the creators of new plant varieties, an essential source of financing research.



CHALLENGE No. 3

Societal acceptability

The agricultural and agri-food industry is being increasingly questioned by stakeholders. Societal acceptability is crucial for its development, both for careers in the sector to appear attractive and for acceptance and support of its activities by the public and authorities. The sector must respond to growing consumer concerns over the impact of new technologies, farming methods and food products on their health and the environment.



CHALLENGE No. 4

Digital transformation

As with all sectors of the economy, digital technology is profoundly changing agriculture. Applications, services, big data, blockchain, artificial intelligence, robots and drones - we are undergoing a new agricultural revolution. If agriculture is to perform on three levels - economic, social and environmental - this will require the introduction of new methods, some of which entail the development of totally innovative agricultural equipment. The gathering and analysis of big data can enhance a farmer's work and experience and help model innovative production systems. This will benefit precision agriculture, to optimise the use of production factors in the individual context of each farm. Lastly, applications and the development of digital networks will help create new forms of relationships.

16 OUR ANSWERS

On the strength of its ownership by farmers forming a cooperative, Limagrain is implementing a strategy to develop its position as an international seed producer. By marketing high-performance seed varieties, Limagrain therefore intends to provide farmers worldwide with sustainable solutions capable of advancing all forms of agriculture. This objective requires significant investment in research and a targeted external growth and partnership policy, combined with extensive internationalisation of activities.

In its region of origin, Limagne Val d'Allier, Limagrain's role is to fully promote the agricultural output of its cooperative partners, helping to ensure the long-term future of the farms that are managed by family entrepreneurship. In addition to seed production, the two local integrated chain activities for cereal products are a way of creating extra added value, by integrating all stages, from plant breeding to the finished or semi-finished product. These integrated chain activities benefit from our proven knowledge of interactions between genetics and industrial processes, as well as from our pro-active product innovation and renowned brand names.



OUR VALUE CREATION MODEL

Resources

Human



Over 10,000 permanent employees of over 80 nationalities



1,500 cooperative partners



77.5% of the Group's capital is held by the Cooperative, creating a highly stable share ownership



Since its origin, a high proportion of **profits are reinvested** into the development of Limagrain



Controlled debt

Intellectual



15.9% of sales revenue is invested in research



Over 20% of employees are actively involved in research



Over 100 research stations and centres



Over 50 years' experience in plant breeding and seed production

Production



18 industrial seed sites worldwide



13 cereal products sites in France and Benelux

Natural/Environmental



40,000 ha of agricultural production under contract in Limagne Val d'Allier



496 568 MWh of energy consumed



2 605 357 m³ of water consumed



Active contribution towards **creating, protecting and disseminating** the genetic diversity of grown species

Societal



56 countries of operation



48,000 suppliers



Numerous scientific, industrial and commercial partnerships

Our vision

Rooted in its region of origin, Limagrain is an innovative multi-species seed producer that helps to improve all forms of agriculture through its products based on plant genetics. Through its local and international activities, as well as its cereal and seed businesses, Limagrain helps to meet the food needs of its peers.

Our values



Progress



Perseverance



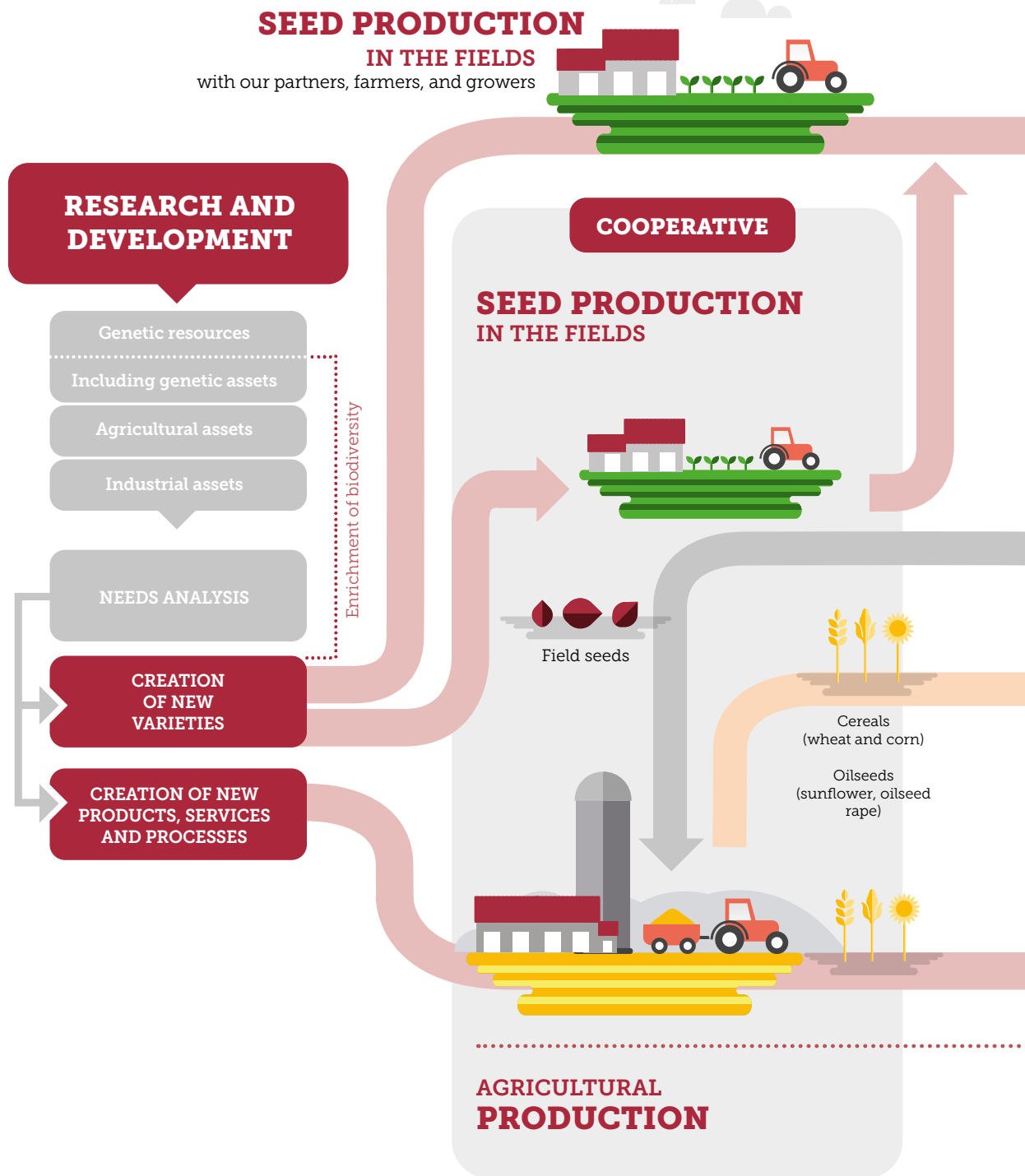
Cooperation

17

OUR VALUE

Our vocation: Cooperate for the progress of

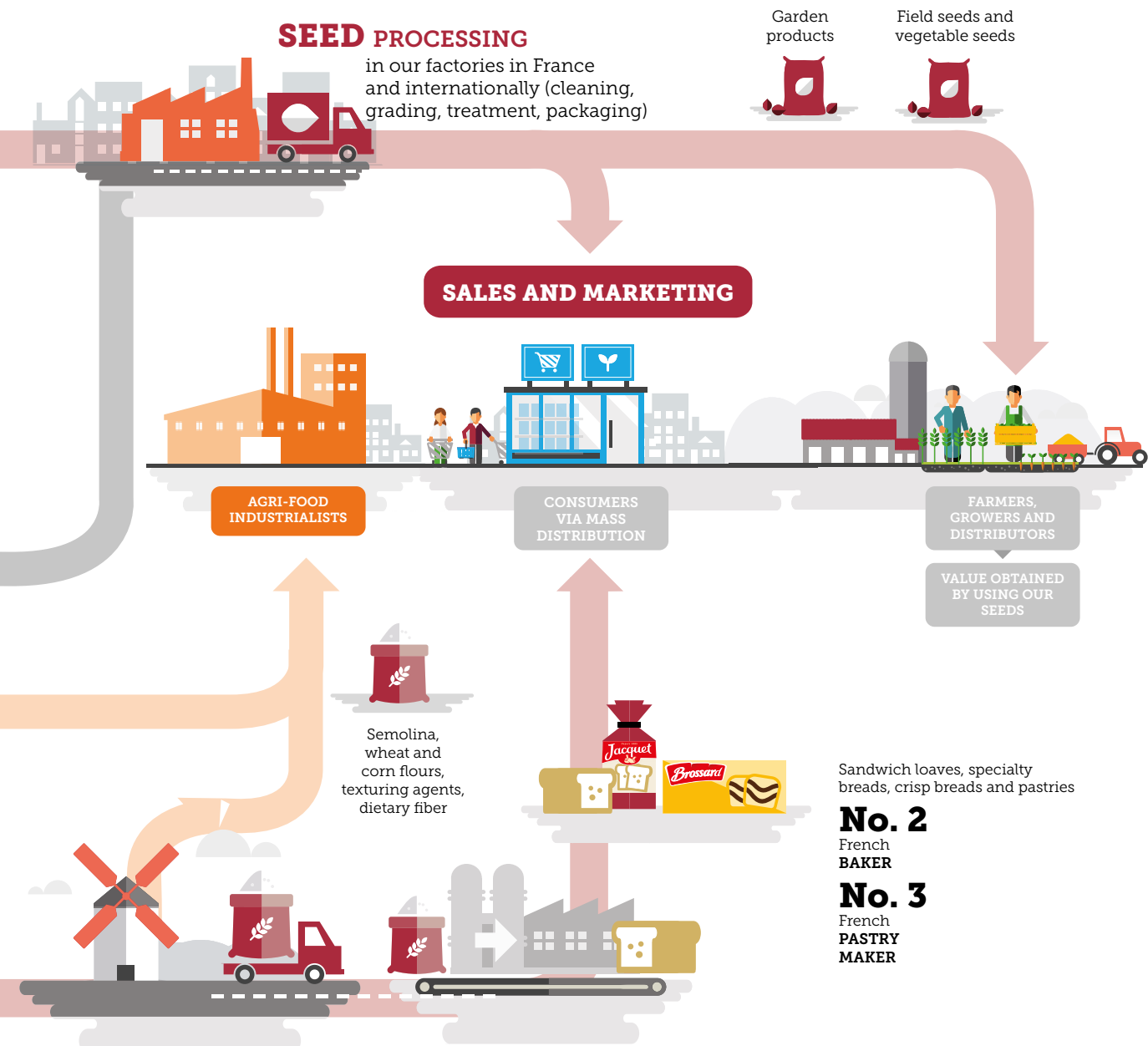
Our challenges: major demographic challenges, in standards of living and eating habits, climate



CREATION MODEL

agriculture everywhere, for everyone

increasing urbanisation, changes
change and preserving natural resources



..... SHORT INDUSTRIAL CHANNELS

GRAIN TRANSFORMATION
in our French factories

MANUFACTURE OF BAKERY PRODUCTS
in our French, Belgian and Brazilian factories

OUR VALUE CREATION MODEL

Results

Human



Accident frequency rate, with and without lost time: 10.8



Training budget: €3.9 million



165,462 hours of training

Financial



€1.883 billion of revenue



€678 million of revenue in strategic partnerships



€80 million of net profit

Production



Worldwide, **1st vegetable seed producer** and 6th in field crops



In France, **2nd industrial producer** of bakery products

Intellectual



255 new varieties launched during the fiscal period



Over **5,000 marketed varieties**

Natural/Environmental



104 912 tCO₂e emitted (including refrigerants)



€4.8 million invested in improving environmental impact in 2018/2019



50,108 tons of waste



€20 million invested in preserving and developing plant biodiversity

Societal



Contribution to increased food production related to genetic progress made by new varieties



€1.537 million in philanthropy and societal initiatives



Food safety certification for all French bakery companies and cereal ingredients (BRC, IFS, FAMI-QS or ISO 22 000 FSSC)



Contribution by Brossard to National Nutrition and Health Programme goals



Development of Cleanlabel by Limagrain Ingredients

..... **Our principles of action**

Limagrain is proud of its governance derived from the founding principles of agricultural cooperation, which give a new meaning to seeking profit in that rather than being an end in itself, it is an essential means of realising its projects, ensuring its independence and guaranteeing its long-term existence.

The Limagrain CSR programme, which is perfectly aligned to its principles of action, has three key areas of focus:





OUR CORPORATE SOCIETAL RESPONSIBILITY COMMITMENTS

Limagrain drew up its first **Corporate Societal Responsibility (CSR) programme in 2012.**

Building on its activities, daily practice and relations with its stakeholders, the CRS programme structured the issues that Limagrain was already addressing through its daily actions, guided by its values of Progress, Perseverance and Cooperation.

21 OUR CSR POLICY AND ITS GOVERNANCE

2019 marked the redefining of the CSR programme, in line with the new Group Project. It has been drawn up with a systemic, partner-based vision to allow for sustainable commitments. It is consistent with the ISO 26000 norm, especially with regard to the elements relevant to the agri-food segment, as well as the ten principles of the Global Compact. Furthermore, each Business Unit can draw up a CSR programme that addresses its specific issues. The Group CSR Department ensures however the programmes drawn up by Business Units are consistent with that of the Group.

The three CSR priorities

The new Limagrain CSR programme, set out for the years 2019-2022, is structured around the three priorities and 9 issues listed below.





This priority sets out Limagrain's DNA and one of the two facets of its identity, namely that of a French farming cooperative uniting 1,500 partners in the central France, in the Limagne-Val d'Allier plain. On the strength of its ownership by farmers united by the values of Progress, Perseverance and Cooperation, Limagrain needs to contribute to the long-term future of their farms, in the context of a family-run entrepreneurship, through high added-value integrated chains, especially with respect to cereal products. Its nature also affects its relational approach with its stakeholders, in the widest sense of the word, embodied by building new partnerships, new relationship methods and creating shared value underpinned by ongoing dialogue, active listening, and responsible relationships, both internally and externally. This also involves participating in the development of our regions, while ensuring our activities have a positive impact.



This priority reflects the second facet of Limagrain, namely that of an international seed producing group. Unlike its competitors, Limagrain, which is a pure seed producer, aspires to create innovative seeds that provide effective, sustainable solutions for all forms of agriculture. It covers the issues related to the Group's activity in a range of areas, including the creation of products, plant biodiversity as a source of creation and its contribution to societal debate on seeds.



This is a corporate choice aimed at making the Group more agile, ethical, and responsible, in order to position it more effectively in new markets in the long term. This area for improvement should also allow us to limit the withdrawal of resources and contribute to creating and preserving value in the short, medium and long terms. Lastly, this choice should enable Group activities to develop, whilst optimizing the management of environmental, social, and societal risks in varied and changing business contexts.

Operational organisation

CSR management is based on the continual progress programme rolled out throughout Limagrain, as well as on a dedicated organisation. The CSR Department has two permanent staff members who coordinate Corporate Responsibility actions at Group level. For the past 5 years, the CSR Department has drawn on the expertise of a CSR committee, comprising CSR correspondents from the various Business Units, representing the various Group business lines.

Since 2018, the CSR Department has been reporting to a member of the Group Executive Board, which is a strong indicator of the importance of CSR in Group strategy. It also affects the governance of CSR in the Group, as set out in the 2019-2022 CSR programme. Indeed, the Group Executive Committee, acting as the CSR Strategic Committee, now guides, approves

and controls the CSR programme, which the CSR Department is then tasked with coordinating and monitoring. As such, it provides half-yearly reports on the progress of the programme.

The CSR Department is no longer the sole body involved in implementing the CSR programme. From now on, according to the specific programme issues, some Corporate Departments will be responsible for coordination and able to draw on their business networks to structure and roll out actions.

This new governance marks a significant change in how the CSR is rolled out. It will enable the Group to disseminate CSR issues and actions throughout its activities and more closely involve BUs and Corporate Departments.

2 OUR RISKS AND OPPORTUNITIES

The Internal Audit and Risk Management Department, Human Resources Department and Group CSR Department have made a concerted effort to identify risks and opportunities.

The non-financial risks were taken from the Group's risk mapping. Risk-related issues and opportunities, taken from the materiality analysis, were selected on account of the importance of

material issues cross-referenced with issues seen as important by external stakeholders. Food waste has also been included as an issue on account of regulatory developments and its relevance for Limagrain's sector of activity.

In total, there are 11 risks and 6 opportunities, which are all listed in the table below, alongside the section in which they are detailed.



Themes	11 non-financial risks	Risk-related issues	Detailed in:
Environment	Pollution and environmental nonconformities in sites	Waste management and recycling Greenhouse gas emissions and air pollution Management and quality of water and effluents	5.3
Quality and Safety	Product quality	Nutritional quality of products	4.1
Human Resources	Attracting and retaining talent Skills management Social conflict Employee health and safety		5.1
Safety	Safety of property and individuals		5.1
Ethics and Legal	Ethics	Respect for Human Rights Food waste Responsible Purchasing policy	5.2
Communication	Communication	Relations with stakeholders and participation in public debate	4.3
Intellectual property	Intellectual property		4.2
Information System and Security	Information System		5.2



Themes	6 Opportunities	Detailed in:
Human Resources	Diversity and equal opportunities	5.1
Products	Food safety	4.1
Environment	Preserving biodiversity	4.2
Societal	Local development	3.3
	Support for communities and philanthropy	3.3
	Economical performance of farms and the development of integrated chains	3.1



COOPERATING...

Cooperate means doing together what we can't do alone. It was this ambition that drove the farmers who created Limagrain in 1965.

