

ANNUAL AND SUSTAINABLE DEVELOPMENT REPORT

even





Even, leading Breton cooperative group, major player in the French food industry.



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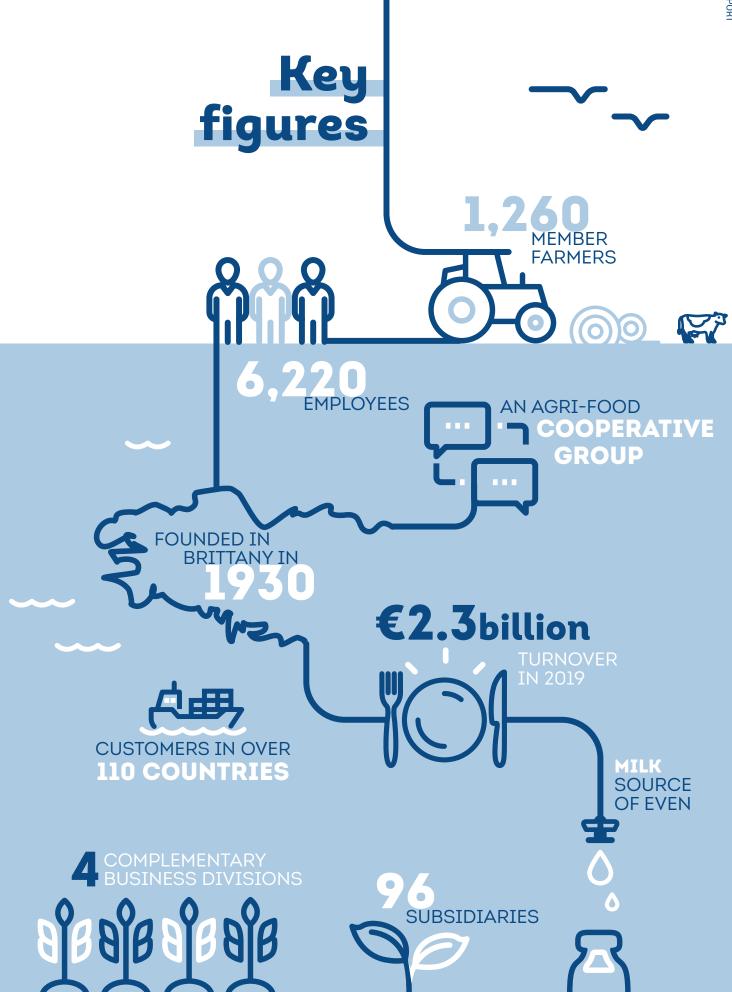


Even, an agri-food cooperative group born in Brittany

Even is an agri-food cooperative group founded in Brittany in 1930. With 1,260 farmer members and over 6,200 employees, it is now a major player of the French food industry. Even records turnover of €2.3 billion and it is structured around its parent company Even Cooperative and four complementary business divisions: the upstream farming activities, milk and dairy products, food product distribution, and a diversification division. Even is firmly attached to its roots in Brittany, yet is open

to the world, with around 100 subsidiaries in France and abroad, and customers in over 110 countries. Its products are found on one million dinner plates in France and around the world every day. Even is driven by the values of agricultural cooperation and has one clear ambition: to provide good, healthy food for all and to create sustainable human and economic wealth for its member farmers, employees, Brittany and the other territories that host its activities.





Interview with

Guy Le Bars and Christian Couilleau

WHAT IS YOUR ASSESSMENT OF 2019?

GUY LE BARS

"2019 marked the beginning of the economic recovery of the dairy markets after three years of crisis triggered by the abolition of milk quotas. After a sluggish start, all the indicators turned positive in the second half, allowing our Cooperative to pay its members a satisfactory price. Besides our core business, 2019 will go down as a good year for all of the Group's businesses."

CHRISTIAN COUILLEAU

"2019 was marked by a very good second half, giving us overall a very acceptable annual result. It was also a year in which many changes were made looking ahead to the future.

Our strategic priorities are clear and coherent: expanding in the growth areas, comprised of dairy, nutrition and services and, to achieve this, Innovate, Internationalise, Invest and be Efficient. To illustrate these trends, I will simply cite the tangible investments in the new bottling unit for clinical nutrition and in the new pre-packaging workshop for Emmental-type cheese which were

the two major projects of the year. I also want to highlight the intangible investment made in digitising distribution to restaurants, the visible sign of which will be the launch of merchant sites in 2020 and 2021.

Finally, acknowledging that the ecological transition is not simply regulatory in nature, but a necessity, the environmental reality has influenced how we are changing our strategy in all our activities, particularly in the upstream businesses. The carbon footprint of the farms that is almost completed, a reduction in pesticides and respecting water as a scarce resource, are now an integral part of our everyday actions."

WHAT ARE THE PROSPECTS FOR 2020-2021?

CHRISTIAN COUILLEAU

"2020 started off really well. But in March, with the Covid-19 epidemic our activities came to a sudden halt with many export channels closed, supplies to supermarkets disrupted, and, above all, support to the 50,000 restaurants that we provide in France blocked. This stoppage is very significant individually and collectively.

Beyond the problems experienced during this health crisis, Even has confirmed the strengths that make its reputation: agility, stability, pragmatism and its obsession with looking towards the future.

Paradoxically, although this crisis complicates our progress, it makes writing this introduction to the Sustainable Development Report easier: our purpose or mission, our way of making it a reality, our strategy, our way of experiencing it, our values, are expressed in full, as a reflex,

WE ARE ALSO SEEING AN EXPANSION
IN PRODUCTS SEGMENTED LOCALLY WITH HIGHER
ADDED VALUE AND A HIGH ENVIRONMENTAL IMAGE.
PROOF THAT WATER AND AIR QUALITY, THE CARBON
FOOTPRINT, ANIMAL WELFARE, AND ALL THE ISSUES
OF SUSTAINABLE DEVELOPMENT ON WHICH WE ARE
MAKING PROGRESS REMAIN, AND WILL REMAIN,
TOPICAL."

GUY LE BARSPresident of the Board of Directors





RELYING ON THE STABILITY THAT WE HAVE BUILT, WITHOUT **DENYING THE PRESENT UNCERTAINTIES.** TO LOOK DECISIVELY TO THE FUTURE. WILL AGAIN BE THE PATH TO OUR PROSPERITY"

CHRISTIAN COUILLEAU

a communication, at this particular moment, which is entirely appropriate. Covid reveals who we are.

For 90 years, our purpose has been to provide food to people which is affordable, healthy, respecting the land. This spring's health earthquake has strongly emphasised the importance of this mission; our social and territorial usefulness has been widely felt by people who, for the first time in 70 years, feared a lack of supplies. The employees and members have felt legitimate pride in fulfilling this responsibility.

The Group is expanding in four areas, four complementary divisions as regards their objectives in terms of customers and geography. This is a key aspect of our strategy. This balanced distribution of our business portfolio allows us to remain stable in the face of this earthquake. We were more accustomed to living with the instabilities of global volatility than those of an even greater impact caused by the health instability experienced in 2020.

Finally, the teams reacted quickly, with pragmatism and determination, dealing with the short term and never forgetting the long term and the necessary recovery. It is our values, developed through a sense of shared responsibility, teamwork and simplicity, that allow us to address this complex moment with agility and not agitation, with strength and not rigidity.

I could talk about CSR at Even, in a way that is much more demonstrative, by recalling that at the peak of the crisis, we gave masks and overcoats to hospitals and GPs, when we had the feeling that we were better protected than they were. The teams did this without telling anyone, without communicating to outside, but simply because it seemed to us the right thing to do for our region. This is what the teams did in the Even spirit.

The crisis is not over. In each of our activities, we are preparing the recovery, with our specific relationship to time: accepting that the future may be very different to what we imagined, thinking long term without overlooking the everyday realities and the teams in the present. Relying on the stability that we have built, without denying the present uncertainties, looking decisively to the future, will again be the path to our prosperity."



GUY LE BARS

"Although we were expecting to build on the momentum that began in 2019, the Covid-19 health crisis has changed our outlook, forcing us to urgently adapt the way we work and our tools. In this troubled and unprecedented period, we have managed to collect and process all our members' milk, in particular by restricting the number of ranges. Our dairy business has operated in degraded mode, to the maximum of its capacities. However, the sharp increase in demand by supermarkets will not have offset the significant decline in exports and suspension of the Food Service Sector, Moreover, we will be watching keenly how the public authorities manage the post-Covid situation in the hotel and catering sector, with which our Distribution division is closely linked. The obligation to stay at home during the lockdown has benefited our Home Delivery activities, with an increased demand for safe delivery of food to people's homes.

What will the situation be in the post-Covid world? Signs, already existing in the previous world, are becoming clearer. Digitisation is accelerating. The probable rise in unemployment over the next few months will lead to a demand for affordable products giving the best value for money. We are also seeing an expansion in products segmented locally with higher added value and a high environmental image. Proof that water and air quality, the carbon footprint, animal welfare, and all the issues of sustainable development on which we are making progress remain, and will remain topical."

Governing bodies

Even is built on cooperative values and belongs exclusively and collectively to Breton dairy farmers, i.e. its member members. Its mission? To collect and process the milk produced by its member farmers in a sustainable way, in order to secure the long-term future of the farms on its territory. At Even, the member farmers are its shareholders, milk suppliers and users of the Cooperative services. The Board of Directors is made up of 16 member farmers elected by their peers. Led by the Even's President Guy Le Bars, eight of these farmers make up the Executive Committee. The Management Committee is made up of CEO Christian Couilleau and seven other directors. This system fosters a non-speculative, distinctly human type of capitalism which is focused on the long term.

MANAGEMENT COMMITTEE



CEO



Group Deputy CEO



CEO of Even Distribution



Group Human Resources
Director



CEO of Laïta



Group Legal Director



CEO of Even Upstream



Mission Director

BOARD OF DIRECTORS



President of the Board of Directors,farmer at Ploudaniel (Finistère)



Gac Vice-President, farmer at Hénanbihen (Côtes d'Armor)



Kermarrec Vice-President, farmer at Drennec (Finistère)



Le Bras Treasurer, farmer at Plounévez-Lochrist (Finistère)



Loussaut

Secretary,
farmer at Plouégat-Guérand
(Finistère)



Executive Committee Member, farmer at Allineuc (Côtes d'Armor)



Jestin
Executive Committee
Member, farmer at Lannilis
(Finistère)



Executive Committee Member, farmer at Plédran (Côtes d'Armor)



Jean-François
Saluden

Executive Committee Member,
farmer at Mespaul
(Finistère)



Bertrand
Board Member,
farmer at Planguenoual
(Côtes d'Armor)



Board Member, farmer at Plouezoc'h (Finistère)



Crenn Board Member, farmer at Guipavas (Finistère)



Board Member, farmer at Plounévez-Lochrist (Finistère)



Quéau

Board Member,
farmer at Taulé
(Côtes d'Armor)



Tourmel

Board Member,
farmer at Commana
(Finistère)



Board Member, farmer at Saint-Cast-le-Guildo (Côtes d'Armor)

Key events 2019-2020

May 2019



International

A NEW PASSPORT



June 2019

Sustainable

FOR FUTURE GENERATIONS

Even publishes its first Non-Financial Performance Statement (DPEF). This legal report, audited and certified by an independent accredited organisation, sets out the Group's Corporate Responsibility Policy. It is based on nine sustainable development issues, 35 results indicators and 15 performance indicators in favour of the preservation of resources, the demands of our fellow citizens and the creation of local wealth. Beyond the words, this first DPEF serves as the common thread for the everyday actions of the members and employees engaged in a structured and shared continuous improvement approach.

ESI Nutrition, a subsidiary grouping Laïta's health nutrition activities, has obtained a valuable passport: the approval issued by the General Administration of Customs of the People's Republic of China to produce infant formula milks for China at the Créhen plant (Côtes d'Armor). This new official recognition comes two years after permission to market liquid infant nutrition products manufactured in Ploudaniel (Finistère). It boosts Laïta's positioning in a country with nearly 15 million births per year.

July 2019



Local food

BRETON AND PROUD TO BE

For its 50th anniversary, SovéFrais is launching So Breizh! in response to the demands of its customers and their guests, increasingly attentive to the quality and origin of their food. This brand of fresh products, manufactured in Brittany from Breton raw materials, strengthens the local food approach which the company has adopted since 2015, by listing products that favour Breton sourcing. The first So Breizh! range comprises 11 dairy products processed on the farm. It is the outcome of the meeting between a couple of dairy producers located in central Brittany and a company with a human face which shares the same values and attachment to their region.



August 2019

Biodiversity

THE BUZZ OF BEES

News that creates a buzz! As part of the environmental project at the Ploudaniel site (Finistère), five hives have been set up in a meadow below the cheese dairy. The bees forage peacefully in the industrial and rural area which stretches over 50 hectares in the Aber Wrac'h valley. The beehives, managed in partnership with Bernard Jestin, a passionate bee-keeping member, delivered their first honey harvest in the spring of 2020. There is no doubt that this initiative promoting biodiversity like our courageous pollinators, will spread to the other sites of the Group.

September 2019



10 YEARS OF SHARED PASSION

Birthday celebrations! To mark its 10 years of existence, on Sundays in September and October, Laïta opened the doors of its six sites to members, employees and their families. Nearly 8,000 people were able to visit the production workshops, discover the processes, learn how to milk or climb on board a milk collection truck. There was a constant flow of people eager to join in the activities organised by the many volunteers, employees and partners involved in ensuring the success of the event. Families had a great time sharing the educational workshops, games and tastings of the in-house products. Big and small left with a sparkle in their eyes, a smile on their faces and a host of great memories, after these simple and joyous meetings and activities.

October 2019



Paysan Breton

50 YEARS OF DELICACIES

Paysan Breton celebrates its 50 years with consumers. In half a century, the brand has evolved and developed to now become a key player and present in more than 90 countries. Paysan Breton owes this success mainly to the quality of its products, its values and honouring its commitments. A dynamism found on our tables, with many new products: organic 'ribot' milk, the first of its kind in the fermented milks shelf, special grated pizza cheese, Madame Loïk onion-tarragon whipped cheese, etc. As many good products that the winners of the "50 years special" prize-competition were able to discover from the farm to the production workshops.



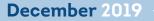
November 2019

Innovation

SOURCE OF VALUE

Laïta is counting on innovation as a growth driver to support its development. Besides the product innovations, the teams strive every day to design new procedures, products and services which match our customers' demands. Innovation is structured around a global and collaborative approach in which all the employees are involved.

A way to share ideas, adopt a common vocabulary and harmonise working practices. To support this movement, Laïta is launching its first innovation prize, a great way of highlighting the projects and teams that are working to create value within its different business lines.





Opening

FIELDS OF THE FUTURE

The Group takes stock of the first partnership begun in early 2018 with the winning start-ups of the Even'Up competition, which, by unanimous opinion, resulted in some great collaborations and boosted the projects. Each start-up, in its own way, has seeded the fields of the future of farming, health nutrition, distribution, and new technologies. Initiatives to be expanded in a network to accelerate the innovation process to boost the economy, employment and the attractiveness of our regions.



January 2020

ON THE ROAD
TO E-COMMERCE

In 2020, Even Distribution is strengthening its e-commerce presence with the deployment of merchant sites allowing its customers to discover all of its offerings and to places orders online, regardless of the digital device. This multi-channel offering is powered by a single database in which all the product information is stored: compositions and characteristics, origins for traceability, certifications, technical and logistical data, etc. Today, all the products of the active range are listed, which represents 12,000 item records.



GMO-free - pasture fed

A DIFFERENTIATED MILK CHANNEL

In early 2020, in their usual supermarkets, consumers can find Emmental, fromage frais and soft cheeses (especially Camembert) produced by the Laïta dairies of Ploudaniel (Finistère) and Ancenis (Loire Atlantique) using milk from herds fed on GMO-free crops (< 0.9%) in the pasture. These new products are the result of a collaborative approach from upstream to downstream. 57 milk producers have joined the initiative, producing a volume of 41 million litres of milk. Dedicated collection has been implemented and industrial investments have been made downstream. In order to market and export these differentiated dairy products, this new channel has obtained Vlog and Weidemelk certifications, guaranteeing the separation of GMO-free materials (< 0.9%) from conventional materials and a minimum of 120 days of grazing. After more than a year of collective efforts, this is a source of real pride for the producers and teams!

Couid-19 crisis Even mobilised on all fronts

The spring of 2020 will remain forever etched in our memories. A large earthquake, generated by a microscopic virus, has shaken the entire globe. The Even group has been hit hard by the Covid-19, health crisis but has been quickly able to adapt and stay afloat thanks to everyone's mobilisation. A review of some significant actions and expressions of solidarity implemented.



During this unprecedented health crisis, people have been able to rely on the remarkable ability of farmers and agri-food workers to adapt. Their combined efforts have filled the shelves, contributing to reassuring the French during this anxiety-producing period. Even's members and employees have participated in this key mission: feeding people by managing to feed the livestock and collect and process all the milk produced under degraded conditions. The full meaning of the word cooperation has been expressed in serving the general interest.

Working differently IMPRESSIVE ADAPTABILITY

All the occupations of the Group have been called upon to ensure continuity of the services for the members and customers. The employees have learned to work differently in record time (in particular by teleworking) and to comply with new constraints (such as distancing and protective measures). Their adaptability has been as fast as it has been impressive, demonstrating a team spirit, responsibility and simplicity that must be praised. Some employees have volunteered to help out their colleagues in other occupations and sectors to meet the influx of orders or occasional needs for extra staff.



