



**INTEGRATED ANNUAL REPORT 2022**

# **DAIRY EXPLORERS SINCE 1949**

Prospérité fermière  
• INGREDIA

ingredia  
DAIRY EXPERTS



# Being a dairy industry with a positive impact

As we go to print with this annual report, we learn that Ingredia has officially achieved the B Corp™ certification. Our industrial and commercial operations are now a part of the international movement of companies with a positive impact, a movement of companies who want to be the best FOR the world, not just the best IN the world!

The objective of having a significant positive impact on society and the environment had already been enshrined in our cooperative and company statutes since 2020. In 2021 and 2022, our group was awarded the 'Coopératives So'Responsables' and 'Engagé RSE' (committed CSR) labels. Thanks to the sustained hard work of our teams despite multiple global crises, we have now squared the circle with Ingredia's membership of the B Corp™ community.

For a better understanding of how we are implementing our ambitious plans, the first two sections of this integrated annual report will tell you all about our group, our governance and our social, global and territorial commitments. The third section will present the three pillars of our CSR policy, and will take you through the many initiatives undertaken by our dairy explorers.

We hope you enjoy reading our report!



**Sandrine Delory**  
Managing Director of  
Prospérité Fermière Ingredia



**Serge Capron**  
President of  
Prospérité Fermière Ingredia



# Summary

## **.01 OUR COOPERATIVE GROUP ..... 06**

Dairy explorers:

Mission, promise and values ..... 08

Milk: health benefits and nutrition ..... 10

Innovative products and ingredients ..... 14

Creating value for the benefit of farmers ..... 16

Cooperative, transparent and confident  
governance ..... 18

A permanent cooperative group ..... 20

## **.02 OUR COMMITMENTS ..... 22**

People at the heart of our growth ..... 24

Towards carbon-neutral production ..... 26

One Region: the Hauts-de-France ..... 28

## **.03 OUR ACTIONS ..... 30**

An all-embracing CSR strategy ..... 32

### **1<sup>st</sup> pillar: Researching and cultivating the value of milk in harmony with nature ..... 34**

Producing and collecting: 100% Hauts-de-France ..... 36

Innovation from farm to ingredient ..... 38

Producing well and locally ..... 40

International distribution ..... 42

### **2<sup>nd</sup> pillar: Guaranteeing the personal development of our partners, male and female ..... 46**

Ensuring a better quality of life

and a safe workplace ..... 48

Training at every stage ..... 52

Supporting different generations ..... 54

### **3<sup>rd</sup> pillar: Safeguarding the future of the planet ..... 56**

Reducing our carbon footprint upstream and  
downstream ..... 58

Recycling at every stage of the production chain ..... 62

Optimising water resources ..... 64

Acting to preserve biodiversity  
and animal wellbeing ..... 68

**Financial analysis ..... 68**

**Social networks ..... 69**



# Our cooperative group

01





# Dairy explorers:

## Mission, Promise and values

At Prospérité Fermière Ingredia, we combine our traditions and pastures with innovation in dairy products. Every day, our cooperative of committed men and women bravely and nimbly transform the fine milk of the Hauts-de-France into state-of-the-art dairy ingredients with a low-carbon objective.

By your side, we are taking on the dairy adventure of the twenty-first century, supporting health and global nutrition.

### OUR PROMISE

Because we respect people, animals and nature, because we believe in innovation, respectful of tradition and the land, because we love our region and its authenticity:

We provide our clients with the milk and dairy ingredients for a prosperous future of planet-friendly health and nutrition.

### ONE GROUP, ONE IDENTITY, TWO ENTITIES

In 2022, the cooperative group resolved to refresh its institutional identity to better reflect the shared value chain which unites its members and employees, upstream and downstream. The two logos, used separately until now - Prospérité Fermière for the cooperative and Ingredia for the industrial and commercial operations, are now brought together under the banner of dairy innovation, the symbol of their shared history, past, present and future.



— Dairy explorers since 1949 —

The new brand signature of Prospérité Fermière Ingredia complements the existing group logos. It honours the women and men of our cooperative group and their long-term commitment. Pioneers and innovators, they fly the flag for our shared history, our land and our commitment to nutrition and health around the world.

# DAIRY EXPLORERS SINCE 1949

### OUR VALUES

#### Innovative expertise

Germinating innovative ideas then cultivating them to create added value, which supports our strategy of differentiation to conquer markets.

#### Performance

Achieving excellence in our daily work, aiming to surpass ourselves and to be a source of well-being, with the ultimate goal of satisfying our customers, adding value to our milk and ensuring the long-term future of our cooperative.

#### Daring to undertake

Encouraging and kick-starting the initiatives and talents that make our company grow, to go higher and further.

#### Team spirit

Building our own way of working, of collaborating, even beyond our scope, to achieve a shared objective.

#### Environmental responsibility

Responsibility for the environment is in our genes as an inalienable duty for the future. Feeding the planet better means we need to respect and preserve it.





# Milk: health benefits and nutrition

Milk has many benefits for well-being and human health, and its nutritional qualities are essential at all stages of life. Its organoleptic qualities are similarly in demand because of their effect on the texture and taste of agri-food products.

By transforming milk into innovative ingredients, the **Prosperité Fermière Ingredia** group amplifies these intrinsic properties and makes them available to all.

## THE GREATLY UNDERAPPRECIATED QUALITIES OF MILK\*

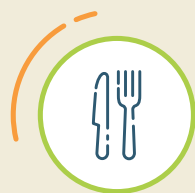
Milk contains basic nutrients, such as proteins or lipids, important sources of dietary energy. Dairy proteins are of high nutritional quality, providing essential amino acids required for the healthy functioning of the body. Milk contributes significantly to nutritional requirements for calcium, magnesium, selenium, riboflavin, vitamin B12 and pantothenic acid.