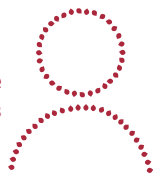
Over half a century later, the ambition remains intact. It guides Limagrain in its operations, development and relations with stakeholders. It underpins the building of new partnerships, new relationship methods and the creation of shared value, based on introducing ongoing dialogue, active listening and responsible relationships, both internally and externally. It includes helping to develop the areas in which Limagrain operates, starting with its region of origin, ensuring its activities have a positive impact.

3.1 CONTRIBUTE TO SUSTAINABLE PERFORMANCE OF COOP-MEMBERS' FARMS



Limagrain has been contributing to the activity of its cooperative partners farms for over 50 years, by offering production areas that provide fair remuneration and solutions (products or services) to help the sustainable performance of their farms from an economic, social and environmental viewpoint. Through the creation of its "seeds", "cover wheat" and "semolina corn" integrated chains, combining production under contract from farmers and the local installation of dedicated industrial tools, the cooperative has managed to capture and redistribute added value, whilst creating jobs in the local area. To preserve agricultural family entrepreneurship in Limagne Val d'Al-lier, Limagrain is seeking to add to these integrated chains, offer new opportunities for income and support its cooperative partners with the digitisation of agriculture.

1,500
cooperative partners



173
users of Limagine
(crop monitoring IT tool)

50%
of key crop areas
in Puy-de-Dôme
are under contract
to Limagrain

Producing seeds for new species

The traditional production of corn and straw cereal seeds have reached levels that are technically capped. Yet it is possible to develop the production of seeds of new species. Having started from zero 10 years ago, the production surface area of sunflower seeds now totals over 500 ha. Similarly, the production of vegetable seeds is increasing significantly, totalling 200 ha in 2019, and the production of rapeseed seeds is being tested over a dozen hectares.



Developing new production opportunities for cooperative partners

Other opportunities benefit from Limagrain support to initiate new activities for cooperative partners. For example, ten farmer members have started producing seasonal vegetables for 15 local Intermarché supermarkets. Once displayed on the shelves, the supermarkets capitalise on the fact the vegetables are produced locally and name the producers.

The production of animal protein from mealworm is another proposed diversification. A company called Invers is encouraging farmers to start

breeding these worms, using its expertise, industrial processing tools and outlets. Three farmer members have signed up to this project.

Other avenues are being explored to diversify production and sources of revenue for farmer members, including the production of alfalfa hay under the Saint-Nectaire Appellation d'Origine Protégée (AOP) or plant proteins through growing species such as fava beans, lupin or chickpeas.

Providing support for the digital transformation of agriculture

Always close to its cooperative partners, Limagrain is participating in the digital transformation of agriculture in Limagne Val d'Allier. Use of satellite imaging or sensors is becoming more widespread, increasing data sources and providing an ever more detailed picture of all aspects of agricultural activity. Limagrain has set up a local weather forecast station network and the use of drones to analyse crops increases the accuracy of information. Furthermore, Limagrain offers its farmer members Limagine, a plot-tracking software that records operations and observations performed on plots. In the past, agriculture progressed over time through the accumulation of local knowledge harvest after harvest. These days, the ability to access multi-local data from a range of conditions means that it is the analysis of simultaneous experience on a range of geographical areas that has become a source of major progress.

Once gathered and analysed, this data will lead to precision agriculture, aimed at optimising production conditions to enhance production factors, such as the soil, agricultural equipment, fertilisers, seeds or plant protection products.



3.2 PROMOTE A COMMON CULTURE

Rallying around a company project

Employee motivation comes from the ability of a company and its managers to provide meaning and visibility as regards the ambitions, missions and vision of the company. These were set out in more detail in 2018-2019 in the "Limagrain Project". A plan has been drawn up to roll out this project during 2019-2020.

Meetings will be held between executive directors and top executives, which will also provide an opportunity to re-explain the Group's strategy and missions. The newsletter for top executives, entitled Info+, was published each quarter throughout the fiscal year and has become an essential means of communication.

At each Business Unit level, staff meetings and sales conventions are held in each country where the

Group operates, enabling managers to present and discuss the Limagrain Project, as well as explaining how the Business Unit makes a contribution.

Other meetings show the desire to work together on shared projects to promote innovation and bring together communities of experts.

The ACL, or Association of Limagrain Researchers, is an annual three-day meeting that brings together close to 300 researchers from the Group. The agenda includes plenary sessions and workshops on a theme that changes each year, as well as many opportunities for discussions between participants from the world over.

Bringing cultures closer together through the Limagrain Academy

The purpose of the Limagrain Academy was redefined during the fiscal period and set out in the form of four pillars (cultural, management, executive managers and top executives, activity). The objectives of its cultural pillar are (see 5.1) to disseminate Group culture, develop a feeling of

belonging, showcase values and connect people from different backgrounds.

The Limagrain Game, a digital game created to improve knowledge of the Group, has been redesigned and internalised, not only to take all the specific Limagrain programmes into account (CSR, safety, etc.), but also to enable Business Units to adapt it to their own content.

Limagrain Academy



Limagrain Academy carries this further, offering quality training that brings together people from the Group of all nationalities, together with farmer members, thereby bringing cultures closer together.

Working better together

In an increasingly international environment, it is crucial for Limagrain to address the issue of “working better together” to meet its objectives. Working better together means knowing each other better, understanding each other and meeting together. To achieve this, both regular and *ad hoc* initiatives are helping daily work relations flow more easily:

- team coaching, which facilitates interactions within teams and promotes collaborative

working, is carried out in a number of Business Units and at the Limagrain headquarters

- annual events bringing employees together from different countries (business line meetings or managerial meetings)
- during the 2018-2019 fiscal period, the rollout of the Teams IT solution has also significantly contributed to progress in collaboration and exchanges between employees.

Induction programmes

Induction programmes continued during the fiscal period. Most are organised within Business Units for their employees, as close as possible to their operational reality, whilst some targeted employees undergo an induction programme organised by the Group.

Indeed, to facilitate the integration of new managers throughout the world, Limagrain induction programmes have been in operation since 2010-2011. Intended for managers that have recently joined the Group, these programmes have been designed for employees whose positions have been confirmed, who have been with the company for up to 5 years and have graduate qualifications or equivalent experience. The programmes include a meeting with

members of the Group Executive Committee and Directors, discussions with employees that have moved around within the Group, a game on the Group's history, values and activities, visits to sites and meetings with farmer members of the Limagrain cooperative. The Group's CSR commitments, anti-corruption rules and Code of Conduct also explained in detail.

A new initiative for the fiscal period is the creation of an Auvergne induction programme that pools the induction

programmes of all the BUs in Auvergne, with a shared component that focuses on understanding and global knowledge of the Group and a more operational component that is specific to each Business Unit.



ENGAGE IN COMMUNITIES RELATED TO OUR SITES

3.3

ENGAGE IN COMMUNITIES RELATED TO OUR SITES



Limagrain has chosen to implement local management around an organisational model that is close to the markets. It is closely involved in the local areas of subsidiaries and sites, which enables it to take local culture and specificities into account. On the basis of its ongoing attention, Limagrain is able to contribute to local development and support local communities in terms of jobs and access to education or equipment, as well as contributing to the vitality of the local region in economic, sporting or cultural fields.

€1,536,591 were dedicated to societal initiatives  including €695,791 for philanthropy. 

Engaging in Limagrain's region of origin, the Limagne-Val d'Allier plain

Bolstered by its cooperative culture and attachment to its region of origin, namely the Limagne-Val d'Allier plain where all its cooperative partners are based, Limagrain assists with local development and is constantly interacting with its local ecosystem through a number of initiatives that help drive the region. These initiatives are either carried out alone or in partnership with local public, private or associative players, involving a range of fields, including research, jobs, industry, education, the environment, sport and culture.

1,483 employees in Limagne Val d'Allier 

2nd largest private employer in Auvergne



ENGAGE IN COMMUNITIES RELATED TO OUR SITES



Limagrain headquarters, located in the heart of its land of origin in the Limagne Val d'Allier plain (France)

..... **Our achievements**

An ongoing attachment to its region of origin

Since it was founded in 1965, Limagrain has continually demonstrated its attachment to the Limagne-Val d'Allier plain. Whereas Limagrain had 66 employees in June 1969, 50 years later, the Group now employs nearly 1,500 people and has become the second largest private employer in the Clermont-Ferrand region. Decisions to set up a Jacquet factory in Saint-Beauzire in 1999 and double its capacity in 2010, to create its main field crop seed research centre in Chappes in 2012 and to build its new headquarters in the Biopôle Clermont-Limagne in Saint-Beauzire in 2013, clearly mark Limagrain's attachment to its region and its desire to contribute to its economic drive and appeal.

Contributing to qualitative regional higher education

As it is convinced that training contributes to the vitality of region and as a group should be able to recruit well-trained candidates locally, Limagrain has committed to initiatives with higher education institutions in the region. As well as being a member of the Auvergne University Foundation and the Clermont-Ferrand Business School, active representation of the Group within the governance

of the future Hall 32 school was the highlight of the fiscal year. Hall 32 aims to promote industrial careers in France for young people and adults from a range of backgrounds and transfer technological skills to small and medium-sized businesses. The school opened its doors in September 2019. This innovative centre is set to be the showcase for the industrial jobs of the future.

Promoting the region through sport

A rugby culture is deeply rooted in Auvergne and the ASM-Clermont-Auvergne rugby club has been a showcase for over a century at the highest French and European level. In 2009, in view of this and the representational aspect of providing support, Limagrain became one of the major sponsors of the club, which has since won the French championship twice. Furthermore, one of the stands in its iconic Marcel Michelin stadium has been known as the "Limagrain stand" for the past three years, demonstrating its attachment to the club and supporters.



Our achievements

Contributing to the development of digital start-ups through support for Le Bivouac

Le Bivouac, which has been awarded the "French Tech" label, is the fruit of a public/private partnership involving two public players and Limagrain, alongside 8 other private partners, which are committed to boosting the appeal of the local region to encourage the influence and excellence of digital start-ups. The involvement requires a commitment from each of the partners to provide skills, expertise and knowledge of their markets to benefit the Bivouac start-ups. The background of Le Bivouac involves a region and local players that are determined together to provide a structure, place and drive for digital technology in Clermont-Ferrand and, more widely, in Auvergne.

Acting to protect the environment

For the past five years, the Group and the League for the Protection of Birds in Auvergne have been leading a programme with the help of volunteer farmers and employees, aimed at protecting the Montagu's Harrier, a species of bird deemed to be at risk in Auvergne and throughout France. The Montagu's Harrier nests in wheat fields and their young have often not yet left the nest by harvest time. The initiative is therefore aimed at finding the nests and setting up a protection area, in agreement

with the farmer. Over the past five years, half of the 188 nests identified in Puy-de-Dôme have benefited from protective measures and 175 young Montagu's Harriers have taken flight.

In a parallel move, the Group has entered into commitments with the Auvergne Conservatory for Natural Areas to protect the Marais de Cœur, located next to its headquarters in Saint-Beauzire. This area, which consists of a continental salt marsh classified as a Natura 2000 site, is a natural environment that is very rare in France. It is home to species including an EU-protected dragonfly known as the Southern Damselfly and 12 rare plants, some of which are found only here and at Mont Saint-Michel. Limagrain's contribution over the years has helped rehabilitate part of the marsh damaged by the effects of nearby construction sites and maintain an area infested by an invasive plant species.



The Montagu's Harrier is a species deemed to be at risk in France. Limagrain supports the initiative by the Auvergne-Rhône Alpes League for the Protection of Birds to find and protect nests in wheat fields.

ENGAGE IN COMMUNITIES RELATED TO OUR SITES



Limagrain South America field crop seed factory in Goianésia (Brazil)

In the regions of all our sites

The need to adapt to a range of soil and climate conditions, the essential spreading of risks and the desire to be close to markets all explain Limagrain's presence in 56 countries through a network of over 150 sites where permanent staff work. Mainly located in rural areas, these sites firstly have an impact on local employment, in particular for the subcontracting and seasonal work they provide. In addition, as a testimony to Limagrain's culture of co-operation, each site maintains a quality dialogue with its stakeholders and develops a partnership-based approach in its community. The site therefore becomes involved in a number of social or educative initiatives that enable it to participate in local life and express its social utility, whilst helping to ensure the world of agriculture and food issues are better understood and promoted worldwide.

Over
150
industrial sites,
administrative sites and
research stations
(with permanent staff)



6,242
seasonal workers,
namely
1,398
ETP
(full-time equivalents)

With regards to philanthropy, the Group's companies share specific causes, such as promoting access to quality seeds, developing learning on how to use them, contributing to education, improving living conditions and raising awareness of the benefits of gardening. With regards to sponsoring, the companies provide financial support for structures related to their communities and are active in sport, culture or promoting heritage and local traditions.



Hazera USA supports the "Yolo Food Bank"



Jacquet Brossard production site in Saint-Beauzire (France)

Our achievements

The impact of seed activities on rural areas

For a seed producer such as Limagrain, the choice of area for sites, whether for research or seed production, is largely made on the basis of technical considerations. This involves finding the right agronomic conditions and producers with expertise, whilst spreading the risks inherent in agricultural production (climate, disease, pests, etc.).

This is why Limagrain has a network of over 100 research stations throughout the world, set up in the centre of agricultural regions, and spreads its seed production over around 20 geographical areas. Limagrain thereby contributes to the business of farms and creates jobs in rural areas.

In addition, seed producing is a seasonal activity that requires temporary labour during peak periods, especially harvest time. Most seasonal staff are recruited locally.

The contribution of bakery products activities

As key links between agriculture and the general public, bakery product industrial facilities are set up in agricultural areas that provide them with ingredients and close to urban areas where the consumers live. Limagrain's purchase of Jacquet in 1995, followed by that of Brossard in 2010 – two renowned, heritage brands – have not changed this approach and their factories remain in small towns, where they are often the largest local employer. This is the case in Pithiviers (290 jobs) for Brossard or in Clamecy (325 jobs) for Jacquet. This anchoring outside of major urban areas can be seen on a larger scale in the setting up of the

Jacquet factory in Saint-Beauzire or the decision to re-build a waffle production site in Dour in Belgium, rather than on its site in the suburbs of Brussels.

Over
100
research stations
throughout the world



Inauguration of the village library in Arjunabettahalli, financed by HM.CLAUSE India

Our achievements

Improving the living conditions of communities linked to our sites in India

In India, Bisco Bio Sciences has built housing, with access to drinking water nearby, outside the boundary of the factory, to offer employees and their children a decent place to live. For its part, HM.CLAUSE India has chosen eradication of child labour, education, access to clean water and sanitation as the main focuses of its CSR programme. Recent initiatives have involved:

- providing school supplies (uniforms, exercise books, pencils, etc.) in various schools within the production areas,
- renovating the school near the Bangalore research centre,
- building brick toilets, with separate cubicles for boys and girls,
- creating a brick library in the village, supplied with electricity,

- cleaning the lake close to the research station before the rainy season, to collect as much water as possible. Indeed, the issue of water is crucial in India, not only for farmers, but also for survival of the village.

Teaching schoolchildren how to grow plants

A number of initiatives have been introduced to develop vegetable gardens in schools. Limagrain China in Beijing, Vilmorin Mikado in Toke and Otaki (Japan) and HM.CLAUSE in Australia are all involved in this type of action, whereby employees go to meet children and teach them about plants and seeds.

Our achievements

Hazera supports the Roseland project in Ethiopia

In the Netherlands, Hazera provides support, both financially and in the form of seeds, for the Roseland project. The aim of the project is to provide education for the poorest children in the Holeta region of Ethiopia, by supporting a school. In addition to education, the project also sets out to improve the living conditions of local populations. For this, it has purchased a plot of land for growing fruit and vegetables, part of which is used to prepare meals for the children and part of which is sold. This project therefore has a positive impact on the community in terms of food, education, jobs and promoting self-sufficiency.

Vilmorin Jardin supports Jardins du Coeur

Keen to encourage the pleasure of learning and experimenting in the garden, Vilmorin Jardin has been supporting Jardins du Coeur in France since 2014. This is a branch of the well-known Restos du Coeur project and involves gardening workshops

to help reintegrate people in difficulty into society. In addition, they supply vegetables that are then distributed by the Restaurants of Love. Every year, Vilmorin Jardin gives seeds to 42 French Gardens of Love.



177

social
commitment initiatives

Vilmorin Atlas provides bicycles to help children get to school

In many countries, access to education is hindered by the distance between where pupils live and their school. Having to walk a long distance to school is often a reason for children giving up schooling. To lower this drop-out rate and allow easier access to education, Vilmorin Atlas has provided 40 bicycles to the parents' association of the Ait Bouli school to help children that do not live on school bus routes get to school more quickly.



Vilmorin Atlas helps children to get to school in Ait Bouli (Morocco) by providing bicycles for the pupils' parents.

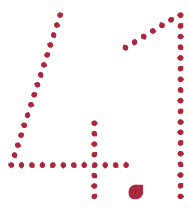


... FOR THE PROGRESS OF AGRICULTURE...

Contributing to the sustainable progress of agriculture through seeds is a priority that is inseparable from Limagrain's seed business.

Unlike its main competitors, Limagrain does not have an agrochemical line of business and aspires for its new varieties to provide effective and sustainable solutions for all forms of agriculture solely through genetics. This component of the CSR programme encompasses issues related to seed production, with respect to both the creation of products and plant biodiversity, which is at the source of plant breeding, as well as contributing to societal debates on seeds.

It is by helping agriculture to become both more productive and more respectful of the environment that Limagrain can play a role in developing a sustainable and competitive model, able to contribute to meeting food challenges.



PROPOSE INNOVATIVE AND RESPONSIBLE SOLUTIONS

BASED ON PLANT GENETICS

Agriculture is facing a number of challenges, the first of which is the need to meet the food requirements of an increasing world population. To meet this challenge, by 2050⁽¹⁾ agricultural production has to rise by 60% in quantity, but also in quality and diversity in a context of scarce resources, such as available arable land, water and energy. It is therefore essential to increase yields, optimise land use and promote integrated chains. Limagrain is convinced that plant breeding is able to play a role in meeting these challenges.

