

CAPITALISING ON THE ENERGY OF OUR REGIONS

CSR Report **2019 | 2020**



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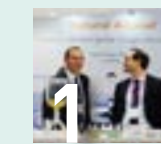
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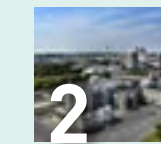


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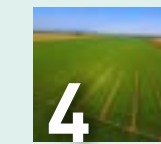
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ADDRESSING THE MAJOR CHALLENGES FOR THE BEET INDUSTRY AND OUR REGIONS



EDITORIAL

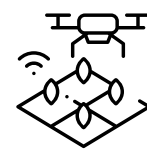
Since its creation, Cristal Union has placed sustainable development and social responsibility at the heart of its policy by relying on the strong links it has maintained with the members of our cooperative, employees, customers and all its stakeholders.

The beet/sugar sector has been facing major upheavals for several years. We have had to reinvent ourselves and seize new opportunities in order to continue developing all the Group's energies, from the earth, from our industrial sites and from our employees, by developing our ability to be flexible, innovative and attentive to our stakeholders and customers.

In 2019, the Group's CSR ratios were good, demonstrating that resource optimization, energy savings and lowering carbon emissions are progressing year after year, rewarding the daily commitment of our teams at all our sites. Our energy transition is now complete and we want to accelerate. Our ambition: to become a leader in decarbonation in the coming years.

“ **Our ambition : to become a leader in decarbonation** ”

Xavier Astolfi - Deputy Managing Director



Agricultural practices in constant progression

On the agricultural level, the know-how of our members combined with the skills of the agro-beet teams and the strong involvement of the Agricultural Research and Development Department has enabled us to obtain good results for this beet campaign, despite the climatic uncertainties.

We are producing better while facing the development of bio-aggressors, in compliance with increasingly restrictive regulations. In 2019, we successfully launched production of certified organic sugar from organic beets.

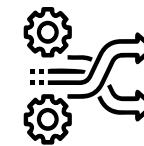
This new production makes it possible to support the conversion to organic farming for those cooperating farmers who wish to do so, and will also reinforce conventional beet production by introducing new farming techniques.



A sales force with expertise in custom-made products

Our business relationships change with the new requirements of our customers and consumers. Hyper-personalisation, quality of products and services, respect for people and the environment, transparency, expertise, commitment and corporate responsibility have become the criteria of choice favoured by our customers, as well as the company's price offer or cost effectiveness.

The success of the new brown-paper packaging ("Kraft by Daddy") released in November 2019 is emblematic of Cristalco's commercial capacity to adapt to this paradigm shift. Indeed, it is an integrated eco-design approach that has improved the performance and environmental impact of our products.



On the way to transforming our sites

Faced with the imperative need to remain competitive in Europe, we are staying the course to strengthen our sites. The policy of adapting our industrial facilities in 2019 will improve our competitiveness and enable us to envisage increasing the production capacities of our most efficient sites in the long term.

Faced with environmental challenges, Cristal Union has launched numerous initiatives, such as energy transition, water recycling and lowering carbon emissions.



A human adventure for employees and our cooperating farmers

Cooperation is a human adventure based on the development of talents through innovative training and collaborative work methods. Diversity of our businesses, our expertise, our motivation and our personality contribute to the development of Cristal Union.

In 2019, we began a new phase and gave a new dynamic to our Group. We are ready, together, to surpass ourselves to deliver even greater performance and achieve the excellence that will enable the Group to develop in the European Union and thus meet the challenges of tomorrow's sugar market and the expectations of our customers and stakeholders.



Alain Commissaire - Managing Director

Xavier Astolfi - Deputy Managing Director

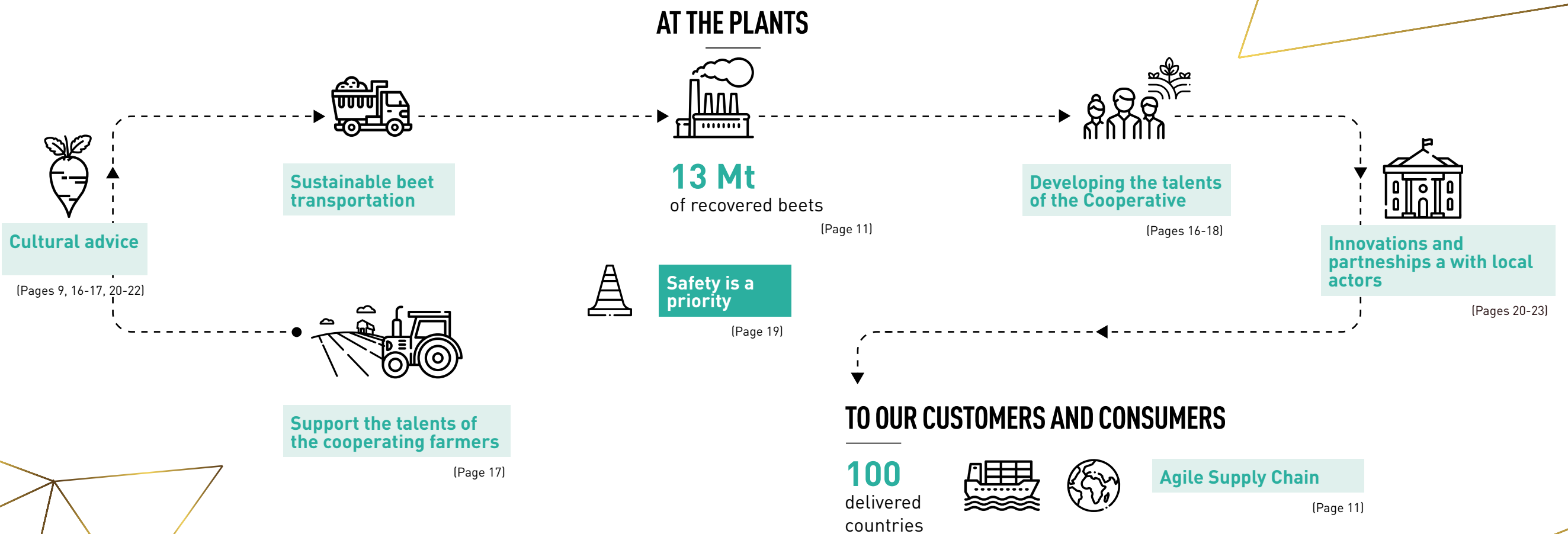


FROM FIELD TO USE, EXTRACTING THE FULL VALUE OF BEET CROPS



IN THE FIELD

Beets are grown by our **10,000** cooperative farmers in France, over a surface area of more than **160,000 ha**



Sustainability at the heart of our concerns

(Page 9)



International recognition of our CSR approach

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7 complementary assessments to provide tailor-made solutions to our customers

(Page 10)



3 consumer sugar brands



PROVIDING SUSTAINABLE SOLUTIONS TO OUR CUSTOMERS

By their very nature, our products are the starting point for small or large projects for our consumers and customers. We therefore value the best of nature and set ourselves the goal of being exemplary in terms of sustainability. Our approach is based on our customers' needs and society's expectations, and we offer sustainable, natural, simple, high-performance solutions that come from our regions.