### Calcium for a healthy heart and bones

Dairy calcium is the calcium of reference because it is the most bioavailable.

250 ml of milk provides 57% of the recommended amounts of calcium for children aged 1-5, according to the FAO, compared with 15% for a portion of almonds or 9% for 100 g of red kidney beans.

## THE BENEFITS:



Nutritional



Organoleptic



Health

### Proteins and calcium to prevent osteoporosis

Milk consumption has been associated with an increase in bone density. This effect has been attributed to **calcium**, to proteins and to certain peptides and minerals such as **phosphorus**, all of which are present in milk.

### Up to 56% of the daily magnesium intake for children under 5

**Magnesium** is necessary for health and for the proper function of the muscles and nervous system.

### More than 50% of the daily vitamin B12 intake at any age

**Vitamin B12** is necessary for neurological development and supports blood cell formation.

### Easily digestible proteins

**Animal proteins**, particularly those in milk, are highly digestible. Whey proteins are digested rapidly and therefore accelerate the release of amino acids, notably of leucine which stimulates muscle synthesis. Micellar caseins, digested more slowly, allow the release of amino acids over a period of 7 hours, thereby supporting the body. They support recovery after effort or help to limit the undesirable effects of progressive, increased loss of muscle mass, strength and function resulting from ageing.

## MILK IS GOOD!

Our communication campaign echoes all the benefits milk brings! Milk is a fine product with many benefits both nutritional and for the environment (preserving landscapes and biodiversity, for example). In a context that can be controversial for farming, it felt important for our group to speak out and remind people of all the positives of milk and its derivatives in all their forms.


Scan the QR code below to find out more!






# ALLERGY AND INTOLERANCE: DON'T BELIEVE EVERYTHING YOU HEAR!


In cases of lactose intolerance\*, it is possible - and even advisable - to consume dairy products in the vast majority of cases. Consuming up to 12 g lactose (250 ml milk) in one dose does not cause any particular problem. You can also split the doses up or consume yoghurts or matured cheeses which have a low lactose content.



Allergy to cow's milk proteins is actually very rare in adults (less than 0.5%).



It can appear in infants or young children but disappears around the age of 3 in 80-90% of cases.




By the age of 11, only 2 adolescents out 1,000 are believed to be affected.

Thanks to Ingredia's innovative ingredients, everybody can enjoy the benefits of milk.




# FROM MILK TO INGREDIENT

The pioneering industrial processes of the Saint-Pol-sur-Ternoise factory enable the group to transform milk supplied by the cooperative's members into various state-of-the-art dairy ingredients whilst preserving the milk's intrinsic qualities. These ingredients are to be found in the recipes of our clients' products sold in numerous markets.




**Total proteins**

- Dairy products
- Nutrition



**Micellar caseins**


- Dairy products
- Cheese
- Nutrition



**100% natural active ingredients**


Wellbeing, human and animal health:

- Nutritional supplements
- Functional foods and drinks




**Native whey proteins**

- Dairy products
- Nutrition




**Protein hydrolysates**


- Clinical nutrition
- Sports nutrition




**Milk proteins**




**Bioactives**



**Milk powders**




**UHT milk**




**Different levels of fat content**

- Chocolate manufacturing
- Ice cream
- Yoghurts
- Dairy beverages
- Breads
- Pastries
- Cakes
- Nutrition



**Standard milk, organic milk, milk from non-GMO grass-fed cows (<0.9%)**

- Drinking milk



**Milk of 100% French origin**  
(from the Hauts-de-France) providing cooperative farmers with a guaranteed income

\*Lactose intolerance is linked to a deficiency in the enzyme which is required for the digestion of lactose, the sugar found in milk. It leads to digestive discomfort such as pain, gas or diarrhoea.



# Innovative products and ingredients

Our dairy ingredients possess numerous properties which make them highly sought-after ingredients in the production of complex finished products, such as Clean Label\* agri-food products, nutritional supplements or animal feeds.

## THE BEST MILK FOR THE AGRI-FOOD INDUSTRY

Prosperité Fermière Ingredia milk powders and proteins are used by the agri-food industry for their nutritional and organoleptic qualities. Here are some examples:

### Clean Label and hyperproteinated dairy products



An innovative and Clean Label protein solution which maximises the texture of a dairy product without the need for additives or stabilisers, for a firm finished product which meets consumers' expectations in terms of having access to increasingly natural products.



A milk protein designed especially to increase the protein content of yoghurts to 12%, while retaining fluidity, creaminess and dairy flavour.

### Cheeses all around the world

Our innovative milk proteins, combined with technology which prevents whey separation, allow the production of cheese (hard, soft and pasta filata) without generating by-products, i.e. 100% yield. This therefore provides greater flexibility in recipes and greater adaptability even in areas where milk is scarce or of poor quality.

“ For gourmet products 100% based on dairy ingredients! ”



## OUR DRINKING MILK IS 100% TRANSPARENT AND GMO-FREE <0.9%

Our Prosperité® milk comes from our cooperative members' farms and complies with our specification for milk from non-GMO grass-fed cows (<0.9%). The collection of this 'grass-fed milk' is 100% traced and audited in real time using blockchain technology, allowing for instantaneous traceability. In 2022, graphic design of the packaging has been refreshed to emphasise these qualities that are still not fully appreciated!

## BETTER COGNITIVE, IMMUNE AND METABOLIC HEALTH

Our dairy bioactives are included in nutritional supplements designed to improve health and well-being.

### The anti-stress dairy ally



The relaxant properties of Lactium® act gently on stress, sleep disorders, loss of appetite, snacking, concentration problems and many others.

Our latest study, conducted in 3 countries, shows that 8 out of 10 consumers are satisfied with Lactium®.

### Enhanced immunity



Our highly pure native lactoferrin offers numerous benefits, notably for immunity and gut health, through its antimicrobial, antiviral, anti-inflammatory and antioxidant properties.