(1) Source: FAO. Food report 2019. IFPRI 2018.

Developing sustainable plants and crops solutions to help meet the challenges of the future



Breeding teams continually strive to create varieties that meets the expectations of farmers and growers, whatever their operating system, issues or geographical area. Limagrain therefore integrates the requirements of producers and the entire agri-food chain from the very start of its research programmes, thanks to close, ongoing relations between the breeders and local teams dedicated to product development or sales. Limagrain also integrates new agronomic practice into its research, related to new technology, especially digital technology.

5,208
varieties
commercialised
in 2018-2019



from
60
plant
species

The work of the Group's breeders aims to adapt the varieties grown to changes in agricultural ecosystems and their constraints (climate, soil quality, etc.) A reduction in inputs, such as fertilisers or plant health products, together with better resistance or tolerance to pests and diseases, are factors taken into account for improving the environmental performance of sustainable yields.

Reduced use of plant health products is not only widely expected from agriculture by society, but also an economic issue for farmers. Breeding contributes to this ambition by selecting varieties that are naturally insect or disease-resistant.

Our achievements

News of ADORA, the tasty tomato

In a context where tomatoes are frequently cited as the crop that has lost its flavour

with industrialisation of its production, the ADORA tomato from HM.CLAUSE demonstrates the potential for improving plants to meet this consumer concern. Launched 18 months ago, this tomato, which combines the advantages of the "Marmande" and "Black Krim" varieties,



incorporates many qualities that partner producers strive to develop to the full by respecting production specifications. ADORA provides the proof that new varieties can produce great-tasting fruit. Having won an award in September at the Fruit Attraction in Madrid, ADORA was even the star of the TV programme Masterchef shown in Spain.



A carrot to combat nematodes to replace chemical treatment

Following the EU ban on a chemical treatment product, carrot producers in France and Italy are facing an increased number of nematodes in



their soil, which can cause production losses of up to 90%. Since 2002, Vilmorin Mikado, the world leader for carrots, has been working with partners to seek an alternative solution to chemicals. Vilmorin Mikado has announced that a carrot will be soon available within 2 to 3 years to clean up the soil by preventing multiplication of the nematodes that are naturally trapped in its rootlets. **This "trap" carrot, which is not designed for human consumption, cleans up the field with a view of growing consumable carrots and has an efficacy level of between 40 and 80%.**

Reducing the use of plant health products thanks to adapted varieties

In rapeseed, Turnip Yellow Virus (TuYV) is a disease transmitted by the peach-potato aphid (*Myzus persicae*). It damages the rapeseed and can cause serious loss of yield. **Limagrain has recently selected the LG Architect rapeseed variety that is partially resistant to this virus, thereby limiting or even removing the need for insecticides against this type of aphid.**

In soft wheat, reducing the use of fungicides, insecticides and growth regulators during vegetation is also an objective. Once again, genetic selection can provide farmers with

sustainable, environmentally-friendly solutions. LG Absalon and LG Armstrong are two varieties that have a very good disease tolerance profile.

The performance of these varieties has been recognised by each being awarded a Plant protection product saving certificate (CEPP). CEPPs are the action lever of the ECOPHYTO programme introduced by the French Ministry of Agriculture to encourage the selection of varieties that contribute to reduced use of plant protection products.

..... **Our achievements**

Starcover, technology that contributes to the expression of seed performance

Seeds are a promise. A promise of production for the farmer or grower, as well as a promise that unforeseen circumstances that may occur prior to harvest are reduced. Seed treatment helps ensure seeds start off in optimal conditions. During the 2018-2019 fiscal period, **Limagrain Europe launched an innovative and original bio-stimulant in Germany, Belgium, Denmark, Italy and the Netherlands, called Starcover. Applied in seed treatment, it combines two natural active ingredients – a plant extract and a bacterium – that act together on corn seed.**

The promise of Starcover is to provide more and better roots for better access to soil nutrients, better phosphorus uptake and a more vigorous plant start. All these advantages contribute overall to improved regularity between plants and greater stability in yields. Starcover will be launched in other European countries over the coming fiscal periods.



Enabling small-scale farmers to access quality seeds and local species

For Limagrain, only the complementary nature of all forms of agriculture will be able to meet food challenges. Except for crops grown to produce energy or protect/regenerate soil, which are still limited worldwide, seeds play a decisive role in food. Our

researchers aim to contribute to improvements in food production, both in quality and quantity, through the creation of varieties with improved characteristics.



ATSI ranking⁽¹⁾

.....
6th
out of 13
seed
producers
 operating throughout
 the studied areas



On account of their essential role in food safety, ensuring all farmers can access quality seeds is necessary for improving food, especially in subsistence farming. This is why access to seeds by small producers is crucial and why Limagrain is striving to ensure this can happen.

(1) The NGO Access to Seeds Foundation publishes a small producer seed accessibility index (Access to Seeds Index – ATSI) for South America, Africa and Asia.

..... **Our achievements**

Limagrain supports the action of Fair Planet for small-scale farmers in Ethiopia

The seed is the leading production factor for all farmers. They enclose the promise of production that growers will either consume themselves or sell. In all cases, the seed is decisive for the living conditions of the farmer or grower. Having access to quality seed and allowing it to express its potential is a key issue, especially for small-scale farmers.

In view of this, Limagrain was the first seed producer to commit as a founding partner of Fair Planet, an NGO that has been active in Ethiopia since 2012, whose aim is to ensure the development of vegetable production by experimenting with high-performance varieties and training small-scale growers how to use them.

"Bridging the Seed Gap" is Fair Planet's goal among small-scale vegetable growers in Ethiopia, aimed at breaking the vicious cycle of poor seed quality, poor vegetable quality, malnutrition and poverty. Its method is to test varieties emerging from seed company research in local conditions to decide which are best adapted to local growing conditions and then to train growers how to best bring out their potential.

In the six years it has been operating in Butajira, over 24 varietal tests have been performed on farms. They have enabled the NGO to identify which varieties of hot pepper, tomato, onion and cabbage are best adapted to local soil and climate conditions. Over 250 reference producers, located in 17 villages that cover most of the local vegetable production, have been trained. Over 90% of growers in the region now use quality seeds and the results speak for themselves in that tomato yields have multiplied by 4 and hot peppers by 8.

250
trained
reference producers

Tomato yields
have increased

x4 

The NGO, currently operating in Dire Dawa and Haramaya, is continuing its activities in the east of Ethiopia. In 2020, Fair Planet is expecting 50,000 Ethiopian small-scale growers to have been reached directly or indirectly by the NGO's programme.



Supporting changes to different models of agriculture for better farm performance and a more sustainable world

To improve its contribution to sustainable changes in farming systems, Limagrain has chosen to launch two initiatives as part of its new CSR programme in the field of innovation:

- **evaluating the impact of its innovation on production systems,**
- **exploring new paths of innovation that may have a beneficial impact on these systems.**

Indeed, for Limagrain, meeting market requirements and satisfying requests from its customers have always been the guiding thread of its research programmes and its leading position in a certain number of markets show the effectiveness of its response. Meeting market needs is of course the primary objective, but it must be supplemented by an approach that provides a sustainable response to future changes and issues. For this reason, Limagrain will be evaluating its research

programmes and new solutions in the context of their impact on changes to the production system in question, in social, environmental and societal terms.

Secondly, meeting market requirements sometimes bypasses projects, pathways and ideas, because they are too vague or they do not immediately meet market requirements or the envisaged market appears too restricted. Their impact can however be highly positive. Limagrain therefore wishes to study how some of these abandoned ideas could provide a positive contribution or which new ideas could be envisaged.

Through these new initiatives, Limagrain will be adopting a revised approach to its markets, in order not only to meet their requirements, but also to integrate the desire, through its capacity to renovate, to have a positive impact on changes to production systems in agronomic and environmental terms.

Ensuring our customers have safe, quality products

In order to market seeds, Limagrain must meet regulatory and contractual obligations, as well as customer requirements.

Regulatory obligations exist in most countries; these especially cover aspects relating to health, technology and purity in order to guarantee the identity, species purity and germination rate of the seeds.

Limagrain also has internal requirements to reduce its exposure to the risks of product nonconformity, which can have severe financial consequences, especially due to the dissemination of seeds in different countries worldwide and the complexity of regulatory contexts.



PROPOSE INNOVATIVE AND RESPONSIBLE SOLUTIONS BASED ON PLANT GENETICS

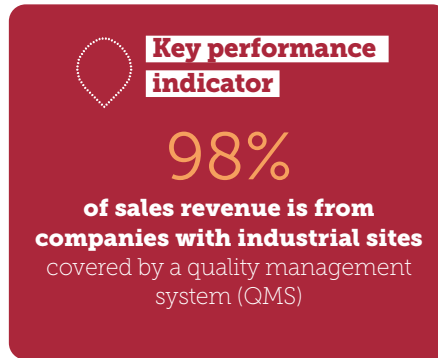
Furthermore, Limagrain’s reputation, profits and the market value of its products could be negatively impacted in cases of:

- contamination of seed batches by parasites (insects, fungi, bacteria),
- mixing, either physically or by contamination via pollen flow, between conventional seeds and genetically modified seeds,
- failure to comply with quality standards required by the suppliers of GMO traits (for example, for implementing a Quality Management System in compliance with

the requirements of the ETS - Excellence Through Stewardship programme (see below), for introducing a control plan in compliance with the requirements of the technology supplier, for training, etc.).

To ensure a reliable level of traceability, from research to production to marketing, Limagrain implements quality management systems in compliance with the highest European and international standards. These tools are an integral part of a continued improvement approach, for which roll-out and scope progress each year, aiming for operational excellence.

Regarding Genetically Modified Organisms (GMO), Limagrain has been a member of “Excellence Through Stewardship (ETS)” since 2012. This commitment means that all Business Units working with genetically modified (GM) material must implement quality management systems and responsible stewardship, from research through to marketing. In this context, of-



official audits are performed every three years on quality management systems by independent auditors on selected sites and activities. Having obtained the ETS certificate in 2015, Limagrain underwent a second cycle of audits and obtained its new ETS Certificate in 2018. This is proof of its capacity to manage GMO activities alongside those of the conventional channel.

As regards food, consumers are increasingly questioning the nutritional quality of products. In this context of increasing concern over the impact of food on health, Jacquet Brossard has placed nutrition at the core of its concerns. The company is focusing its efforts on optimising the

nutritional quality of its products and creating new recipes in phase with public health goals: reducing the amount of salt, fat and simple sugars, whilst increasing complex carbohydrates and fibres... to contribute to better food for all French people.

Nutritional goals set for Jacquet breads:	Achievement on 30/06/19
70% of the range reaching 3% of fibres	85%
35% of the range with less than 3% fat	10%
70% of the range with less than 1,27% salt	90%

PROPOSE INNOVATIVE AND RESPONSIBLE SOLUTIONS BASED ON PLANT GENETICS

..... Our achievements

Brossard's commitment to the National Nutrition and Health Programme

In 2016, Brossard was the first brand name in the industrial bakery products sector to sign the voluntary Charter for Nutritional Progress with the Ministry for Health, under the National Nutrition and Health Programme. Obtaining this charter of undertakings rewarded

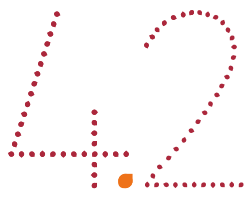
numerous efforts made to improve the nutritional qualities of its iconic products, with further efforts still to come. This commitment is an integral part of continued initiatives taken over many years, such as the removal of palm oil from the list of ingredients.



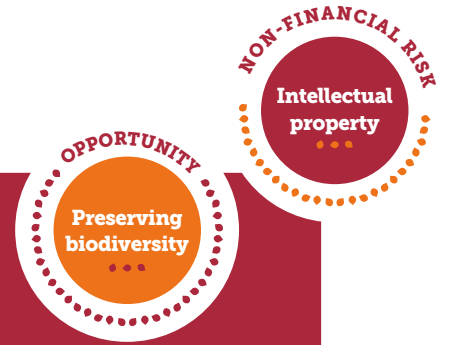
Jacquet Brossard rolls out the Nutri-Score nutritional labelling system

Jacquet Brossard's decision to use the Nutri-Score nutritional labelling system shows its determination to meet a major public health challenge, as well as meeting requirements from consumers for simpler and more transparent labelling. The Nutri-Score system can already be seen on the websites of the Jacquet and Brossard brands and will be gradually displayed on packaging throughout 2019.





PROTECT, ENRICH AND DISSEMINATE PLANT BIODIVERSITY



Plant breeding is at the crossroads of improving agricultural competitiveness and global environmental challenges, such as climate change, diminishing resources (soil and water) and societal expectations as regards reduction in inputs (fertilisers, plant health products, etc.). To meet these challenges, solutions will be found in existing biodiversity which, through cross-breeding, offers the ability to create new varieties with improved performance. The wider the genetic diversity, the more possibilities there are. Protecting, enhancing and disseminating biodiversity are therefore essential tasks for all seed producers in order to preserve their ability to propose new varieties adapted to the diversity of markets and offering responses to the challenges of the future.

The capacity to access biodiversity is a crucial issue. As such, and due to complex national regulations arising from application by member states of the Convention on Biological Diversity, Limagrain is particularly exposed to the risk of using a genetic resource in breach of local regulations. In addition, the intellectual property rights held by Limagrain, including protection rights over these plant varieties and technological innovations that constitute Limagrain's assets, call for specific precautions. Challenging the validity of intellectual property rights (and related rights), together with use by unauthorised third parties of the assets, products or procedures protected by intellectual property rights, constitutes a significant risk for Limagrain.

Plant breeding requires time and technology and is continually evolving. An average of 7 to 10 years are needed to develop a new variety. Limagrain therefore pays particular attention to protecting the rights of creators of new varieties, which provide a crucial source of financing for research. Research is an essential vehicle for innovation

for continuing genetic progress and improving plants. At the same time, access to the widest possible genetic variability is also a prerequisite for ensuring global progress in breeding. In this specific context, there are two systems for protecting innovation in the field of plants:

- the Proprietary Variety Certificate to protect varieties,
- patents to protect inventions using plant biology techniques.

Key performance indicators

255
new varieties marketed

€20 million
dedicated to preserving plant biodiversity,

representing **8,1%**
of the research effort

For Limagrain, these two systems are complementary and should be able to coexist, providing the intellectual property systems allow as wide an access as possible to existing genetic resources. In this context, the principle of breeding exemption must constitute a basis for any intellectual property system applied to plant innovation.

Limagrain favours Proprietary Variety Certificates to protect its plant varieties. It also uses Patents to protect its biotechnological innovations. If, however, the competitive, legal and economic context of a country demands that Limagrain patents its commercial varieties, it respects its founding principles by always being ready to grant licences for using its varieties as a source of genetic variability. This case virtually only exists in the United States.



In Europe and other countries where the marketing of new varieties requires registration in official catalogues, **Limagrain, like other companies, must prove they are distinct and, for field crop species, that they perform better than varieties already on the market.** Official studies therefore include two types of tests, namely the DHS (Distinctness, Homogeneity and Stability) for all species and the VCU (Value for Cultivation and Use) for field crop species. This means that each



new variety on the market provides improvement and is distinct from those already sold, thereby contributing to increased biodiversity.

Limagrain goes further in preserving plant biodiversity by contributing to gene banks.

Its contribution is primarily non-financial in that it involves providing genetic material through certain national collections, as well as making its commercial varieties available as a basis for research and plant breeding, according to the *sui generis* principle of breeder's exemption that forms part of the intellectual property protection specific to seeds, as implemented under the terms of the UPOV Convention. In addition, Limagrain plays a decisive role in initiatives carried out by the professional federations Euroseeds and the International Seed Federation (ISF), to discuss changes in the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGR) and the related Multilateral System (MLS). It has supported them financially and strives to convince other seed producers to commit to shared initiatives.

Lastly, a number of partnerships related to preserving biodiversity link Limagrain to technical institutions worldwide, such as: Embrapa (Brazil), Kasetsart University (Thailand), CAAS (China), INRA (France), Tomato Genetics Resource Center (USA), Institut ARO (Israel), Center for Genetic Resources (Netherlands) and the Seed and Plant Improvement Institute (Iran).

Innovation protection systems in the field of plants

The Proprietary Variety Certificate (PVC)

As the most comprehensive law in this field, the Proprietary Variety Certificate (PVC) is an intellectual property right resulting from the UPOV (Union for the Protection of New Varieties of Plants) Convention. **Designed specifically for plant breeding, its aim is to encourage breeders to create new varieties, whilst permitting access to genetic variability.** It particularly protects the ownership, production and commercialisation of the variety for a period of 25 years. It includes two fundamental elements, however:

- **the breeder's exemption:** a commercial variety protected by a PVC can be used without financial conditions by another breeder in order to create a new variety with original characteristics that are distinct from the first;
- **the farmer's exemption:** under certain conditions (such as the payment of royalties to remunerate the research effort of the proprietor), and for certain species (wheat, barley, oats, rye, rape seed, etc.), the PVC allows farmers to use a part of their yield to re-seed their fields the following year.

Patents

Unlike PVCs, which specifically protect plant varieties, the scope of application of a patent is much wider, covering many fields of activity from an industrial viewpoint. **It grants its holder exclusive use of an invention for a limited number of years and within a defined geographical area. In exchange, all information relating to this invention are made public.**

Depending on the country and its legislation, application can cover various fields of plant selection, including production processes, the varieties themselves (in a very limited number of countries), elements of the plant (genes, etc.) or the plant itself. Subsequently, any seed producer wishing to use a variety covered by patents must request authorisation and potentially pay a fee.

Currently, the USA, Japan and Australia allow plant varieties to be protected both by patents and PVCs. In Europe, only PVCs are authorised to protect plant varieties. Alongside this, patents are used to protect other inventions in the field of plants innovation, except for "essentially biological" processes.