Activities
CONTINUITY ASSURED
FROM UPSTREAM TO DOWNSTREAM

The teams of the Even group have done everything to ensure business continuity. Upstream, the supply of farms and milk collection have been maintained throughout the health crisis, in particular thanks to the mobilisation of the drivers and logistics services. Downstream, Laïta has honoured customer orders as far as possible, in particular those from supermarkets which exploded during the first few weeks of the lockdown. With the obligation to stay at home, Argel and Artika have dealt with a sharp increase in activity, with the French rediscovering the convenience of home delivery and the culinary interest of frozen products. But the good performance of home-delivery sales does not make up for the losses of the commercial and collective catering activity, three-quarters of whose employees have been affected by shorttime working. Despite these difficulties, Even Distribution has made it a point of honour to deliver to retirement homes, Paris hospitals and the teaching hospitals.



Donations SUPPORT TO RETIREMENT HOME CAREGIVERS AND RESIDENTS

Support functions
MOBILISED FOR COLLECTIVE
SERVICE

The purchasing team, aided by the safety department, managed to procure more than one million masks and several tens of tonnes of hand sanitiser, overgowns, shoe covers and thermometers to ensure the safety of the employees. The information systems team has made it possible for around 2,000 employees to work from home. The finance team has renegotiated bank loans and has applied for a deferral of tax expenses. The human resources team has set up individualised follow-up. It has activated mechanisms enabling work flexibility and social protection to be reconciled. Cooperation with the social partners has also helped deal with the upheavals in working practices.

Solidarity PROTECTING THOSE WHO NEED IT

Solidarity is part of Even's DNA. After ensuring that its employees were protected, the Even group supplied a significant amount of personal protective equipment - masks, full-length overalls, shoe covers - to the health care teams of the hospitals in the territories in which its activities are located.

Initiatives MASK MAKING WORKSHOPS

During the crisis, more than 13,500 masks have been made at the Laïta's industrial sites and branches. In early April, the meeting rooms of the dairies of Ancenis (Loire Atlantique), Ploudaniel (Finistère), Lanfains (Côtes d'Armor), Créhen (Côtes d'Armor) and Yffiniac (Côtes d'Armor) were turned into garment factories. The prevention and infirmary units, in conjunction with the industry and logistics teams, organised these workshops, before distributing their "home-made" creations to their colleagues at Laïta's sites and branches.

The Even teams have increased their support actions to retirement home caregivers and residents and the voluntary sector throughout the crisis. Paysan Breton gave 25,000 chocolatenougat filled pancakes, made by the teams of the crêperie of Ploudaniel (Finistère), to the Île-de-France Paris hospitals (one of the regions most affected by Covid-19) as well as to the staff of three retirement homes in the Brest area. Argel, Kenty and SovéFrais took action to support the Finistère association, Les Genêts d'Or, which manages several establishments for elderly or disabled persons. These three subsidiaries of Even Distribution offered pastries, Easter chocolates and ice cream to residents, supervisors and caregivers to brighten up their everyday lives. To mark the 1st of May, Laïta, a partner of an operation initiated by the clubs of the Association for the Progress of Management of Brittany, gave lily of the valley sprigs to the Les Genêts d'Or retirement homes of Keramperé in Brest (Finistère) and the Quatre Moulins in Plouzané (Finistère).

Mutual help and cutting out waste CREATION OF A MARKETPLACE

Even Distribution has established a marketplace to facilitate the sale of food products between its subsidiaries that were overstocked following the closure of restaurants. Under the impetus of the operations managers and with the participation of the administration and purchasing departments of the division, a global inventory report has been published several times a week from the lists of surplus inventory of products communicated by the subsidiaries' supply departments. This initiative has helped limit losses of products and ensure continuity of customer supplies.

Easing of the lockdown PREVENTIVE COMMUNICATION

To prepare for the easing of the lockdown, a preventive communication campaign was carried out by the quality and prevention teams to raise awareness among employees, recalling the preventive measures and best daily health and safety practices. Special Covid-19 information notes are published by each business division. At the same time, the Even group is launching a new communications tool to maintain relations between all the employees.

Business lines and brands

International coverage

Even is structured around its parent company Even Cooperative and four complementary business divisions:

- Even Upstream which encompasses all the advice activities and services for running farms: milk production, crop production and self-service supply stores, animal nutrition and swine genetics;
- milk and dairy products under the Laïta banner: consumer products, health nutrition products, dairy ingredients, young mammal feeds:
- Even Distribution which includes the food distribution activities for home deliveries and the food service sector;
- and Even Development, a diversification division which includes prepared meals and cured hams.

Even encompasses national and international flagship brands such as: Paysan Breton, Régilait, Mamie Nova, Gamm Vert, Argel, and Réseau Krill, as well as equally emblematic regional and specialist brands.

EVEN'S BUSINESS LINES AND BRANDS MEET ALL NEEDS AT ALL STAGES IN LIFE.







EVEN UPSTREAM

FARMING MANAGEMENT

DAIRY PRODUCTION



CROP PRODUCTION AND SELF-SERVICE SUPPLY STORES







ANIMAL NUTRITION, **SWINE GENETICS**







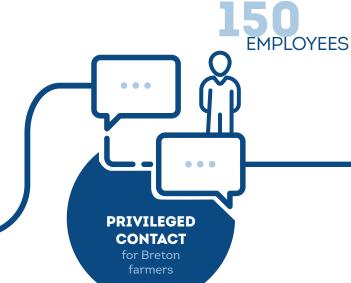
EVEN COOPERATIVE

MEMBER RELATIONSHIP



EVEN COOPERATIVE MEMBERS

Even Upstream



Our mission

Supporting farmers with innovative products and high-tech services to optimise the operation and competitiveness of their farms.



EXPERTISE

Creating partnerships with national and international leaders in each of the activities to provide the best expertise to serve farming and the demands of the consumers of tomorrow.



€220million

1 Landivisiau (Finistère)

Tecnor-Sofac (pig feed)

2 Loperhet (Finistère)

Even Nutrition Animale (cattle, pig and poultry feed) Topigs Norsvin (swine genetics)

(3) Ploudaniel (Finistère)

Even Cooperative Even Agri (agri-supplies and self-service supply stores)

Gamm Vert Village stores

Landivisiau (Finistère), Pleyber-Christ (Finistère), Ploudaniel (Finistère), Plouigneau (Finistère), Plounévez-Lochrist (Finistère), Plouvorn (Finistère), Saint-Renan (Finistère), Sizun (Finistère)

O Even Agri stores

Cast (Finistère), Le Cloître-Pleyben (Finistère), Pouldergat (Finistère), Saint-Thois (Finistère)



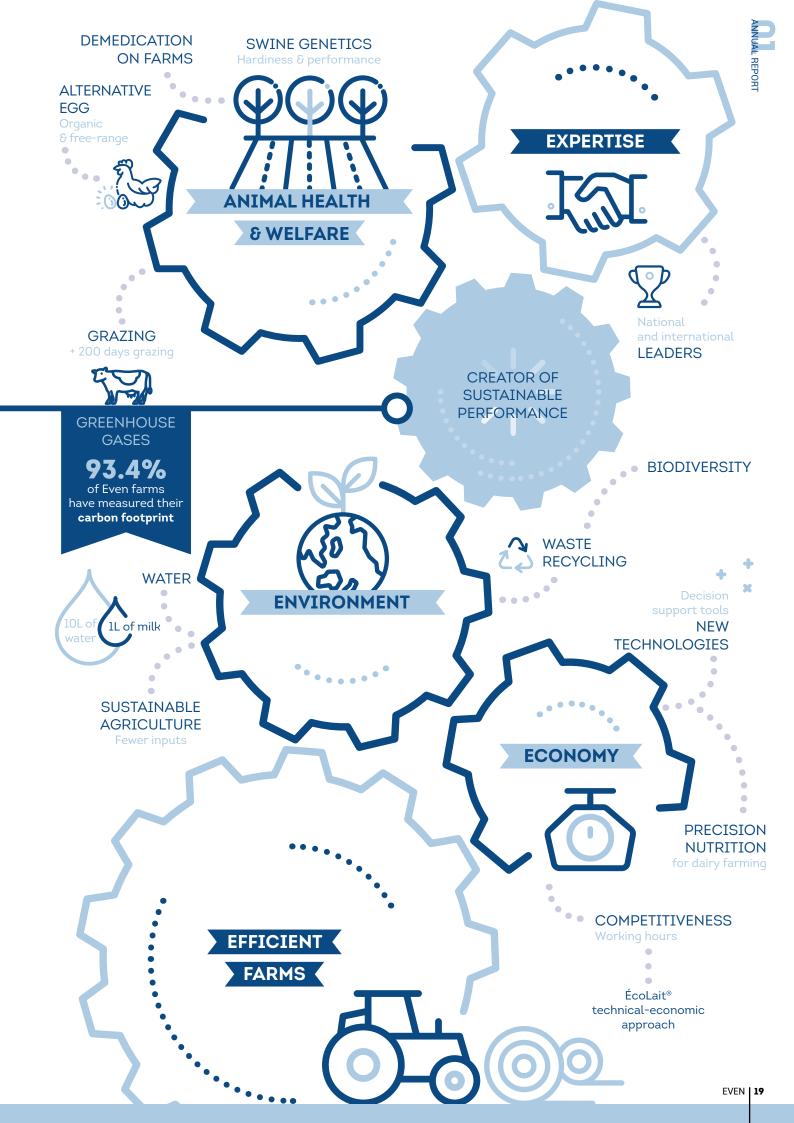


DAIRY production unit

AGRI-SUPPLY and self-service supply

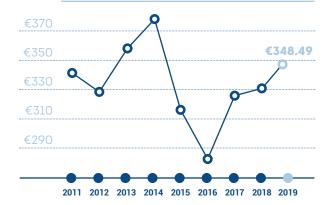
ACTORIES

dedicated to
animal nutrition



Even Upstreamprivileged contact point for Breton farmers

Change in milk prices between 2011 and 2019, in €/1,000 litres.



A STEADY ESTABLISHMENT PACE

Collection from Even member farmers totalled 428 million litres of milk in 2019, an increase of 1.3% compared to 2018, due to the mild weather, more favourable to milk production. The same is true for Laïta's collection, which rose by 0.6% with 1.5 billion litres of milk. The average price of milk paid to Even members depending on fat, protein and milk quality reached €348.49/1,000 litres in 2019, i.e. up by 5.5% compared to 2018.

Concurrently, the Cooperative has consolidated its young farmer policy. In 2019, twenty young farmers joined the Cooperative, bringing to 117 the number of young members installed since the end of the quotas on 1st April 2015. In addition, the Board of Directors decided to propose a significant dividend at the 2020 General Assembly of €6.8 million and represents on average €16 / 1,000 litres of milk delivered over the 2019-2020 campaign.

The carbon footprint® audit of all Even dairy farms has been completed. Their carbon footprint averages 0.86 kg eq. CO2 / litre of milk. Since the start of the year, a new audit cycle has begun in connection with agronomic practices aimed to protect the quality of water and preserve biodiversity in compliance with the pilot partnership signed between Even and the Loire-Brittany Water Agency.

VERY MARKED WEATHER EPISODES

In crop production, the 2019 season was characterised by very marked weather episodes. Crop growth was slow, due to cold temperatures at the beginning of the year. Grass growth, satisfactory in the spring, was slowed by high temperatures in the early summer. Harvesting started later than in 2018, with abundant barley crops and poor wheat quality due to heavy rainfall in August. Similarly, the autumn rains seriously delayed the end of the maize harvests. While the yield and quality of silage maize remain satisfactory in Brittany, poor weather conditions penalised the harvesting of grain maize and delayed the planting of the following cereal crops.

Even Agri helps farmers to develop their forage production and sale crops technically and economically as part of a comprehensive approach, refocused on precision farming and agronomy, offering decision-support tools to optimise the interventions.

At the same time, Even Agri is upgrading its network of self-service stores to continue to offer an attractive local service for supplies and collection. This involves seeking growth drivers among professionals and the general public, in the same way as the materials offering has been developed.

Total volume collected January-December, in millions of litres.

EVEN 2018: 422 2019: 428 +1.3%

LAÏTA **2018: 1.458** 2019: 1,467 +0.6%



MILK PRODUCTION



CROP PRODUCTION
AND SELF-SERVICE SUPPLY STORES







ANIMAL NUTRITION AND SWINE GENETICS







NEW OPPORTUNITIES AND GROWTH DRIVERS IN ANIMAL NUTRITION AND SWINE GENETICS

In 2019, the animal feed market in Brittany was around 7.4 million tonnes of fodder and feed. In this market, Even produces a sales volume of 226,000 tonnes.

In mature agricultural markets, the division is therefore focusing on innovation to find new growth drivers. Thus, at Laïta's request, Even Production Laitière, Even Agri and Even Nutrition Animale have just built a certified channel to promote the milk of GMO-free fed cows (< 0.9%). Even Nutrition Animale offers a complete range of GMO-free feed (< 0.9%) produced in its Loperhet plant (Finistère) STNO-certified (GMO-free technical base).

In the pig sector, Tecnor-Sofac is growing more strongly than its competitors (+ 4.4% in a 0.6% market). The company has diversified in the production and sale of raw materials and nutritional cores for farmers who manufacture their own feed on the farm. At the same time, it has signed the Duralim charter, a sustainable development approach shared and recognised by the entire sector.

As regards the farming of alternative laying hens, the business is developing under the exclusive partnership it has with Cocorette for the Brittany area.

In swine genetics, Topigs Norsvin is accelerating its development with a 20% increase in its activity. The TN 70 sow confirmed its promise in terms of numerical productivity and fattening performance of its offspring.

Our mission

Laïta

Offer innovative dairy products, sources of pleasure, shared enjoyment and health while sustainably enhancing the milk of member producers.

FARMERS

Know-how • Expertise Best practices



EMPLOYEES



E1.4billion

34% of export

turnover

INDUSTRIAL SITES

Hard cheeses, ultra-fresh products

• Ancenis (Loire Atlantique)
Butters, soft cheeses,
dairy ingredients

3 Landerneau (Finistère) Young mammal feeds, butters, dairy ingredients

O Ploudaniel (Finistère)

PARTNER INDUSTRIAL SITE

Pont-Scorff (Morbihan)

3 Yffiniac (Côtes-d'Armor)

Lanfains (Côtes-d'Armor)

Crepes, hard cheeses, health nutrition products, ultra-fresh products

2 Créhen (Côtes d'Armor) Soft cheeses, dairy ingredients, infant milk

Laïta HQ,

LAÏTA O AÏTA

Martinique

Brest (Finistère)

industrial **SITES**

European

Global **OFFICES SUBSIDIARIES**

EURILAIT •

HK

INTERNATIONAL

O ECI

RÉGILAIT

Saint-Martin-Belle-Roche

France

Barcelona

Spain

O IBER CONSEIL

Belgium

LAÏTA O

Rungis

Marloie FROMKA

Sarrebruck Germany

O LAÏTA

ITALIA

Melzo

Italy

Laïta is among the top 10 dairy cooperative companies in Europe

LAÏTA O Shanghai

LAÏTA OO LAÏTA

Thailand

Hô Chi Minh City Bangkok Vietnam

C LAÏTA Reunion Island LAÏTA New Caledonia & French Polynesia

Laïta

a cooperative dairy company on a European scale

In 2019, the milk markets achieved a better balance due to collection that has not increased and the end of the disposal of European milk powder stocks. World prices for butter and cream fell to pre-2017 levels. Milk protein – except that of sera – increased sharply. In France, the Egalim Act led to a more tranquil negotiating environment with food distribution customers.

INNOVATING, INVESTING AND INTERNATIONALISING

In this context, the health of Laïta's product mix, still dominated by butter, has improved. Firstly, the prices for supermarket butters, after two years of increases, have returned to being very logically higher than those of commodity butters, and their co-product, milk powder, is benefiting from a renewed market appetite. Secondly, Laïta has continued to develop its cheeses, giving greater value to its dairy ingredients (via sera, technical skim milk powders, fermented milk powders) and is actively pursuing its growth strategy in healthy nutrition (clinical nutrition and infant nutrition). The positive momentum of young mammal feeds has helped to limit the impact of difficulties in the calf market.

Our organisational methods and investments continue to support the value strategy and responses to new customer demands. Thus, the ultra-fresh activities - after ending the production of set yoghurt - are now more segmented and marked by a strong move towards innovation. Significant investments in health nutrition [infant formula at Créhen (Côtes d'Armor), clinical nutrition at Ploudaniel (Finistère)], cheese [conditioning workshop of hard cheeses at Ploudaniel (Finistère) and Lanfains (Côtes d'Armor)] are being addressed and will allow the Laïta offering to be expanded. Similarly, the first products from organic milk or milk of GMO-free (< 0.9%) fed cows in the pasture have been launched. With regards to the brands, Paysan Breton continues to strengthen its second pillar with the Madame Loik whipped cheese which is continuing its steady growth in France and Belgium.

With regards to high consumption products, Paysan Breton has become remarkably active on Canadian shelves with its Madame Loïk whipped cheese and its Brie. Also, new trading opportunities have opened up in Burma, Peru, Lithuania, and new customers have been won in Jordan, Japan and Ukraine.





efforts are now focused on new consumerled themes: practical and durable packaging, longer best-before times, new consumption moments, promotion of the sustainability of our production and the cooperative way of working. All of these structuring projects form part of the Passion du Lait® progress initiative.

For the member milk producers, as for the whole industry, the issues of communication, explanations about production methods, and reduction in the industry's environmental footprint are becoming key in responding to European and international consumers who seeking to give meaning to their consumption. In 2020, Laïta wants to accelerate its momentum with regard to these issues, in parallel to determinedly continuing its mission of promoting the milk of the members and its involvement in the development of the territories.

