

# Report by one of the Statutory Auditors, appointed as independent third party on the consolidated non-financial statement

For the year ended 31 December 2021

*This is a free English translation of the Statutory Auditor's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.*

To the Savencia S.A. Shareholder's Meeting,

In our capacity as Statutory Auditors of your company (hereinafter the "entity") appointed as independent third party, and accredited by the COFRAC under number 3-1049<sup>(1)</sup>, we have undertaken a limited assurance engagement on the historical financial information (actual or extrapolated) of the consolidated non-financial statement, prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), for the year ended 31 December 2021 (hereinafter, respectively, the "Information" and the "Statement"), included in Savencia S.A. management report pursuant to the requirements of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (Code de commerce).

## Conclusion

Based on the procedures performed, as set out in the "Nature and scope of our work" section of this report, and the information collected, nothing has come to our attention that causes us to believe that the Statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

## Preparation of the Statement

The absence of a commonly used generally accepted reporting framework or established practices on which to draw to evaluate and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Guidelines, the main elements of which are presented in the Statement and available on request from the entity's registered office.

## Inherent limitations in preparing the Information

The Information may be subject to inherent uncertainty because of incomplete scientific and economic knowledge and the quality of external data used. Some information is sensitive to methodological choices, assumptions and/or estimates used for their preparation and presentation in the Statement.

## Responsibility of the entity

The Board of Management is responsible for:

- selecting or establishing suitable criteria for preparing the Information;
- preparing a Statement in accordance with legal and regulatory requirements, including a presentation of the business model, a description of the main extra-financial risks, a presentation of policies applied to mitigate these risks and the outcomes of those policies, including key performance indicators, and the information provided for in Article 8 of Regulation (EU) 2020/852 (the Taxonomy Regulation);
- implementing internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

The Statement was prepared by applying the entity's Guidelines as mentioned previously.

(1) Accreditation Cofrac Inspection, number 3-1049, scope available at [www.cofrac.fr](http://www.cofrac.fr)

## Responsibility of the Statutory Auditor, appointed as independent third party

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

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
- the fairness of the historical financial information (actual or extrapolated) provided in accordance with Article R.225-105-I (3) and II of the French Commercial Code concerning action plans and policy outcomes, including the key performance indicators on the main risks.

As it is our responsibility to provide an independent conclusion on the Information as prepared by Management, we are not authorised to help prepare said Information, as that could compromise our independence.

However, it is not our responsibility to comment on:

- the entity's compliance with other applicable legal and regulatory requirements (in particular, the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (the Taxonomy Regulation), the French duty of care law and anti-corruption and tax avoidance legislation);
- the fairness of the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (the Taxonomy Regulation);
- the compliance of products and services with the applicable regulations.

## Regulatory provisions and applicable professional guidance

We performed our work described below in accordance with the provisions of Articles A. 225 1 and following of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes) relating to this engagement and International Standard on Assurance Engagements 3000 (Revised)<sup>(2)</sup>.

## Our independence and quality control

Our independence is defined by the provisions of Article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (Code de déontologie) for statutory auditors. Our firm maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with applicable legal, regulatory and ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors relating to this engagement.

## Means and resources

Our work was carried out by a team of eight people between November 2021 and March 2022 and took a total of twelve weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted a dozen interviews with the people responsible for preparing the Statement, representing in particular CSR, human resources, safety and environment, dairy supply, purchasing, nutrition, risks management and compliance departments.

## Nature and scope of our work

We planned and performed our work to address the areas where we identified that a material misstatement of the Information was likely to arise.

We believe that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion:

- We obtained an understanding of all the consolidated entities' activities, and the description of the principal risks associated;
- We assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- We verified that the Statement includes each category of social and environmental information set out in article L. 225-102-1 III as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation;

(2) ISAE 3000 (Revised) - Assurance Engagements Other Than Audits or Reviews of Historical Financial Information

- We verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- We verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- We referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented;
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix. Concerning certain risk<sup>(3)</sup>, our work was carried out on the consolidating entity, for the other risks, our work was carried out on the consolidating entity and on a selection of entities<sup>(4)</sup>.
- We verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code, within the limitations set out in the Statement;
- We obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;
- For the key performance indicators and other quantitative outcomes that we considered to be the most important, as presented in Appendix, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
  - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities<sup>4</sup> and covers between 15% and 100% of the consolidated data selected for these tests;
- We assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

The procedures performed in a limited assurance engagement are less in extent than for a reasonable assurance engagement performed in accordance with the professional guidance issued by the French Institute of Statutory Auditors; a higher level of assurance would have required us to carry out more extensive procedures.

Paris-La Défense, on 28 March 2022

**KPMG S.A.**

Fanny Houlliot  
Partner  
Sustainability Services

Arnaud Rinn  
Partner

(3) Codevelop more sustainable sourcing with our suppliers of agricultural raw materials; Promote responsible purchasing; Respect for human rights; Combating corruption; Combating tax evasion.

(4) Fromagerie des Chaumes SAS – Jurançon plant (France); Fromageries Perreault SAS – Azé plant (France); Sofivo – Pontmain plant (France); Mleko Produkt – Zrenjanin plant (Serbia); Savencia Fromage & Dairy Czech Republic – Pribyslav plant (Czech Republic); Savencia Fromage & Dairy Hungary ZRT – Veszprem plant (Hungary); BMK – Belebey plant (Russia); Advanced Food Products – Clear Lake plant (USA).

## Appendix

### Key performance indicators and other quantitative results considered most important

- Percentage of subsidiaries with no workplace accidents resulting in time off (permanent and temporary employees) during the year
- Percentage of subsidiaries having performed an internal employee survey in the last three years
- Percentage of employees trained during the year
- Percentage of women managers
- Percentage of subsidiaries supporting at least one solidarity campaign
- Percentage of new branded products having adopted a Clean Label approach
- Percentage of employees having completed the nutrition training program
- Percentage of branded products including per-portion nutrition labeling
- Percentage of deployment of the Sustainable Milk Production diagnosis (% milk volume collected)
- Percentage of Group external expenditures overseen by the Purchasing function and carried out with major suppliers under EcoVadis evaluations
- Reduction of GHG Scopes 1 & 2 in tons of CO<sub>2</sub> equivalent / ton produced
- Reduction of water withdrawals in m<sup>3</sup> / ton produced
- Percentage of non-hazardous waste collected for recycling
- Rate of recyclable or biodegradable packaging
- Percentage of employees concerned, trained on the concept of ethics and fraud
- Group's effective tax rate

### Qualitative information (actions and results) considered most important

- Assistance offered to employees to adapt their personal environment to telework
- Launch of "Graduate Programs" for employees
- Inclusion and diversity policy with the "Duo-Day" program
- Rules to prevent accident risks
- Actions implemented for the transition to alternative fuels
- Measures taken in terms of eco-design of packaging
- Actions to reduce water consumption
- Awareness of eco-responsible practices
- Commitments to sustainable and responsible sourcing
- Measures to preserve the agricultural sectors
- Charter for animal welfare
- Actions taken in favor of human rights and fundamental freedoms with all actors in the value chain
- Measures in place for good business conduct and the fight against corruption
- Actions implemented to promote responsible consumption