Its immunoglobulin (IgG) and PRP (proline-rich polypeptide) content makes Prodiet® Colostrum a vital health ingredient for boosting the immune system for people of all ages.

### Help with regulating blood sugar



This patented bioactive is intended for those who want to regulate their blood sugar by reducing the level of sugar in the blood after meals.

“ In 2022, our dairy proactives were incorporated into more than 250 products in almost 50 countries. ”

## NUTRITIONAL SUPPORT FOR SPORTY PEOPLE AND FOR THE ELDERLY



A micellar casein for enriching nutritional beverages to 14% protein while maintaining their fluidity as well as their low fat and sugar content.



The latest of our proteins, Prodiet Clear, is targeted at hyperproteinated citrus fruit drinks, which are increasingly popular with people wanting to rehydrate while taking care of their diet: athletes, hospital patients or those dehydrated during severe heatwaves, etc.



New protein intended for hyperproteinated creamy desserts for people concerned about their health and diet, regular or professional athletes, undernourished people or seniors wanting to build their strength without compromising on taste.



# Creating value for the benefit of farmers

## RESOURCES

### Human

**1,077** members  
**471** employees

### Land

One region:  
THE HAUTS DE FRANCE

**776** farms providing milk  
**405** mL milk collected

### For research

**10%** of staff allocated to innovation  
**30** scientific partnerships

### Financial

**COOPERATIVE GROUP**  
whose capital is held by our member farmers  
**45%** equity



## VALUE CREATION REGIONAL

A strong CSR policy and Corporate Territorial Responsibility (RTE) commitment, flying the colours of the Hauts-de-France region at home and abroad



## VALUE CREATION FINANCIAL

A cooperative model, by the farmer, for the farmer. A virtuous, durable system whereby the financial value created by the group is returned to the farmers of the cooperative



## VALUE CREATION INNOVATIVE

Innovation throughout the production and transformation chain, from milk to ingredient, to develop innovative products from Hauts-de-France milk

## PROFITS & IMPACTS

### Society and Region

**1,600** direct employees  
**3,500** indirect employees

### Health and Nutrition

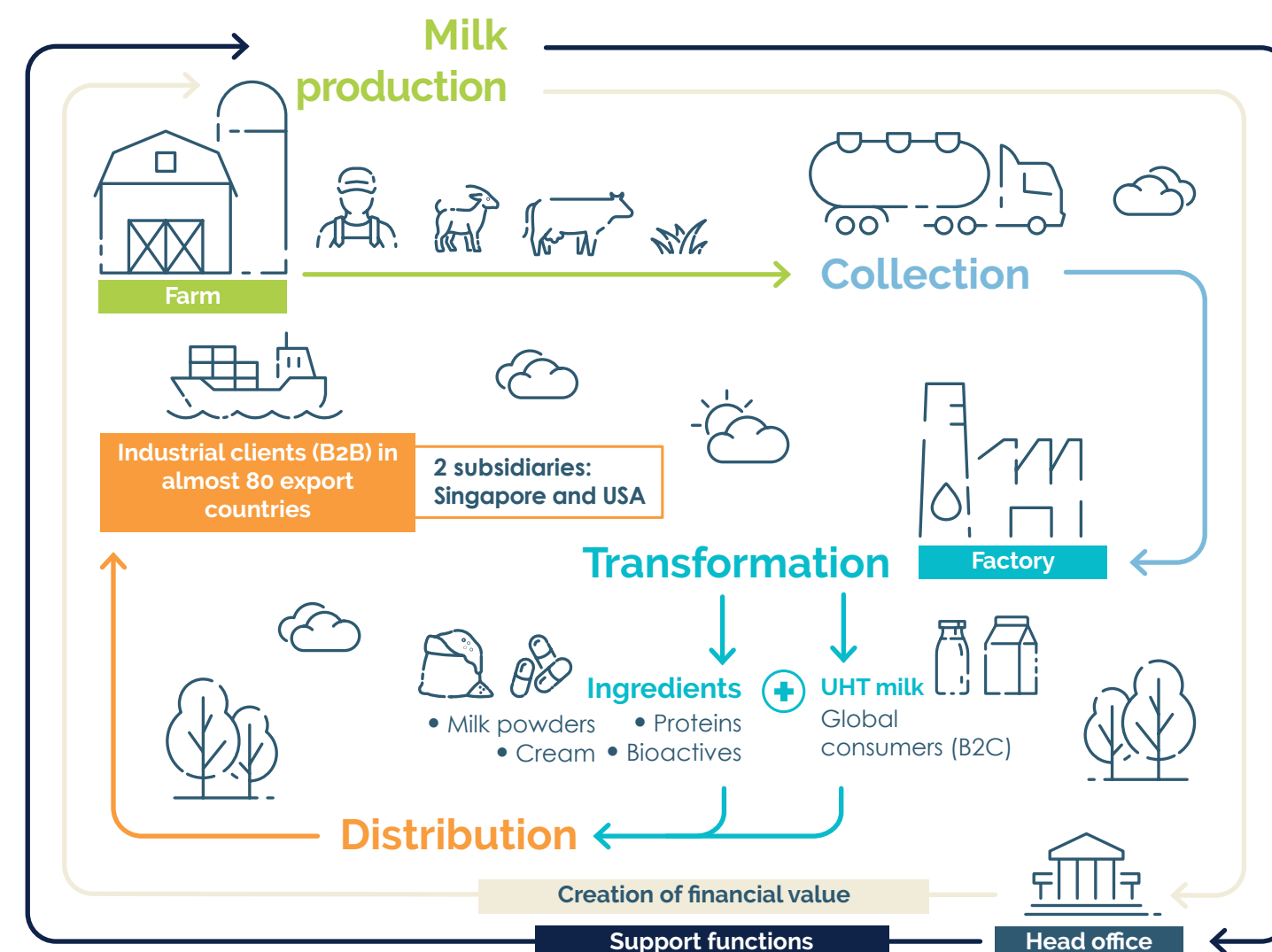
**50,000** Tonnes of ingredients  
**55** million L of UHT milk

### Environment

Objective:  
**85%** renewable energy by end 2023

### Financial performance

**€437M** turnover  
**51%** turnover from exports  
Self-financing capability  
**€19M** Net income  
**€7.2M**








# Cooperative, transparent and confident governance

According to the International Cooperative Alliance, 'a cooperative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise'.