CONSUMER PRODUCTS









HEALTH NUTRITION **PRODUCTS**

DAIRY INGREDIENTS





YOUNG MAMMAL FEEDS







Our mission Even Make it easier for our **Distribution** customers to prepare tasty and balanced meals at home every day. Help catering professionals satisfy their customers. 2,950 EMPLOYEES 280,000 **50,000** professional customers individual customers

Home delivery sitesFood service sector sites

Companies with a strong local presence

COMPANIES







The hamburger ousts the butter δ ham sandwich and steak & chips!



MEAT OFFERING

less but better



KNOWING CONSUMERS' DEMANDS AND SEEKING THE BEST PRODUCTS

TRUST

to create the innovations that our customers need



PURCHASING & MARKETING







HEALTH well-being, naturalness



TO EAT



PRODUCERS



SUSTAINABLE **FISHING**





and consumption habits



LOGISTICS & COMMERCE

SERVING THE BEST PRODUCTS TO OUR CUSTOMERS



Confidence



Multi-channel



Digitisation

COMMERCE

CERTIFIED PRODUCTS an increase of 8% in one year

Even Distribution

a specialised French distributor

Even Distribution is organised in five complementary focus areas serving close to 280,000 individual customers and 50,000 business customers with a strong local presence.

RÉSEAU KRILL, THE MULTI-SPECIALIST NETWORK: FRESH - FROZEN - GROCERY

As a leader in the food distribution industry in France, Réseau Krill's ambition is to serve each customer as best as it can, regardless of whether they are independent caterers, national key accounts or collective restaurant managers. Réseau Krill companies operate in the heart of the regions to facilitate contact with customers and ensure timely delivery of orders. They have extensive local ranges that meet the demands of consumers who are increasingly watchful regarding the origin and quality of products. They have a very high quality meat offering due to the network's cutting plants and an offering of top-of-the-range artisanal ice creams made by a Master Ice Cream Artisan. With its commitment to serving the regions and flavour, the Réseau Krill network partners 'Tous au restaurant' each September, an initiative

ATLANTERRA THE SPECIALIST ALLIANCE OF HIGH-END FROZEN FOOD

Bernat, Boncogel'Adour, Charles Martin and Kenty have united to create the Atlanterra alliance since 2017. The four companies, regional food distribution specialists for professionals, pool their resources to serve customers extending in an arc from the French Atlantic coast to Languedoc and Provence-Alpes-Côte d'Azur. Atlanterra's slogan - "the alliance with a strong local accent" - reflects the ambition of these companies to offer their customers the proximity and availability of local actors of a human size. but also the strength and security of an alliance that highlights product expertise with the desire to share the passion of great products that have a history; differentiation thanks to teams who continually seek innovation; and ice cream with a range that is the most comprehensive on the market dedicated to professionals.





THE BOUL'PÂT BRANCH, AN ACTIVITY DEDICATED TO THE ARTISAN BAKERS OF NORTH-WEST FRANCE

Bondu, Gabopla and Legeay, specialists in the distribution of raw materials for artisan bakers, are continuing to expand in north west France.

To support their development, investments are being made in the Morlaix (Finistère) and Nantes (Loire Atlantique) warehouses, enabling them to enlarge their storage and shipping areas. As preferred partners of the artisans of the catering professions, they offer a wide range of products in a fast-expanding sector, thanks to the growth of snacking in particular.

SOVÉFRAIS, FRESH PRODUCE SPECIALIST IN BRITTANY

SovéFrais, Brittany's fresh produce specialist supplies fresh products to local shops with a constant concern for the quality of its products and services. The company is continuing to showcase Breton know-how by launching its own "So Breizh!" private label. This local food brand brings together fresh products made in Brittany from Breton raw materials. It is a new illustration of the local involvement of SovéFrais which is already actively involved in Breton sourcing as part of the Breizh'Alim approach, initiated by the Region and the Breton Chamber of Agriculture.

HOME DELIVERIES WITH ARGEL AND ARTIKA

In 2019, Argel confirmed its position as a specialist in seafood products with an offering of more than 125 fish, shellfish and crustacean products representing 25% of its turnover. At the same time, it is multiplying customer loyalty actions while strengthening its customer data privacy policies. For its part, Artika is focusing on training its sales force, with a view to offering its customers and prospects more relevant and personalised product advice. Shared practices between the two home-delivery companies, such as purchasing synergies, are being established while maintaining their respective identities.



HOME DELIVERY





FOOD SERVICE SECTOR





























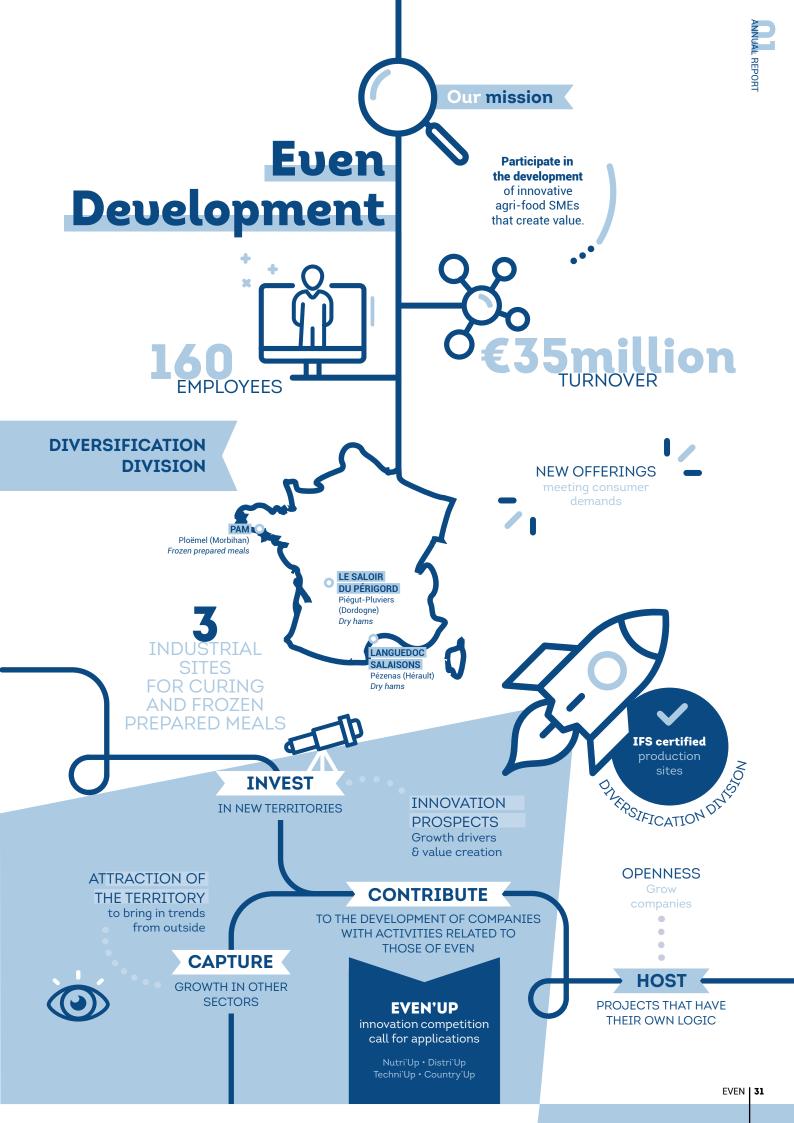












Even Development

a value-added diversification unit

INNOVATION, THE MOTOR BEHIND PAM

Located close to the port of Étel (Morbihan), PAM boasts 30 years of expertise in the design and sale of certified authenticallycooked products. The company, popular for the quality of its crêpes and scallops, has gradually diversified its ranges, offering new products and know-how, in particular with puff pastry dishes and new consumption trends. Today, PAM offers 250 different products produced under private labels and under its own brands. Regardless of the ranges (organic or conventional), the products designed by PAM contain no additives, artificial flavours or flavour enhancers and are Clean Label identified.

In 2019, PAM listed more than 30 new products for its customers, bringing to 25% the share of its sales recorded for recent products, marketed for less than two years. The company is also continuing the development of the 'Les Toqués Bio' range that are now on hypermarket and supermarket shelves. At the same time, it intends to extend its offering with a new brand, 'Vagues Gourmandes', distributed in specialised organic stores. Thanks to this quality offer and the flexibility of its IFS (International Featured Standard) certified industrial tool, many French and European customers have made PAM a trusted partner.

PREPARED MEALS



CURING







NEW CURING INVESTMENTS

In 2019, the dry ham business suffered from an unfavourable context which impacted the volumes of the sliced range (- 7%) and that of culinary aids (- 2%). These offerings reflect the demands of the finger food and the 'easy-to prepare' markets represent 25% of the volume of the curing business.

Périgord black ham recorded a notable increase in 2019. The development of this local product – made from pigs born, raised and slaughtered in the Périgord region – is strengthened by several premium private label products and also meets the demand for short supply chains.

On the investment side, work is being undertaken to modernise refrigeration facilities on both curing sites, with, as its objectives, better control of cold quality, ending the use of environmentally harmful HFC (fluorinated) gases and energy savings.



NEW INNOVATION TERRITORIES TO EXPLORE

In a context of changing consumption and distribution patterns, Even group is innovating, investing and internationalising to create value in order to better promote its members' milk and to sustain its agri-food activities. To deploy this strategy, it relies on combining skills, both internally and externally. By launching the Even'Up innovation competition in the spring of 2018, in partnership with the Village by CA of Brest (Finistère), Even emphasised its wish to open up to the world and to the new market trends in its main areas: farming, nutrition and distribution. In late 2019, the Group can see the results of this initiative with the five winning start-ups which it supported for more than a year: a win-win collaboration that consolidated the project and the professional network of young talent and opened Even up to different ways of working and a fresh look to imagine the future.

At the initiative of Village by CA 29 and Bretagne Développement Innovation, a new call for cybersecurity projects was launched in August 2019, The Cyber Shield Quest. Sekoia.io, the winning start-up, will assist Even in seeking security incident detection and remediation solutions.

FrenchFood Capital, the independent investment fund, founded by Even, which supports innovative SME projects in the food industry is conducting its first operations. Even, with a seat on the investment committee, is studying the possibilities of co-investments to complement it.

SUSTAINABLE DEVELOPMENT REPORT



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Business model

Risk management

Euen's responsibilities

Euen in its ecosystem

Fostering the cooperative spirit

Nine challenges of sustainable development

36

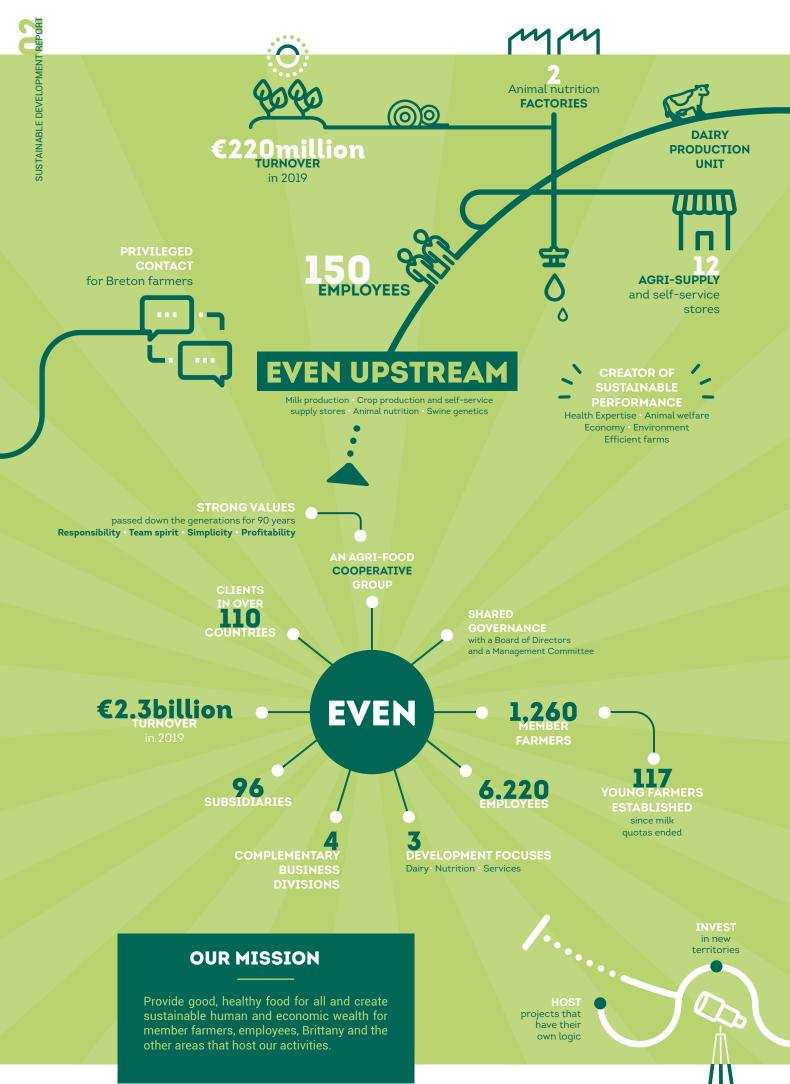
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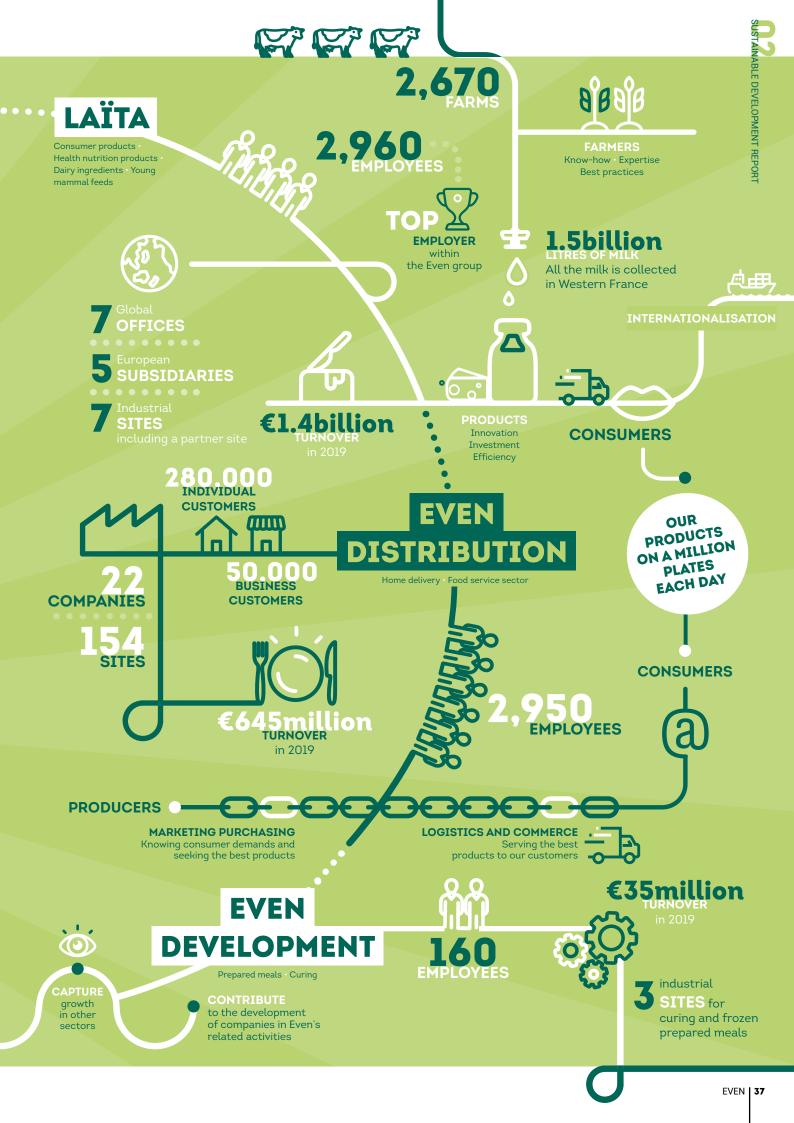
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Risk

management

To meet the requirements of Article L. 225-102-1 III of the French Commercial Code and prepare a Non-Financial Performance Statement (DPEF), the Even group asked the sustainable development officers of its four divisions to contribute factual data to the requested themes.

Like any company, Even group is faced with risks that can affect its business in the short, medium and long terms. The process of identifying and managing these risks aims to preserve the Group's development in order to best ensure the continuity of its mission. To this end, an analysis of the risks and opportunities has identified, to date, the main risks to which Even may be exposed. This is derived, firstly, from the strategy of the Even group and the expertise of its four divisions, and secondly, the demands of customers and consumers, the external environment and stakeholders.

There are seven identified risks in all:

- Risks related to the competitiveness of members and the transmission of the Cooperative to future generations.
- Risks related to the Group's strategic vision.
- Risks related to the recruitment and retention of employees.
- Risks related to employee health and safety.
- Risks related to the control of food quality and safety.
- Risks related to the environmental footprint of our activities.

In 2019, the Group CSR Steering Committee

wished to take an additional step in structuring

its approach by deploying a common method,

 Risks related to the development of our regions.