In a nutshell, this translates into:

- + Agricultural production in line with the highest standards of sustainability
- + A permanent quest for improvement
- + Quality products
- + Tailor-made services



OUR PROGRESS

New brown paper packaging for Daddy organic cane sugar.

Marketing of the first French organic beet sugar production.

Sale of sugar and alcohol certified by CRISTAL VISION, the "Gold" or "Silver" equivalent of the SAI* standard.

* Sustainable Agriculture Initiative



OUR INDICATORS

93% of our productions evaluated by our CRISTAL VISION reference system distributed to all our Members.

2 000 tonnes of organic beet sugar produced in our Corbeilles-en-Gâtinais sugar plant.

64% of the growers achieve an SAI score equal to or higher than Silver.

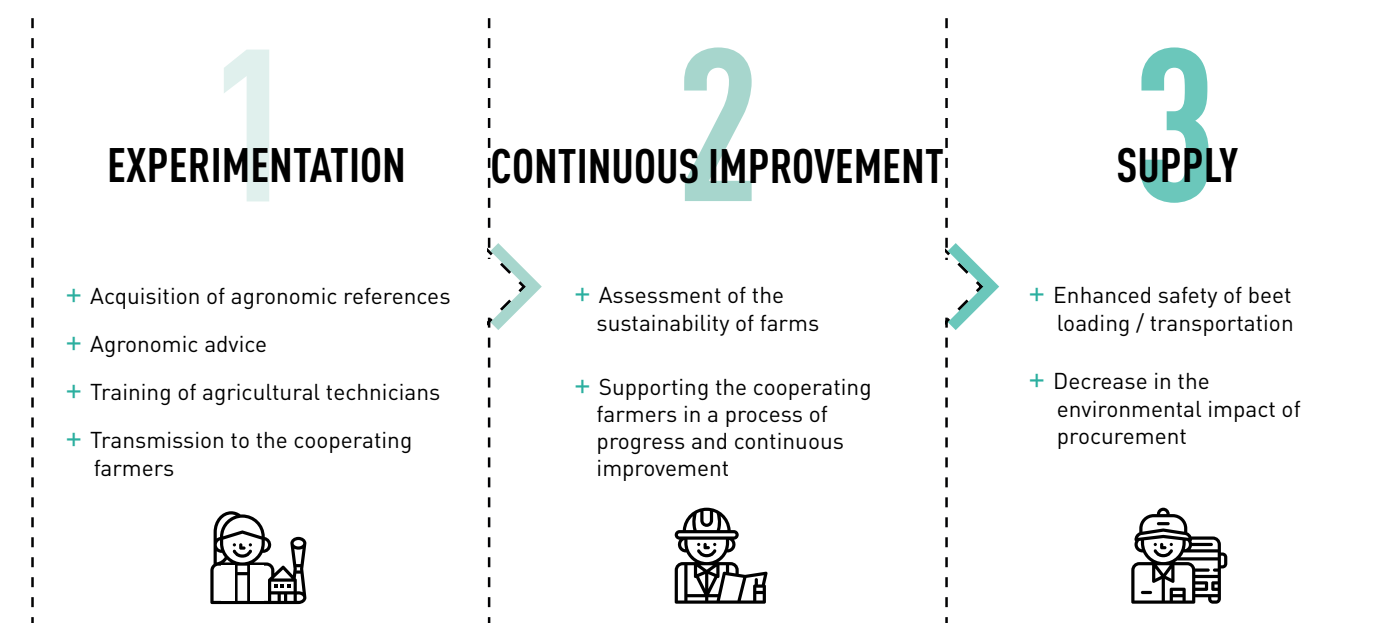
72% less plastic in the Profile Pack brown paper packaging compared to previous PPK packaging.

Our approach to sustainability starts in the fields

In order to support and promote the improvement of its cooperating farmers' agricultural practices, Cristal Union has set up a quality and sustainability approach called "CRISTAL VISION smart sugar beet". This approach is based on an ad hoc reference system compatible with the SAI platform's reference system and guarantees the highest levels of sustainability among international standards. This collective approach, which involves all of our cooperative farmers, enables us to promote our production to our customers by certifying that our agricultural practices are responsible and sustainable.

A process of continuous improvement

Ever evolving since its creation, CRISTAL VISION is structured in 3 pillars to support all our growers and the cooperative in a process of continuous improvement of sustainable agricultural practices.



A robust evaluation framework, transparent and scalable

The CRISTAL VISION reference system transparently displays its evaluation methodology, which is verified annually by a third-party organisation. Built in 4 steps, it produces robust results, finely evaluates the progress made and guides the direction for the coming years.



Acting precisely where customers need it

Every year our product range is enriched to meet the expectations of consumers and customers. 2019 marked a major turning point with the 1st French organic beet sugar, our response to the growing demand for bioethanol and the launch of the 1st brown paper Profile Pack soon to be extended to the entire range.



Organic beet sugar, 1st in France

In response to the high expectations of our customers, Cristal Union is the first French company to have produced and marketed organic beet sugar in 2019.

Cultivated on 500 ha by passionate cooperating farmers, the organic beets were transformed into sugar at Corbeilles-en-Gâtinais, France's 1st certified organic sugar plant!



Bioethanol, a local and sustainable fuel

3rd European producer of Bioethanol, Cristal Union has responded to the exceptional increase in demand in 2019: plus 7% for petrol and more than 85% for E85!

By diversifying its supplies of local raw materials (beet, wheat, residues from sugar plants, sugar refineries and winegrowing sectors), Cristal Union promotes the logic of circular economy while limiting the impact of biofuels on agricultural land.

Daddy dares metamorphosis

Attentive to its consumers, our Daddy brand which is the leading sugar in supermarkets, has initiated a metamorphosis over the last 2 years to strengthen the link between its products and its natural roots.



Diversifying the "Nutritional" and "Discovery" offering

To adapt to all tastes and types of use, the formats are multiple: castor sugar, icing sugar, cubes and breakable cubes, round-shaped lumps, wrapped sticks, speciality Espresso sugars.

Daddy is also expanding its range: beetroot, coconut flower, sugar cane, stevia, brown sugar.



Reducing its environmental footprint

After 2 years of study, Daddy has launched a new Profile Pack in raw brown paper. The quantity of plastic is reduced by 72%, which is equivalent to a saving of 7.6 million plastic bottles annually.



Services specifically tailored to clients

Cristalco, Cristal Union's sales subsidiary, applies the Group's CSR policy to its businesses every year, with the aim of constantly improving its ability to satisfy its customers' needs while meeting society's expectations.



The Supply Chain resolutely oriented towards customer satisfaction

With the objective of ever greater customer satisfaction, the Group's Supply Chain was reorganized in 2019. It is now integrated into Cristalco's sales teams.