The governance bodies of cooperative group **Prosperité Fermière Ingredia** comprise a cooperative and an industrial subsidiary, giving a voice to all stakeholders, cooperative members and employees alike. With 8 committees, the directors prepare and make their decisions efficiently and calmly each month at their board meetings.

## A BOARD OF DIRECTORS ANCHORED IN THE VALUES OF THE COOPERATIVE



The Board of Directors of the group, representing the 1,077 member farmers, reflects the values of the group:

-  **Increasingly diverse**, with 25% women among the 12 directors in 2022
-  **Transgenerational** with an average age of 49 years
-  **Concerned with transparency and communication**, with a full training programme for each new director, who spends 5 days meeting the employees and the different functional areas of the company

Every Board meeting is attended by all the directors as well as the Managing Director, Finance Director, Cooperative Project Director, four employee representatives and the General Counsel.

## DEMOCRATIC COOPERATIVE GOVERNANCE

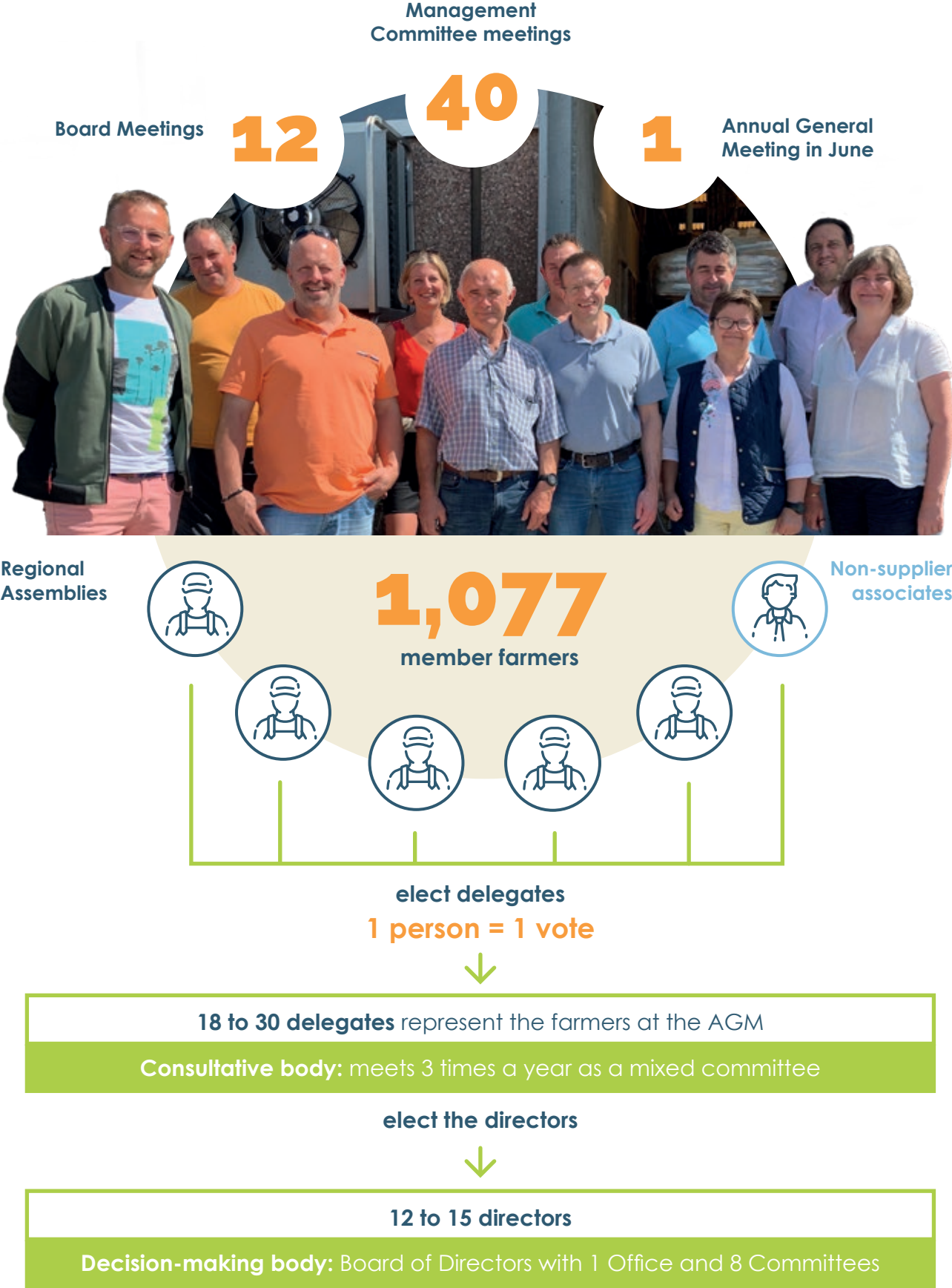
### Members

-  **1 person = 1 vote**
-  Every five years, the application of the governance principles is reviewed by an agreed external third party.