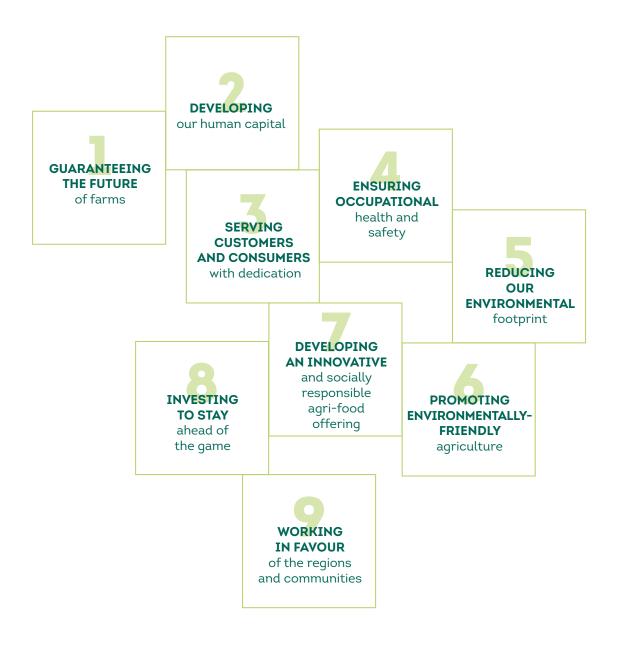
from upstream to downstream. Analyses based on a pragmatic adaptation of the ISO 26 000 standard were launched in each of the divisions with the steering committees and the CSR officers. They relate to six themes and 31 sub-themes assessed in terms of importance (risk to the company) and performance. The results of these diagnostic analyses put into perspective with the specific demands of the customers in our various markets, will allow working groups to be set up in each division in 2020 dedicated to the priority actions. The first work will be reported in the 2021 Non-Financial Performance Statement.

Even's

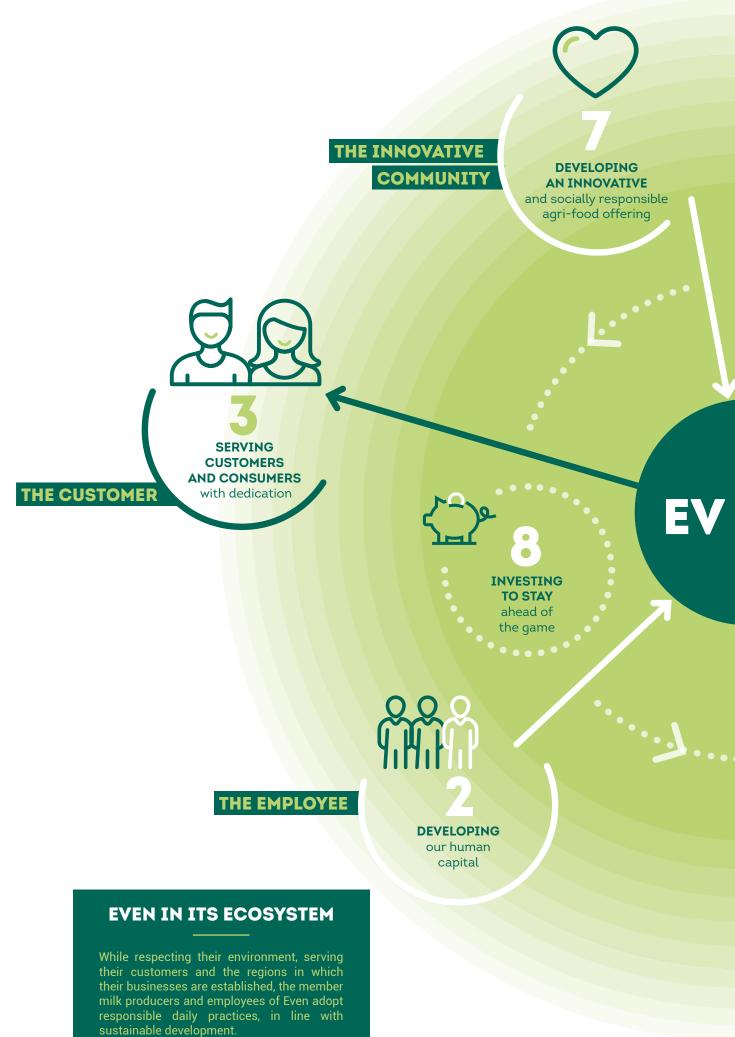
responsibilities

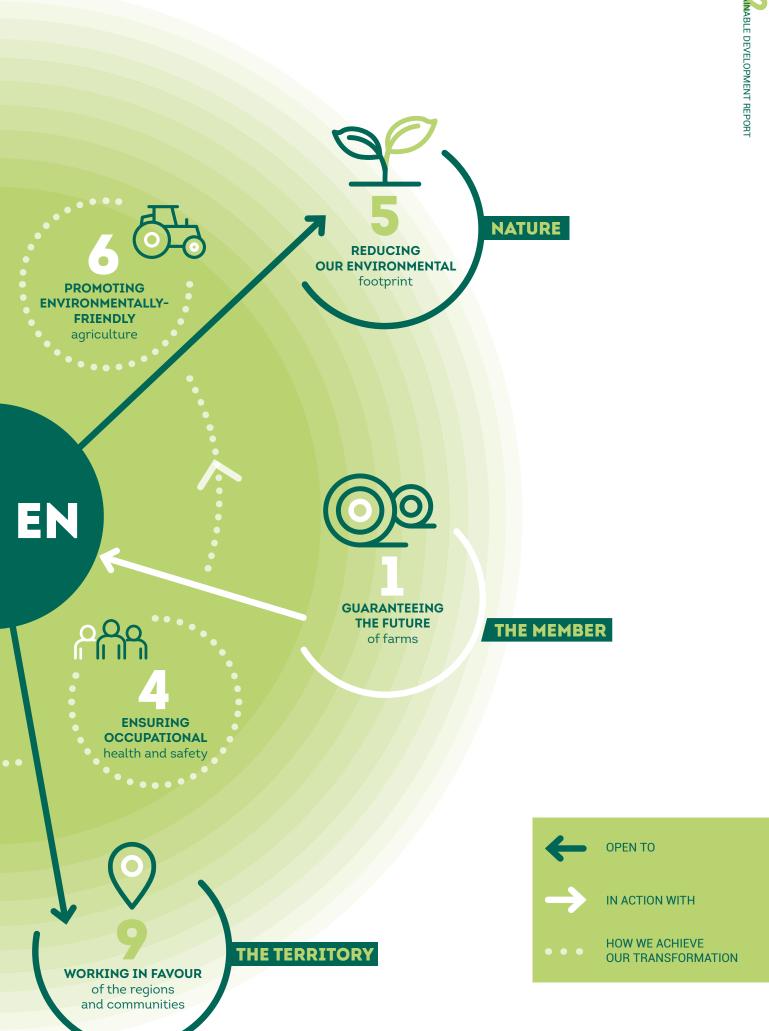
Even is driven by the values of agricultural cooperation and has one clear ambition: to provide good, healthy food for all and to create sustainable human and economic wealth for the member farmers, employees, Brittany and the other regions that host its activities. This ambitious yet realistic goal encourages members and employees to incorporate sustainable development principles into their everyday practices.

In this sustainable development report, the main risks* related to Even's business are illustrated through nine challenges. For each of them, the Group's main focus is described in line with its various activities.



^{*} See methodological note on page 82





Fostering the cooperative spirit

Even is built on firmly modern cooperative values and belongs to Breton farmers. Its mission?

Sustainably collect and process the milk produced by its member farmers to secure a long-term future for their farms, the vitality of the territories and future generations. The Cooperative's two social groups, farmers and employees, are driven by a shared corporate project that gives meaning to their daily activities: provide the best, healthy food for our fellow citizens at every stage in their lives, by creating wealth in the service of agriculture and society. However, feeding humanity in a context of exponential population growth and scarcity of resources requires producing more and better, with fewer raw materials and lower environmental impacts. These challenges motivate Even members and employees

who take on sustainable development issues

COOPERATIVE DNA

with determination and energy.

Even Cooperative, the group's parent company, belongs exclusively and collectively to its member farmers, i.e. Breton dairy farmers, who hold the members' shares. Based on a contract of trust, Even Cooperative's operation calls mutual commitments into play. Farmers are required to deliver all their milk to the Cooperative. This is an exclusivity agreement. In return, the Cooperative undertakes to collect, process and pay for all the milk that it is offered. As a Cooperative, Even cannot be sold or transferred. It may not be relocated or offered for public sale. Its share capital may not be sold or shared. A percentage of the Cooperative's profits are redistributed to members, another portion is reinvested, and the remainder is placed in reserve for use in future projects.

SUCCEEDING TOGETHER

By electing their representatives according to the principle of one person/one vote, the member farmers actively contribute to building Even and its strategic orientations. The cooperative model fosters a non-speculative, distinctly human type of capitalism focused on the long term. Rigorous management creates Even's results, which are constantly growing and are proof that by remaining true to humanist values, a company can succeed, innovate and stand the test of time.

CULTIVATING STRONG VALUES

Even's cooperative values are a factor in the Group's individual, collective success and help it forge ahead.

- Responsibility involves working in a way farmers, which respects employees, customers and consumers while ensuring animal welfare and environmental protection.
- Team spirit enables relationships of trust to be built in order to last and grow together.
- Combined with honest communication, simplicity guarantees constructive and harmonious interpersonal relationships.
- Profitability, the key prerequisite of current and future economic development, relies on our team's ability to ensure innovation and performance.

Pascal

DAIRY PRODUCER, **EVEN MEMBER**

PLOUMOGUER (FINISTÈRE)

"A former employee of Even Agri, I naturally chose to go into dairy production with the Cooperative about 20 years ago. Since then, I pride myself in operating the business with supplies, feedstuffs and services. It seems to me only right, as a member share holder, to contribute to the dynamism of a business which belongs to its member producers. I am also involved as a local delegate to report back opinions from the ground to the Board of Directors and the Management, but also to get away from the everyday business of the farm to open up to other horizons. In our Cooperative, the relationship is simple and dialogue easy, both with the employees and the elected officers. There is a real willingness to build together and find solutions when difficulties arise."



1ST CHALLENGE

Guaranteeing the future

of farms

Even's future is built first and foremost with its dairy producers, who are its members. To renew its workforce in an ageing demographic context, the Cooperative implements a proactive establishment policy for young farmers. It also assists its members deal with changes in agriculture and supports their income in a spirit of equity.

SUPPORTING A NEW GENERATION

Proud of its cooperative origins and history, the Group works on a daily basis to share essential human values, the unchanging foundation of sustainable and meaningful construction. To encourage young people to begin farming and ensure long-lasting dairy activities throughout the Breton territory, Even supports the establishment of young farmer members: financial aids, technical & economical assistance from the French farming consultancy and training body, Technical Bureau for Dairy Promotion (BTPL), volume allocation in line with their projects, etc. All these measures highlight the Cooperative's commitment to ensuring a turnover of milk producers in Brittany. Since 2015, 117 young members have joined the Cooperative, about twenty of them over the past year. The renewal momentum is accelerating with 50% more farmers established from 2015-2018, compared to 2011-2014. The average milk benchmark on the farms which Even's young member farmers operate is over a million litres of milk. In 2019, the assistance allocated by the Cooperative to young members totalled €162,000.

ENHANCING MEMBER FARMER COMPETITIVENESS

Even invests for members to remain competitive amid the new agricultural, societal and market context. An expert engineer from the BTPL adds to strategic thinking among members and reinforces Even Upstream teams. He develops innovative methods making it possible for each producer, including young farmers, to be given markers that guide them through the proper management of their farm. Among the support offered, Écolait is an improvement

ELECTED OFFICERS COMPRISE EVEN'S BOARD OF DIRECTORS.

Amélie

DAIRY PRODUCER. **EVEN YOUNG FARMER MEMBER**

PLANGUENOUAL (CÔTES D'ARMOR)

"I became a dairy farmer in March 2019; within the La Ville Auvais farm company, where I had worked as a student during my farming studies. After having worked as an inseminator, now at the age of 30, my dream of becoming a farmer has become a reality. I've been passionate about dairy farming since I was a young child. I like cows, genetics, and the idea of continuously improving the herd to realise its full potential. We are fortunate, on our farm, to have recent and functional facilities and an organisation that allows us to share the work and decisions, while having time for family and leisure. Dialogue among the partners is essential to move forwards to common goals. For us, being in a cooperative like Even, which innovates and creates value, is reassuring. On becoming a farmer, I benefited from 200,000 litres in volume A. 50,000 litres in volume B and a specific grant and support for young farmers. As members, we can be part of the company's life, like Brigitte, one of the partners, who is involved as an administrator. As for me, I take part as much as I can in the meetings and the training that is offered. This allows for exchanges and to open up new horizons."





initiative that encourages sharing feedback on various themes (evolution of production systems, reducing incoming goods, managing food costs, etc. 71 member farmers have joined Écolait since the initiative's launch in 2016. The comparison of results across the groups allows farmers to change their practices to improve their working conditions and make their farm profitable.

NEW OPPORTUNITIES AND GROWTH DRIVERS

In order to widen the number of remunerative outlets offered to farmers, the Group favours the emergence of enhanced worth channels, both in volume and in value. Thus, in the Brittany region, Even is the exclusive partner of Cocorette in building an alternative egg-laying sector. At Laïta's request, Even Production Laitière, Even Agri and Even Nutrition Animale have just built a certified channel to promote the milk of GMO-free (< 0.9%) cows, pasture fed for 150 days per year on average. This differentiated milk is used for Emmental, soft cheeses and ultra-fresh products marketed since the end of 2019, as a private label. The producers involved in the process receive a premium of €15 / 1,000 litres of milk for GMO-free fodder (< 0.9%) and grazing.

SHARING PROFITS

In 2019, Even paid the milk of its 701 member farms the same price as the major French dairy generalists: €348,49 / 1,000 litres, an increase of 5.5% compared to 2018. Better still, the Cooperative supports its producers beyond the base price by allocating, each year at the end of the General Assembly, a substantial dividend, the result of sharing the added value created in the sector. This year, producers should receive on average, €16 per 1,000 litres delivered. This price supplement, which represents nearly €6.8 million at the level of the Cooperative, is a real breath of fresh air for the farms' funds.



Volume of milk collected from Even members

Number of young Even members established over the past 5 years

Amount of aid to establish young Even members

Number of farms included in the Ecolait improvement initiative

Percentage of farms having attended at least one information meeting or technical and economic training

€19.8 м

Net income for Even Cooperative

^{*} See methodological note page 82



Support for the new generation of members

Since 2017, the Cooperative has implemented significant measures to help establish young farmers, administered on a daily basis by the dairy production unit. The Board of Directors has thus allocated a grant of €13,500 to eligible young members when they set up their farms. This aid is available in two forms: a flat-rate financial aid and technical and economic support with two services provided by the BTPL, Écolait and Pistil.

1,260

MEMBER FARMERS

Shareholders • Milk suppliers Buyers of necessary products required for their farms



Developing our human capital

Even has created more than 6,200 jobs in the sector downstream of the farms, meaning that over a thousand net jobs have been created in the past 10 years. The Cooperative and its subsidiaries contribute to the well-being of 10,000 families throughout the territories in which their businesses are established.

ENCOURAGING EMPLOYEES TO EXPRESS THEIR TALENTS

Since 2015, the Even group has established human resource planning, covering recruitment, annual interviews, training, etc. In concrete terms, human resource planning optimises training measures, enhances individual skills, and improves career management. Professional mobility across the Group is encouraged. It helps match internal skills and the promotion ambitions of employees with the job needs that

At Even, the small number of hierarchical levels is a deliberate choice for organisational simplicity. Everyone can contribute to change, express their ideas and follow their career path.

FOCUSING ON TRAINING AND EQUAL OPPORTUNITIES

62.5% of Even's employees attended a training course in 2019 for a total budget of €3.5 million, i.e. more than 70,000 hours of training provided over the course of the year. Even is careful to promote equal opportunities and works in favour of diversity: the fight against discrimination in recruitment by drafting job offers in gender-neutral language, the provision of around twenty places in subsidised nurseries, the reduction of pay gaps between men and women, the promotion of women to positions of responsibility, etc. The employment of disabled workers amounts to more than 300 full-time equivalent positions Group-wide. In the event of partial or total incapacity for the job, the human resources teams actively seek to redeploy the employee or adapt their job.

EQUAL PAY FOR WOMEN AND MEN

For the first year of the calculation of the Gender Equality Index*, Laïta obtained a score of 83 / 100. On the distribution side, Argel had a score of 89 / 100. These results exceed the 75 / 100 requirement set out in the law on career choices. This strengthens the policies implemented within the Group's companies to promote diversity and equal rights.



SUPPLY MANAGER, KRILL, EVEN DISTRIBUTION

PRODEZ (AVEYRON)

"I joined Geldoc in 2012 to implement methods to enable this family business to improve its way of working and its profitability. When Even, which was one of our competitors, approached us in 2016, our company was operating well, with significant development potential. The Group, through its cooperative roots, saw an affinity with us, close to people, the rural environment and local consumer realities. Even's senior managers saw that it was important to keep the company's workforce intact: receiving agents, order pickers, drivers. They understood that ideas and solutions come from those who use the tool. They trusted us. Our young team had to take ownership of the Group's computer system. We did this in our own way, keeping what we did well and integrating Even's methods that provided rigour and peace-of-mind. We are more focused than previously. The performance and service levels are excellent. Ultimately, everyone is happy with what each side brings to the business. Personally, I feel fully part of the Group, because it respects its employees and the identity of the businesses that join it."

^{*} Index for businesses with more than 1,000 employees as of 1st March 2019.







CREATOR OF SUSTAINABLE JOBS

Even's dynamism in favour of employment and the economy of the territories is increasing every year. As the commissioning of the Laïta plant at Créhen (Côtes d'Armor) in 2017 did, the launch in late 2019 of the new bottling line for ESI Nutrition at Ploudaniel (Finistère) has also created jobs. In two years, more than 100 jobs have been created. To fill some of these positions, Laïta working with Pôle Emploi screen applicants, using a simulation recruitment method to assess their skills and motivation rather than their qualification levels. The acquisition and training of successful applicants, in particular in terms of health and safety, has required thousands of hours of training, with the introduction of individual courses according to occupation leading to Occupational Qualification Certificates (CQP). In two years, 73 CQPs have been awarded. Partnerships with local actors are bearing fruit. They meet the Group's recruitment needs in occupations experiencing shortages: line supervisors, remote operators, maintenance technicians, etc.