The organization of our logistics platforms for mass distribution was reviewed in 2019, improving the responsiveness of our shipments.

The reduction of the environmental impact of our transport continued in 2019, with the implementation of new railway lines to Italy and Spain. As a result, 5.6 million truck kilometres were avoided in 2019 compared to 2018.

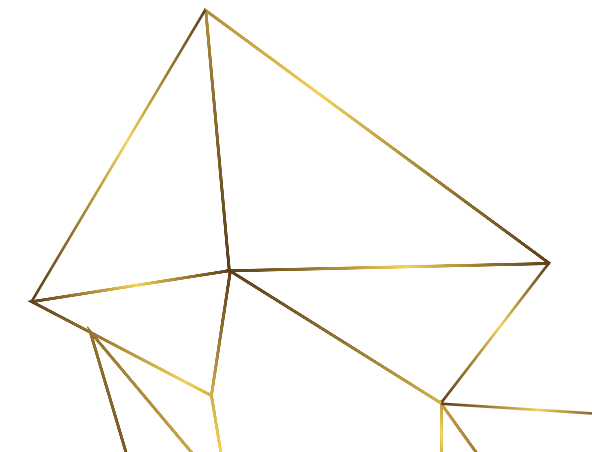


Concrete solutions to combat Coronavirus

By reorienting its production, Cristal Union has provided a concrete and immediate response to customers need for sanitizing products from the start of the Covid-19 health crisis in March 2020.

The Group has reoriented almost all of its business from its raw alcohol production to Biocidal® or PharmEthyl® alcohol.

Our Dislaub and Jean Goyard distilleries have launched new lines for packaging in small containers to meet the demand of French pharmacies and dispensaries in Biocidal® alcohol.



A stronger presence at international trade fairs

In 2019, Cristalco participated in several trade fairs, such as Sirha (Lyon, January), In-cosmetics (Paris, April), Beauty World Middle East (Dubai, April), CPhI (Frankfurt, November) and FIE (Villepinte, December).

During this last exhibition where organic sugar was the main focus, our teams organised events and interviews that put the spotlight on the sustainability of our production methods.



OUR KEY INDICATORS

2,000 tonnes of organic beet sugar produced in 2019 and marketed by Cristalco.

100 % of the Daddy ranges will soon benefit from the Profile Pack in raw brown paper.

2 new train lines to serve Italy and Spain and thus reduce road transport.

Cristal Union rated "Gold" by Ecovadis during its 2019 annual assessment.



"We bear a collective responsibility. Our commitment to the future is written in the present, favouring sustainable choices and actions, giving priority to nature and people."

Olivia Pfeiffer - Sales and Distribution Manager



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SUSTAINABILITY AS A LEVER FOR INDUSTRIAL PERFORMANCE

By our very nature, we are convinced that doing better with less is a positive equation. The preservation of our natural environment and the climate emergency force us to reinvent our modes of production and consumption. Since the creation of Cristal Union, we have been convinced of this and have done everything possible to transform agricultural production in the best conditions of sustainability.

How does our industrial performance support sustainability?

- + Efficient, energy and water-efficient industrial sites
- + An agile and optimized supply chain
- + A culture of collective excellence

OUR PROGRESS

Sugar plants are **nearly autonomous in water needs**.

Deployment of **circular economy** and **industrial ecology approaches**.

Energy management recognized by the **Group ISO 50 001 Certification** obtained from 2017 and priority given to increasing energy efficiency.

Launch of **biogas production** at the Fontaine-le-Dun site, based on the anaerobic digestion of beet water.



OUR INDICATORS

100% of our steam is produced using biomass or natural gas.

Since 2010, our industrial sites improve :

- 47%** water consumptions
- 22%** GHG emissions
- 9,2%** energy consumption

Water management

A strategic environmental issue for Cristal Union

In 2010, the Cristal Union Group launched major projects to reduce the water consumption of its sugar plants.

The Group has set itself the ambitious goal of reducing its water consumption by 50% in ten years compared to the situation in 2010. In 2019 we had almost reached this goal with a 47% reduction.

Action plans adapted to each sugar plant

Between 2010 and 2019, several investment plans and renovation projects have been implemented to achieve our objective of reducing water consumption:

- + Creation of condensed water basins to recover beet water at Pithiviers-le-Vieil and Arcis-sur-Aube.
- + Installation of agricultural spreading networks in Fontaine-le-Dun.
- + Optimization of industrial networks to use water recovered from beets for beet washing and cossette diffusion.