### Employees

- 20** meetings of the Social and Economic Committee (CSE), the Health and Safety at Work Committee or the Training Committee
- 9** collective agreements signed between the management and the trade unions

## ENGAGING ALL MEMBERS IN GOVERNANCE





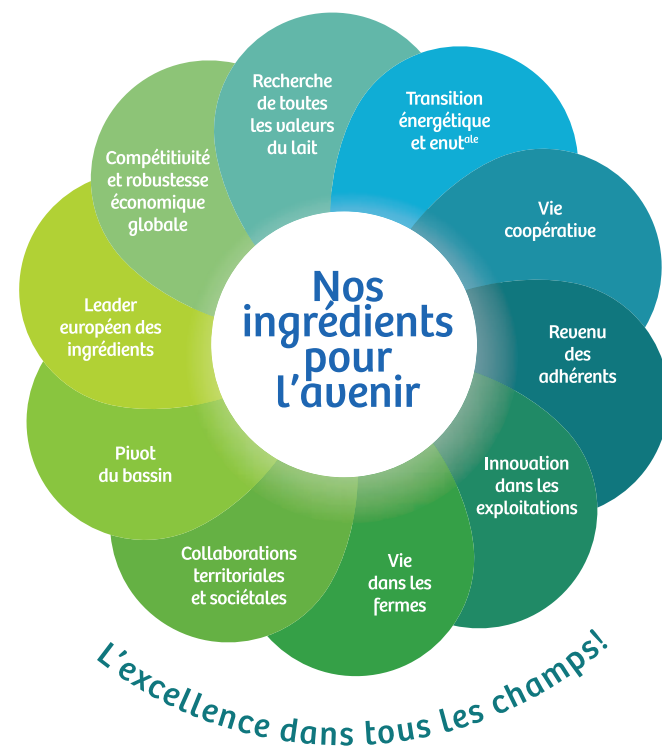
# A permanent cooperative group

A cooperative is guided by the value it adds to production and the value of the service it provides to its members. The same is true of the “users” of the cooperative's services, seeking the best conditions and value-add for their products.

This is why we are putting in place long-term strategies via our cooperative group, to prepare a better future for people and the planet.

## A TEN-YEAR PLAN TO DEVELOP THE COOPERATIVE

Our development strategy has a horizon of 2025. Initiated in 2015, it comprises ten **cooperative commitments**, designed to support our members faced with the challenges of change and the volatility of markets. Two years away from adopting a new ten-year plan, our objective of differentiation, emphasising the nature of our farms and our region, has proved to be the right one.



**Jacky SGARD,**  
New director

“ I'm very attached to the cooperative system: there's no big producer, no small producer, because we can all increase or reduce our production according to our structure and the availability of the workforce on our farms.

We still have our freedom of expression, which is quite a rarity these days.

”

## TWO STRATEGIC AXES FOR THE GROUP

We have been exploring the dairy world since 1949 with one constant: the will to innovate and to meet the future challenges of agriculture and food production.

Following the dairy crisis of 2015, and strengthened by its commitment to the cooperative model, the Prospérité Fermière Ingredia group decided to anchor its strategy along two axes: innovation and corporate social responsibility. The objective is clear: ensuring the permanence of the cooperative group in order to ensure optimal value for the production of its members, whatever the whims of the market.

### Innovation



We accompany our members in the development of their operations and participate in the creation of new and valuable product lines.

**Our researchers explore the best milk to extract unique, innovative and natural ingredients, targeted at manufacturers in the food and health sectors.**

Stress, prediabetes and senior health are public health challenges for which our dairy bioactives have scientifically demonstrated benefits.

### CSR



**Initiated in 2015, our Corporate Social Responsibility policy has been developed over the years.**

It is integrated into every part of our group, from raw material production on the farm to the international despatch of our ingredients to our export clients.

**We have implemented monitoring of our participation in 11 of the 17 Sustainable Development Goals (SDGs) defined by the member states of the United Nations.**







# Our commitments

02



# People at the heart of our growth

At Prospérité Fermière Ingredia, our people are our most valuable assets, our people are our greatest differentiator. In a modern world where we face one social or economic crisis after another, our cooperative model is on a human scale and is a good fit for our region. It gives meaning and purpose to everything we do.

“ At Prospérité Fermière Ingredia, the cooperative’s commitment to solidarity is not an old-fashioned notion: it’s a strategy for building our future. ”

Since its creation by fifty farmers in 1949, the Prospérité Fermière Ingredia group has developed thanks to the women and men of the Hauts-de-France region, enhanced by many from other nationalities and cultures.

Our pride in our dairy expertise often passes from generation to generation, but also attracts new talent of all ages, new partners supported by the group.

Careers in food and agriculture can be demanding, both for the farmers and for our factory employees, who work shifts so that milk can be collected and transformed day and night.

We favour internal projects, training and development for women as well as men, with flexible hours and working practices in order to maintain a healthy work-life balance. At Prospérité Fermière Ingredia, we are convinced that a company’s greatest asset lies within the diversity of the women and men who work in it. This is why we have a proactive approach to inclusion and to supporting those with visible and invisible disabilities, and we value those of all generations and seniority levels, from the latest trainee to the senior employee.



François-Xavier BLAIN,  
Human Resources  
Director

“ Our female-to-male ratio is progressing and has reached a score of 94% (compared with a national average of 88% in the food and agriculture sector). Women now represent almost 30% of permanent Ingredia staff, and 45% of managers.

We pay particular attention to the number of women being awarded pay rises, and are now rated 39 out of 40 on this criterion!

Having said that, men are not forgotten: 100% of new fathers take paternity leave at Ingredia, as they continue to receive their full salary. This compares with a national average of 30%. These facts and figures illustrate our general policy against all forms of discrimination, which allows us to focus on competence and interpersonal skills.

”



Elise DUEZ,  
Prospérité Fermière  
cooperative member  
since 2014

“ For me, becoming a member of a cooperative like Prospérité Fermière means being a part of a collective, of something more than just a private-sector company. The human size of the group makes communication and collaboration easier across the business, upstream and downstream.