8.000 PEOPLE GATHERED FOR LAÏTA'S 10 YEARS

To celebrate its 10 years of existence, on Sundays in September and October, Laïta opened the doors of its six sites to memberproducers, employees and their families. Nearly 8,000 people were able to visit the production workshops, discover the processes, learn how to milk or climb on board a milk collection truck. There was a constant flow of people to join in the activities organised by the many volunteers, employees and partners involved in ensuring the success of the event. Families had a great time taking part in the educational workshops, games and tastings of the in-house products. Big and small left with a sparkle in their eyes, a smile on their faces and a host of great memories, after these simple and joyful exchanges.

A PARTNERSHIP OF MORE THAN 20 YEARS

Since 1997, the operators of ESAT, which supports disabled people through work, assisted by a specialised technical instructor, have worked in one of ESI Nutrition's packing workshops. The team is an essential link in the product's value chain and fully meets the company's quality and productivity requirements. Besides its skills, it also provides its simplicity and great human values that contribute very positively to the atmosphere of the site.

Training

Since 2014, training investment has increased by more than €1.8 million - which for 2019 represents nearly 70,000 hours of training. Skill development plans are drawn up by the human resources teams with managers and the social partners. The main objectives of the training policy are sharing the corporate culture and the transmission of knowledge and knowhow. It also aims to increase professional integration and development through job training and management sessions. 37.4% of training actions have been about workplace safety or road safety awareness. Technical occupational skills have accounted for 20% of training activities, and managerial practices 3.5%. For the latter, seven training courses have been offered to Group executives and managers since 2015. The offer is expanding in 2019 with three new training courses. The themes emerge from the needs expressed by employees during business and professional development interviews and are then listed in the development plans of each division. Details of these 10 training courses are available in a catalogue posted on the Even intranet. Most of the training takes place at the four annual Even universities, which are important moments for exchanges and meetings between employees, the business lines and the companies of the Group. Since June 2015, the Group collective agreement on skills and training has set the participation of each of the companies of the Even group at 1% of the payroll for the development of vocational training and apprenticeships.



1,869

Number of people recruited (permanent contracts, fixed-term contracts and apprenticeships)

3,783

Number of employees trained, i.e. 62.5% of the workforce

€3.9 м

Amount allocated to training

83/100

Laïta Gender Equality Index

89/100

Argel Gender Equality Index

10.8 years

Average seniority

4.5%

Turnover rate linked to resignations

4.3%

Absenteeism rate

ENHANCING ATTRACTIVENESS

Even's internship and apprenticeship policy with local schools and universities provides students and young graduates with access to rich learning experiences and employment opportunities. Alongside this, human resources teams are involved in many job fairs and forums to promote the diversity of the Group's activities. Workshop visits are regularly organised on Laïta production sites. They are an opportunity for students to exchange with professionals, to discover industrial trades and thus to encourage vocations by communicating about the value of food industry occupations.

Since 2017, the Even group has joined the "Employment-Training Objective" organised by the daily Breton newspaper Le Télégramme. Supported by the Brittany Region, this operation aims to galvanise all the forces to develop employment in the region. The publication of articles on the sectors that are hiring or videos of employees presenting their occupation, contribute to a dynamic economy creating jobs.

WORKPLACE WELL-BEING

Quality of life at work initiatives are flourishing in the Group's companies: employee satisfaction surveys, the offer of sophrology classes, the organisation of events which bring people together such as the open days, organised for employees and their families to mark Laïta's 10-year anniversary, etc. All these actions create a momentum aimed at enhancing fulfilment and well-being in the workplace. The organisation of working hours depends on the Group's activities. For example, at Laïta production sites, work is organised in teams, 2x8 or 3x8 shifts, depending on the lines. For the companies of the Distribution division, which are more subject to seasonality, several organisational methods and work rhythms have been set up. Finally, teleworking solutions are being tested. They are accompanied by improvements in managerial practices and processes: digitisation, the virtualisation of working meetings, new spaces for collaborative work and relaxation, as shown by, for example, the construction of the Group's head office at Ploudaniel (Finistère) and the construction of offices shared by the animal nutrition teams at Landivisiau (Finistère).

In addition, the collective agreements negotiated within the Group's companies are the concrete expression of a decentralised human resources policy that takes into account local realities. In 2019, 16 collective agreements were concluded, particularly aimed at improving working conditions, hygiene, health and safety, as well as the organisation of working hours.

See methodological note page 82

3RD CHALLENGE

Serving customers and consumers with dedication

From upstream to downstream, the Group guarantees the quality and safety of its products for its clients and consumers.

SHARING PASSION DU LAIT®

Through Passion du Lait®, Laïta wishes to share the love of its activity and dairy expertise with as many people as possible. Engaged in this sustainable development approach, producers and employees have all the transparency conditions needed to ensure complete trust in the dairy products and how they are produced. This joint effort stems from Laïta's initiative to continue to provide healthy, varied and responsible food, while supporting the dairy farms in the West of France and the associated jobs. Passion du Lait® goes above and beyond normal quality standards. Compliance with regulations in force is but a basis for the organisation's approach. In addition to this, Laïta adds complementary commitments rolled out according to three challenges: the environment, well-being, territories and the economy. Coordinated by a dedicated Quality, Health, Safety and Environment (QHSE) department, Passion du Lait® is an initiative specific to Laïta.

ENSURING PRODUCT SAFETY

The Créhen unit opened in December 2017 is a great illustration of the special attention Even pays to its products. The unit shows a high level of quality assurance, an essential prerequisite to producing infant food. The concrete building was designed to ensure easy compliance with health and safety rules. The air is treated and adapted to the sensitivity of each production zone. The product-focused process respects the integrity of the raw materials and meets the highest of international food safety standards. The production is supervised through a quality system compliant with the strictest of international specifications. Strict zoning was implemented according to the criticality of the manufactured products, with specific work clothing for each zone and suitable changing rooms. Everything is tracked and controlled, from raw materials to finished products, including packaging. Internal analyses are conducted in a laboratory that is separate from the production workshops and fitted with the latest generation of equipment.



SALES MANAGER EURILAIT, LAÏTA

© EVERCREECH, UK

"After higher education training in business and management, I started my career in distribution working for the Somerfield supermarket chain, now Morrisons. I discovered the cheese world in 2005 when I joined "The Cheese Company", which produces and markets a wide range of typical British cheeses. Then I joined Eurilait in 2008. The sales team was then composed of five people, and has since grown. Today, I am the sales manager of a team of 16 people. Besides sales, Eurilait processes and conditions a huge range of "continental" cheeses. Those from Laïta and Eurial, its two shareholders, but also Italian, Greek and Spanish cheeses from third-party suppliers. The flexibility provided by the Evercreech workshop gives us a real competitive advantage and allows us to be responsive and meet the specific demands of our customers, in supermarkets and food services. We honour our "One Stop Shop" slogan. We offer them the best products and services! From the classic product for everyday consumption, to cheese for cooking, taking in speciality products on the way, we are constantly looking to expand our offering by creating new consumption occasions. For example, oven-baked "Baking Camembert" is a great success, or a new range of barbecue recipes (sausages and burgers) mainly cheese-based to meet the growing demand of flexitarian consumers."





Formula milk production requires extensive, accurate and thorough physical microbiological analyses; more than 1,900 are carried out in the Créhen laboratory (Côtes d'Armor) every day. Across Laïta, more than 2.5 million analyses are carried out annually.

In addition, food safety is based on recognised and certified management systems: NFV01 007, ISO 9001, IFS, BRC, FSSC 22000, etc. The Distribution division employs a dedicated team of engineers and quality managers, ensuring that products comply with the specifications and the applicable regulations, performing regular production facility audits, carrying out microbial analyses, etc.

RECOGNISED PRODUCTS

The products that Even sells are subject to taste tests involving panels of experts and consumers. In the last five years, fifteen of Laïta's products have won awards in the General Agricultural Competition. The Madame Loïk natural whipped cheese with Guérande salt and the moulded butter with Guérande salt stand out, winning the gold medal at the 2020 edition.

The Paysan Breton cooperative brand strengthens its image of authenticity and its reputation among consumers. The customer base is growing particularly in the butter and fermented milk categories. Although butter is the first pillar of Paysan Breton with 12.8% market share by volume (40.1% for moulded butter), Madame Loïk whipped cheeses are now a real challenger with 9.6% market share, thanks in particular to the plain variety (12.9% of market share). In other segments, Laïta is also a leader with the Mamie Nova brand for 'gourmet' yoghurts and in the French grocery milk market with Régilait. Nationally and internationally, the dairy expertise and the quality of the products produced by Laïta are acknowledged by its customers and consumers.

Since April 2018, Even Distribution has been Aquaculture Stewardship Council (ASC) and Marine Stewardship Council (MSC) certified. These international bodies ensure that seafood products have been harvested sustainably, respecting fish stocks and marine ecosystems, while allowing fishermen to make a living

EXPERTISE

A local actor, Even Upstream forms partnerships with national and international leaders to bring the best expertise to each of its activities for farming and the consumers of tomorrow, such as those that the division has built over the years, with the Loire-Bretagne Water Agency, the Technical Bureau for Dairy Promotion (BTPL), Cocorette, Topigs Norsvin International, Provimi, and many others.

from their work. The food service specialists 'Réseau Krill' and 'Atlanterra alliance' offer their customers around 100 products bearing these labels. In 2019, the number of MSC products has increased by 23%. As part of this same trend, Argel, a home delivery specialist, is developing its branded product offering, which in 2019 accounted for almost 30% of its overall offering.

Even group companies are increasingly expanding their offerings with products which bear official quality certifications: Label Rouge, Protected Designation of Origin (PDO) or Registered Designation Of Origin, (RDO), Organic, Protected Geographical indication (PGI) and origin identifications: French Meats, Périgord Black ham, etc. These awards meet the demand of customers and consumers who value products that combine craftsmanship, quality, terroirs and gastronomic traditions.



Industry initiative: Passion du Lait®

Laïta's sustainable development based on the Passion du Lait® initiative, managed centrally by a dedicated person and deployed within each department by CSR relays. From upstream to downstream, Laïta demonstrates its desire to manufacture traceable, safe and transparent products that meet its customers' demands by committing itself to areas of improvement in terms of well-being, the environment and the development of the territories.

Food safety and security in Distribution

Food safety is one of the key dimensions in the quality of products purchased and distributed by Even Distribution. They must comply with the highest standards and increasingly stringent regulations. To check and control food safety, the Distribution division has a quality team of more than 20 people. Following a rigorous listing process, products are selected, received and controlled in the companies and by the central quality department according to an annual microbiological, chemical and organoleptic inspection plan. If an unsafe product is detected, blocking procedures and alert handling are immediately implemented. The goal is to achieve maximum customer satisfaction.



6

Number of Laïta Food Défense industrial sites

980

Number of certified references for the Distribution division

77.4%

Percentage of Even farms audited as part of the Passion du Lait[®] initiative

14.7 ppm

Level of complaints per million kg of frozen products sold to food service customers (excluding Boul'Pât) of the Distribution division

17.7 ppm

Level of complaints per million kg of fresh products sold to food service customers (excluding Boul'Pât) of the Distribution division

* See methodological note page 82

Thus, in 2019, the companies of the Distribution division saw the Label Rouge and RDO sales soar by 14% and Organic sales by nearly 32%.

FRENCH-MADE PRODUCTS

Since 2015, Réseau Krill has been working alongside the Bleu-Blanc-Cœur association on a nationwide range of fresh meat and poultry produced in France. The Réseau Krill network is the first distributor to offer a Bleu-Blanc-Cœur fresh products range, thus supporting the reintroduction of natural Omega 3 sources into the food chain.

Drawing on the same momentum, Bernat, Boncogel'Adour, Charles Martin and Kenty, combined under the Atlanterra alliance, are partnering with fishing industry stakeholders around a new brand, Pavillon France. This initiative guarantees consumers that the products are fresh, that the fish is seasonal and of French origin.

The origin of ingredients is becoming an essential factor for consumers. Aware of this issue, the Paysan Breton brand provides more information on the origin of its products. Thus, the packaging of Madame Loïk whipped cheeses indicates the origin of the herbs – 100% are French –, the origin of the milk from Western France and the place of manufacture at Créhen (Côtes d'Armor). Similarly, on the packagings of Paysan Breton stuffed crêpes, the clean origin and clean label information appear, accompanied by 100% Brittany origin for the milk, flour, butter and eggs ingredients.

ANIMAL WELFARE

Animal welfare is a major societal challenge. Passion du Lait® helps producers improve their farming practices: animal welfare, health promotion, pain management, etc. Since 2019, 100% of producers who deliver their milk to Laïta have access, via their cooperative's extranet, to training and animal welfare awareness videos.

MAKING SURE CUSTOMERS ARE LISTENED TO

Every year, Paysan Breton's marketing departments carry out surveys on consumers: sensory analyses, monthly tests with a consumer panel, tasting days, reputation surveys, etc. These precious meetings are used to identify consumer demands and desires in order to adapt the product offerings accordingly.

For Argel, 132,046 customer feedback items were processed via the 'Argel à l'Écoute' application in 2019. Complaints have fallen significantly by almost 13% compared to 2018.

4TH CHALLENGE

Ensuring occupational health and safety

Guaranteeing health and well-being at work are the spearheads of Even's social responsibility policy. The Group works proactively to ensure the safety of people and goods. The objective is clear: stimulate a safety culture that tends toward zero accident.

ALL COMMITTED!

On a daily basis, the occupational health and safety policy is shown by:

- considering the health and safety of employees and goods as a value and a performance criterion for the Group;
- a training and awareness programme for teams designed to reduce and control risks and therefore workplace accidents and occupational illnesses;
- the implementation of an efficient prevention policy: systematic analysis of accidents, incidents and feedback, continuous improvement of facilities, etc.;
- and regular communication of objectives and results to employees.

The PHARE approach (Human Prevention of Accidents linked to Power Risks) is one example. This new approach to prevention is being deployed at Laïta's industrial sites, allowing operators to train and organise themselves to work in complete safety on the machines. It also helps improve the health and safety culture, to better control the intervention conditions (coordination of the different departments), to upgrade the facilities and equipment, to ensure that the plans are updated in good time, etc.

Another practice set up at Even Upstream to reduce the risk of incidents with orders, on loading, on the road and on the farms: the optimisation of rounds. In consultation with customers, food deliveries are spread out throughout the week to avoid peaks of activity, on Friday in particular.

Valérie

ERGONOMIST, LAÏTA O CRÉHEN (CÔTES D'ARMOR)

"Laïta is one of the few agri-food companies to have a full-time, ergonomist. My task is to improve existing workstations, but increasingly I work on prevention from the project design phase. On the Créhen (Côtes d'Armor) site, in 2019, we created the warehouse for receiving raw materials which also prepares orders for the productions of the infant tower. The layout was devised with the contribution of all the users: the area manager, fork-lift drivers, the new works manager, the prevention officer, the Quality Health Safety and Environment Department, etc. We integrated the wishes of the project group into the construction of a 3D model, taking into account the way the operators work. In this way we planned the position of the goods delivery area, the order preparation area, racks, pedestrian paths, traffic lanes and fork-lift manoeuvring areas. By involving the employees from the start, everyone was able to take ownership of the future layout of the warehouse and turn the constraints into strengths. The team is very satisfied with its new working conditions and has made further proposals to improve the functionality of the building even more."



ROAD SAFETY MANAGEMENT

The Group has been committed to a road safety management plan since 2015. On the one hand, it is based on the skills of external service providers and, on the other, on those of the network of internal coordinators, road safety contacts. Throughout the year, training courses are available for drivers of light vehicles and HGV drivers.

Between 2014 and 2019, the frequency of HGVs traffic accidents fell by 40% and those for LGVs by 30%. Actions regarding road safety, and in particular the deployment of the road accident prevention policy are bearing fruit. Nevertheless, progress can still be made and vigilance needs to remain high.

PROMOTING HEALTH AND WORK STATION ERGONOMICS

Ergonomic studies are conducted on most of Laïta's production sites to reorganise certain work stations and thus reduce adverse conditions. User involvement in designing the workstation takes into account their needs and the realities experienced in carrying out their tasks. A study carried out in the workshop of the infant's tower at the Créhen site (Côtes d'Armor) resulted in a storage and order preparation warehouse being created which takes into account the needs related to truck unloading, the quantities to be stored, the flows of warehouse trucks and pedestrians, handling for order preparation, and the requirements of ensuring the hygiene of the products. The changes have resulted in a reduction in the risks of collisions between warehouse trucks and pedestrians.

PROPERTY PROTECTION

In 2019, Even updated its property protection guidelines. These guidelines apply to all sites of the Group - for which the insurance value of the assets (buildings, equipment, stocks) is greater than five million euros (category 1) - and is used when upgrading existing facilities or new facilities. From the design phase of a construction project, prevention of property damage risks is taken into account. Likewise, the property protection guidelines are integrated into the risk and compliance audits. For companies for which the value of insured assets is less than five million euros, compliance with security measures is respected according to their capital and categories (2, 3

The current level of protection of our working tools contributes to covering the damage risk and to the assets by insurance companies, cost control and the sustainability of the Even group of companies.