4.3

INTERACT WITH OUR STAKEHOLDERS ABOUT THE STAKES OF SEEDS

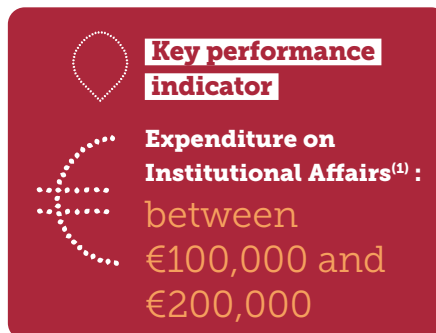


Discussions with stakeholders are a key component of the Group's CSR programme. As regards risk, evolutions in science and agriculture are currently the subject of heated debate, intensified by social media. Many organisations are questioning the progress made over recent decades and this affects all aspects of science and agriculture. Seeds, which involve both science and agriculture, as well as both food and nature, are the subject of many debates and virulent, even violent, disputes. This is particularly the case in developed countries such as France, Limagrain's country of origin, where disputes over progress are widespread. They cover a multitude of subjects (intellectual property, product quality, biodiversity, breeding methods, etc.) and come in a wide range of forms.

On account of its business, Limagrain is exposed to public attacks of all kinds and from all sources, particularly in France, whether justified or not, in good or bad faith, but which can harm its image and reputation. Such events may have negative effects on Limagrain's sales, profits, image, appeal and prospects for development. In debates on the respective use of plant breeding rights and patents, Limagrain continually advocates a fair balance between the two protection systems designed for plant innovations. Limagrain defends a balance that protects intellectual property, without prohibiting use of innovation as a source of other creations. In terms of plants, new varieties cannot be created

without access to existing plants. This commitment can be illustrated by two very important European legal rulings in which Limagrain's contributions were decisive, namely recognition of the breeder's exemption in European patent law and the non-patentability of essentially biological processes.

Many initiatives have also been undertaken by the Business Units. Most of these initiatives have created constructive dialogue with local stakeholders, for example on the subject of water management. Furthermore, they increase the numbers of visits and meetings, especially with seed growers for jointly researching shared pathways for improvement.



(1) Declaration to the Haute Autorité pour la Transparence de la Vie Publique

Our achievements

Limagrain Nederlands presents its research site in Rilland

To mark the opening of new greenhouses and growing rooms at the Rilland research station in the Netherlands, Limagrain Nederlands organised a week of meetings and discussions in July 2018 entitled "Perfect Plant".

During the 4 days of meetings, 2,500 visitors were welcomed at the open days devoted to distributors, farmers, staff and their families, retired staff members and the general public.

The subject introduced by the Director of Plant Science at Wageningen University was **to show how plant selection, through plant breeding, can meet existing and future challenges and its role as a starting point for food production.**

To provide practical and visible examples of the work involved in plant breeding, an extensive demonstration plot showed the full diversity of species created by Limagrain Nederlands, together with the Hazera onion range. As they explored the plot, visitors were able to learn more about the link between research and the grown product.

Involving the families of staff members

The families of staff members are at the forefront of stakeholders interested in the Company's business, as they share in the life of the Company daily, but only through words, without really knowing what the company and its business mean in practical terms. The opening of a new site was an opportunity seized by Hazera BV for a new research station in Warmehuizen. The open days organised at the station, already attended

by 900 professionals, were extended to welcome families of staff members.

The organisation of such an event and the ability for each employee to present the company and their working environment to their families was a source of pride and strengthened the feeling of belonging, even for the families.

Events for upholding customer relations

Customers obviously form part of the stakeholders. In the context of our strategy to operate as close as possible to the markets, there is a strong, often long-term, relationship with our customers, due to our commercial relations marked by professionalism and mutual respect.

In addition to these meetings focused on products, a number of customer visits are organised to learn more about our research and production sites.

To show their products, all the companies organise commercial showcases that enable visitors to learn more about the varieties in growing conditions. These meetings are a crucial part of field or vegetable seed activities, as they provide an opportunity to talk about the products, markets and areas of research with those who will pass the information on to users. During the fiscal period, HM.CLAUSE India and the LG brand in Thailand organised this type of meeting for the first time. For its part, HM.CLAUSE celebrated the 10th anniversary of its meetings in Jordan.



The first LG commercial showcase in Thailand

Our achievements

Sharing with our peers

As a key player in plant breeding, Limagrain is very active within the scientific community and is involved in numerous partnerships with public and private research laboratories on every continent. It supports many international colloquia on relevant technologies or species, in which its research staff actively participate. For the first time, a delegation of nine Limagrain researchers took part in the 21st "Crucifer Genetics"

symposium on Brassicas. Other delegations have taken part in the Eucarpia Biometrics conference, the Plants & Animal Genome Conference, the "2019 Seeds" meeting and the "Galaxy Community" conference. Lastly, Limagrain regularly welcomes visitors from the scientific world into its research centres, in particular its Research Centre in Chappes (France).

Playing a role in representing the profession

In all activities, inter-branch organisations and professional unions play a decisive role as intermediaries for stakeholders related to their profession, whether these are governments and their administrations, regulators, political powers, the media or NGOs. Their role is to summarise the opinions of their members and defend these points of views in debates on their sector of activity.

In this context, Limagrain is closely involved in inter-branch structures and professional unions,

both at French level – with the GNIS (National Inter-branch Group for Seeds and Plants) and the UFS (French Seed Union), European level – via Euroseeds – and international level – through the International Seed Federation (ISF). **As such, it actively participates in debates on agriculture and, more specifically, on seeds as protection of the living environment, access to genetic resources and use of plant biotechnology, especially in the field of scientific research.**

Sponsoring professional events

In September 2018, Vilmorin-Mikado was the exclusive partner of the 2nd International Symposium on Carrot and other Apiaceae held in Poland. Scientific and technical presentations were given over three days, with one day being dedicated to the presentation of the Vilmorin-Mikado range and its various areas of expertise, including quality control, seed technology, production and quality of taste. **It was also an opportunity to strengthen our image as world carrot leader among the 200 invited customers, producers and distributors from all continents** (especially Asia), with a wide range of world carrot specialists (technical consultants, disease specialists, breeders, processors and distributors).





... EVERYWHERE, FOR EVERYONE.

To develop in France and internationally, Limagrain respects all its stakeholders, starting with the men and women of its own organisation. It conducts its business responsibly, with heightened vigilance with respect to ethics and the environment.

This is a corporate choice that aims to make the group more agile, ethical and responsible for long-term commitments in all markets. This area for improvement should also allow us to limit use of resources and contribute to creating and preserving value in the short, medium, and long terms. Lastly, this choice should enable us to expand the Group's activities, whilst optimising the management of environmental, social and societal risks, in diverse and ever-changing business contexts.

5 FOSTER PROFESSIONAL FULFILMENT

Limagrain therefore ensures it maintains quality social dialogue, promotes a culture that encourages participative management and nurtures the talents of everyone who wishes to share in this adventure, to anticipate and meet the needs in human resources in line with the Group's values and its strategic orientation.

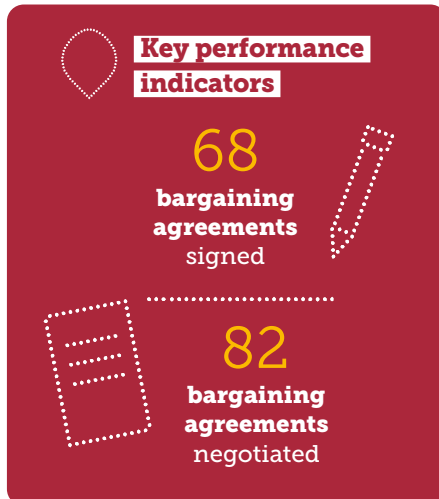
Encouraging social dialogue

Limagrain has chosen to promote instructive social dialogue with its social partners and encourages collective negotiation in processes introducing workplace rules. It therefore strives to prevent the risk of social conflict, which could affect the availability and quality of products and even negatively impact its commitments to its distribution customers and end consumers.

On account of its French origins, the fact that 44.5% of its employees work in France and the very strict French legal context, Limagrain has negotiated numerous bargaining agreements that apply in France. As of 30 June 2019, three Group agreement

negotiations affecting French employees had been opened. They involve reviewing the agreement on the European Works Council, the Group profit-sharing scheme and implementing harmonised providence cover for employees in France.

Following on from Group agreements, Company agreements are also negotiated, taking account of specific features and the needs of each company, with partners directly involved in monitoring the policies in place in their entities.



..... **Our achievements**

European Works Council

In addition to the institutions representing staff of each company, Limagrain has chosen to introduce a European Works Council (EWC) to be able to discuss issues that affect employees in several European Union countries. Comprising 30 staff representatives from 10 EU countries, the EWC meets twice a year with the aim of encouraging staff information and establishing a

constructive dialogue with the staff representatives of European companies. It covers economic, financial and social issues of a transnational nature that go beyond the boundaries of any single country. Financial training is offered and provided to members of the EWC to help them to assimilate their role within the Council.

Guaranteeing the health and safety of individuals

Spread over 56 countries and active in a range of environments and conditions, Limagrain's employees form part of its most precious assets and none of them should risk their physical or moral integrity in the context of their professional activity.

Employee health and safety risks are the subject of daily attention and a proactive policy.



A work-at-height rescue exercise at HM.CLAUSE Perú.



Workplace safety policy

Limagrain is convinced there cannot be sustainable performance without safety. In addition to the prevention policy it has been rolling out since the 2014-2015 fiscal year, Limagrain has been promoting a workplace safety policy. Based on strong management involvement, its goal is to act both on the organisation and on behaviour, which is the main cause of accidents, in order to effectively prevent workplace accidents. A Group Safety Committee coordinates the implementation of this policy, followed up by the action of a safety coordinator.

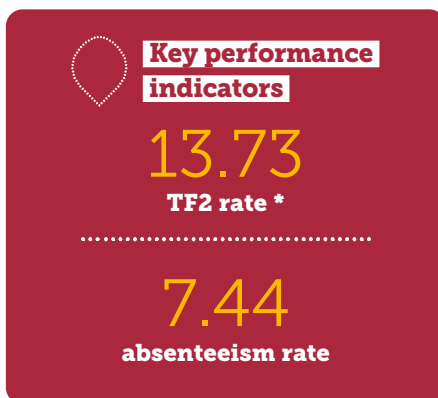
In parallel, Business Units are responsible for coordinating this policy internally, ensuring business managers work closely with security experts, as well as for providing internal communication on the policy, encouraging managerial involvement and motivation at all levels of the organisational chain, training all employees, assessing the risks and

setting the norms and standards for prevention, tracking safety policy indicators, analysing all accidents irrespective of their severity, and learning lessons from every situation of failure.

In 2015, Limagrain set the ambitious goal of halving its TF2, the frequency rate of accidents with and without lost time, over a three-year period.

The rolling TF2 rate over 12 months stood at 24.10 in August 2016. It was reduced to 13.73 by 30 June 2019. We can therefore consider that the goal has practically been reached. A new goal has been set, namely to reach a TF2 of 8 by 2021, in other words to virtually halve the rate once again.

Furthermore, to counter the risk of occupational diseases, Limagrain ensures its employees undergo medical check-ups on hiring in a certain number of countries and is striving to improve work conditions, notably through managerial safety visits.



* TF2 represents the frequency rate of accidents with and without lost time, namely the total number of reported accidents per million hours worked



Our achievements

Limagrain Europe continues its LiSA safety programme by launching LiSA 1.2

The Limagrain Europe safety programme, known as LiSA, was launched three years ago and has succeeded in changing mindsets and beliefs as regards safety, as well as reducing the number of accidents in the workplace. A number of initiatives played a significant role in achieving this result, including the "Deal With It" workshop that raised the awareness of 1,500 employees, training 400 managers in Managerial Safety Visits, the implementation and rollout of Mec@ programmes (compliance of agricultural equipment), Cali (managing chemical risks) and communication on Safety Corners. To continue in this direction and make further progress, Limagrain Europe launched the LiSA 1.2 programme in January 2019:

LiSA 1.2 will enable Limagrain Europe to continue its safety efforts over the next four years, focusing on three major areas:

- From "Deal With It" to "Deal With your Driving": As road risks constitute a major risk in the BU, the

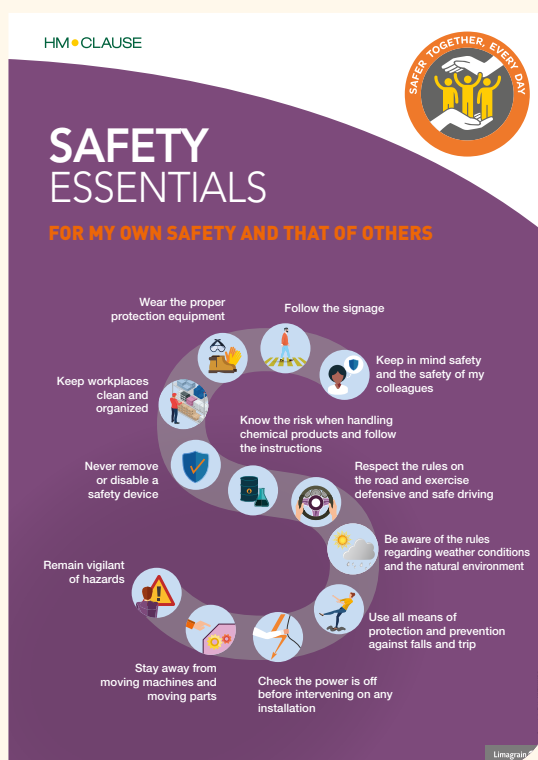
1,500 employees will be invited to Deal With your Driving – a half-day on a circuit to raise awareness of the consequences of their driving behaviour;



- Raise the requirement levels for Managerial Safety Visits (MSV);
- Develop new tools and upgrade the existing tools (Cali, Mec@ and the Safety Corners). TAKE 5 has been created to manage and prevent the risks to which Limagrain Europe personnel may be exposed when working on third-party equipment;
- Lastly, a MSV monitoring and reporting tool, together with a safety manual setting out the safety requirements of Limagrain Europe, will be created to improve safety management on our sites and within our activities.

New "Safety" policy at HM.CLAUSE

At the end of the fiscal period, HM.CLAUSE launched the new version of its safety policy, together with e-learning on the safety basics applying throughout the BU. In order to reach as many people as possible, all communication media is in 13 languages and examples have been carefully chosen in order to be relevant to all lines of business and all cultures. And as the safety culture involves each and every employee at HM.CLAUSE, the employees of Portes-lès-Valence organised a safety day at the beginning of June for all their colleagues.



Our achievements

Workplace security

Limagrain is exposed to personal security risks, especially on account of its installations abroad. Indeed, a significant proportion of its employees (expatriates, local employees or those on business trips) regularly work in countries presenting a range of risks, including terrorism, armed conflict, riots, crime and natural disasters.

Limagrain is also exposed to the risk of attacks against its property (production tools, deliberate adulteration of its food products, production stocks, research results, etc.). Although "appropriation" theft (simple theft, burglary, etc.) form the majority of these risks, theft of "sensitive" data or information (economic or competitive spying) are also a serious threat as it can have considerable impact.

Organisations that dispute all or part of the Group's activities continue to represent a significant risk in terms of image, as well as potential financial losses (particularly in cases of test plots being destroyed).

In response to the personal security risk, Limagrain has adopted a monitoring and alert procedure in high-risk countries that limits employee exposure. This procedure is supplemented by a registration scheme that enables employees travelling abroad to be tracked and alerted in real time in the event of a risk occurring in their location. The Group is also strictly supervising business travel in terms

of destination. Lastly, fast-response repatriation solutions are now operational. This scheme is supplemented by crisis management procedures related to the nature of these risks.

Since 2017, Limagrain has been listed as a partner company by the Crisis and Support Centre of the Ministry for Europe and Foreign Affairs and attends annual meetings on security for French companies abroad.

As regards risks of attacks on property, Limagrain is continually strengthening its site protection and, more globally, its security and crisis management policy. The Group Safety/Security Department, which was reinforced by the recruitment of a security manager, centralises information and creates closer ties between the various departments concerned (Information System Security, Human Resources, Business Units, etc.).

Lastly, as a food producer, particular vigilance is exercised to prevent the intentional adulteration of products, aimed at rendering them unfit for consumption.

All these actions are co-ordinated by a Group Safety / Security / Data / Archive / Crisis Director.

Agri-food site introduces "food defence"

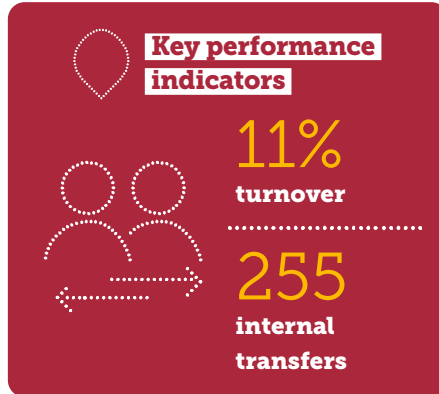
The concept of food defence aims to protect the production of food from any malicious actions intending to render it unfit for consumption. The Jacquet Brossard plant in Saint-Beauzire introduced an action plan in 2015, based on the prevention measures imposed by the International Food Standard (IFS) and the General Food Directorate (DGAL). The programme includes annual audits, regular on-site exercises and daily staff reviews of identified weaknesses or anomalies. This programme is set to be extended to other sites and the Group Security Department is drawing up a dedicated manual.



Attracting and developing all talents

To ensure its long-term operations and development, Limagrain is continually looking for new employees that will bring skills and experience to enhance the Group. The appeal of the Group is a key issue as, in a context of competition between employers, this must encourage applicants to choose Limagrain for their next job. Similarly, everything possible must be done to keep employees and avoid departures that upset the structure, resulting in a loss of skills and involving financial impacts, starting with the search for a new candidate.