As members, we have maintained the importance of our place at the table for strategic discussions, we work together with our employees to achieve added value from our expertise in milk production and transformation.

All the members are consulted regularly through meetings and committees, and we can always choose to become more involved by becoming directors.

”

## Key figures 2022



**471**  
partners



**1,077**  
members



**245**  
training programmes 2022



**18**  
nationalities

## Our employees in 2022



**94**<sub>/100</sub>  
Female-male Index Score



**40** years  
(Average age)  
• 19% < 30 years of age  
• 53% aged 30-49 years  
• 28% > 50 years of age



ALMOST **91%**  
permanent staff



**12.2** years  
(Average length of service)



# Towards decarbonised production

Decarbonisation and safeguarding the environment are unavoidable objectives for our cooperative group. For the past 10 years, Prospérité Fermière Ingredia has prioritised strategically the management and reduction of its environmental footprint right across the business, upstream and downstream.

A strong ambition and pioneering commitment which have mobilised partners, factory and head office employees.

In 2015, just after the Paris Agreement was adopted, Prospérité Fermière Ingredia made Corporate Social Responsibility one of its two strategic axes for the next decade (see pages 32-33).

Agriculture and the food industry are at the heart of the climate challenge, meaning we have to re-think how we produce and how we consume, to **achieve a model whereby we safeguard our planet while continuing to maintain, if not improve, our standards of living, of health and of food.** We are conscious that climate change waits for nobody, and have committed to the decarbonisation of our entire production chain.

Our upstream and downstream action plan, supporting our farmers in their assessments and the changes they need to implement, migrating to green energy for collecting milk and transforming it into ingredients, certifying our energy performance management and increasing recycling on our farms, in our factories and in our head office. Our actions are not isolated initiatives: we are taking our partners and clients on a journey, exploring the relationship between milk, the land and sustainability.



**Louise BOLLART,**  
Head of CSR & Upstream  
Communication

## Working together to develop new agricultural practices

“ Everyone knows that society's expectations are continually changing. To respond to this, we always have to re-think and involve our members in that thought process.

They're the ones who will find robust solutions which can be applied in our Hauts-de France region.

In order to implement these solutions and changes, we partner with different actors in our local network.

Since the whole group is always better than the best individual within the group, we use our unity as a driving force for our agriculture.

”



**Marc MERY DE MONTIGNY,**  
Second-generation  
cooperative member

“ I switched to organic farming in 2016, after the quota crisis. I kept the same herd but reduced it from 65 to 45 cows.

**I am reducing my carbon footprint while maintaining Gross Operating Profit and reducing the pace of my work, which is very pleasant!**

The young person who will be taking over from me will also stick with organic. Belonging to a collective like Prospérité Fermière Ingredia means you are supported through changes in working practices and **you're part of a chain of activities where your expertise is valued, and value is added to your milk.**

”

## Decarbonisation from farm to ingredient



Keeping family farms intact:  
**17,000**  
hectares of pasture

Supporting change in working practices:

**40%** of our dairy farmers have assessed their carbon footprint

Promoting low-carbon products:

**>10%** differentiated milk collected each year



Green energy collection:  
**Almost 50%** of our fleet of collection trucks run on biofuel



A factory with ISO 50001 certification for energy performance management

A biomass boiler:

**85%** locally supplied green energy by end of 2023



A policy of recycling in the factory and head office

**Eco-design as an objective from our powder bags to our graphic design rules**





# One Region: the Hauts-de-France

**The Prospérité Fermière Ingredia group is rooted in the social and economic model and solidarity of its cooperative. We create value for our farmers by transforming their milk into ingredients within their home region, the Hauts-de-France. The product generated by and on the land generates value for the region and its inhabitants.**

**Having worked to implement CSR throughout its business, Prospérité Fermière Ingredia has now set itself the goal of implementing Corporate Territorial Responsibility (RTE).**

We are fully conscious of our triple responsibility – economic, social and environmental – towards our region and its inhabitants. We face numerous challenges in this: climate change, energy, economic, social, health and nutritional. We can only resolve these issues by working together, connecting with the realities and forces of our local area.

**Becoming an actor for climate and biodiversity should be a holistic enterprise, working on multiple levels and cooperating ever more closely within the local area.** The global economic and geopolitical context is also undergoing profound change, with huge disparities between the regulatory frameworks and production costs between countries. A shift towards collective action will be the key

to meeting these challenges, because we will have to produce in a way that is greener – and therefore more expensive – than other countries.

Cooperation between actors is therefore central to how we meet our responsibilities towards our region and its inhabitants. It is by joining together to add value to our strength on the ground and the sustainable and responsible profitability of our activities that we will be able to make a difference.

We already have the support of the French people, 96% of whom believe that companies should demonstrate their corporate territorial responsibility\*. We now need to demonstrate that we are genuinely mobilised to do this.



**Salomé DECAENS,**  
CSR Purchasing  
Project Lead

## Promoting local purchasing

“ In addition to purchasing our raw material – milk - Prospérité Fermière Ingredia has established a responsible purchasing policy (see p. 42-43 for more information). One of the 3 principles of this policy is to favour local production and SMEs (small and medium-sized enterprises). In 2022, we achieved our objective of working with at least 30% of local suppliers for all our purchasing (in addition to the supply of milk from our members, of course). As you will realise, 'local' for us means 'regional', i.e. limited to the Hauts-de-France region!

”



**Sébastien DAMBRICOURT,**  
Fourth-generation farmer

“ I am proud and happy to call the north my home.

Our region has many advantages, with its geographic location near the sea and open to the world. Our region's agriculture enjoys a rich soil and a temperate climate. Our farms are very varied and adaptable to the consumer's demands.