Number of employees trained in road safety

E2.5

Amount of investments in the safety of people

Amount of investments in the security of property

Number of employees who have benefited from a TOP visit

34.53%

Frequency rate

1.41%

Severity rate

* See methodological note page 82



Cap Even

The Even health and safety policy, implemented by the Management Committee, is coordinated by a Group-wide steering committee. This committee is supported by a network of coordinators and safety officers in each division, called the Cap Even network. It is composed of about forty people. Their mission is to implement the Group's health and safety policy and roll it out in its business units. This policy is based on common practices shared on a collaborative platform and action plans adapted to each organisation with a common objective: instilling a safety culture to achieve zero accidents. For 2020, the Even group has set itself the objective of reducing its lost-time occupational accident frequency rate to a level less than or equal to 20.



At Ancenis (Loire Atlantique), employees take part in a physical warm-up session before starting their work. Trained by a sports coach, volunteers do a series of practical exercises that help them adopt good postures. After more than three years of daily exercises, feedback from employees regarding this initiative is positive. The number of accidents has fallen. In the light of this positive effect, warm-up sessions are increasing on the Group's various sites.

In the same way, the SovéFrais teams at the Ploudaniel warehouse (Finistère), after a conclusive test period, in late 2019 adopted the daily warm-ups before starting their shift.

Laïta has already set new targets: a TOP visit at least once a year for 100% of non-tertiary workers with each trained manager having to carry out ten TOP visits per year. Recognition of the work achieved, the development of shared vigilance and the prevention of unsafe individual and collective behaviours are the main progress areas of the approach.

kept safe. The TOP method is deployed in all Laïta workplaces with more than 1,300 visits

carried out in 2019.

Behavioural safety visits are also starting at Even Distribution (A2S and Achille Bertrand), with the same purpose: aiming to achieve zero accident.

5TH CHALLENGE

Reducing our environmental

footprint

In order to reduce the environmental footprint of its industrial activities, the Even group has set itself priorities: preserve water resources, limit energy consumption, promote the circular economy, fight against food waste.

PRESERVING WATER RESOURCES

The Group signed a pilot partnership with the Loire-Brittany Water Agency in early 2017, a first in Brittany. It combines the preservation of water resources and the economic performance of the dairy industry. The agreement was concluded for three years and implements coordinated actions to reduce the impact farms and industrial activities have on water resources along the coastline. For Even, preserving water -both in terms of quality and quantity- is always a great way to increase the quality of its finished products, for the benefit of consumers. Within the Group, each investment is henceforth analysed according to how it affects water resources.

OPTIMISING ENERGY CONSUMPTION

From the routing of raw materials to the delivery of finished products, a single watchword: the optimisation of energy consumption. In order to improve the energy efficiency of its industrial sites, Laïta uses various technologies: heat recovery and control systems on cold units, high-efficiency condensation systems, etc. The Créhen (Côtes d'Armor) formula milk and premium powder unit has been designed to combine technical and environmental performance with:

- the search for the best energy efficiency in the choice of energy sources and equipment: use of mechanical vapour re-compression (MVR), use of bag filters to limit flue losses, installation of meters on the main flows;
- preserving water resources: installation of high technology evaporators used to recycle vapour condensates;
- sorting and waste reduction.

Chérif

ENERGY PROJECT MANAGER, LAÏTA

O ANCENIS (LOIRE ATLANTIQUE)

"Laïta is currently working on reducing direct carbon emissions. It is ambitious work, relating to the target discussed by the French dairy sector, which is to reduce direct carbon emissions by 25%. This involves implementing transformative actions, such as the installation of a mechanical vapour recompression system and a refrigerator heat pump on the Ancenis site (Loire Atlantique). We are studying the value of installing photovoltaic panels in the car parks, and solar thermal panels to supply our plants with hot water. Another important project being considered: the installation in 2022 of a biomass boiler on the Créhen site (Côtes d'Armor), which should reduce our total carbon emissions by 15%. Reducing our carbon footprint also requires continuous improvement. In conjunction with each workshop's teams, we monitor the energy indicators identified in the Non-Financial Performance Statement, aiming at reducing consumption by 0.5% per year. At the same time, we are making an assessment of the machine fleet to plan out how it will evolve in line with the potential development of our activities."







Within Even Distribution, vigilance is also necessary: routine inspections of the cooling facilities, use of more cost-efficient solutions for the design of new units, optimisation of the energy efficiency of the lights, systematically replaced by LED lights, installation of geolocation devices in the delivery vehicles, etc.

SovéFrais thus reduced its electricity consumption by 13% for the Ploudaniel warehouse, following the installation of dimmer switches and new cooling systems. The drying processes of the curing workshops (the Saloir du Périgord and Languedoc Salaisons) have been completely redesigned; an upgrade that is accompanied by more environmentally-friendly technologies to better control the quality of the cold and to eliminate the use of HFC (fluorinated) gases. Launched in 2019, work on the refrigeration facilities will be completed this year. These investments of almost four million euros should reduce the energy costs of the workshops by 20% in the medium term.

Preserving water resources

agreement combining preservation of water resources and the economic performance of the dairy industry was concluded between the Loire-Brittany Water Agency and the Even group in 2017. This three-year partnership covers a budget of €16 million for investments in sustainable development, one third of which can be financed by the public institution. This joint initiative supports projects aiming to reduce water consumption in the Group's activities and reduce the impact of Even's activities on water quality. Member farmers and manufacturers are mobilised to achieve an objective shared with the Water Agency: the improvement of the ecological state of the environment and the preservation of water resources.

REDUCING FUEL CONSUMPTION

Since 2009, Laïta has been increasingly taking measures to reduce its fuel consumption during milk collection processes: increasing tank capacity, tanks with electric pumps, providing eco-driving training, and formalising milk collection agreements with cooperatives in north-west France. The savings are significant. Diesel fuel consumption fell to 1.66 litres per 1,000 litres of milk collected in 2019 compared to 1.87 litres in 2009, thus generating savings of over 291,600 litres for 2019 alone. This represents more than 947 tonnes less CO2 released into the atmosphere every year in comparison with 2009.

The efforts made by Even's upstream activities have been just as important. On top of optimising delivery journeys and lorry fill rates, performance bonuses incentivise Even Agri and Even Nutrition Animale drivers to reduce their diesel fuel consumption though energyefficient driving.

Delivery is a key part of food distribution. In 30 years, Even Distribution has developed expertise in this field and structuring projects are multiplying. At the heart of the concerns:

- the reduction in diesel consumption, thanks in particular to the optimisation of the delivery circuits with the geocoding of customers from the logistics platforms, covering of the territory by a network of optimally-positioned logistics platforms,
- the renewal of the truck fleet to the Euro 6+ standard,
- transport energy audits,
- and the use of more environmentally friendly modes of transport, such as the testing of electric cars for deliveries in city centres.

In 2019, fuel consumption as compared to the tonnage of products sold fell by more than 6% for the distribution companies. In this respect, since 2015, Achille Bertrand's teams have been organising eco-driving training sessions for delivery drivers. The result: a drop in diesel fuel consumption achieved over the same distances covered.



€2.6 м

Investments related to reducing discharges into water and air

5

Number of sites in the Distribution division undergoing a bilan carbone® or energy audit

39%

Percentage of Euro 6 HGV and LCV/LV vehicles in the Even Distribution fleet

2,035 tonnes

of products sold to wholesalers, surplus goods dealers and/or smelters, to combat food waste

2.26 m³

Water consumption by volume of processed milk equivalent

0.34 MWh

Energy consumption per tonne of processed milk equivalent

28.7 MWh

Electrical energy consumption of animal nutrition factories per tonne of manufactured feed

> * See methodological note page 82

BEING PROACTIVE IN TERMS OF ENVIRONMENTAL REGULATIONS

The regulatory aspects of Laïta's industrial sites are organised on a daily basis by dedicated teams trained to respond to changes in environmental standards and rules. Besides complying with the environmental requirements, Laïta participates in debates on issues related to water, climate, discharges, biodiversity, with government authorities and the inter-professional community. By adopting a committed and mobilised position, Laïta wants to reduce its environmental footprint through more efficient and environmentally friendly industrial tools.

REDUCING PACKAGING

At Even, different departments are involved in the ecodesign of the packaging: research and development, purchasing, industry, marketing and logistics around a simple set of guidelines: maximum product protection, improved organoleptic quality of the product, minimum usage of raw materials and optimisation of storage and transport. Initiatives are growing in the various companies of the Group. At Laïta, a working group dedicated to ecodesign has been set up. It facilitates and accelerates taking into account the environmental impacts of the choice of packaging when developing products. By 2025, Laïta has set itself the objective of guaranteeing 100% of recyclable, reusable or compostable packaging for all its products. In this regard, since the beginning of the year, the company has entered into an agreement with its suppliers to ensure that 100% of the corrugated cardboard delivered is FSC (Forest Stewardship Council) certified.

Another example of the establishment of a circular economy, PAM uses trays with fully recyclable lids.

FIGHTING FOOD WASTE

For several years, Even group companies have been working to reduce food waste. Throughout the entire value chain, best practices contribute to this commitment. Laïta is extending the shelf life of its consumer products, by ensuring beforehand that the sanitary and organoleptic quality is, of course, always satisfactory. On the distribution side, a partnership between the start-up Framheim and Réseau Krill has been in place since 2018. Another has just been initiated with the Too Good To Go application. It allows restaurateurs to limit food waste. Alongside this, suppliers' awareness on the subject is also being raised. At the same time, food donation agreements are being organised with certified bodies such as the Banque Alimentaire (food bank) and Restos du Coeur.

6TH CHALLENGE

Promoting environmentally-friendly

agriculture

Even supports farmers in reducing their farms' environmental footprint. 93.4% of member farms have joined the Fermes Laitières Bas Carbone® programme and 77.4% of them were audited in 2019 as part of the Passion du Lait® progress initiative.

CREATOR OF SUSTAINABLE PERFORMANCE

Under the 'Delivering sustainable performance' slogan, Even Upstream teams have built up an offer of high-tech services based on a set of core values: profitability, performance, progress, local production and the environment. Even Agri, for example, makes it possible for farmers to optimise the nitrogen fertilisation of their cereal crops using drones and satellites. This leads to optimal and homogeneous crop yields, without waste or harming the natural environment. Similarly, alternatives to using pesticides such as plant mulches, mechanical weeding, biostimulants, etc. are promoted by the Even Agri teams.

Moreover, the Sabrilactis cattle feed range - formulated using efficient amino-acids improves protein digestion in dairy cows, whilst limiting discharges into the environment. Topigs Norsvin International dedicates more than 10% of its turnover to research and development. Genetic advances in growth rates, consumption indices and animal longevity contribute to reducing the environmental footprint of pig production.

PRODUCING MORE AND BETTER WITH LESS

Farmers have been working hard to reduce their impact on the environment since the 1990s: rationalising inputs, improving feed efficiency, controlling and managing waste and discharges, landscape preservation and improving water quality. The Even group encourages member farmers to adopt best practices with the achievement of observable results: a reduction in nitrate levels in the

Bernard

INDUSTRIAL DIRECTOR. **EVEN UPSTREAM**

O LANDIVISIAU (FINISTÈRE)

"The Cobrena plant, based in Loperhet (Finistère), has been Oqualim-SNTO* certified since 2013. We were therefore well-practised to be able to launch, in May 2019, under the impetus of Even Nutrition Animale, a range of ruminant foods made from non-GMO raw materials (< 0.9%). We have established dedicated manufacturing days and delivery rounds on Tuesdays and Thursdays to avoid any risk of cross-contamination with conventional foods and guarantee full traceability of non-GMO foods (< 0.9%). This initiative is fully in line with the sustainable feeding of livestock, to which we adhere through the Duralim progress Charter*. It illustrates the desire of Even and Laïta to feed livestock properly to then feed people properly. After a few months of experience, we are pleased to have been able to meet the demand of our member dairy producers, who are involved in actions in favour of the environment and consumers."

- * STNO: Fed without GMOs Technical Guideline.
- * Duralim: Progress initiative for sustainable feeding of livestock.



soil; the establishment of grassy strips and embankments along streams to prevent direct run-off; reduction of nitrogen inputs through pinpointing fertilizer needs; a reduction in inputs in the fields; the establishment of intercrop mulches, an increase in feed autonomy for herds by optimising fodder produced on the farm; reduced nitrogen and phosphorus waste in animal effluents by reducing intake at the source (adjusting nutritional intake according to the animals' physiological stages); a reduction in veterinary treatments, especially antibiotics; the recycling of waste (packaging, sheeting and oils), etc.

Cap'2ER®

Committed for some twenty years to the collective progress approach based on the reference standard NF V01 007, the Euen Cooperative has equipped itself with a reliable and objective audit tool: the Cap'2ER® This is the Automated Calculation of Environmental Performance in Ruminant Livestock Farms. Deployed by the dairy production unit teams, this audit check list evaluates the impacts of each milk workshop on greenhouse gas emissions and biodiversity, by collecting 27 items of data. The results of these audits are summarised and sent to the farmer. After this awareness-raising phase, the member producers are guided by their technician in implementing action plans for improving their environmental performance.

MEASURING AND IMPROVING THE **ENVIRONMENTAL FOOTPRINT**

Most Even dairy farms have joined the Fermes Laitières Bas Carbone® programme and 95% of farms are NF V01 007 certified. The bilan carbone® audit reports for the dairy workshops, which were introduced in the spring of 2015, have been deployed on 93.4% of farms using the Cap'2ER® diagnostic tool (developed by the Institut de l'Élevage as part of the Life Carbon Dairy programme). The outcome is that the Even farm, with a relatively dense field network (on average 1.04 ha biodiversity equivalent for 1 ha dedicated to dairy production), has an average carbon footprint of 0.86 kg CO2eq/litre of milk.

Beyond the indicators, bilan carbone® audit reports have raised producers' awareness of their impact, and allow these producers to identify the levers to reduce them: changing agronomic practices, controlling inputs, waste recycling, energy savings, herd management and preservation of biodiversity. Audits carried out as part of the Passion du Lait® sustainable development initiative also show that more than half of the producers have an energy saving method. 90.7% of farmers audited use food supplements that do not contain palm oil. The herds are mainly fed on fodder produced on the farm. Finally, all the producers use quaternary ammonium-free cleaning products for milking hygiene.





of collected milk is NF V01 007 certified

93.4%

of Even farms having completed the Cap'2ER® level 1 diagnosis

Cap'2ER® level 1 diagnostic budget in Even farms

of empty packaging and plastics collected at Even Agri and recycled through Adivalor

Preservation of biodiversity (for 1 ha dedicated to dairy production)

0.86kg eq. CO, / litre of milk

Average carbon footprint

of Even dairy farms

FROM GOOD GRASS TO GREAT MILK

In a region where cows spend more than 200 days a year in the fields, on average, pasture management is key to all production systems. The test platform 'Fodder blends: produce more protein on your farm', set up by Even Upstream in 2018 has enabled producers to explore ways of improving the grassland potential of their farms and the feed self-sufficiency of their livestock. Combinations of grasses and legumes have a higher dietary value than pure grass mixtures. They help improve the protein autonomy of dairy workshops. Another advantage is that legumes have the particularity of fixing the atmospheric nitrogen contained in the soil thanks to bacteria living in the nodules of their roots, which limits the necessity for fertilizer inputs on the land. This initiative reflects Even Upstream's commitment to promote profitable and sustainable agriculture that meets societal demands in terms of quality, animal welfare, environment and biodiversity.

Another example: Even Nutrition Animale, Ouest Élevage et Tecnor-Sofac have signed the Duralim Charter, a progress initiative for the sustainable feeding of livestock, whose goal is to reach 100% sustainable supplies with zero deforestation by 2025. Finally, Even Nutrition Animale, in partnership with Provimi Services, has developed a complete range of GMO-free dairy cow feeds (< 0.9%) manufactured in the Cobrena de Loperhet (Finistère) factory, which is STNO certified (GMO-free Feeding Technical Platform).

EXPERT ALLIANCES

The Even group is, for Brittany, the exclusive partner of Cocorette in developing an alternative egg-laying sector. Even has a free-range hen eggs and egg products offering. In addition to this example, Even Upstream also builds alliances with national leaders in their field of activity, thereby developing high-level expertise in all areas that are key to the future of farms and the sustainability of farming.

REDUCING AND RECYCLING WASTE

For over 10 years, as part of an agreement with the environmental organisation Adivalor, Even has operated a farm waste collection and recycling service in its self-service agricultural supply stores. In 2019, 99 tonnes of non-usable phytosanitary products (PPNU), empty packaging of phytosanitary products (EVPP), empty packaging of fertiliser products (EVPF), empty packaging of dairy farming hygiene products (EVPHEL) and used plastic sheets were collected.

^{*} See methodological note page 82

7TH CHALLENGE

Developing an innovative

and socially responsible agri-food offering

Even develops a competitive, innovative agri-food industry, respectful of people and the planet.

Its strategic areas are clear, coherent and consistent: develop in the growing areas of dairy, nutrition, services and therefore innovate, internationalise, invest and improve efficiency.

PROMOTE RESPONSIBLY-PRODUCED FOOD

The Group's companies remove as many additives as possible from their recipes. They diversify their ranges with products from differentiated sectors (certified, GMO-free, etc.) to respond to the demands for naturalness and authenticity. For example, Laïta and Even Upstream have just constructed a certified channel that promotes the milk of cows fed without GMOs (< 0.9%) grazing on average 150 days a year, for Emmental, soft cheeses and fresh cheese. These products marketed late 2019, under a private label, are the result of a collaborative approach that responds to the demands of French and export customers. The producers receive a premium of €15/ 1,000 litres of milk for feeding the cows with GMO-free fodder (< 0.9%) and grazing.

In PAM, the ranges of sea, land, organic and conventional products contain no additives, artificial flavours or flavour enhancers. They respond to the requirements of the Clean Label approach.