Making the company attractive and keeping talent depends on a number of factors, which must make



applicants want to join the company and then make employees want to stay. These include the corporate image, the human and digital experience, the interest of assignments, the pay package and quality of life at work.

Redesigning the employer brand

Work on boosting Limagrain's marketing as an employer was carried out during the fiscal period, aimed at increasing the overall renown of the Group and thereby attracting and keeping talent. Documents enhancing the employer brand have been reworded and redesigned and will be integrated into the HR tools as from September 2019. The new visual approach of the Limagrain employer brand is designed to better express the diversity and success of the Business Units, to tell the story and reveal the soul of the Group, as well as promoting the various lines of business, the career paths available and their diversity.

It is a plural employer brand, addressing potential applicants, students, social partners, key players in employment pools, staff in schools and universities, as well as Group employees. During the transition year 2018-2019, new initiatives were added to the programme, such as:

- continuing to develop relations with schools both in France and abroad, including consolidating local relationships with the Institut Supérieur d'Agriculture Rhône-Alpes, Agro Campus and Sup Agro Montpellier, together with Wageningen University in the Netherlands, which is the world's leading institution for life sciences,

- continuing to roll out communication of the employer brand on the Group's main social networks: LinkedIn and Facebook.



Recruitment tools and initiatives

Campus Management: an initiative aimed at promoting Limagrain in schools and universities

To support its development, Limagrain needs young talent. The Group relies on its Campus Management programme to boost its actions in relation to schools and universities. 24 volunteer employees from a range of backgrounds help the HR teams promote knowledge of the Group in their former schools through their business expertise and career testimonials. This network of Campus ambassadors, together with partnerships with targeted further education institutes, helps Limagrain increase its visibility. Campus ambassadors are special contacts in schools and universities that promote the career opportunities and the wide range of businesses within Limagrain. They are crucial links in the recruitment chain, acting upstream to support the recruitment team and helping to detect the talent the Group needs.



24

employees involved
in the "Campus Management"
schools relations programme.



for a budget of

€26,804

Improving the applicant and employee experience

It is essential that all interactions with Limagrain are considered positive experiences, whether by active or passive candidates, former or current employees. The experience resulting from these interactions has become crucial for engaging, developing and preserving a sustainable, constructive and positive relationship of trust between individuals and the company. A good candidate/employee experience facilitates the recruitment, retention and engagement of individuals, as well as developing a positive image of the employer brand.

Our achievements

B-Smart: Human Resources, Career and Recruitment Information System

Launched in 2010, "B-SMART" has enabled the Group to offer an HR employee/manager portal, as well as digitising management of the annual appraisals, recruitment and internal mobility. The rollout of B-SMART continued during the 2018-2019 fiscal period, with a focus on improving the user and candidate experience and removing certain obstacles, leading to faster, internal processing.

A new, more user-friendly recruitment portal was introduced for external candidates, together with a new Talent Review module to simplify management of this process with managers. A training catalogue has been rolled out to make it easier to consult the training programmes available within an employee's entity.

The pay and benefits package

Limagrain strives to develop a fair and motivating pay and benefits package for all employees, combining appeal and competitiveness. Comprising a system of remuneration and benefits, it is approached both globally to ensure fair treatment and then adapted to the context of local employment, to meet employee expectations.

Profit-sharing scheme

Originating in France, the profit-sharing scheme has been extended to foreign companies and for all skills levels. The Group's profit-sharing agreement therefore covers all subsidiaries, including those that joined recently, in which the Group holds over 50% of equity. It comprises a "Company" component, calculated according to the performance of the subsidiary, and a "Group" component. The calculation method is mainly based on redistribution of the economic performance results.

In 2016-2017, a new Group profit-sharing scheme was introduced aimed at improving the redistribution of profits among all employees. It featured a significant increase in the proportion originating from the Group and improved consistency in the amounts distributed between each company. Furthermore, it resulted in a higher amount being distributed than in previous fiscal periods that is more closely aligned to the Group's results.

Employees saving scheme

A Group Savings Scheme is offered to French employees, with all running costs paid by Limagrain. It comprises three funds – two of which are exclusively reserved for employees – which are orientated according to investment profiles, ranging from secure to optimising performance, with a common objective of offering remuneration above market rates. One of these is a socially responsible fund, accredited by reference bodies (Finansol and CIES). This fund is partly invested

in socially responsible companies active in the areas of social and professional integration (ADIE, Initiative France, La Varappe Group), mobility (Wimooov) and access to housing (SNLPrologues, Foncière Habitat & Humanisme).

A Collective Pension Fund (PERCO), featuring an employer contribution intended to help employees to save for their retirement, has been in place since 2011-2012. In France, the joining fee and running costs of this fund, which also benefits from attractive tax reductions, are also paid by Limagrain.



€12.3

million paid to employees under the profit-sharing scheme



23,871

applications received, excluding "on spec" applications

34.5

applicants per published vacancy

Internationalisation of the Group's Health/Providence plan

The social protection of its employees is a major concern for Limagrain. This is a strong focus for appealing to and retaining employees, which should also be transferable between Business Units.

The objective is to provide coherent cover per country for each employee, irrespective of the Business Unit to which they belong, under which each Limagrain employee benefits as a minimum from:

- a health-insurance scheme of a level consistent with market practice,
- a provident fund that offers at least one year's remuneration in the event of death.

Quality of life in the workplace

Employee performance and motivation are achieved by a satisfactory organisation and quality of life in the workplace. There are a number of pillars for managing quality of life in the workplace, namely a safe working environment that is conducive to performing work-related tasks, organisation that enables a healthy work-life balance and constructive social dialogue, both between employees and the employer and between staff representatives and the employer.

In 2012 and then again in 2017, the Group signed a Professional Equality agreement in France that included a specific component on creating a work-life balance. To provide optimal support for employees taking family leave, departure interviews and back-to-work interviews have been introduced. Various measures have been implemented to create more flexible working schedules, particularly with respect to the working hours for employees with a difficult family situation. The most recent agreement included the addition of new rights, such as maintaining a full salary for employees on paternity leave and the "Donation of rest days", which provides an opportunity for every employee in France to support another employee – who may need time to care for a family member, for example – by donating some of their rest days.

Being more flexible with respect to work schedules, and, in some Business Units, the offer of services (nursery, company restaurant or sports activities) facilitate a good work-life balance, meeting the increasing requirements of employees as regards physical well-being, balancing time and managing their family responsibilities.

Remote working continues to develop in France. 24 agreements currently govern the organisation of working time within several Limagrain companies. They enable employees to work outside of the company's premises using IT and communication technology. Remote working aims to create a better work-life balance and is now an integral part of the scheme implemented within the framework of the Group's agreement on Professional Equality.

Limagrain is continually investing in the premises where its employees work. 2018/2019 was marked by an extension to the Portes-lès-Valence site (France) in the HM.CLAUSE Business Unit through the construction of a new building designed with the advice of a service provider specialising in working spaces. Furthermore, Limagrain considers it very important to develop quality premises where relaxation areas are preserved to promote collaboration.



HM.CLAUSE Cono Sur team

Skills management

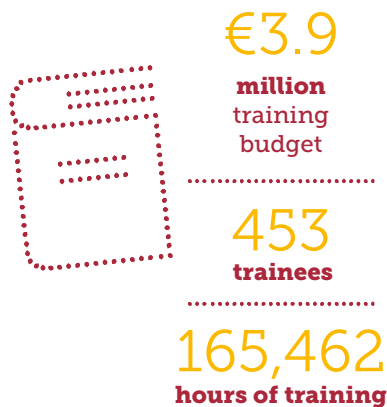
Developing human capital is key to motivating the employees that make up the company, essential for ensuring long-term business prospects and crucial, more widely, for enhancing skills in society. It is this human capital that Limagrain intends to develop to enable each of its employees to contribute to development of the Group and find fulfilment in their work through a career-long appraisal policy and in-house training.

Following the career paths and changing requirements of each employee is supplemented by a career-long appraisal policy. This comprises annual appraisal interviews, twice yearly professional interviews, career review interviews and

late-career interviews (from the age of 57), together with departure and back-to-work interviews after a long absence.



In addition, Limagrain intends to provide closer support for top executives and directors starting a new position. 2018-2019 saw the creation of a development pathway to enable executive managers and top executives to take up their new responsibilities in optimal conditions.



Training organised by the Limagrain Academy

Our achievements

Limagrain Academy: a Corporate scheme for developing skills

2018-2019 was marked by the building of a new Limagrain Academy strategy and the creation of managerial pathways facilitating the acquisition of skills when executive managers and top executives from all the Group's Business Units take up their new responsibilities.

It is now based on four pillars, which each target different groups:

- a cultural pillar, designed to disseminate Group culture, develop a feeling of belonging, illustrate the Group's values and create ties between different groups (see 3.2.),
- a managerial pillar, used to roll out a shared managerial culture, define a common language and ensure understanding of the international environment,
- an executive manager and top executive pillar, integrating development pathways adapted to their status, more particularly focusing on support for Group transformation and anticipation of work organisations,

- a business pillar aimed at developing reflexes for sharing information and co-development on themes specific to Limagrain and to create a base of shared expertise on the organisation's key business lines.

Limagrain is actively engaged in in-house training to preserve precious expertise, in particular relating to the technical and scientific legacy developed by generations of agronomists and experts. For this reason, in addition to programmes designed to disseminate Group culture, the Limagrain Academy has introduced a *Breeding Academy* to pass on expertise on plant breeding.



The "Plant Breeding Academy" training programme, part of the "Business" pillar of the Limagrain Academy.

Committing to diversity and professional equality



Strengthened by a workforce of over 10,000 employees of over 80 nationalities, Limagrain is aware of the rich diversity of the mix of cultures, backgrounds and working methods. Sensitive to this diversity, Limagrain considers it essential to act as regards equality between men and women, between young people and seniors, and to promote employment for people with disabilities. The diversity of those working within Limagrain form an integral part of its HR ambition to draw upon the full range of diversity to build a company with a long-term future.

Professional equality is a priority focus of human resources management in the company. An agreement signed in 2012-2013 was renewed in 2017 for French companies with objectives and initiatives promoting equality between men and women throughout their careers. Recruitment, promotion, remuneration and work-life balance are the four chosen areas for action. Lastly, a project coordinator was appointed at the end of the 2018-2019 fiscal year to work on gender equality, initially focusing on women's access to managerial positions.



37.3%

of women on the permanent payroll

15% female Top Executives and 20% Executive Managers

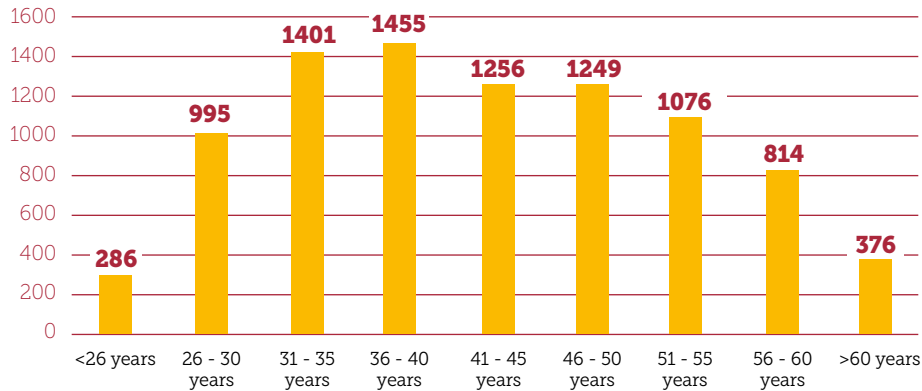
..... Our achievements

HM.CLAUSE launches a Diversity & Inclusion initiative

The objective of the Diversity and Inclusion initiative, launched by HM.CLAUSE throughout the geographical area of the BU, is to have multicultural teams at all levels of its organisation, in which there is better gender equality and with teams from a range of professional backgrounds. A working group has been set up with representatives from the three BU geographical areas. Its first task was to conduct a survey on all employees to find out their opinions on these issues and their ideas for priority actions. Analysis of this feedback, together with an audit of current HR practice, will form the basis of an action plan and awareness campaign to be launched during the 2019-2020 fiscal period.



Pyramide Age Groupe



Measures taken to promote an inter-generational balance

To promote the sharing of values, inter-organisational and inter-generational communication and creativity, a mentoring programme has been in place since 2016-2017 allowing young Group employees to be accompanied for 6 months by a mentor from a different Business Unit and in a different position. This programme promotes and makes optimal use of the experience of "senior" employees. It is an initiative that exists both at Corporate and Business Unit level.

38.7% of Limagrain employees are aged over 45. To improve the employment prospects of these employees in the second half of their careers, taking into account longer working lives, Limagrain introduced a specific agreement a few years ago for employees of the Group's French companies. The aim is to more actively support employees in the second half of their careers, whilst encouraging them to pass on their knowledge and experience to the future generation, with this especially applying to employees close to retirement age.

Tutoring initiatives are regularly carried out, ensuring skills are passed on when "junior" employees are hired or when they take up a new position.



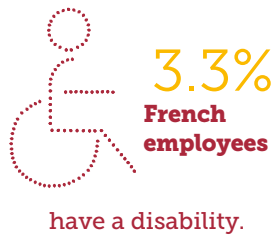
95.4% retention of seniors in the workplace

69 mentoring assignments

FOSTER PROFESSIONAL FULFILMENT

Measures taken to promote the employment and integration of the disabled

Various initiatives are rolled out to promote the employment and integration of the disabled in Limagrain's French subsidiaries. As such, since the 2012-2013 fiscal period, partnerships have been signed in France both with the ESAT (an organisation that helps the disabled return to work), enabling people with disabilities to work in a protected environment, and with the AGEFIPH (a government agency promoting employment of the disabled) to publish job offers on a dedicated platform. People with disabilities are regularly seconded to help Limagrain's support services with various operational and administrative assignments.



Following the 2015 annual negotiation, a disability policy was rolled out within Limagrain, with one of the first initiatives being to introduce a partnership with the Handischool association. This partnership involved raising awareness on disability issues on a number of Limagrain sites in France.

In February 2017, a Group agreement on Professional Equality and Solidarity was signed for French companies. This covers initiatives to promote:

- recognition of the status of disabled workers,
- recruiting, integrating and keeping people with disabilities in their jobs,
- communication and awareness of disabilities.

Our achievements

Raising awareness of disabilities by supporting Handicap International

During the week to promote employment for the disabled, a Group challenge was organised with Handicap International, involving 700 employees from seven countries walking or running during the week to raise funds for the NGO. 11,058 km were recorded during the challenge and participation led to €19,904 being contributed to a project in Ethiopia, chosen by the employees.

Duo Days, a learning opportunity for both employees and the disabled

The Limagne BU sites of Limagrain Coop, Limagrain Ingredients, Jacquet Brossard and Limagrain Corporate took part in the Duo Day, inviting people with disabilities into certain departments to introduce them to a specific

activity. At the same time, this enabled employees to realise that disability, depending on its nature, is not an obstacle to performing a task.



DuoDay at Limagrain Ingredients (France)



ACT IN COMPLIANCE WITH OUR ETHICAL PRINCIPLES AND CODE OF CONDUCT

The complexity of production circuits and seed distribution, together with the multiplicity of private and public actors in the market, development strategy on all continents and the Limagrain model that involves significant delegation, all mean that the Group must be especially vigilant as regards compliance with ethical principles and anti-corruption laws.



Disseminating and respecting our business ethics

Cases involving ethics are rarely similar and vary widely depending on culture, countries, business lines and the stakeholders involved.

To address this issue, the Group has introduced an initiative and tools to encourage employees to adopt a culture of questioning. The aim is to promote a mindset of responsibility in each employee, whilst relying on collective intelligence to learn how to manage ambiguities, complexity and the interpretation of rules with discernment in all situations. This involves striking a balance between respecting rules that need to be followed intransigently and taking into account the often contradictory requirements of all the stakeholders involved, as well as adopting a critical, constructive and positive attitude, both on an individual and collective level, as it is inconceivable that this type of decision should be isolated from the social ties that link the Group to its communities.

The Ethical Principles and Code of Conduct has been drawn up in this context, aimed at structuring the basic principles and undertakings with which the Group wishes to ensure compliance throughout its entities by all employees, irrespective of their business lines and countries. This is an essential condition for guaranteeing its reputation and legitimacy.

The Group strives to ensure compliance with applicable laws and regulations on corruption and money laundering (especially the 1997 OECD Convention), as well as taking into account, in its commercial and financial relations, the key recommendations of national and international bodies, such as the OFAC as regards economic sanctions. Ensuring Limagrain complies with the French Sapin II law has been a major project pursued throughout the fiscal period.



* (NB: The whistleblowing scheme has only been in operation since 1 July 2019)

BE&AB: the ethics project

The “BE&AB” (Business Ethics & Anti-Bribery) project goes beyond mere compliance with the Sapin II law in that it also covers issues relating to insider trading and lobbying. The BE&AB project is jointly coordinated by Gouvernance Risks and Compliance Department (GRC) and the CSR Department, with the Group International Affairs and CSR Director acting as a sponsor. The project’s Steering Committee has met nine times to monitor the progress of various initiatives and make choices regarding tools and deployment in accordance with the pillars of the Sapin II law.

Risk mapping was conducted with the methodological and operational support of external consultants. The Code of Conduct was updated during the fiscal period to take required regulatory changes into account. Its new version, called “Ethical Principles and Code of Conduct” was presented to Staff Representation Bodies, wherever they exist and, having been approved, was then disseminated throughout the Group by Intranet. Staff Representation Bodies were also consulted prior to introducing the whistleblowing procedure. Special training will be organised for those most exposed to the risk of corruption. The first stage involves identifying who is most at risk (purchasers, sales representatives, those working in the financial and legal departments, etc.).