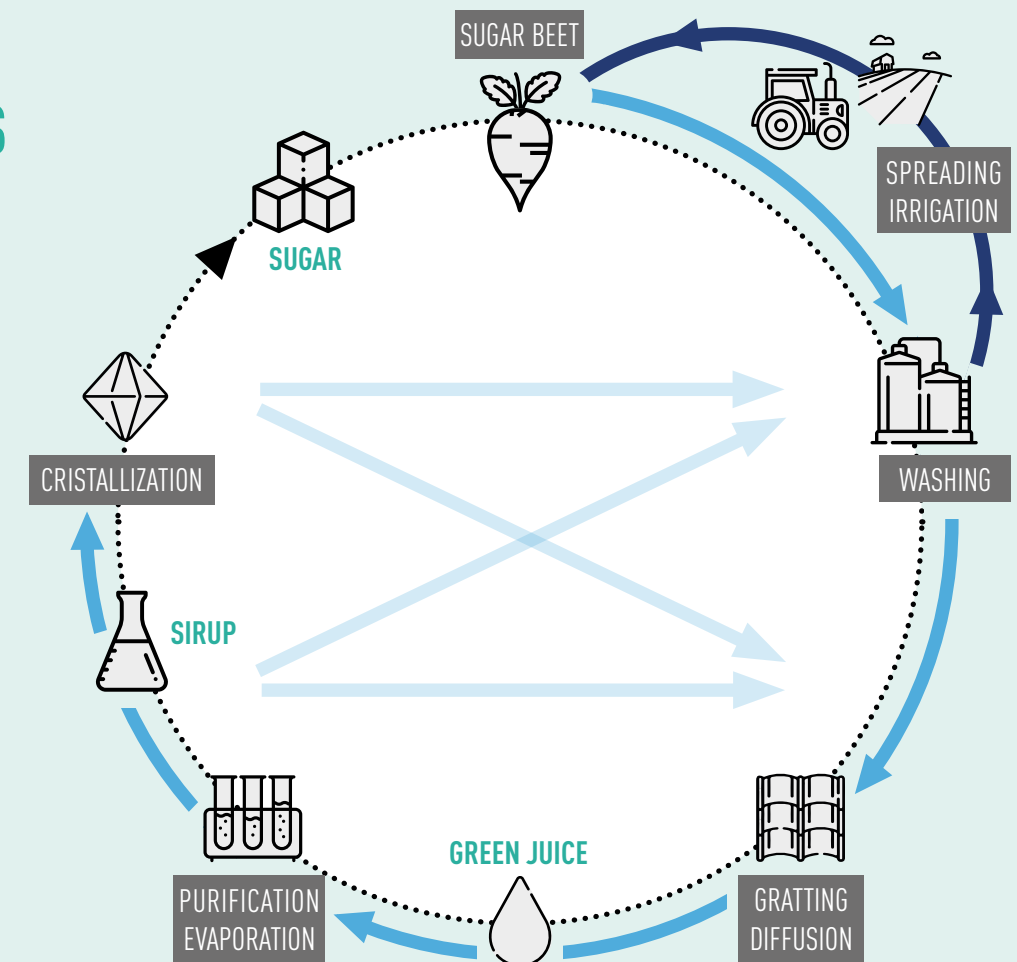
100% OF WATER OF SUGAR BEETS IS REUSED IN THE PROCESS

..... Sugar process

Water contained in the sugar beet and intermediate products of the sugar plant

Gray water

Condensed water extracted from the sirup and cristallization stages



The logic of circular economy suitable for water management in sugar plants

Water from evaporation or recovered from the cristallization process is called condensed water. It is either recycled immediately in the washing stage of the beets entering the sugar factory and in diffusion, or stored for later reuse in the process. Finally the nutrient-rich soil water is recovered from the washing output and is made available to the growers and used for spreading during the following beet season or decanted and used as irrigation water in the event of dry periods during the following year. These inputs are taken into account by farmers, which further reduces the use of fossil fertilizers or water abstraction.

“ This is a good example of a global circular economy as the water purified in this way will be reused 100% for crop irrigation, which is an additional asset when water may become scarce. **”**

Pascal Hamon - Deputy Industrial Director

Striving for operational excellence day after day

Since 2015, the Group has built on its operational excellence approach, Together Towards Excellence (EvE). Its purpose is to improve safety conditions, the quality of life at work and the performance of our businesses and processes.



EVE, an operational excellence approach adopted by all.

The EvE approach is collaborative, concrete and promotes transversality. It involves employees and allows them to quickly identify and implement solutions to deal with problems encountered in their daily lives.

All services have adopted the methodology, from agricultural upstream to the Supply Chain, including on-site technical teams and support services, through more than 900 working groups since 2015

The EvE tools: facilitators for teams

The EvE approach includes several emblematic tools such as 5S, staff qualification in continuous improvement techniques and visual management. Widely deployed in 2019, 80 visual management teams are regularly active within the facilities.

Visual management facilitates the coordination of a team in a structured, efficient and collaborative way on key issues. More than just a tool, it allows you to rethink the way you work as a team, to make internal communication more fluid and to facilitate the deployment of the decisions taken.



One step ahead in energy transition and carbon neutrality

France has recently set the objective of carbon neutrality by 2050 for all sectors. Cristal Union has been anticipating these changes for several years and took a first step in 2018. The Group now uses only biomass or natural gas (the cleanest fossil energy) to power its boilers.

In 2019, Cristal Union has been working on its "Carbon neutrality" roadmap, which aims to reduce the use of natural gas of fossil origin progressively. Several solutions are being studied. One which is being tested at the Fontaine-le-Dun site consists of producing bio-gas via the anaerobic digestion of beet water.

Success of the anaerobic digestion project at the Fontaine-le-Dun site

In 2019, Fontaine-le-Dun started up a new anaerobic digestion unit. At the crossroads between the circular economy, the reduction of greenhouse gas emissions and adaptation to climate change, this installation successfully started up for the 2019 campaign.



In the context of the end of sugar quotas, this project was born out of the desire to process more beet without increasing the environmental footprint of the site.

The new anaerobic digestion unit, started up in 2019, will enable the earthy water from the sugar factory to be converted into biogas. This biogas is used as a substitute for natural gas of fossil origin, and by a boiler that produces the steam needed to process the beets. In addition a new agricultural spreading network enables the surrounding farmers to benefit from the purified water to irrigate their fields.

Commissioned during the 2019 campaign, the results demonstrate the performance and relevance of the facility, which produces nearly 7% of the sugar factory's gas requirements. Greenhouse gas emissions are reduced by the same amount.

The new agricultural spreading network will eventually allow spreading over 2,400 ha across 15 communes around the plant.

OUR KEY INDICATORS

387

People trained in EvE fundamentals, of which 55 have obtained Lean Six Sigma Yellow Belt certification

700

Problems solved collaboratively thanks to EvE methods in 2019

80

"Visual management" systems deployed at the Group's facilities

55 %

deployment of 5S in the Group's facilities



"Since my Yellow Belt certification for every project, idea of continuous improvement or communication ritual, I automatically check if a tool exists to formalize, frame, organize."

Sylvie Guionnet - Head Accountant





DEVELOPING THE TALENTS OF THE COOPERATIVE

By its very nature, Cristal Union considers that the smooth running of a company depends on its first asset: the talents which make it up. This is why the support of our cooperating farmers and the development of our employees' skills and well-being are at the heart of our concerns.

In a nutshell, this translates into:

- + Cooperative members supported in the implementation of increasingly sustainable agricultural practices.
- + Innovative training for employees who are key players in their professional development
- + Employees who contribute to the performance of their activity.



OUR PROGRESS

Creation of a **skills development plan** specifically tailored to each employee.

Development of **innovative training methods**: e-learning, field training, educational tools.

Personalized advice from our crop relations managers to our cooperating farmers to improve the sustainability of their farming practices.



OUR INDICATORS

5 collective agreements at Cristal Union level.

At least 2 annual meetings with our cooperating farmers.

Lost-time accident frequency rate* of **10,4**.

* Frequency rate is the number of accidents per million hours worked.

Supporting the members of our cooperative...

Cristal Union promotes exchanges and sharing of experience at a local level and provides tailor-made advice to cooperating farmers.

Fostering exchanges

In addition to the daily monitoring of the beet cultivation itinerary, our agricultural R&D department organises on-site information and exchange days for the members of our cooperative right next to their field. To reinforce this support system, a new agronomic brochure and 80 regionalized publications containing specific advice were sent to our cooperating farmers in 2019.

Collaborative tools to facilitate the link with planters

Cristal Union provides its members with a dedicated extranet site: Cristalcoop. They have access to various services and information in real time. For example, they can report the availability of their beet silo or access the Cristal Cerc'OAD® tool developed by our Agricultural R&D free of charge.

Enhanced agricultural R&D

The agronomic advice provided by Cristal Union is based on experimentation on nearly 15,000 test micro-plots and participation in various research projects, together with its partners such as the Beet Technical Institute or seed companies. The results and lessons learned are passed on to our cooperating farmers.

... and developing employees' skills

Skills development is essential at a time when professions are changing. It is up to the company to support its workforce in meeting current and future challenges. Every year, our training policy ensures that the Group's strategic orientations are in line with the individual career paths of our employees.