TRENDING

EPI Ingrédients launches So Crispies!, a crispy ingredient containing at least 80% milk protein. Unique on the market, it is available in two formulations, one of which based on yoghurt powder. This new concept joins So Benefik, a high-protein yoghurt with low lactose content. These products, made from ultra-filtered milk powders, have optimal functional and nutritional properties.

Sophie

CHEESE DAIRY R&D PROJECT MANAGER, LAÏTA

PLOUDANIEL (FINISTÈRE)

"At the request of its distributor customers, Laïta has created a "differentiated milk" channel to meet the needs of consumers for reassurance. A project group brought together all the stakeholders from upstream to downstream. I represented the "industry" component for the production of fresh cheese and Emmental from the milk of cows fed without GMOs (< 0.9%) and having grazed on average for 150 days a year. To develop these products, the "Industry" project team has innovated by adapting the tools and the organisational methods and creating new recipes that comply with "non-GM" and "grazing" guidelines. The internal procedures have been reviewed to ensure a separation of the "differentiated / conventional" milk flows and product traceability within the workshops. We have also redesigned our manufacturing and packaging schedules. This collective adventure enabled us to respond to the customers' demands by late 2019. Having risen to this challenge is a source of pride for us all."



ENSURING A CONSTANT DRIVE FOR INNOVATION

Customers and consumers expect innovative, user-friendly products with high nutritional value and high quality taste. Even invests in research and development, upstream and downstream, to meet these requirements. Paysan Breton is a good example which fosters the know-how, authenticity and unique taste of its products, and ESI Nutrition, which designs about twenty new products every year in the field of medical, infant and dietary nutrition. In 2019, for consumer products alone, Laïta launched more than 100 new products. Among them are Paysan Breton grated Emmental with salt reduced by 30%, special pizza grated cheese, organic Paysan Breton ribot milk, Madame Loik onion-tarragon whipped cheese and organic fruit fresh cheese tubes. Innovations, in all markets, are opportunities for Laïta's sales and R&D teams to communicate about responsible nutrition and consumption.

From a Distribution aspect, the various branches boast the widest range of ice creams on the market - completed by the recent launch of an impulse range by the Réseau Krill network: Rev'ice.

Thanks to the development of culinary aids, the Salaisons ham products respond to current consumption trends. This range is growing in popularity. Today, it accounts for a quarter of the company's business volume.

PROTECTING OUR KNOW-HOW AND INNOVATIONS

Even Group has set up an intellectual property policy, covering industrial, literary and artistic property. This policy aims in particular to identify all the Group's know-how and to train and initiate the first steps to take in this field. Its deployment thus helps to defend the Group's innovations.

Under the auspices of its R&D teams, Laïta has led the way within the Group as regards industrial property. Its ESI Nutrition subsidiary, to protect its recipes and clinical nutrition product manufacturing processes, has already filed dozens of Soleau envelopes and patents in France, including some extended to other countries.

Similarly, innovation and its protection are the core of the formula drying and boxing plant at Créhen (Côtes d'Armor).

The Even Distribution division is also active in terms of intellectual property, via its many trademarks and artistic creations, with more and more sophisticated catalogues.

The Group's upstream activities boast a significant portfolio of brands. They organise their development into innovative and technical projects requiring the implementation of protection so as always to stay ahead of the

COLOSTRUM

ECI, a subsidiary of Laïta, is at the cutting edge of the highly coveted colostrum market. From a technological point of view, the company has developed innovative processes for filtering and drying colostrum. By the end of 2020, a new plant with new bacterial drying and treatment technologies will be operational. It will process nearly 500,000 litres of colostrum, thus ensuring ECI's position as the European leader in collecting and processing colostrum. This increase in production capacity opens the door to new markets and responds to growing demand for immunoglobulins*.



Laïta innovation initiative

Laïta's innovation initiative, supported and managed by the Executive Committee, aims to be a source of value creation for the company, its producers and consumers. Five steps structure the creative process: get inspiration, generate ideas, experiment, develop, launch. On a daily basis, innovation is managed in subsidiaries by a coordinator. For a business line, this is the responsibility of the director. Methods and tools make it possible to structure the approach: Défi Inno to generate ideas, Inno Lab to develop the ideas selected and the principle of the funnel to share the progress of the projects by activity. The objective by 2030 is to generate 5% of Laïta's overall turnover with products less than three years old.

^{*} Cosmetic, pharmaceutical or sports supplement

A FOCUS ON HEALTH AND ENJOYMENT

Chefs and culinary advisors have been working with Even Distribution for several years now, sharing their expertise to help create product solutions for the catering sector. These collaborations, in particular with a Meilleur Ouvrier de France (best craftsman title) enable the teams to adapt their offerings to the new consumer trends in health, well-being, naturalness, search for meaning, practicality, etc. In order to reassure consumers, the Atlanterra alliance companies and the Réseau Krill favour local purchases. They diversify their offers with protected designation of origin and organic local products, as well as seafood products from sustainable fishing. As for customer advisors, they receive training on how to support their customers through these changes: offer digitisation and segmentation, enhancement and implementation of products. The catalogues of the Réseau Krill network and Atlanterra alliance companies illustrate these new consumer trends: aperitif boards, finger and street food, etc.



105

Number of new consumer products placed on the market by Laïta

100%

of the staff concerned trained in intellectual property rights

* See methodological note page 82



8TH CHALLENGE

Investing to stay ahead of the game

Even continues its momentum of tangible and intangible investments at a steady pace: modernisation industrial tools, digital transformation, internationalisation, training, etc. These investments support an open and collaborative innovation for tomorrow's agriculture and food.

INVESTING IN INDUSTRIAL TOOLS

Thanks to its efficiency and shareholders' capital, Even finances its activities itself. The Group remains in control of its investments because it is not subject to the short-term profitability requirements of investors or financial institutions tempted by speculation. In 2019, Even invested nearly €60 million in modernising and diversifying its tools. The teams have carried out many processing projects in the dairy sector. Two major investments marked the year:

- the construction of a new high level robotisation unit to expand the prepared cheeses offering (grated, portions) around Emmental cheese, in Ploudaniel (Finistère), costing €25 million;
- the creation of a new workshop at Even Nutrition at Ploudaniel (Finistère) to increase the manufacturing and packaging capacity of clinical nutrition and infant food products presented in bottles, costing €22 million.

It should be noted that the Laïta plant of Créhen (Côtes d'Armor), inaugurated in December 2017, accounted for a major part of a €80 million investment plan to strengthen the company's international positions, particularly in the infant dairy nutrition market in Asia. Beyond these projects, Laïta invested a great deal to support the dynamic activity of dairy producers in Western France and better serve its customers in growing markets.

The Distribution division has not been left behind, with the start, in 2019, of the construction of the expansion of 1,200 m² of the SovéFrais warehouse at Ploudaniel (Finistère) and the construction of a logistics platform for the Boul'Pât branch at Morlaix (Finistère).

Camille

APPRENTICE ENGINEER, **OUEST ÉLEVAGE, LAÏTA**

PLOUDANIEL (FINISTÈRE)

"I joined Ouest Élevage in September 2017 as an apprentice as part of my engineering studies to work on the company's ecological transition.

To carry out this sustainable development project, we need to know the starting point and where we want to get to in order to change our everyday actions efficiently.

After creating a methodological guide, I trained some 20 volunteer workers and asked them about their expectations. Five main areas of continuous improvement were identified:

- sustainable and local shopping,
- renewable energy and waste recycling,
- the performance and positioning of Ouest Élevage as a leader in its market,
- production of calves satisfying society's demands and respecting the company's expertise.
- the well-being of the employees and recognition of their work.

A cross-cutting project group, representing all departments and hierarchical levels of the company, collects data about these different items. Once the initial situation is known, we are going to build an action plan together. This vision of the desired future, shared by the teams, is key to the success of the progress approach taken."





APPROPRIATING DIGITAL TECHNOLOGY

Innovation also requires new processes and equipment, such as the integration of digital technologies. This digital strategy is essential for the Distribution division, which develops new commercial websites to enable customers to discover offers and order online, regardless of the device used. The Distribution division is thus adapting to the growth of e-commerce and the end of the strict separation between the three main distribution channels (supermarkets, restaurants, short distribution circuits). With Product Information Management (PIM), Even Distribution has created a unique database that optimises the product experience for all departments (quality, marketing, sales, etc.). Nearly 12,000 data sheets are available to customers. They not only list the origins, certifications and nutritional values of the

products, but also provide customers with additional advice and information such as the GEMRCN classification (Group for the Study of Collective Catering and Nutrition Markets). Thanks to these new digital tools, Even intends to develop proximity with its customers specialising in snacking and independent tabletop catering.

On the animal nutrition side, the deployment of Stim'Vente, a customer relations management software, facilitates the work of the technical sales teams and strengthens the quality of service provided to the farmers.

INNOVATING IN A SPIRIT OF OPENNESS

Value creation is accelerating at Laïta. Lab Inno enables the teams to develop synergies between occupations and activities, and the Inno Challenge to share their ideas about the food of tomorrow. These collaborative tools have led to concrete actions, and are continuing with the Innovation Award launched earlier this year.

EXPANDING SERVICES TO USERS

A local player, Even Upstream nevertheless forms partnerships with national and international leaders to provide the best expertise in each of its activities.

In terms of distribution, the Group is pursuing its external growth policy. In the past few years, it has invested in services with the acquisition of several companies. Sobraquès Distribution and Geldoc have joined Réseau Krill, thus contributing to its development. Charles Martin has strengthened the Atlanterra alliance in the Provence-Alpes-Côtes d'Azur region. Finally, Gabopla, a company based in the Nantes region and specialising in the distribution of bakery, pastry and chocolate products, is consolidating the Boul'Pât branch in Western France.

David

PRODUCTION MANAGER, LE SALOIR DU PÉRIGORD, EVEN DEVELOPMENT

PIÉGUT-PLUVIERS (DORDOGNE)

"Innovation has enabled us to anticipate market demands. 10 years ago, we launched Périgord Ham, in conjunction with a local group of pig farmers and two abattoirs of the Dordogne department. We invested in research and development with the creation of a working group - comprised of Le Porc du Périgord, the Institute of taste of Périgord and the Périgueux agricultural college - which carried out a preliminary study, 50% financed by Aquitaine Regional Council.

This terroir dry ham, produced in a short supply chain, benefits from eight months of drying. It has the particularity of being rubbed with juniper berries, which gives it a unique taste and colour. To date, it is still the only flavoured dry ham available on the French market. Two national distribution companies have listed it in their premium ranges, and sales are growing year by year. We currently have a production rate of 800 hams per week. This product meets the consumer needs for reassurance in terms of quality, differentiation and identification of origin. The farmers receive a premium of €0.70/kg, which recognises their know-how and maintain Périgord pig farming."

TOWARDS AN ECOLOGICAL TRANSITION

The ecological transition is under way at Even. Many initiatives are developing at the subsidiaries level to change the ways of thinking, producing, operating and consuming to best respond to the ecological challenges. Within Ouest Élevage, a subsidiary of Laïta, this positive change is guided by a group of employees from all departments and managerial levels. This collaborative approach follows the principles of the FSSD (Framework for Strategic Sustainable Development) approach to define a vision of the desired future; shared by the teams. This is structured around five main areas: sustainable and local procurement, sustainable and renewable energies, well-being and the recognition of the employees' work, animal-welfare-friendly calf production, and a successful company a leader in its sector.

INTERNATIONALISATION TO CONQUER NEW MARKETS

If Even is innovating and investing, it is also to find growth drivers. The continuation of the investment plan around the theme of infant milk and protein testifies to the Group's desire to internationalise. Sales of dairy ingredients to China reached an exceptional level in 2019 due to continued loyalty and good level of competitiveness as compared to Oceania and the United States. The new infant and premium powder unit at Créhen (Côtes d'Armor) was approved according to the international FSSC 22000 protocol which complements the ISO food safety standards. The qualification to manufacture infant formulas has triggered the increase in production, which in 2019 totalled nearly seven million tins of packaged infant formula.

The international market is also a priority for the consumer products: in Europe via its subsidiaries (Eurilait, Fromka, Laïta Italia, Laïta Iberia and Iber Conseil), in overseas departments and regions or major export from Laïta's offices in Rungis and more recently its operations in New Caledonia and Polynesia, China and Vietnam. The specificities of each market require adapting the ranges and working on brand awareness, such as opening a Paysan Breton account on the Chinese WeChat social network. In 2019, Paysan Breton has become established on Canadian shelves with its Madame Loïk whipped cheese and its Brie. Also, new trading opportunities have opened up in Burma, Peru and Lithuania, and new customers have been won in Jordan, Japan and Ukraine.



Development plans

Since 1993, Even has defined the strategy of each one of its activities, using an efficient tool: the development plan. It measures the improvements made during the year as well as the progress of progresses, in conjunction with the teams. The objectives set, the means to be implemented and the schedules are validated by General Management during annual meetings. Besides its material efficiency, the development plan sets the direction, encourages innovation and entrepreneurial spirit, while giving priority to the expression of talents and the development of personal skills.



HEALTH NUTRITION DEPLOYMENT

Since 2018, the consolidation of the nutrition, health, infant and adult activities under the new ESI Nutrition banner has accompanied Laïta's expansion in these markets. This very young entity can rely on the 30 years of experience of the Ploudaniel site (Finistère) in clinical nutrition and ready-to-eat products, from the 20 year know-how of the Laïta site in Ancenis (Loire-Atlantique) in formula milk, but also from the brand new high-tech unit for formula milk in Créhen (Côtes-d'Armor).

OPEN INNOVATION

In 2017, the Group was involved in the creation of a new investment fund FrenchFood Capital. It also supports Village by CA Finistère, a startup incubator based in Brest (Finistère). At the end of 2019, it took stock of the first edition of the Even'Up innovation competition, launched for project holders in the farming, agri-food and distribution fields. The winning start-ups have received personalised support, an overall grant of €150,000, membership of Valorial, integration into the Village by CA Finistère, but also easier access to the market. A fruitful collaboration for all. The young talents have been able to consolidate their projects and professional networks while contributing a fresh and inspiring perspective to Even. In the same vein, a new call for cybersecurity projects was launched in August 2019: The Cyber Shield Quest, in partnership with Bretagne Développement Innovation and the Village by CA Finistère. Sekoia.io, the winning start-up, will assist Even in seeking security incident detection and remediation solutions.



91%

of sheets completed in the PIM, interfaced with the databases of the food service activities of the Distribution division

76.8%

Extranet visit rate by member farms with, on average, 11.4 visits monthly per farm

€464 m

Export turnover for Laïta, i.e. 34% of the turnover



9TH CHALLENGE

Working in favour of the regions and communities' development

Physical investments, job creation, local partnerships, engagement in civil society: Even participates in the attractiveness and development of the regions in which it is established.

ENCOURAGING LOCAL PROCUREMENT

Even favours local supplies. Laïta's dairy products are made from milk collected from farmers in the Brittany and Pays de la Loire regions (1.5 billion litres in 2019). The milk is then processed at seven production sites in north-west France: Ancenis (Loire-Atlantique), Créhen (Côtes-d'Armor), Landerneau (Finistère), Lanfains (Côtes-d'Armor), Ploudaniel (Finistère), Pont-Scorff (Morbihan) and Yffiniac (Côtesd'Armor). Similarly, PAM receives supplies of raw materials from regional and targeted suppliers, with nearly 60% of its food purchases from Brittany and France. Even Distribution also favours short supply chains: 85% of SovéFrais supplies and more than 50% of Argel food purchases are from local supply chains. This preference for local purchasing is enshrined in their sustainable development charter.

In addition, Even is a founding member and active supporter of the 'Produit en Bretagne' or Produced in Brittany association. Six of its branches - A2S (Réseau Krill), Argel, Kenty (Atlanterra alliance), Laïta, PAM and SovéFrais contribute to 'enhancing products thanks to their origin' alongside 300 other member companies.

100% FROM BRITTANY

By launching its So Breizh! private label at the end of 2018, SovéFrais is pursuing its strategy as a local player, established for over 50 years. So Breizh! products are manufactured in Brittany from predominantly Breton raw materials. They meet the growing demand of customers for regional products and local food. With nearly 40 tonnes of So Breizh! products sold by late 2019, SovéFrais is continuing its momentum, expanding its range with new products.

The origin of the ingredients is also for Paysan Breton, a key distinctive sign. Thus, on the packagings of stuffed crêpes, new wording has appeared, highlighting the 100% from Brittany products (milk, flour, butter, eggs). Another illustration of the Group's attachment to the Brittany region where it was founded: Even launched the crêpe de Ploudaniel in 2018, referring to where it was created and its manufacture. In 2019, 20% of the sales volumes of Laïta consumer products are Produit en Bretagne stamped.

Nathalie

SOVÉFRAIS DIRECTOR. **EVEN DISTRIBUTION**

PLOUDANIEL (FINISTÈRE)

"Within the Even Distribution division, local and responsible purchasing are a prime focus for supporting jobs in the regions, while ensuring that we adapt to customer demands. This is the meaning of the So Breizh! brand launched by SovéFrais. In partnership with a couple of Morbihan dairy producers, an initial range of 11 organic dairy products, processed on the farm was created. The success was immediate. 800 customers have chosen to put their trust in So Breizh! and in the quality of our products, made in Brittany from Breton raw materials. Encouraged by the momentum, we have expanded our offering with two new long-life organic and conventional milk products from farms in the Lorient area. We have built a win-win partnership with the producers. They participate in promoting the brand, and SovéFrais brings added value to their products with the aim of giving a fair return to the farmer. It is in a collaborative and sincere spirit that we intend to continue the development of So Breizh! in poultry and cured-meat products."