In March 2019, as part of their training programme, all Limagrain Directors attended a session to raise awareness of corruption risks, run by Transparency International France. The third-party evaluation process has been addressed by a number of studies during the fiscal period and is set to be rolled out during 2019-2020. Limagrain already has established accounting control measures. These will be reviewed from an anti-corruption viewpoint in light of the changes made in other areas relating to the Sapin II law. To ensure the consequences of internal corruption cases are treated consistently throughout Limagrain companies, the Human Resources Department has analysed the disciplinary sanction procedures and is aiming to harmonise sanctions throughout the Group. The programme evaluation system will be implemented once the seven previous elements are all operational.





Our achievements

Limagrain introduces a whistleblowing procedure

Although line managers, HR managers, Business Unit or company managers should be the primary contacts for employees that witness an action that goes against the Ethical Principles and Code of Conduct, the Group is also providing a whistleblowing scheme using a dedicated email address. Any external stakeholders may also use this scheme. The whistleblowing procedure is managed by the Disclosure Management Committee (DMC), comprising the GRC, HR and CSR Directors. This committee coordinates and monitors reports, as well as deciding any issues raised by employees.

If a situation so requires, the DMC may itself deal with whistleblowing reports within the framework of *ad hoc* committees. Any questions on the application and control of the Code of Conduct provisions may be submitted to the DMC using any method. As such, it plays a role in defining and implementing Group policy on ethics and corporate responsibility. It also oversees the deployment and development of the Group's Ethical Principles and Code of Conduct. Additional local schemes may also be drawn up in order to meet the specificities of different markets and geographical areas.

Our achievements

Updating the Ethical Principles and Code of Conduct

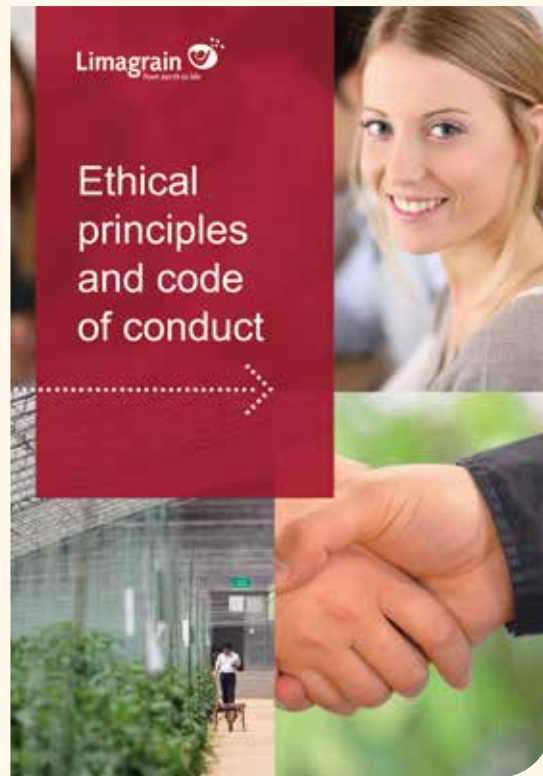
The Ethical Principles and Code of Conduct set out the various rules and regulations in force with which Limagrain employees must comply, whilst encouraging them to adopt an individual culture of questioning.

Updating the previous Code of Conduct during this fiscal period has been an opportunity to add new themes or further detail existing themes. The key additions are information on the new whistleblowing procedure and the glossary, which provides a better understanding of the concepts and actions related to business ethics. In addition, the Group Executive Committee has published a strong anti-corruption commitment.

This updated version has been translated into five new languages, in addition to the 11 languages of the first version⁽¹⁾, not only to provide the document in the world's most spoken languages, but also in the countries where Limagrain has most employees. It is also intended for communication externally, so that all stakeholders can refer to the document.

To make it easier to take on board and use internally, it is accompanied by a practical guide and special e-learning module, based on the principle of role-play. The practical guide, provided exclusively for internal use, uses data sheets to detail certain subjects of the Ethical Principles and Code of Conduct in relation to the risk mapping. A specific data sheet sets out the new whistleblowing procedure in detail. The others explain each of the subjects, describing Group policy and the behaviour expected from employees. Six subjects are covered: Facilitation payments, Gifts/Hospitality, Patronage/Sponsoring, Purchasing, Conflict of Interests and Relations with Stakeholders.

For the first time, these data sheets include thresholds for certain subjects. For example, for gifts and hospitality (offered or received), thresholds for declaration and acceptance have been set as a



percentage of the average salary of the country, according to World Bank data. In addition, an Intranet application will enable each employee to declare accepted or declined gifts and hospitality.

In the e-learning module, each person is given a role to play based on four operational scenarios (gifts, safety, data confidentiality and anti-trust) and has to solve ethical cases using their adopted culture of questioning to act sensibly and with discernment. The e-learning module is also being updated by the addition of a new theoretical module and new practical cases. These additions are aimed at helping employees fully understand how the new whistleblowing procedure works. Having read and understood the theory, each person has to think of a type of whistleblowing they believe necessary in three situations based on conflict of interests, patronage/sponsoring and environmental harm.

(1) Arabic, Brazilian, Chinese, Dutch, English, French, German, Hebrew, Italian, Japanese, Russian, Spanish, Thai, Turkish, Ukrainian and Vietnamese.



Compliance with Human Rights

The Ethical Principles and Code of Conduct have been drawn up in line with a number of international laws and declarations, with which the Group shares the principles:

- the Universal Declaration of Human Rights
- the principal conventions of the International Labour Organisation, in particular conventions 29, 105, 138 and 182 (child labour and forced labour), 155 (worker health and safety), 111 (anti-discrimination), 100 (remuneration), 87 and 98 (rights to organise and collective bargaining),
- the United Nations Convention on the Rights of the Child,
- the OECD Guidelines for Multinational Enterprises,
- transposition into French law of the EU directive of 22/10/2014 on the publication of non-financial information.

Furthermore, Limagrain has been a signatory of the United Nations Global Compact since December 2013. It undertakes to promote and comply with the main principles of Human Rights within its teams throughout the Group and within its sphere of influence, as well as ensuring it is not complicit in any violations.

In this respect, the Ethical Principles and Code of Conduct constitutes an enforceable document for all Group entities worldwide. Certain Business Units have added their own rules according to their local context. In India, the Limagrain subsidiaries Bisco Bio Sciences and HM.CLAUSE India have introduced a number of initiatives aimed at improving working conditions and eradicating child labour. In a parallel move, and with Group support, HM.CLAUSE India has actively participated in drafting the position of the Asia & Pacific Seed Association (APSA) in this area.



Respecting children's rights

The Group is very aware of the fact that work is performed by children in certain geographical areas and for certain activities related to seed production. A number of measures have been taken by the Business Units to tackle this issue. Furthermore, prohibition on child labour is clearly reiterated in the Ethical Principles and Code of Conduct.

This issue is particularly prevalent in India. As regards Field Seeds, the Human Resources Department of Bisco Bio Sciences has reviewed its internal rules and regulations to set out recruitment and staff management procedures to combat child labour and strictly comply with local regulations. Moreover, every temporary worker on the production site is also subject to systematic control on entry. An identity card is created, providing proof of the worker's age. To supplement the procedure, special signs condemning child labour are displayed in all sites. Subcontractors are regularly audited on a rotation basis to ensure compliance with prohibition on child labour. Furthermore, strict social clauses are included in all contracts with suppliers, specifying the prohibition on child labour subject to suspension of the contract.

In Vegetable Seeds, HM.CLAUSE commenced production in 2012. Since this date, HM.CLAUSE India has implemented a number of initiatives as part of a continuous progress plan. As part of its specific CSR programme, HM.CLAUSE India has rolled out a complete procedure aimed at eradicating child labour in India, called the Child Labour Awareness Program (CLAP). Its first undertaking is to set the minimum working age at 16, compared to the current legal age of 14. HM.CLAUSE therefore prohibits the recruitment of any person under the age of 16, both for itself and for its producers and subcontractors through contractual clauses. The company has also drawn up disciplinary sanctions for producers that do not comply with HM.CLAUSE undertakings, which extend to suspending the sub-contracting agreement.

In the context of the Company Act⁽¹⁾, a CSR committee was created and two social programme managers based in Karnataka (the main production region of the company) were hired to perform internal audits on 700 farmers under contract. 100% of producers have been audited at least once

during the sensitive periods of pollination and harvest. Since the summer of 2018, an external audit company has been called in to assist HM.CLAUSE India staff in performing supplementary audits enabling closer supervision.

Seed production can also be managed by specialised companies, which organise production with farmers. The same standards are required by HM.CLAUSE India from these companies, with the largest having audits performed on its producers by SGS, a recognised global audit and certification group.



ACT IN COMPLIANCE WITH OUR ETHICAL PRINCIPLES AND CODE OF CONDUCT

HM.CLAUSE India has introduced a training programme for the network of production technicians, as well as awareness sessions for subcontracted farmers. Every year since 2015, awareness on child labour issues has been raised among between 150 and 350 farmers and production supervisors. 100% of producers and production supervisors. 100% of producers monitored by the company have been made aware of these issues during the last two fiscal periods.

Moreover, HM.CLAUSE India has been working alongside a number of stakeholders from a range of backgrounds including local and government authorities, other locally-active seed producers and their federation, and NGOs, such as UNICEF and Arisa.

Arisa (Advocating Rights in South Asia) is the new name of the NGO ICN (India Committee of the Netherlands), with which HM.CLAUSE India has been working for many years, especially through its participation in the Child Care Program. In November 2018, it published its report⁽²⁾ on the child labour situation in the seed production

sector in India, in which it describes actions taken, among others by HM.CLAUSE India. It also reports on the considerable efforts made by certain seed producers, including HM.CLAUSE India, which have succeeded in reducing the employment of children from 15-25% in the 2015 report to under 1%, providing proof that the subject has been handled decisively over the past few years.

The objective remains to completely eradicate child labour, with initiatives continuing in this area.

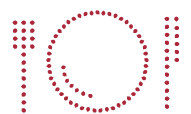
(1) Since 2013, the Company Act (articles 134, paragraphs 3 and 135) stipulate the obligation of corporate social responsibility in Indian law, requiring companies to participate on their scale to developing and modernising the country, through an obligation of CSR governance, reporting and action plans.

(2): Remedies for Indian seed workers in sight? – p 12

➤ Reducing food waste

As a seed producer, Limagrain is not directly concerned by food waste issues. However, in its activities related to integrated cereal chains, whether for bakery products or ingredients, Limagrain strives to minimise food waste. This is translated into initiatives aimed at minimising waste from industrial processes, processing or recycling

waste and donating products that cannot be marketed. External specialists may be called in to analyse this issue in order to benefit from outsourced skills and experience.



€284,000

of food products donated to Food Banks

€218,000

invested in initiatives aimed at minimising food waste

➤ Taking animal welfare into account

As its business is largely related to the plant world, Limagrain uses very few animal products. Only Jacquet Brossard, in its cake recipes, uses eggs. In order to improve animal welfare, it has set a goal to stop using eggs from battery hens by 2022.





..... Our achievements

Jacquet Brossard commits to reducing food waste

Jacquet Brossard's commitment aims to have a global scope, since the company is seeking to reduce the amount of waste generated, from production in its industrial facilities to consumption of its bread and cakes in French households. This major campaign has been translated into practical initiatives and has started with the ADEME environmental agency as part of the "IAA Témoins" operation. Under this operation, the Clamecy site managed to reduce the size of its slicing remnants by changing its moulds (resulting in 50 tons of bread saved per year). The site is also working on recycling the breadcrumbs recovered during the food manufacturing process (800 tons of breadcrumbs recycled per year). And to ensure its non-compliant products are not wasted, Jacquet Brossard now unpacks all its unusable products. These are early days for the campaign, which is now continuing with the expert in food waste Phenix, which will be providing support for Jacquet Brossard in its efforts to significantly reduce waste.

Limagrain Ingredients analyses its processes with the ADEME.

For its part, Limagrain Ingredients has also initiated a programme with the ADEME to reduce waste on a production line of its pellets site. A grinder has been installed to turn lost production into powder so it can be reincorporated into recipes. Over one year, this has resulted in 106 tonnes of previously wasted matter being reintegrated into prime products, saving 17 tons of CO₂e. Following on from this initial test, the programme can be rolled out on a second production line and even in other sites.

Donations of produce to avoid waste

In an effort to support the most disadvantaged and minimise food waste, Jacquet Brossard regularly offers non-marketed products to charities, such as the Samu Social, Restos du Cœur, Banque Alimentaire and Secours Populaire, so they can manage distribution. During the 2018-2019 fiscal period, products donated by Jacquet Brossard represented a donation of €284,000.

Developing a responsible purchasing policy with our suppliers



As regards supplier relations, Limagrain strictly meets criteria for non-economic dependency and coordinates a substantial part of its procurement and purchasing conditions through a dedicated internal organisation, the Group Purchasing Coordination, which incorporates representatives from different Business Units structured into Steering Committees by service or product category.

As it is convinced that supplier relations are an important lever for creating value, since 2014, the Group Purchasing Coordination department has been developing its processes to include social-environmental criteria on the basis of its own responsible purchasing referential. In this context, in 2016, Group purchasers signed the "Responsible Supplier Relations" Charter and were trained in responsible purchasing by the AFNOR.

In addition, the department issued a Request for Information (RFI) to all its active suppliers, to gather more information about them and identify any risks. Furthermore, to ensure suppliers comply with labour legislation with respect to declaring their employees, a request for certificates of coverage is an integral part of the Purchasing process. Lastly, purchasing contracts include ethics compliance clauses and digital versions feature a link to the "Ethical Principles and Code of Conduct" document on the Group's website.

In a parallel move, in November 2012, the Group signed the Mediation Charter drawn up by the Paris Mediation and Arbitration Centre (CMAP), thereby committing to avoiding litigation and favouring the amicable resolution of disputes through mediation whenever appropriate.

76.3%

of purchasing agreements processed by the Group Purchasing Coordination stipulate a CSR commitment from the supplier.

5

supplier audits were performed by the Group Purchasing Coordination during the 2018-2019 fiscal period



Protecting data and information systems



Information systems are essential for all the activities of the Group's companies, such as research and development, production, sales and marketing, but also for managing both internal and external interactions. The network, servers and applications must therefore be operational at all times, 24/7. When increasing data, processing and access points, the possibility of a malicious digital act also increases, aimed at destabilising the organisation, accessing private information or extortion.

A failure risk analysis has been performed for each link in the chain to establish the strategy to be implemented and the related costs. Backup servers, the safeguarding of data and the ability to rebuild applications are all measures contributing to the ongoing capacity to use information systems in a group where business is continuous.

An ambitious information system security programme was rolled out during the fiscal period. This firstly relies on the specific skills of the employees recruited to successfully implement this project, which involves technical systems, internal procedures and controls, supervision and processing. These actions are supplemented by the crucial raising of awareness of this issue among employees, starting with IT staff.

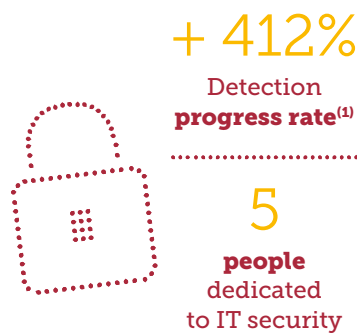
Cybersecurity relies above all on tools designed to protect access to the infrastructure itself and to data. The first stage involves ensuring each workstation has an agent to detect and respond to malicious codes (an antivirus), a solution to

detect and block harmful web communications (a proxy), combined with secured remote access (VPN).

The organisation must also be configured to ensure the secured application of tools. Firstly, the processes for creating accounts and awarding "permissions" on the IT infrastructure follow the strict procedures set out in the Group cybersecurity policy. Rules on "permissions" and managing the operating systems of workstations and servers have been strengthened. Finally, inactive accounts are analysed each month and all attempted attacks and security incidents are dealt with systematically.

But cybersecurity is everyone's business. New employees are therefore made aware of the risks during their induction programme. Tools to provide information and explain key elements (passwords, mobility, email, etc.) have been created and disseminated.

Lastly, to verify the impact of these initial measures and evaluate the structure, a first IT intrusion test was performed at the end of the fiscal period. The results of this test will be used to supplement and fine-tune the programme during 2019-2020.



(1) Increase in the number of detected attacks 2018-2019 / 2017-2018

5.3

LIMIT OUR ENVIRONMENTAL IMPACT

In the context of its activities, Limagrain is subject to a wide range of environmental regulations. These regulations are complex, constantly changing, increasingly strict and application can prove to be costly. These particularly concern the quantitative and qualitative management of water, air, greenhouse gas emissions, soil pollution, use of natural resources, preserving biodiversity, noise, dust and waste. In the event of pollution, the Group could be liable for the impact on the environment, with serious consequences.



The impact of Limagrain activities on the environment is a grassroots concern managed at Business Unit level, using a proactive and responsible approach. Furthermore, Limagrain has fully integrated the prevention of environmental risks into its risk management policy, introducing standards that apply to all its

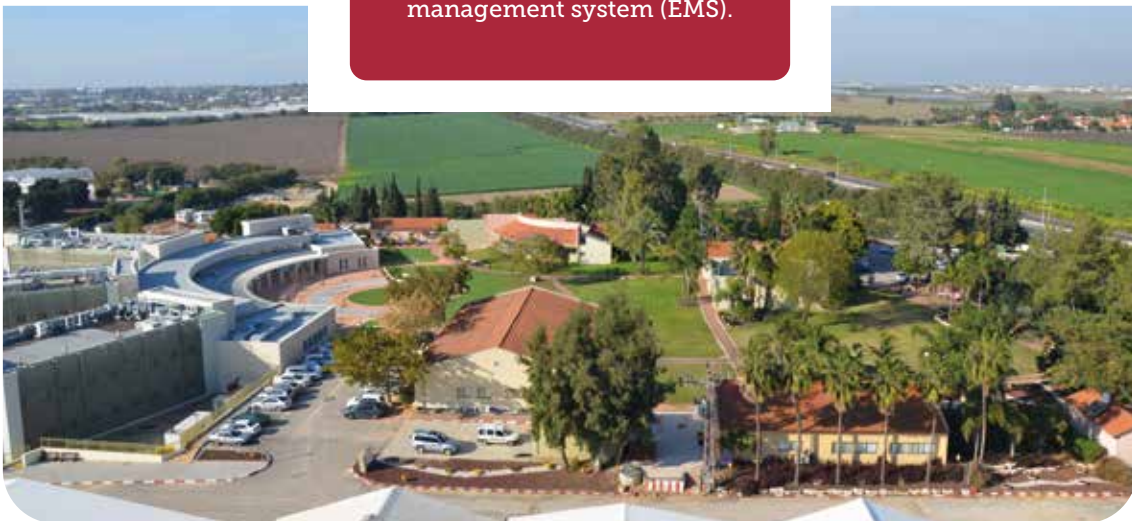
sites worldwide. This commitment also involves the controlled use (measure, optimisation and innovation) of natural resources, as well as focusing on lowering the quantity of waste and increasing recycling.