**I am confident in the future of our region because, whether we are follow the conventional or organic model, we are all committed to innovative and ever more virtuous techniques. I inherited the family farm and I hope to leave it to my children. The Hauts-de-France may not be the best known region of France, but it's a great place to live!**

”

**3,500** direct and indirect  
jobs created  
by the group in the  
Hauts-de-France region



as a result of our  
dairy production  
and transformation  
activities



regular jobs in  
maintaining and  
modernising our  
factory



milk collection and  
shipment



and as a result of  
partnership with  
local stakeholders



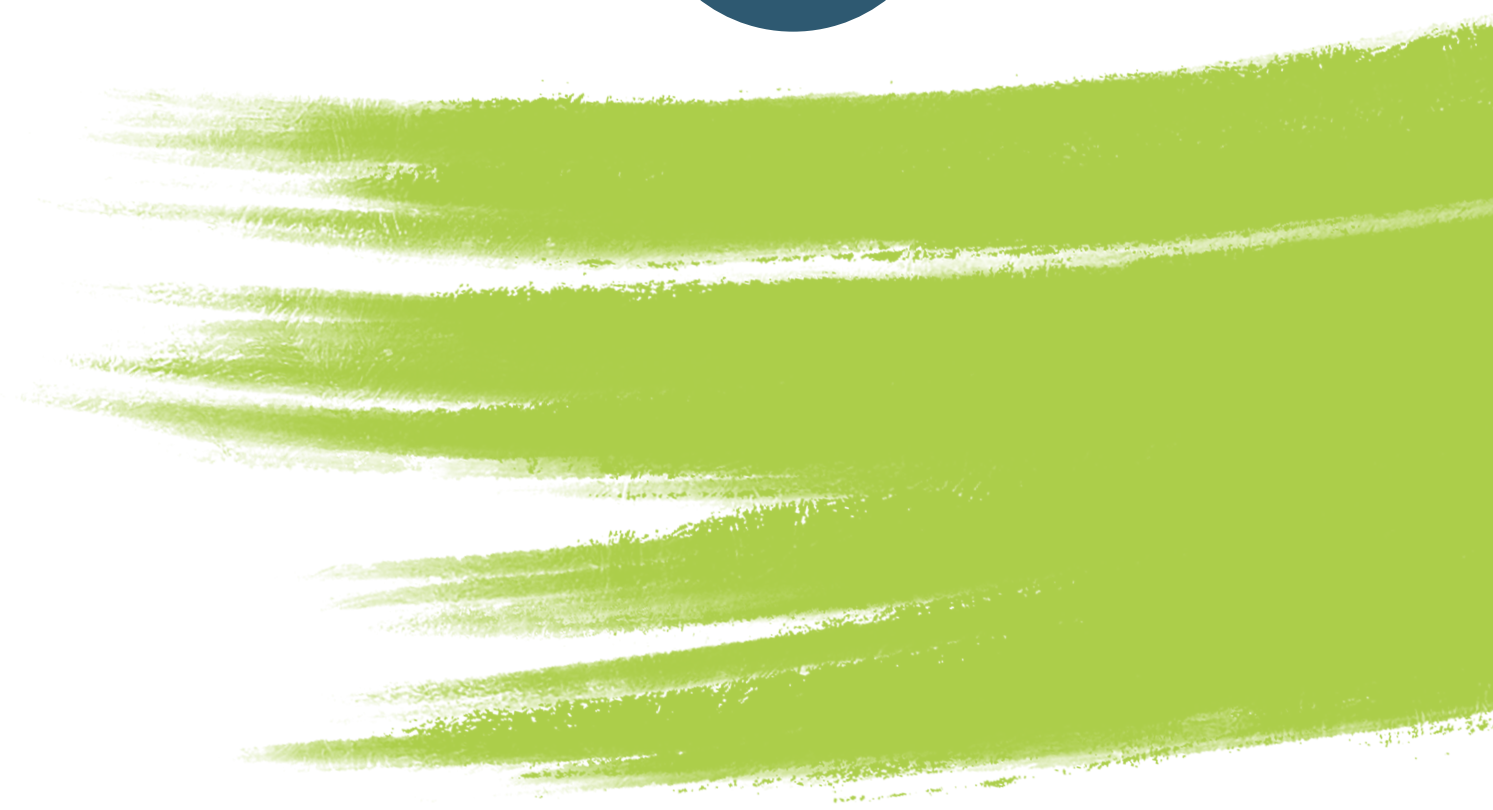
\* According to a survey conducted by ESS France in 2022





# Our actions

03





# An all-embracing CSR strategy

Our dairy business is shaped by respect towards people, animals and our planet. The Prospérité Fermière Ingredia group's development is similarly based around its Corporate Social Responsibility (CSR) commitments.

Since the adoption of this CSR policy in 2015, employees and cooperative members have integrated best socio-environmental practice into everything the group does.

## AN APPROACH BASED ON SUSTAINABLE DEVELOPMENT GOALS (SDGS)

The 2030 Agenda established in 2015 by the member states of the United Nations is based on 17 SDGs which 'are the blueprint to achieve a better and more sustainable future for all'. The farming and agri-food sectors, and particularly cooperatives, will make a significant contribution to achieving these 17 SDGs.

At Prospérité Fermière Ingredia, we have selected 11 SDGs where we believe we can have a significant impact. These serve as the foundations for our CSR approach.