Lauriane Delunel - Human Resources Director

Strengthening coherence of the training process

In 2019, several working groups involving senior management, managers, employees and HR experts were created in order to make our training process even more effective. As the approach is intended to be highly participative, these actors intervened to identify the improvements to be implemented within the training process to generate greater agility and performance.

Innovative training methods

Traditional training courses are modernised by innovative methods: educational tools, e-learning or training through activities. For example, in our in-house training school, the Cristal Academy, trainees are trained in real conditions in the field.

OUR KEY INDICATORS

"COOPERATING FARMERS"

60 culture relationship managers and **12** agronomists spread over our growing areas to advise our cooperating farmers.

40 winter meetings with our planters to prepare for the 2019/2020 campaign.

80 publications in the form of « Agro News » to our planters throughout the year

OUR KEY INDICATORS

"EMPLOYEES"

More than 99% of our employees were interviewed annually

80 % of our employees benefited from more than 40 000 hours of training, or 3.74% of the total payroll

Commitments and concrete actions for equal opportunities

Faithful to its cooperative values, Cristal Union pursues an active policy in favour of equal opportunities. This policy takes the form of actions to support professional equality and the employment of people with disabilities.

Equality between women and men is progressing

Cristal Union is committed to professional equality between men and women

In 2019 our actions focused on reducing compensation, pay-rise and promotion gaps.

The Gender Equality Index rose by 5 points in one year, reaching 87 out of 100 in 2019.

Concrete actions in favour of disabled persons

For many years we have been working to change the way teams view disability and to promote the integration of disabled employees within the Group.

Following the diagnosis carried out in 2019 by the *Association de Gestion du Fonds pour l'Insertion Professionnelle des Personnes Handicapées (AGEFIPH)*, several concrete actions were carried out: poster campaigns, communications in digital format, awareness-raising workshops and the appointment of a disability representative in each establishment.

Supporting employees in all situations

In 2019, Cristal Union is specifically committed to supporting employees impacted by the industrial restructuring project.

Proposed closure of establishments

In a difficult market context since the end of the sugar quotas, the Cristal Union Group announced in April 2019 the project to close the Bourdon and Toury plants and to partially stop the packaging of Erstein.

This difficult decision was taken to consolidate the future of the Group. An agreement on the Employment Safeguard Plan (ESP) was proposed and unanimously signed by all the trade unions and Cristal Union on 27 November 2019.

Future of employees concerned by the Employment Safeguard Plan

In order to promote the internal redeployment of the employees concerned as a priority, more than 150 permanent positions have been offered in the Group's other establishments and companies, with a support system for geographical mobility.

Employees who have refused internal mobility have the possibility of being supported by the Employment and Skills Mobility Office. Finally, a voluntary retirement and pre-retirement plan is offered to eligible employees.

OUR KEY INDICATORS

14 Disability Group Representatives designated on the sites and one representative at Group level

1 Disability awareness campaign launched in 2019

Creation of an "equal opportunities" committee made up of representatives and partners (Agefiph, Cap Emploi, occupational physicians)

Score of **87** on the Gender Equality Index in 2019



Disability Poster Campaign

Global SéCU, an integrated approach towards zero accidents

Cristal Union has been pursuing a committed safety policy for many years and this has resulted in a 40% reduction in its lost-time accident frequency rate. Since 2019, **Cristal Union has been strengthening its commitment and has set a "zero serious accidents" objective for 2025** by launching a more ambitious and more impactful global approach: *Global SéCU*

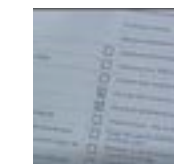


4 strategic pillars



Steered by management

Safety is monitored and managed on a daily basis at all levels of the organization.



Deployment the benchmark of excellence

Prevention tools recognized for their effectiveness in 10 themes.



Leadership development and behavioural adaptation

Everyone is responsible for their own behaviour and protective measures implemented in the face of risks.



Active involvement of our stakeholders

In particular the outsources and sub-contractors working on our sites, transporters and visitors.

1 excellence reference framework divided into 10 themes

- + Risk assessment
- + Rules for life
- + Contacts
- + Activities & Communication
- + Training & Skills
- + Shared vigilance
- + Management of External Companies
- + Management of interventions
- + Management of Transport Companies
- + Road traffic

ACTIONS CARRIED OUT IN 2019

+ 7000 participants of External Companies followed an e-learning session before intervening on the site

+ 4000 contacts (behavioural-related discussions in the field)

+ 75 fun activity workshops organized during the Group security days

300 contractors trained in the management of External Companies



Sébastien Guillemain - Head of safety and environment coordination

Safety Safety counts for **30%** in our new profit-sharing agreement



4

INNOVATING IN THE HEART OF OUR REGIONS

By their very nature, our roots are planted in the earth and our gaze is on the future. Our ambition is to always anticipate and innovate for a more sustainable future. We believe that the future is written in the present, that we must sow the seeds of a more sustainable future today.

In a nutshell, this translates into:

- + Thousands of agricultural experimentation plots each year, in search of practices that reconcile performance and sustainability.
- + Extracting the value of the whole plant in a circular economy approach.
- + Eco-designed packaging.
- + A constructive dialogue with the regions.



OUR PROGRESS

An **eco-design approach** deployed across all the links in our chain: from the fields to Daddy packaging.

Deployment of the **Cristal Cerc'OAD® decision-support tool** to all our cooperating farmers.

The **lessons learnt from organic beet growing** benefit all our cooperating farmers.



OUR INDICATORS

15,000 micro-plot trials.

100% of our product families have undergone Life Cycle Assessment.

The launch of a production of **AB certified organic beet sugar** represents an important challenge at the agricultural level.

All the agronomic and beet grower teams are mobilized to develop the cultivation itinerary and to support our members.

Eco-design becomes a reality for our beet sugar

In 2019, Cristal Union finalised an eco-design project initiated in 2017 in partnership with ADEME. Aligned with consumer expectations, this innovative project aims to improve the environmental footprint of our beet sugars by taking into account all the links in the production chain.

A comprehensive approach to our entire sugar sector

Based on a Life Cycle Assessment (LCA), the project studied our entire value chain, from the fields to the packaging. It has required the involvement of all departments and dozens of members of cooperating farmers. Many eco-design approaches were evaluated: innovative agricultural practices, organic sugar production and bio-based packaging materials.

Systematically eco-designed packaging

After 2 years of study, the launch of the Daddy Profile Pack in raw brown paper in 2020 demonstrates the Group's determination to remain a pioneer in terms of sustainability. This approach will now benefit the entire range and packaging formats.