Key performance indicator

20%

of sales revenue
is from companies
with industrial sites covered
by an environmental
management system (EMS).



Hazera: the Brurim site (Israel) is awarded the ISO 14001 environmental standard

LIMIT OUR ENVIRONMENTAL IMPACT

Implementing an environmental management system at site level

Limagrain has drawn up a programme to limit the environmental impact of its activities. Launched in 2018 under the name of LEIA (Limit Environmental Impact of our Activities), this involves implementing an environmental management system that applies to all our sites,

as well as complying with environmental laws, regulations and requirements throughout the world. This programme includes four areas of focus that are the subject of specific measures and goals, namely:

Initiating the implementation of a Group environmental management system		
Theme	Challenge	Goal
Waste	To recycle waste	Improve the reliability of reporting on waste and ensure processing by 2020 Recycle 85% of waste by 2022
Energy	To lower energy consumption and greenhouse gas emissions	Achieve a 10% reduction in energy consumption by 2022 (vs. 2015-2016) Encourage and roll out solutions to reduce the impact of transport related to our activities Use 10% of renewable energy in the energy mix by 2022
Water	To ensure the quality of effluents and optimise water consumption	Achieve a 5% reduction in consumption of tap water by 2022 (vs. 2016-2017)
Biodiversity	To protect the ecosystems on sites	Identify, monitor and preserve biotopes and protected species on sites close to a protected area

For each of these four areas of focus, Limagrain sites worldwide are introducing numerous actions, the nature and extent of which vary considerably. Environmental impacts are taken into account when investing in new equipment, as well as in maintenance operations. Daily practice, whether related to manufacturing processes or business lifestyle choices, are also being reassessed in the light of these objectives.



€4.8
millions
invested in actions aimed at reducing environmental impacts during the fiscal period

Measures to prevent, recycle and eliminate waste



Waste management and recycling

Limagrain's seed and cereal products activities produce mainly organic waste (70%) and a low amount of hazardous waste (10%). There are therefore many recycling options to help achieve a 90% rate of recycling of non-aqueous waste. 76% of matter is recycled and 24% is recycled into energy, notably by burning corn cobs from seed production.

It should be noted that performance of different Group companies still varies widely in this area. However, much investment has been made during the fiscal period in relation to waste, aimed at:



50,108
tons
of generated
waste

85.8%
of non-aqueous
waste is
recycled

- reducing volume, either by developing processes that lead to less waste being produced or by increasing recycling,
- preventing risks related to hazardous waste, mainly linked to chemicals,
- improving waste management and the company's practices,
- improving behaviour through training and communication.

A major area for action throughout Group on the issue of waste involves managing the risk of a polluted water spill. Three levers have been instrumental in reducing this risk, namely avoiding contamination, collecting dirty water and ensuring it is properly treated.



Limagrain Ingredients: a boiler installed on the Ennezat site (France) producing energy from corn cobs from Limagrain Coop seed production.

Our achievements



Waste management project at the HM.CLAUSE Mexico station at Los Mochis (Mexico)

Limagrain Iberica introduces actions to prevent spills

Limagrain Iberica has introduced numerous measures during the fiscal period to prevent pollution risks and process hazardous waste, particularly on its site in Elorz (Spain). This first involved in-depth training for staff on using and handling hazardous products, followed by the installation of appropriate storage and container tanks.

Bisco Bio Sciences recycles its hazardous waste

In some countries, it is not easy to find a recycling channel for hazardous waste. In the absence of an identified solution in India, Bisco Bio Sciences had been storing the waste for four years. The company has just found a local channel for recycling its dangerous waste into energy. The 2018-2019 fiscal period therefore saw its quantity of hazardous waste increased by over 50%, on account of the recycling of stored waste. For 2019-2020, the amount of hazardous waste generated by Bisco Bio Sciences should return to a normal level for its activity.

A common waste treatment system for France

The fiscal period has been marked by the introduction of a common waste management system for France, following the call for bids issued during the previous year to various service providers to manage waste on all the Limagrain sites in France. The objective was to reassess

requirements and processing channels, pool resources and harmonise the management and processing of waste in France. The waste treatment sector remains complicated and introducing the chosen measures proved to be more difficult than forecast, both on an operational level and as regards the expected regulatory traceability. The commission managing the bids is therefore continuing its work in order to start the contractual services of the chosen suppliers as soon as possible.

Jacquet Brossard initiates work on more virtuous packaging

The best waste is that which has not been produced in the first place. This is the goal pursued by Jacquet Brossard with a working group dedicated to the eco-design of its packaging.

Supported by Citéo - the new Eco-packaging - the Jacquet Brossard project started with a day of awareness of sorting and recycling issues at the Limeil Brévannes centre (France). Since this visit, members of the working group, comprising representatives from marketing, sales, R&D, purchasing and CSR, have held a meeting every three months to review ongoing eco-design projects. Their goal is to reduce the environmental impact of bread and cake packaging. A range of ideas, including producing new 100% recyclable packaging, reducing or even eliminating packaging, are being studied.



Lowering our energy consumption and greenhouse gas emissions



Energy consumed by Limagrain is mainly used to dry seeds, heat greenhouses, for agri-industrial installations and for employee business travel.

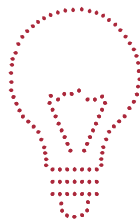
Whereas the final two purposes generally correlate to levels of business activity, the first two are strongly dependent on the agri-climatic context of the year.

As regards greenhouse gas emissions related to the production of Limagrain seeds at its seed growing partners, estimates have been made based on the latest available EcoInvent¹ data. The uncertainty factor has proved too high to publish a precise figure. However, these estimates have enabled us to identify that, among the species, some emit carbon during growth (tomatoes, peppers, courgettes, corn, etc.), whilst others capture carbon (beans, wheat, carrots, etc.). As regards the distribution of surface areas used per species, the global carbon footprint of seed production by Limagrain's seed growing partners appears to be close to zero, as the capturing species offset the emitting species.

Reducing energy consumption and GHG emissions is a key objective of the LEIA programme, which is translated into a number of initiatives throughout the BUs. Since 2015, Limagrain's investment in this area has totalled over 6 million euros through nearly 200 initiatives.

It is important to note that under European Directive 2012/27/EU, a series of energy audits was conducted by an independent third party during 2019 on 21 Limagrain European sites, which represent 54.6% of the Group's global consumption. The results of these audits will provide recommendations to be examined for drawing up action plans that will be implemented during 2019-2020 and further fiscal periods.

Individual practice and actions by over 10,000 Limagrain employees can also have a positive impact on reducing consumption.



496,568 MWh
of energy consumes



of which **10.3%** is renewable energy



GHG emissions
(including refrigerants)
104,912 tCO₂e



264 kWh
/ €1000
of sales revenue



Over €6 million
invested in initiatives
to reduce energy
consumption since 2015



¹ The EcoInvent database provides well-documented process data on the environmental impact of thousands of products

LIMIT OUR ENVIRONMENTAL IMPACT

On site, reducing energy consumption comes from small individual gestures, changing habits and repeated educational messages. There is a particular focus on introducing switch-off procedures, presence detectors, etc.

The promotion of new working methods, often linked to digital resources, also plays a role. The potential for using Skype for video conferences and development of remote working both help to reduce travel. Commuting has also been transformed by carpooling, the organisation of collective transport to work (Bisco in India and HM.CLAUSE in Vietnam) or transport from the station to the workplace (Vilmorin Mikado in La Méniltré), together with policies to encourage cycling (Biogemma or Limagrain Corporate in France).

As business travel represents a significant proportion of energy consumption, changes to travel policy have a substantial impact on reducing consumption. Promoting train travel instead of air travel for medium distances and choosing company cars according to a maximum CO₂ emission threshold (less than 120 gCO₂/km) are both measures that help meet this goal.



Hazera – Warmenhuizen site (Netherlands): construction of this new research station is set to boost performance in terms of water and energy.

Our achievements

Choosing lower energy consumption equipment

As regards equipment, replacement of standard lighting with new LED lights is one of the most widespread methods of reducing consumption, as is the case at HM.CLAUSE on its French site of La Bohale, or at Limagrain Europe in Elorz (Spain), Nérac (France), Fondi (Italy) and Rilland (Netherlands), among others.

Adjusting equipment to match requirements

Another way of reducing consumption lies in adjusting the flow of certain equipment to match requirements. Pumps, compressors, dryers or suction units do not need to work continually at full power. The fitting of electronic speed drives on this equipment enables it to adjust to requirements, thereby only using necessary energy. Hazera has fitted one on a compressor on its industrial site of Sderot in Israel and HM.CLAUSE has followed suit in a pumping station in Davis (United States).

Choosing energy that produces less GHG

Changing from diesel to liquefied natural gas (LNG) is also a development in energy practice. Bisco Bio Sciences in India, Vilmorin Mikado on its Toke site (Japan) and Limagrain Iberica in Elorz (Spain) have all opted for this change. Although the energy consumed remains non-renewable, choosing LNG results in a reduction of nearly 22% in greenhouse gas emissions, which are a major contributing factor to climate change.

Jacquet Brossard has started replacing its refrigeration units.

Refrigeration units play a key role on all large-scale sites, especially in Jacquet Brossard factories. Yet this equipment consumes a lot of energy and therefore emits greenhouse gases, which are made worse by leaks of cooling gases. As it represents a significant investment, refrigeration units are only replaced in cases of significant changes in needs or at the end of their lives.

In the Brossard factory in Pithiviers, changes to the perimeter of buildings called for a refrigeration unit to be replaced, therefore creating an opportunity for improvement. Several aspects were improved, which all helped to reduce energy consumption and the emission of greenhouse gases.

Installed during the fiscal period, the new refrigeration unit uses less energy to produce the cold air, recovers the heat emitted to provide heating for certain areas and uses propane as its refrigerating gas. This recovered heat is used to heat a warehouse free of charge, saving energy estimated at 462 MWh a year for equivalent fan heating, the equivalent of 5% of the factory's total consumption. Unlike the refrigerating gases generally used, propane does not affect the ozone layer. It is therefore easier to manage, especially in the case of a leak. Lastly, this replacement of equipment qualifies for the French Energy Saving Certificate scheme, which allows for highly advantageous financing of the investment. Taking full advantage of this favourable context, Jacquet Brossard is set to replace part of the refrigeration units of its plants in Clamecy, Saint-Beauzire and Sens in the 2019-2020 fiscal period. Limagrain Europe will follow suit for the Chappes research centre.



Vilmorin Mikado – Toké site (Japan): the company has introduced liquefied natural gas into its energy mix, thereby reducing its greenhouse gas emissions

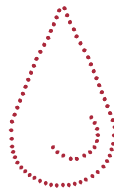
Save water and control our aqueous emissions

Limagrain addresses two aspects of the question of water, namely effluent quality and consumption. The Group's risk management reference document stipulates that all Limagrain's water emissions should be analysed and treated if necessary. Most Limagrain sites are equipped to minimise the risk of pollution, notably through the retention containers for polluted water, treatment basins and a sludge management process. Water management initiatives are aimed at recording and reducing our use and extending recycling. During this financial period, out of the 42 specified actions, 27 concerned water consumption and 15 concerned preventing water pollution or the management of water emissions.



As regards consumption, water is mainly used to irrigate greenhouse crops and for domestic purposes. Depending on the specific type of activity, the Group's companies use

tap water (11.5%), well water (69.6%), surface water (14.5%) and rainwater (4.4%). Climate events are very important factors affecting Limagrain's consumption of water. For example, Hurricane Irma, which affected Florida among other areas in September 2017 destroying autumn crops, led to a reduction in consumption of 200,000 m³



2,605,357 m³
of water consumed



of which
504,682 m³
is tap water

1.4 m³ water
/ 1 000 €
of sales revenue

Over €2.2
million
invested in improving
water management
since 2015



In order to be proactive and optimise our use of water, we need to be able to measure our intake. The purpose of a number of initiatives is therefore to install meters, to be able to measure and provide an objective basis for future actions. Improved reporting therefore plays a role in the recorded increase.

In an empirical or controlled manner, the desire to reduce and optimise use of water forms part of the objectives of actions implemented. The first lever for reducing consumption lies in maintaining networks to avoid leaks and wastage.

The second lever lies in the choice of effective irrigation systems. The use of drip irrigation, which delivers water directly to the roots of plants, continues to expand. This is currently the method that saves the most water. Drip irrigation also facilitates the provision of fertiliser directly to the plant. Again, this method limits the consumption of inputs to a strict minimum. In a parallel move, most of the Group's companies have introduced other water-saving systems to control and limit the amount of water used:

- soilless crops,
- open field mulching,
- layers of sand for greenhouse crops to avoid evaporation.

Lastly, the use of irrigation management software reduces water consumption by adjusting irrigation to water reserves in the soil, to the needs of plants and the weather conditions and forecasts.

Furthermore, support and training for producers are key factors in reducing water consumption among Limagrain's partners. In this respect, Limagrain Europe provides a digital irrigation management tool for a selection of corn seed producers in the Angers region of France. Based on water balance methodology, combined with a geo-located weather forecasting system, the software tracks the forecast water requirements of each plot. Seed growers enter their irrigation information and share information with the agronomic teams of Limagrain Europe.



Protecting the ecosystems on our main sites

Having created close ties with the League for the Protection of Birds and the Auvergne Conservatory for Natural Areas, Limagrain turned to these two NGOs in the summer of 2018 to perform a

biodiversity diagnosis of its site in Saint-Beauzire. The conclusions presented in October 2018 included a detailed inventory of the species living on this 10-hectare site:

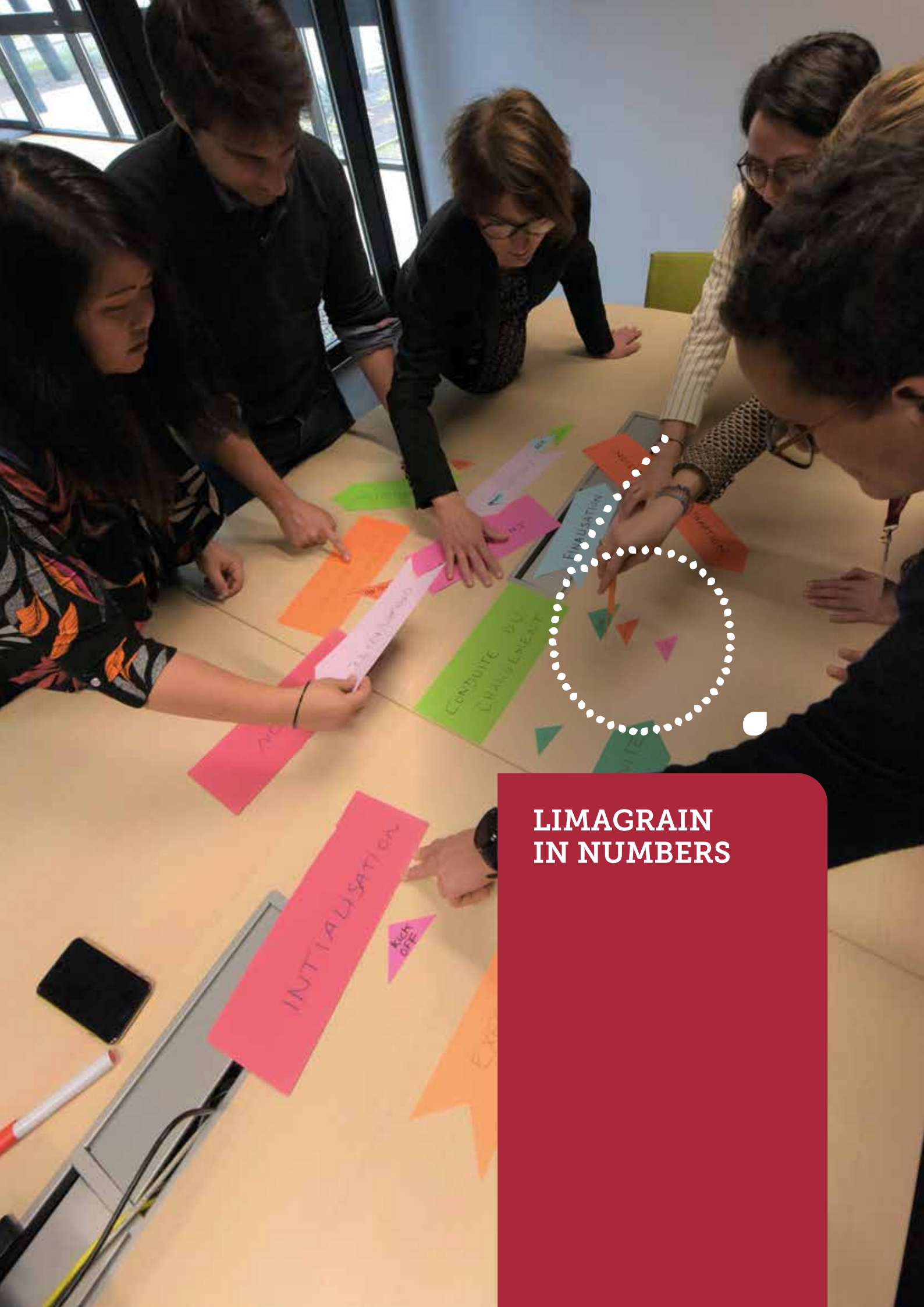
Species	Plants	Animals		
		Birds	Butterflies	Orthoptera
Presence	173	26	13	12
Species considered under threat	2	3	0	2
	Willowleaf lettuce (<i>Lactuca saligna</i>) British yellowhead (<i>Inula britannica</i>)	Eurasian tree sparrow (RRL - VU), Common linnet (RRL - NT) European goldfinch (RRL - NT)		<i>Aiolopus strepens</i> (RRL - NT) <i>Aiolopus thalassinus</i> (RRL - NT)

RRL: Regional Red List (CR: in critical danger of extinction, IN: in danger, VU: vulnerable, NT: National Protection—)

The recommendations made in the report to preserve and develop the biodiversity have been analysed with the departments and service providers managing the site. Initiatives involving differential mowing and the development of animal habitats have been introduced. Changes in this area can only be assessed in the medium or even long-term. As such, a new diagnosis will be performed in 2021-2022. In the meantime, a similar diagnosis is being carried out a dozen kilometres away on the Ennezat site, which comprises over 70 hectares of various industrial activities, including the processing of a significant proportion of field seeds marketed by Limagrain Europe.