INVESTING IN LOCAL LIFE

Even develops privileged partnerships with higher education institutions and has close relations with many professional organisations and associations. Members and employees work in favour of local development and knowledge transfer. They are involved with:

- Agriculteurs de Bretagne*,
- Association Bretonne des Entreprises Agroalimentaires (ABEA)*,
- Association de la Transformation Laitière Française (ATLA),
- Breizh Alim',
- Breiz Europe*,
- Breizh Small Business Act, the association created in Brittany by public and private professionals, regarding public procurement,
- Bretagne Biotechnologies Agroalimentaires (BBA),
- Bretagne Développement Innovation (BDI),
- Bretagne Commerce International,
- Club SRE 29, the road safety club for companies in the Finistère area,
- La Coopération Agricole,
- Fédalis, the federation of specialised food distributors.
- Fondation Université de Bretagne Occidentale (UBO)*.
- Initiative Bio Bretagne,

- Investir en Finistère*,
- Nutrinoë, the professional organisation for Breton livestock feed manufacturers,
- Produit en Bretagne*.
- Technopôle Brest Iroise*,
- Valorial, the competitiveness cluster dedicated to innovation in the future food and nutrition sector*,
- Village by CA Finistère, accelerator of innovative projects in Finistère.
- * Founding member

SUPPORTING COLLECTIVE ACTIONS

In line with its cooperative values, Even socially-responsible encourages Since 1979, the Group has financed farming cooperation projects for rural communities in developing countries through a solidarity fund. Since its launch, the Even 'Agriculteurs Solidaires' (farmers' solidarity) committee has invested almost 800,000 euros in rural development projects: aid to women processing cereals in Ouagadougou, Burkina Faso, support to the Sahel children's action group, which assists women in the Kati region of Mali to create goat and sheep farms, and support to the AFDI Bretagne association for its operation and contribution to its activities in Madagascar, support to the Cœur au Mail association to promote access to drinking water for the population and establish a farming training





88%

Percentage of French suppliers for the Distribution division

100%

Dissemination rate of the ethics charter to employees

€28,250

Amount allocated by Even's 'Agriculteurs Solidaires' [farmer solidarity] committee

346 tonnes

Donations of milk and dairy products to charities

97.8%

Share of taxes paid by the Group in France

* See methodological note page 82

ETHICS AND GOOD CONDUCT CHARTER

The values, communication and behaviours that guide the actions of Even Group employees are set out in the Code of Conduct. This guide enables each employee to remain vigilant within a framework that sets collective rules and benchmarks. Given to all employees, this ethical charter encourages everyone to reflect on the basic rules to be respected for social well-being and to protect the company's interests. In line with the e-learning training provided to all executives in 2018, new hires and promoted executives have, since 2019, been automatically enrolled on a training course on the topic of combating corruption organised by Even universities. Adhering to these fundamentals contributes to individual and collective successes and the progress of the Group.

PARTNER SUPPLIERS

Conscious of its economic responsibility to its suppliers, the Even group has chosen to stabilise and streamline the contracts which bind it to its partnerships. Therefore, for the past ten years, supply agreements have been extended to three years instead of one. As well as offering suppliers more visibility, this measure enables Even to commit to innovative industrial partnerships and Research and Development projects which benefit both parties. At the same time, Even encourages its suppliers to establish standards and guidelines in relation to sustainable development.

PROMOTION OF BRITTANY

Attached to the regions in which they are located, the Group's subsidiaries participate in local life by supporting regional, sporting or cultural events and by forming partnerships. Paysan Breton exports the image of Brittany to the world through the "festivals of Brittany" organised in Dubai, Vietnam and Mexico.



Priority to local purchases

To meet the growing demand for transparency and traceability, Even Distribution's purchasing department is organised into product families entrusted to specialised buyers. This distribution facilitates sourcing operations for which the choice of the right product and the know-how of suppliers are the main selection criteria. Apart from the sanitary and organoleptic quality of the products, other criteria such as the location of processing factories, the origins of the raw materials and the suppliers' CSR policy are analysed.

Methodological Note

			PERFORMANCE			RESULTS		
PAGE	RISKS	CHALLENGES	INDICATORS	SCOPE*	PERIOD	INDICATORS	SCOPE*	PERIOD
P.44	Risks related to the competitiveness of members and the transmission of the Cooperative to future generations	1 GUARANTEEING THE FUTURE OF THE FARMS Supporting the new generation of members Enhancing member farmer competitiveness Sharing profits CLOSE-UP Support for the new generation of members Scope: Even Cooperative	Net income of €19.8 million	Even Cooperative	from 01/01/2019 to 31/12/2019	428 billion litres of milk collected 117 young members established €13,500 of aid to establish young members Detail: flat-rate financial assistance of €7,500, and financing up to €6,000 of the Ecolait improvement initiative for the farm 71 farms included in the Ecolait initiative 46% of farms having attended at least one information meeting or technical and economic training	Even Cooperative Even Cooperative Even Cooperative Even Cooperative Even Cooperative	from 01/01/2019 to 31/12/2019 from 01/04/2015 to 31/03/2019 from 01/01/2019 to 31/12/2019 from 01/01/2019 to 31/12/2019
P.48	Risks related to the recruitment and retention of employees	2 DEVELOPING OUR HUMAN CAPITAL Encouraging employees to express their talents Focusing on training and equal opportunities Creating sustainable jobs Enhancing attractiveness Workplace well-being CLOSE-UP Training Scope: Even group	4.5% of staff turnover related to resignations: number of departures due to resignations / workforce present at the end of the period 4.3% absenteeism Calculation: number of calendar days of illness / theoretical number of calendar days of presence	Even group ¹ Even group ¹ Even group ¹	from 01/01/2019 to 31/12/2019 from 01/01/2019 to 31/12/2019 from 01/01/2019 to 31/12/2019	1,869 people hired or 627 permanent contracts, 1,181 fixed- term contracts and 61 apprenticeships 3,783 employees trained or 62.5% of the workforce Calculation: number of employees trained (single person) Budget of €3.9m allocated to training 83/100 gender equality Index 89/100 gender equality Index	Even group ¹ Even group ¹ Even group ¹ Laïta Argel	from 01/01/2019 to 31/12/2019 from 01/01/2019 to 31/12/2019 from 01/01/2019 to 31/12/2019 from 01/01/2019 to 31/12/2019
P.52	Risks related to quality control and control of food safety	3 SERVING CLIENTS AND CONSUMERS WITH DEDICATION Sharing the Passion du Lait® A commitment to product safety Recognised products French-made products Making sure customers are listened to CLOSE-UP Industry initiative: Passion du Lait® Scope: Laîta, Even Cooperative Food safety and security in distribution Scope: Even Distribution	100% of Even farms involved in the Passion du Lait® initiative 77.4% of which audited in 2019 Level of complaints for frozen products: 14.7 for 1 million kg sold (ppm) Level of complaints for fresh products: 17.7 for 1 million kg sold (ppm)	Even Cooperative Even Distribution food service catering excluding Boul'Pât Even Distribution food service catering excluding Boul'Pât	from 01/01/2019 to 31/12/2019 from 01/01/2019 to 31/12/2019 from 01/01/2019 to 31/12/2019	6 industrial Food Défense sites Explanation: a Food Défense site is an IFS and/or BRC certified site 980 certified references	Even Distribution food service catering excluding Boul'Pât	from 01/01/2019 to 31/12/2019 from 01/01/2019 to 31/12/2019
P.56	Risks related to employee health and safety.	4 ENSURING OCCUPATIONAL HEALTH AND SAFETY All committed! Road safety management Promoting health and work station ergonomics TOP! CLOSE-UP Cap Even Scope: Even group	34.53 frequency rate 1.41 severity rate	Even group ¹ Even group ¹	from 01/01/2019 to 31/12/2019 from 01/01/2019 to 31/12/2019	€2,538,000 of investment in the safety of people €2,827,000 of investment in the security of property 86 employees trained in road safety 1,306 people who have received a Preventive Observation for All visit (TOP)	Even group ¹ Even group ¹ Even group ¹ Laïta ²	from 01/01/2019 to 31/12/2019 from 01/01/2019 to 31/12/2019 from 01/01/2019 to 31/12/2019 from 01/01/2019

P.60	Risks related to the environmental footprint of our activities	5 REDUCING OUR ENVIRONMENTAL FOOTPRINT • Preserving water resources • Optimising energy consumption • Reducing fuel consumption • Being proactive in terms of environmental regulations CLOSE-UP Preserving water resources Scope: Even group	2.26 m³ of water consumed per m³ of equivalent processed milk	Laïta²	from 01/01/2019 to 31/12/2019	€2.6m of investments related to reducing discharges in water and air	Laïta²	from 01/01/2019 to 31/12/2019
			0.34 MWh/t Energy consumption (electricity and gas) per tonne of processed milk equivalent 28.70 kWh/t	Laïta² Even	from 01/01/2019 to 31/12/2019 from 01/01/2019	5 sites undergoing a bilan carbone® or energy audit 39% of heavy goods	Even Distribution	from 01/01/2019 to 31/12/2019
						vehicles, light commercial vehicles and light vehicles with the Euro-6 standard	Even Distribution	from 01/01/2019 to 31/12/2019
			Energy consumption (electricity and gas) of animal nutrition factories per tonne manufactured	Upstream	to 31/12/2019	2,035 tonnes of products sold to wholesalers, surplus goods dealers and/or smelters, to combat food waste	Laïta²	from 01/01/2019 to 31/12/2019
P.64	Risks related to the environmental footprint of our activities	6 PROMOTING ENVIRONMENTALLY- FRIENDLY AGRICULTURE Creator of sustainable performance Producing more and better with less Deployment of Bilan Carbone® audits From good grass to great milk. Reduce and recycle waste Cap'2ER® CLOSE-UP Scope: Even Cooperative	Dairy production carbon footprint: 0.86 kg CO ₂ equivalent per litre of milk 95% of collection NF V01 007 certified	Even Cooperative	from 01/01/2019 to 31/12/2019	95% of collection NF V01 007 certified	Even Cooperative	from 01/01/2019 to 31/12/2019
				Even Cooperative	from 01/01/2019 to 31/12/2019	93.4% of farms have conducted the Cap'2ER® level 1 diagnosis	Even Cooperative	from 01/01/2019 to 31/12/2019
						€8,060 spent on Cap'2ER® level 1 diagnosis on farms	Even Cooperative	from 01/01/2019 to 31/12/2019
						98.9 tonnes of empty packaging and plastics collected and recycled through Adivalor	Even Cooperative	from 01/01/2019 to 31/12/2019
						1/04 ha biodiversity equivalent per 1 ha milk for 58 ha milk Explanation: agroecological features on the farm contributing to the maintenance of biodiversity	Even Cooperative out of 93.4% of farms having conducted a Cap'2ER® level 1 diagnosis	from 01/01/2019 to 31/12/2019
P.68	Risks related to the Group's strategic	7 DEVELOPING AN INNOVATIVE AND SOCIALLY RESPONSIBLE	No key performance indicator to date for this challenge.			105 new consumer products placed on the market	Laïta	from 01/01/2019 to 31/12/2019
	vision	AGRI-FOOD OFFERING Innovating in a spirit of openness Ensuring a constant drive for innovation Protecting our knowhow and innovations A focus on health and enjoyment CLOSE-UP Innovation approach Scope: Laïta	The objective is to determine one within three years.			100% of the people concerned trained in intellectual property rights	Even group ¹	from 01/01/2019 to 31/12/2019
P.72	Risks related to the Group's strategic vision	8 INVESTING TO STAY AHEAD OF THE GAME Investing in industrial tools Appropriating digital technology Expanding services to users Internationalisation to conquer new markets CLOSE-UP Development plans Scope: Even group	€58.4 million of tangible investments to support the growth strategy, that is 2.6% of turnover	Even group	from 01/01/2019 to 31/12/2019	91% of product sheets completed in the PIM and interfaced with the product and sales management databases	Even Distribution food service catering excluding Boul'Pât	from 01/01/2019 to 31/12/2019
						76.8% of Even extranet visited by member farms with, on average, 11.4 visits per month per farm Explanation: at least once a year	Even Cooperative	from 01/01/2019 to 31/12/2019
						€464 of recorded exports, or 34% of the turnover	Laïta	from 01/01/2019 to 31/12/2019
P.78	Risks related to regional development	9 WORKING IN FAVOUR OF THE REGIONS AND COMMUNITIES Encouraging local procurement 100% from Brittany Investing in local life Supporting collective actions Ethics and good conduct charter CLOSE-UP Priority to local purchases Scope: Even Distribution	97.8%: Share of taxes paid by the Group in France compared to the total (France and other countries in the world) of taxes paid by the Group	Even group	from 01/01/2019 to 31/12/2019	88% of French suppliers	Even Distribution	from 1/01/2019 to 31/12/2019
						100% of employees have received the Group Ethics Charter	Even group ¹	from 01/01/2019 to 31/12/2019
						€28,250 amount allocated by Even's 'Agriculteurs Solidaires' [farmer solidarity] committee	Even Cooperative	from 01/01/2019 to 31/12/2019
						346 tonnes of donations of milk and dairy products to charities	Laïta	from 01/01/2019 to 31/12/2019

^{*} Scope: Even Cooperative = parent company of the Even Group, majority shareholder of Laïta with 50.57% of the capital ¹French subsidiaries excluding Régilait • ² Industrial sites





CSR AUDIT & CONSULTANCY

Report of the independent third-party body on the non-financial performance statement contained in the management report

EVEN COOPERATIVE

Traon Bihan, 29260 Ploudaniel

Financial year ended 31 December 2019

To the cooperative partners.

In our capacity as an independent third-party body, accredited by COFRAC under number 3-1055 (the scope of which is available on the www.cofrac.fr website), we hereby present to you our report on the non-financial performance statement for the financial year ended 31 December 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 Commercial Code.

Company responsibility

The Board of Directors is responsible for preparing a Statement in accordance with the legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks and the results of these policies, together with key performance indicators.

The Statement was prepared using the entity's internal procedures.

Independence and quality control

Our independence is defined by the provisions of Article L. 822-11-3 of the French Commercial Code. In addition, we have established a quality control system that includes documented policies and procedures to ensure compliance with the applicable statutory and regulatory texts.

Responsibility of the independent third-party body

It is our responsibility, on the basis of our work, to formulate a reasoned opinion expressing a conclusion on the:

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

However, it is not our responsibility to give an opinion regarding compliance by the entity with the other applicable statutory or regulatory provisions, in particular regarding plans for detecting and combating corruption and tax evasion or regarding the conformity of the products and services with the applicable

Nature and scope of the work

Our work described below was conducted in accordance with the provision of Articles A. 225-1 and following of the French Commercial Code:

- · We reviewed the activities of all companies included in the consolidation scope and their exposure to
- We verified that the Statement covers each category of information provided for in III of Article L. 225-102-1 in social and environmental matters;
- We verified that the Statement presents the information provided for in II of Article R. 225-105 when it is relevant in relation to the main risks and, where necessary, includes an explanation of why the information required by the 2nd sub-paragraph of III of Article L.225-102-1 is missing;

- We verified that the Statement presents the business model and the main risks related to the activity of all entities included in the consolidation scope, including, where relevant and proportionate, the risks created by its business relationships, products or services, as well as the policies, actions and results, including key performance indicators relevant to the main risks;
- We referred to documentary resources and conducted interviews to:
 - Assess the selection and validation process of the main risks and the coherency of the key performance indicators in relation to the main risks and policies presented:
 - Confirm the qualitative information (actions and results) that we considered to be the most important.
- We verified that the Statement covers the consolidated scope, that is, all companies included in the consolidation scope in accordance with Article L. 233-16 with the limits specified in the Statement;
- We took note of the internal control and risk management procedures established by the entity and assessed the collection process aimed at achieving the completeness and sincerity of the Information;
- for the key performance indicators, we used:
 - analytical procedures consisting in verifying the correct consolidation of the data collected and the coherency of their changes;
 - tests of details on a sample basis, consisting of checking the correct application of definitions and procedures and reconciling the data with supporting documents This work was conducted on a selection of contributing entities and covers between 26 and 100% of the data selected for these tests;
- We assessed the overall coherency of the Statement with our knowledge of all the companies included in the consolidation scope.

Means and resources

Our work mobilised the skills of 6 people and took place between October 2019 and June 2020 over a total intervention period of 9 months. We conducted 15 interviews with 19 persons responsible for preparing the

1 List of information that we considered to be the most important.

- Net income

- Number of days of sick leave
- Theoretical number of days worked Staff turnover relating to resignations
 - Number of resignations Workforce as at 31/12/2019
- Frequency rate
 - Number of workplace accidents with absences
- Number of hours worked
- Severity rate
- Number of days absent Number of hours worked Investment to support growth
- Share of taxes paid in France
- Energy consumption of animal nutrition factories [LAÏTA] Water consumed per m3 of processed milk [LAÏTA] Energy consumed per m3 of processed milk
- [LAÏTA] Dairy production carbon footprint [LAÏTA] Farms involved in the "Passion du lait" initiative
- [A2S] Customer satisfaction level (fresh and frozen,

Conclusion

Based on our work, we did not identify any material misstatements that would call into question the fact that the non-financial performance statement complies with the applicable regulatory provisions and that the Information, taken as a whole, is accurately presented.

Without questioning the above-expressed conclusion and in accordance with the provisions of Article A. 225-3 of the French Commercial Code, we make the following remarks: we draw the reader's attention to the lack of objectives relating to the policies and regarding the matters stated in the methodological note regarding the

Toulouse, 16 June 2020

THE INDEPENDENT THIRD-PARTY BODY. SAS CABINET DE SAINT FRONT

PAULINE DURAND COUPPEL DE SAINT- FRONT ID COUPPEL DE Date: 2020.06.16 08:57:03 +02'00' SAINT-FRONT ID

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Partner Director







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