Results that exceed the original target

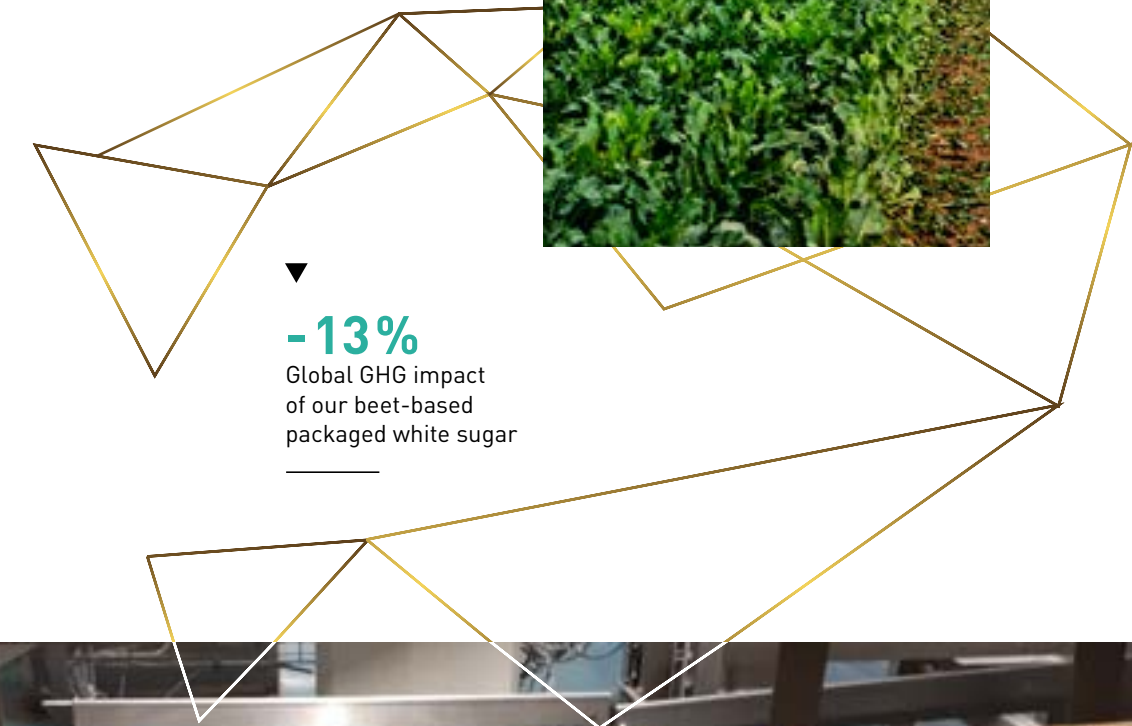
The initial objective of the project was to identify eco-design options that would reduce the GHG impact of Daddy sugar by 10%. By combining all the innovations identified during the project, the overall GHG impact of our packaged white beet sugar has been reduced by 13% in relation to the reference product.

-13%
Global GHG impact of our beet-based packaged white sugar



Julien Coignac - CSR Coordinator

“The eco-design approach is complementary to circular economy and agro-industrial performance projects. Its product-oriented vision allows to prioritize efforts and provide evidence to consumers.”



Agronomic innovation as a driver for continuous improvement and sustainability

Cristal Union has implemented an agricultural R&D policy oriented towards the creation of innovations designed to provide its cooperating farmers with the best tools to manage beet growing. The search for alternative means of disease and weed control is a field of experience in which agricultural performance and sustainability go hand in hand.



Decision Support Tool (DST) for the control of cercosporiosis

Developed by Cristal Union and deployed on all beet areas in 2019, the Cristal Cerc'OAD® tool provides our cooperating farmers with simulations of the onset of cercosporiosis, a destructive beet disease, perfectly aligned to their own fields.

The objective is to help our cooperating farmers make the best decisions for the management of their crop in case of risk of disease development. In 2019, several thousand of our cooperating farmers' plots of land benefited from this tool.



Mechanical weeding combines input saving and agronomy

In search of sustainable alternatives, we have been experimenting for several years with different mechanical weeding solutions. This practice today makes it possible to combine agronomic efficiency and input savings.

In 2019, several promising materials were tested, the results of which were relayed to our growers.



The organic sugar challenge, an opportunity for all

Launching an AB-certified organic beet sugar production represents a major challenge at the agricultural level.

All the agronomic and beet grower teams are mobilized to develop the cultivation itinerary and to support our members.

OUR KEY INDICATORS

41 trial platforms spread over our crop areas

15,000 experimental micro-plots



Several thousand of plots of our cooperating farmers have benefited from simulations of our Cristal Cerc'OAD® tool to help manage the beet crop

Energizing our regions

Anchored in the heart of the regions, our industrial sites are key players in the dynamism of the rural world. Our sites welcome more than 5,000 visitors per year and our teams regularly participate in local agricultural and employment events.



Salon Terres Innovation in the Marne



Yonne Opportunity Forum



Culti'Nov Day in the Aisne



Student forum in the Loiret



Visit of local residents in Arcis-sur-Aube

Our sites receive more than **5 000** visitors annually



73rd Châlons Fair

CRISTAL UNION, CREATOR OF SHARED VALUE

Cristal Union, as an agricultural cooperative, is by its very nature established in the heart of the farming land and contributes to the development of rural areas. The cooperating farmers are represented by the Board of Directors. The Board validates the orientations and the Group's strategic objectives defined by the Chief Executive Officer with his management team.

Our approach to quality and production sustainability, as well as the quality improvement plan and of performance are the basis for these orientations and enable the Group to stand out from the competition.

Our governance

History

- Creation of Cristal Union in 2000, by the merger of 3 cooperatives

By the numbers

- 10,000 associate cooperating farmers
- 27 directors appointed by the General Meeting
- 135 advisers divided into 9 sectors

Strategy

- Validation of the strategic orientations by the Board of Directors in relation to with the Chief Executive Officer and his management team



Our resources

Humaines

- 2,000 employees

Societal

- Supply of beets by our 10,000 cooperating farmers

Industrial

- 14 transformation sites in France

Environmental

- Optimized industrial sites (energy, water, GHG)
- ISO certified group: 9001, 14001 and 50001
- Agricultural Sustainability Repository CRISTAL VISION

Commercial

- Customer Service made to measure
- Segmentation in 7 areas of expertise

Innovative

- Internal Training School *Cristal Academy*
- Partnerships and R&D (ARD, IAR cluster, GBE)
- Agricultural R&D (Terralab, Ferme du Futur, experimental micro-plots)

Financial

- Sound and controlled financial structure
- Turnover of €1.5 billion

Our model of value creation



Beet Sugar, refined sugar



Alcohol / Ethanol



Bioéthanol



Pulps, alfalfa and draff

Our results and impacts on our internal stakeholders

Common

- Collaborative performance approach, "Together towards Excellence"

Individual

- 25 people benefited from internal mobility in 2019
- Low Turnover and absenteeism
- Quality of life at work improved
- Actions to promote the employment of disabled persons and to fight against discrimination

Sustainability

- 100% of our products come from the beet production systems of our cooperating farmers who benefit from our CRISTAL VISION sustainability approach.