British yellowhead: present at the Limagrain headquarters, this species is deemed to be endangered locally.



LIMAGRAIN IN NUMBERS

CORPORATE DATA

Number of employees



	Limagrain Coop	Limagrain Field Seeds	Limagrain Vegetable Seeds	Garden Products	Cereal Ingredients	Bakery Products	Holdings	Total
2016-17	423	2363	3653	281	251	1211	361	8543
2017-18	406	2413	3714	258	338	1305	370	8804
2018-19	399	2478	3812	265	335	1279	340	8908
% 18-19	4,5	27,8	42,8	3,0	3,7	14,4	3,8	-

Breakdown



	Research & Development	Sales & Marketing	Logistics & Production	Support functions
Employees in %	23	24	35	18
Interns in %	36	18	18	28

	Europe	Americas	Middle East & Africa	Asia & Pacific
Employees in %	64	13	9	14
Interns in %	81	13	3	3

	Men	Women	France	Other countries	Managers ⁽¹⁾	Non-managers
Number	5584	3324	3963	4945	2753	6155
%	62,7	37,3	44,5	55,5	30,9	69,1

(1) According to the definition adopted by Limagrain, a manager is a supervisor or expert with over 5 years of higher education or the equivalent acquired through experience.

Recruitments

Recruitments	Tenures	% with tenure
962	351	36,5%



Recruitments without tenure	Managers	Aged under 26	Without professional experience
611	48,6%	14,8%	8,2%

Departures

Departures	Retirements	Resignation	Redundancies	Other
992	14,5%	44,2%	27,5%	13,8%



THE ENVIRONMENTAL IMPACT OF LIMAGRAIN

Energy and greenhouse gases



Source	Consumption (kWh) 2018-2019	%	Greenhouse gas emissions (kgCO ₂ e) 2018-2019	%	% with refrigerants
Electricity	179 270 312	36,1%	30 813 840	30,3%	29,4%
Mains gas	148 026 592	29,8%	35 378 356	34,7%	33,7%
Diesel for mobile sources	54 525 846	11,0%	17 611 848	17,3%	16,8%
Renewable energies	51 324 179	10,3%	10 594	0,1%	0,1%
Mobile fuel	15 316 995	3,1%	4 886 121	4,8%	4,6%
Other gas consumption	23 690 154	4,8%	6 269 058	6,1%	5,9%
Other fuel consumption	13 226 953	2,7%	4 272 307	4,2%	4,1%
Other	11 186 795	2,2%	2 600 835	2,5%	2,5%
Total Energy	496 567 826	100%	101 842 959	100%	
Refrigerants	N/A	-	3 068 657	-	2,9%
Total scope 1 and 2 with refrigerants	-	-	104 911 616	-	100%

THE ENVIRONMENTAL IMPACT

Water



Source	Well	Surface	Rain	Tap water	Total
Consumption in m³	1 651 667	344 035	104 973	504 682	2 605 357
%	64%	13%	4%	19%	-

Waste (volume/nature)



Type of waste	Organic	Non-hazardous	Hazardous	Hazardous water	Total
Tonnage	34 780	10 392	3 372	1 563	50 108
%	69%	21%	7%	3%	-

Non-water waste management



Type of treatment	Energy recycling	Material recycling	Landfill	Total
Tonnage	10 116	31 521	6 907	48 545
%	21%	65%	14%	-

Breakdown per activity



	Limagrain Coop	Limagrain Field Seeds	Limagrain Vegetable Seeds and Garden Products	Cereal Ingredients	Bakery Products
Energy	10%	27%	28%	11%	24%
Water	1%	16%	75%	3%	5%
Waste	13%	45%	22%	2%	18%



METHODOLOGICAL NOTE

The environmental, social, and societal reporting process used by Limagrain is based on:

- regulatory measures linked to article R. 225-105-1 of the French Code of Commerce;
- the principles and recommendations of the ISO 26000 norm that allowed the Group to define its priority issues in terms of societal responsibilities in order to meet economic, environmental, social/societal objectives and the expectations of stakeholders;
- guidelines for Sustainable Development reporting from the G4 Global Reporting Initiative reference;
- the ten principles of the UN's Global Compact.

The reporting period is based on a fiscal year (from July 1 to June 30)

7.1 SCOPE

The objective of the reporting scope is to be representative of Limagrain's activities. For fiscal year 2018-2019: the environmental, social, and societal reporting covers 98.4% of Limagrain's consolidated sales (100% of sales of companies with an industrial site). However, the absence of monitoring by certain subsidiaries forced the Group to calculate certain data with a reduced scope.

Concerning energy, the coverage rate is 98.4% of 2018-2019 sales. This represents 100% of the sales of companies with an industrial site⁽¹⁾.

Concerning water, the coverage rate is 97.4% of 2018-2019 sales. This represents 100% of the sales of companies with an industrial site⁽¹⁾.

Concerning waste, the coverage rate is 95.6% of 2018-2019 sales of the companies surveyed. This represents 96.0% of the sales of companies with an industrial site⁽¹⁾.

Each time an indicator is reported using a restricted scope, it is stated with regard to the data communicated.

With regard to the aforementioned scopes, the non-financial consolidation rules are the same as the financial consolidation rules.



Variations in scope

In order to be able to calculate the variation in data between fiscal years, calculations were carried out to measure the scope effect.



7.2 METHODOLOGICAL PROCEDURES

The group procedures comprise:

- a drafted procedure, including a schedule, definition of the scope, a description of the reporting tool and control and validation procedures. This procedure is made available in a SharePoint space dedicated to data collection, as well as in the group's document management tool;
- a reporting tool (web platform) including input consistency tests and input assistance (definitions) directly under the questions;
- a glossary;
- waste assistance.
- an energy calculator available on SharePoint and on a Yammer group dedicated to data collection
- a tutorial on a Yammer group dedicated to data collection.

7.3 RELEVANCE AND CHOICE OF INDICATORS

The methodologies used for some social and environmental indicators may be limited due to:

- variation in definitions between France and other countries,
- particularities of the social laws in certain countries,
- changes in definition that may affect comparability,
- variation in the scope of activities between one year and another,
- the difficulty in obtaining information in the case of sub-contractors and/or a company collaborating with external partners,
- the methods of collecting and inputting data.

Furthermore, certain indicators are measured using a specific calculation.

Staff turnover was calculated using the formula:

$$\frac{((\text{Number of arrivals} + \text{Number of departures})/2)}{\text{Total workforce}}$$

The rate at which seniors are being kept in work was calculated using the formula:

$$\frac{\text{Number of employees aged over 57}}{(\text{Number of employees aged over 57} + \text{Number of departures of employees aged over 57 (not including departures for retirement)})}$$

Absenteeism was calculated using the formula:

$$\frac{\text{Number of days of absenteeism}}{(220 \times \text{Total workforce})}$$

7.4 CONSOLIDATION AND INTERNAL CONTROL

Each site, company and Business Unit is responsible for the data they supply, as is the Department in charge of the consolidation of the published indicator.

The organization of non-financial reporting relies on:

- the Group CSR Department that coordinates the Business Units, consolidates all the non-financial data and ensures consistent societal and environmental data;
- the Group Human Resources Department, which ensures the consistency of social data;
- the Financial Department for the consolidation of data on staffing levels;
- a network of "Business Unit coordinators" who coordinate and contact the subsidiary companies as well as validate their data;
- "company representatives" named by the Business Unit coordinators, who enter the data for their company and supply supporting documents;
- "site representatives" named by the Business Unit coordinators, who transfer data for their site and supply supporting documents.

The verification and consolidation of this data is carried out in two stages:

First phase: each entity (the Group and its subsidiaries) consolidates data within their scope. During this consolidation process, consistency checks are carried out on the data. The data consolidated and checked at entity level is then made available to the Group CSR Department that sends the social data to the Group Human Resources Department.

Second phase: the Group Human Resources Department and the Group CSR Department consolidate the data over the entire scope and check consistency using crossmatch tests with the financial consolidation reporting system.

External checks

For fiscal year 2018-2019, reporting procedures for non-financial indicators were checked externally by Grant Thornton. In parallel, sites audits were carried out, based around a selection of social, environmental, and societal indicators in nine companies within eight Business Units that are representative of Group activity, in order to validate the overall quality and credibility of the reporting system:

- Bisco Bio Sciences
(India, Field Seeds),
- Hazera Seeds Ltd
(Israel, Vegetable Seeds),
- Hazera Seeds BV
(Netherlands, Vegetable Seeds),
- HM.CLAUSE SA⁽²⁾
(France, Vegetable Seeds),

- Limagrain Ingredients
(France, Cereal Ingredients),
- Limagrain SCA
(France, Limagrain Coop),
- Limagrain Ukraine
(Ukraine, Field Seeds),
- Savane Brossard
(France, Bakery Products),
- Vilmorin SA
(France, Vegetable Seeds).

The type of work carried out and the related conclusions are presented in a specific statement (see §8). The glossary of indicators is available on request.

(1) The list of companies concerned is available on request from the Group CSR Department.

(2) Only for the environmental section of the reporting

7.5 LIMAGRAINS'S COMMITMENT TO THE GLOBAL COMPACT

The 10 principles of United Nations GLOBAL COMPACT encourage companies to:



HUMAN RIGHTS

- 1: Support and respect the protection of internationally proclaimed human rights.
- 2: Make sure they are not complicit in human rights abuses.



LABOUR

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

In 2013, Limagrain formalised its commitment to the United Nations Global Compact. Since then, annual Corporate Responsibility Reports have described how Limagrain is committing to continued progress in the field of human rights, labour rights, the environment and corruption.

This first Limagrain Statement of Non-financial Performance pursues the same goal as the Corporate Responsibility Reports and fulfils the requirement for Communication on Progress (COP) under our commitment.



ENVIRONMENT

- 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.



ANTI-CORRUPTION

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

With respect to each of the 10 principles of the Global Compact, Limagrain sets out the policies and actions it has implemented in response in part 5 of this document, as follows:

- 5.1 Creating an environment that is conducive to professional growth
- 5.2 Acting in accordance with our Ethical Principles and Code of Conduct.
- 5.3 Limiting the environmental impact of our activities



**INDEPENDENT
THIRD-PARTY
REPORT**

Independent third-party report on the consolidated non-financial statement included in the management report

Fiscal period ending 2019

Dear Members,

In our capacity as a third-party body, independent from the Limagrain agricultural cooperative, accredited by COFRAC under no. 3-1080, we present our report on the consolidated statement of non-financial performance relating to the fiscal period ending on 30 June 2019 (hereinafter the "Statement"), presented in the management report pursuant to the legal and regulatory provisions of articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

Responsibility of the entity

It is the responsibility of the Board of Directors to establish the Statement in compliance with the legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks and a presentation of the policies applied regarding these risks, as well as the results of these policies, including key performance indicators.

The Statement has been established based on the procedures of the entity (hereinafter referred to as the "Criteria"), the significant elements of which are presented in the Statement.

Independence and quality control

Our independence is defined by the provisions of Article L. 822-11-3 of the French Commercial Code and the Code of Ethics (Code de déontologie) of our profession. In addition, we have implemented a quality control system, including documented policies and procedures to ensure compliance with ethical standards, professional standards and applicable legal and regulatory requirements.

Responsibility of the independent third-party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the provisions of Article R. 225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with Article R. 225 105 I, 3° and II of the French Commercial Code, namely the results of the policies, including key performance indicators, and the actions related to the main risks, hereinafter the "Information".

However, it is not our responsibility to comment on:

- the entity's compliance with other applicable legal and regulatory provisions, particularly the French duty of care law and anti-corruption and tax evasion legislation;
- the compliance of products and services with the applicable regulations.

Nature and scope of the work

Our work described below has been carried out in accordance with the provisions of Articles A. 225-1 et seq. of the French Commercial Code, setting out the conditions in which the independent third party performs its mission and according to professional standards as well as to the international ISAE standard 3000 – *Assurance engagements other than audits or reviews of historical financial information*.

The work that we conducted allows us to assess the compliance of the Statement with the regulatory provisions and the fairness of the Information:

- we obtained an understanding of the activities of all the entities included in the scope of consolidation and of the statement of the main social and environmental risks related to this activity;
- we assessed the suitability of the Criteria with respect to their relevance, completeness, reliability, neutrality and understandability by taking into consideration, where relevant, the best practices of the industry;
- we verified that the Statement covers each category of information set out in Article L. 225-102-1 III of the French Commercial Code regarding social and environmental matters;
- we verified that the Statement includes an explanation justifying the absence of the information required by the 2nd paragraph of III of Article L. 225-102-1;
- we verified that the Statement presents the business model and the main risks associated with the activities of all the entities included in the scope of consolidation; including, where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, actions and results, including key performance indicators;
- we verified, where relevant with respect to the main risks or the policies presented, that the Statement presents the information required under II of Article R. 225-105;
- we assessed the process used to select and validate the main risks;
- we inquired about the existence of internal control and risk management procedures implemented;
- we assessed the consistency of the results and the key performance indicators with respect to the main risks and policies presented;
- we verified that the Statement includes a clear and reasoned explanation for the absence of a policy regarding one or more of those risks; ;
- we verified that the Statement covers the consolidated scope, i.e., all the companies included in the scope of consolidation in accordance with Article L. 233-16, with the limits specified in the Statement;
- we assessed the collection process implemented by the entity to ensure the completeness and fairness of the Information;
- we implemented for the key performance indicators and other quantitative results that we considered to be the most important⁽²⁾:
 - analytical procedures to verify the correct consolidation of the data collected as well as the consistency of their evolutions;
 - detailed tests based on samples, consisting of checking the correct application of the definitions and procedures and reconciling the data with the supporting documents. This work was carried out with a selection of contributing entities⁽³⁾ and covers between 17% and 51% of the consolidated data of the key performance indicators and results selected for these tests;

2 - **Quantitative social information:** permanent headcount, trends and breakdown; recruitments and departures by cause; number of training hours; number of people trained and breakdown; accident rate with stoppage; accident severity rate.

Quantitative environmental information: consumption of energy and breakdown by activity; greenhouse gas emissions (scope 1 and 2);

consumption of water by source and breakdown by activity; quantity of waste generated and breakdown by activity and type of recycling; volumes of hazardous and non-hazardous waste water.

3 - Bisco Bio Sciences ; Hazera Seeds BV ; Hazera Seeds Ltd ; HM.CLAUSE SA ; Limagrain Ingredients ; Limagrain Ukraine ; Limagrain SCA ; Savane Brossard ; Vilmorin SA.

- we consulted documentary sources and conducted interviews to corroborate the qualitative information (actions and results) that we considered the most important⁽⁴⁾;
- we assessed the overall consistency of the Statement based on our knowledge of all the entities included in the scope of consolidation.

We believe that the work we have carried out, based on our professional judgment allows us to express a limited assurance conclusion; a higher level of assurance would have required more extensive verification work.

Means and resources

Our work mobilized the skills of six people and took place between March and November 2019 during a total period of around sixteen weeks.

To assist us in performing our work, we called upon specialists in sustainable development and societal responsibility. We conducted interviews with individuals responsible for drafting the Statement.

Conclusion

Based on our work, we have not identified any significant misstatement that causes us not to believe that the consolidated non-financial statement complies with the applicable regulatory provisions and that the Information, taken together, is fairly presented, in compliance with the Criteria

Neuilly-sur-Seine, 25 November 2019

Independent third-party

*Grant Thornton
French member of
Grant Thornton International*

*Arnaud Dekeister, Partner
Tristan Moure, Director*

4 - Qualitative information relating to the following sections: "Engaging with the local communities around our sites"; "Developing sustainable plant and crop solutions to help meet the challenges of the future"; "Ensuring our customers have safe, quality products"; "Protecting, enhancing and disseminating plant biodiversity"; "Guaranteeing the health and safety of

individuals"; "Committing to diversity and professional equality"; "Developing a responsible purchasing policy with our suppliers"; "Protecting the ecosystems on our major sites".

HEAD OFFICE:

Biopôle Clermont-Limagne
14 rue Henri Mondor
63360 Saint-Beauzire
France

POSTAL ADDRESS:

CS 20 001
63360 Gerzat
France
Tel. +33 (0)4 73 63 40 00
Fax. +33 (0)4 73 63 40 44



www.limagrain.com
#Limagrain