Environnemental

- 47 % reduction in water consumption since 2010
- 9% reduction in energy consumption and 22% reduction of GHG emissions since 2010

Our results and impacts on our external stakeholders



1^{er} French Sugar Manufacturer in the industrial market and supermarkets and hypermarkets in France



2^e Operator in agricultural Alcohol in Europe



3^e Bioethanol producer in Europe

Economic

- 2,500 customers in 100 countries, in the areas of food, cosmetics, perfumery, energy and industry

Sites

- Strong local anchoring with industrial sites in rural areas
- Participation in local economic dynamism



AN INTEGRATED AND COMMITTED APPROACH

Our vision

Capitalising on the energy of our regions.

Our mission

To support the development of our clients, at the service of our cooperating farmers, using the skills of our teams.

Our values



Our commitments

1. Bringing sustainable solutions to our customers
2. Making sustainability a lever for industrial performance
3. Developing the cooperative's talents
4. Innovating in the heart of our regions

Our 6 areas of performance constitute the Group's policy



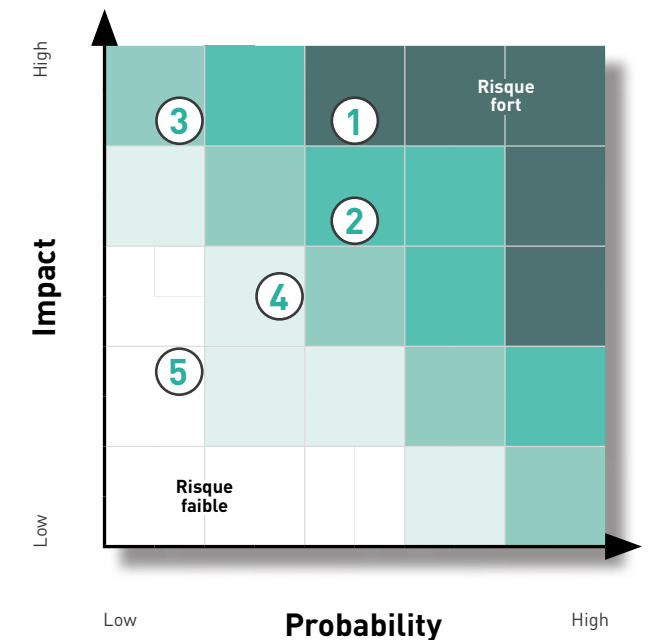
Risk Analysis and Management

The Management Committee and the CSR Department updated the materiality analysis of the Cristal Union Group and the corresponding risk analysis in 2019.

For each of the CSR issues, the main risks were identified, then characterized and evaluated according to criteria of probability of occurrence and impact, using a severity scale from 1 to 5. The analysis thus updated made it possible to map the major risks taken into account by Cristal Union in order to control them.

Our identified risks

- 1 Safety of employees and security of property.
- 2 Environmental footprint (energy, water, greenhouse gases).
- 3 Quality of products, services and product safety.
- 4 Coherence between the skills needed for the management of industrial or development sites of the cooperative and the expertise of the employees.
- 5 Quality of life at work for employees.



OUR KEY INDICATOR

Development objectives for the period 2010 - 2020

- + 15 %** Agronomic productivity of beets processed
- 50 %** Lost-time occupational accidents
- 12,5 %** Energy consumption per tonne of beet processed
- 100 %** Rate of achievement of annual staff appraisals
- 25 %** GHG emissions per tonne of beets processed
- 93 %** Deployment rate of the CRISTAL VISION *smart sugar beet* agricultural reference system
- 50 %** Water consumption
- 50 %** Rate of reduction of the number of customer dissatisfactions



NON-FINANCIAL INDICATORS

	INDICATORS	UNIT	SCOPE *	REPORTING PERIOD	2010	2015	2016	2017	2018	2019	COMMENT
Social indicators	Number of sites	Number	3	Calendar year	-	14	14	14	14	14	Only production sites are considered.
	Permanent staff	Number	1	Calendar year	-	2 068	2 063	2 087	1 854	1 805	Number of persons on permanent contracts registered at 31 December.
	Seniority of permanent staff	Years	1	Calendar year	-	15,34	14,93	14,07	14,12	14,62	All Socio-Professional Categories combined.
	Total percentage of women on the Management Committee	%	1	Calendar year	-	16,6	16,6	16,6	16,6	16,6	
	Percentage of female permanent staff	%	1	Calendar year	-	20,5	21,4	21,86	19,42	19,22	
	Internal mobility	Number	1	Calendar year	-	53	27	28	25	25	Number of people who have benefited from internal mobility (change of site). In 2015: the indicator includes the Mobility Plan for the Sermaize site.
	Absenteeism rate	%	1	Calendar year	-	3,2	3,4	3,2	3,71	4,26	Calculation: Total days of absence from work / total theoretical working days. The days of absence include absences due to work accidents, leave for family events, sick leave and leave for occupational diseases, maternity and paternity leave and other absences (paid and unpaid authorized absences, unpaid leave, strikes, disciplinary layoffs, CIF, leave for examination, union training). Based on total staff numbers.
	Percentage of employees in the permanent workforce who have received training	%	1	Calendar year	-	78	78	79	79	80	
	Percentage of payroll spent on training	%	1	Calendar year	2,73	3,57	3,6	4,14	3,62	3,74	From 2014 onwards, the data takes into account the integration of SVI.
	Percentage of employees who have had an annual appraisal	● %	1	Calendar year	54	92	96	94	97	99,6	
	Number of collective agreements signed	Number	1	Calendar year	4	8	1	3	18	5	Only Group agreements concluded at ESCU level are considered. Agreements concluded individually by industrial establishments are not included in this indicator.
	Lost Time Injury Frequency Rate	● %	4	Calendar year	-	9,49	7,65	5,62	8,04	10,47	These two indicators take into account the number of permanent and fixed-term employees, excluding temporary workers.
Severity rate of accidents with lost time	%	4	Calendar year	-	30,0	21,9	22,0	21,0	22,5		
Commerce	Percentage of achievement of our objective to reduce customer	● %	1	Calendar year	-	13,3	31,7	45,3	21,4	11,6	
Agricultural Performance	Deployment of the CRISTAL VISION standard to our cooperating farmers	● %	1	Campaign	-	52	97,4	96,5	93	93	
	Average time of trucks on the plant to unload beets	Minutes	1	Campaign	13'40	10'	10'	9'	9'	9'	
	Average beet supply radius of industrial sites	km	1	Campaign	28,3	28,5	28,7	32,28	30,72	30,79	
	Share of supplied beet transported by lorries 44 tonnes	%	1	Campaign	75	99	99	100	100	100	Historical: value of 60% in 2008.
	Share of beet volumes supplied benefiting from harvesting	%	1	Campaign	-	50	44	57	58	65	Harvesting practice is adjusted according to sites and harvesting weather conditions. The 2016 harvest in the Champagne region having benefited from dry conditions which were more favourable than in 2015, the need for digging has been lessened. Conversely, the 2017 and 2019 campaigns were rainy and required more excavation.
Industrial Performance	Energy consumption per tonne of beet processed	● Base 100 2010 reference	1	Calendar year	100	93	91	90,5	95,6	90,7	This is the energy (primary energy expressed in kWh PCI + EDF purchased in kWh) consumed at the sugar factory (including the reception centre and pulp presses, excluding dehydration, irrigation and spreading and excluding the re-melting workshop for Bazancourt) directly, and related to the quantity of white sugar turbinéd (including re-melting and downgrading after dryer, excluding fine grits). Requirements for deferred crystallization are not taken into account.
	GHG emissions per tonne of beet	● Base 100 2010 reference	1	Calendar year	100	85	79	75	86,5	77,9	From 2010 to 2013, fuels used for steam production in sugar refineries and distilleries, excluding lime kilns and dehydration, are taken into account. From 2013 onwards, fuels used for the production of heat from lime kilns and dehydration are also included .
	Water withdrawal from industrial sites	● Base 100 2010 reference	2	Calendar year	100	55,3	48,8	50,2	50,1	53	This includes withdrawals from surface water, groundwater and the distribution system.
	Quantity of waste produced per tonne of beet worked	kg / tb à 16	2	Calendar year	-	0,612	0,584	0,551	0,53	0,55	
	Emissions to air quantity of NOx emitted at the factory outlet	● Base 100 2011 reference	2	Calendar year	-	83	80	96	72	49	Nitrogen oxides (NOx = NO + NO2).
	Emissions to air quantity of SOx emitted at the factory outlet	● Base 100 2011 reference	2	Calendar year	-	62	54	69	26	23	Sulphur oxides (SOx = SO2 + SO3).
	Percentage of sites certified ISO 14001	%	3	Calendar year	-	93	100	100	100	100	
	Percentage of sites certified ISO 50001	%	3	Calendar year	0	100	100	100	100	100	
Percentage of sites with food safety certification (ISO 22000 or FSSC 22000)	%	3	Calendar year	-	73	73	85	100	100		

***Scope :**
1. Cristal Union **2.** UES Cristal Union - Cristanol and Dislaub **3.** UES Cristal Union - Cristanol, Dislaub, Deulep and Goyard **4.** UES Cristal Union - Cristanol, Dislaub, Deulep, Goyard, TTS and Cristalco France.
The indicators with a blue dot ● are those for which Cristal Union has committed to progress between 2010 and 2020. They contribute to the construction of the Group's CSR index.

OUR CONTRIBUTION TO THE UN SUSTAINABLE DEVELOPMENT GOALS



Member of the Global Compact since 2015, Cristal Union contributes to the UN sustainable development goals for the construction of more stable, more responsible and more sustainable societies.

UN SUSTAINABLE DEVELOPMENT GOALS	CSR PILLARS	ACTIONS
2 ZERO HUNGER 	End hunger, achieve food security and improved nutrition and promote sustainable agriculture.	<ol style="list-style-type: none"> 1. Providing sustainable solutions to our customers. (Page 8) 4. Innovating in the heart of our regions (Page 20) <ul style="list-style-type: none"> • Sustainable agriculture : CRISTAL VISION • Goals of yield increase : technical advisers, partenariats, agriculture de précision agriculture, experimentation plots • Agricultural innovation : Terralab, AKER project • Agronomic R&D
3 GOOD HEALTH AND WELL-BEING 	Ensure healthy lives and promote well-being for all at all ages.	<ol style="list-style-type: none"> 1. Providing sustainable solutions to our customers. (Page 8) 3. Developing the talents of the cooperative (Page 16) <ul style="list-style-type: none"> • Nutrition : product range diversity • Global SéCU approach, approach towards zero accidents • Collaborative approach Ensemble vers l'Excellence (EvE) • Disability awareness
4 QUALITY EDUCATION 	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	<ol style="list-style-type: none"> 3. Developing the talents of the cooperative (Page 16) <ul style="list-style-type: none"> • Youth employment promotion: work-study contracts, professional contracts, internships • Cristal Académie : internal training program
5 GENDER EQUALITY 	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	<ol style="list-style-type: none"> 3. Developing the talents of the cooperative (Page 16) <ul style="list-style-type: none"> • Equality collective agreements H/F
6 CLEAN WATER AND SANITATION 	Ensure availability and sustainable management of water and sanitation for all.	<ol style="list-style-type: none"> 2. Sustainability as a lever for industrial performance (Page 12) <ul style="list-style-type: none"> • Circular economy via beet water recovery • Goals in water consumption / withdrawal from natural environment • Water cycle in sugar plants: beet water is reused in the sugar process and then used by our surrounding farmers.
7 AFFORDABLE AND CLEAN ENERGY 	Ensure access to affordable, reliable, sustainable and modern energy for all.	<ol style="list-style-type: none"> 2. Sustainability as a lever for industrial performance (Page 12) <ul style="list-style-type: none"> • The only primary energies used for the production of thermal energy in our plants are natural gas and biomass • Autogenous electricity generation cogénération • Energy consumption reduction target • Production of certified sustainable bioethanol (2BSvs)
8 DECENT WORK AND ECONOMIC GROWTH 	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	<ol style="list-style-type: none"> 3. Developing the talents of the cooperative (Page 16) <ul style="list-style-type: none"> • Ethical charter, code of conduct • Decent work: health and safety plan, QWL barometer, safety day, training and skills development plan • EvE collaborative approach

UN SUSTAINABLE DEVELOPMENT GOALS	CSR PILLARS	ACTIONS
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.	<ol style="list-style-type: none"> 2. Sustainability as a lever for industrial performance (Page 12) 4. Innovating in the heart of our regions (Page 20) <ul style="list-style-type: none"> • Eco-design, LCA • Circular economy, industrial synergy • 2020 CSR objectives • Co-founder of a Start-up nursery • Deployment of CRISTAL VISION to all our planters • Agronomic R&D
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	Ensure sustainable consumption and production patterns.	<ol style="list-style-type: none"> 1. Providing sustainable solutions to our customers. (Page 8) 2. Sustainability as a lever for industrial performance (Page 12) <ul style="list-style-type: none"> • Responsible consumption: reduction of portions, diversity of the offer • Responsible production: circular economy, ecology/industrial synergy, certifications, Supplier charter, purchasing charter
13 CLIMATE ACTION 	Take urgent action to combat climate change and its impacts.	<ol style="list-style-type: none"> 2. Sustainability as a lever for industrial performance (Page 12) 4. Innovating in the heart of our regions (Page 20) <ul style="list-style-type: none"> • Objective to reduce GHGs, energy consumption, • Eco-design, ACV • Responsible Transportation
15 LIFE ON LAND 	Protect, restore and promote sustainable use of terrestrial ecosystems.	<ol style="list-style-type: none"> 1. Providing sustainable solutions to our customers. (Page 8) <ul style="list-style-type: none"> • Actions for biodiversity • CRISTAL VISION reference system





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