 <b>SDG2</b> Secure volumes of milk to satisfy demand	 <b>SDG8</b> Ensure the best working conditions
 <b>SDG3</b> Develop innovative products with a positive impact on the health of consumers	 <b>SDG9</b> Develop digitisation and information systems
 <b>SDG5</b> Promote equality between men and women	 <b>SDG12</b> Promote recycling and reuse Contribute to animal wellbeing
 <b>SDG6</b> Better management of water and waste	 <b>SDG13</b> Reduce our net carbon footprint throughout our scopes
 <b>SDG7</b> Optimise the use of renewable energies	 <b>SDG15</b> Contribute to maintaining biodiversity
	 <b>SDG17</b> Build new partnerships

## A CSR POLICY NAMED VIA LACTA

The group's CSR strategy is articulated around 3 pillars:

- 
 Researching and cultivating the value of milk in harmony with nature
- 
 Guaranteeing the personal development of our partners, male and female
- 
 Safeguarding the future of the planet



These examples demonstrate the company's investment on behalf of its farmers, its partners and stakeholders.

- **Carbon assessment** with EY
- **Energy performance:** ISO 50001 certification
- **Ethics Charter:** harmonisation of different charters to make them consistent and to reflect the interests of all stakeholders
- **Brand platform:** refresh of our image to bring our entities together
- **Environmental management:** launch of ISO 14001 project
- **Launch of a group to focus on HVE certification**

... and many other initiatives launched as a result of this annual report.

## A CSR policy rewarded with a 'Green Loan'

In 2022, Prospérité Fermière Ingredia obtained a 'Green Loan' from the LCL bank thanks to the group's numerous initiatives. This loan is directly linked to four of our CSR performance indicators and achieving our objectives.



**Xavier CRUCHET,**  
Finance  
Director

“ This loan is a sign of the confidence our banking partner has in us, as well as our commitment to achieving our CSR objectives. ”





# 1<sup>st</sup> pillar

2 ZERO HUNGER



3 GOOD HEALTH AND WELL-BEING



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Researching and  
cultivating the value  
of milk in harmony  
with nature



# Producing and collecting: 100% Hauts-de-France

Exclusively collected in the Hauts-de-France region, our milk comes from the farms of our 1,077 cooperative members. Preserving the family farming model has always been the aim of the cooperative, which we do by supporting the individual farmers in their projects for their farms. Repeated crises, reductions in the farming population, changes to consumer and industrial customer demands all require continuous adaptation and the diversification of the types of milk we collect.

## MAINTAINING A PREMIUM QUALITY MILK COLLECTION

Since its creation, the Prospérité Fermière Ingredia cooperative has favoured family farms, with an average of 62 cows per farm and multiple pastures. Our farmers are all located within 80 km of our factory site and work with animal feed suppliers within the region. Following a mixed crop-livestock model, our members' farms ensure a significant milk density level and contribute towards maintaining an average biodiversity of 75 ha.

**405** million litres collected

**1,077** member farmers

**18.5%** of dairy producers in the Hauts-de-France

**48,000** cows

**3,000** goats

**17,000** ha of pasture

## ORGANIC GOAT MILK: AN EXPANDING SECTOR!



Started in 2020 on the initiative of several members, this is a new sector for the Hauts-de-France, as most goat farms are in the south or east of France. The cooperative is today proud to support its goat farmers who have converted to organic farming. The milk is collected for the consumer drinking milk market or for cheese production.

Their objectives? Pursuing the group dynamic, enhancing the resilience of their farms and moving towards food self-sufficiency!

## THE NEW 'MILK SECTOR QUALITY AND ENVIRONMENT' CERTIFICATION

A new 'Milk Sector Quality and Environment (LCQE)' segment was developed in 2022 by the Prospérité Fermière Ingredia teams in order to satisfy the needs of their customers and to create new outlets for the cooperative's members.

This new certification is based on the **mutual commitment of the member and the cooperative**, each with their own obligations relating to quality and hygiene, nutrition and sustainability (NF V01-007 standard).

Among other things, the certification supports the development of best practice on farms, and implies compliance with the Charter of Best Practices for Animal Husbandry (new version 2022) including the Boviwell animal wellbeing assessment process.



charte des  
bonnes pratiques  
d'élevage

Around 50 producers have already adopted this approach, representing almost 35 million litres of milk.

## COLOSTRUM: COLLECTION AT NATIONAL LEVEL

Prospérité Fermière Ingredia collects surpluses of colostrum from dairy farmers. This particular collection allows value to be derived from this product which would otherwise be thrown away. Open to all producers, regardless of the dairy they use, it generates an additional annual income which can be as high as €1,300 per year (for 70 cows in calf).

In 2022, collection was extended to national level, covering 1,745 farms in the north, west and east of France, and making the Prospérité Fermière Ingredia group France's number one collector of colostrum.

## CREATING VALUE BY PROMOTING DIFFEREN- TIATED MILK

Grass-fed milk, organic farming, organic goat's milk: we continue to promote these new ways of working and creating value from dairy production. We also encourage diversification into differentiated milk products by collective projects and our younger members.

“ In 2022, differentiated milk's share continued to increase, exceeding 11% of total production ”



Organic cow's milk

**31**

certified organic producers

**7.2**

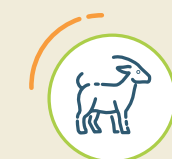
million litres collected



Grass-fed milk from cows fed a non-GMO diet (<0.9%)

**33.6**

million litres collected



Goat's milk

**7**

certified organic producers

**1.5**

million litres collected



# Innovation from farm to ingredient

Anchored in the culture of the cooperative group, innovation and expertise are at the heart of Prospérité Fermière Ingredia's development.

We innovate constantly with our members and partners to ensure our production is ever more sustainable and provides ever more value, as well as developing innovative health and protein products for their functional and nutritional characteristics (see p. 14-15).

“ 10% of our staff work exclusively on innovation ”

## 10 PILOT FARMS IN REGENERATIVE AGRICULTURE



In 2021, we told you about the launch of our pilot group in partnership with General Mills, the BTPL (Bureau technique de production laitière - Technical Bureau for Milk Production) and the IDELE (Institut de l'élevage - Institute of Animal Husbandry). So, a year later, where are we? After a rewarding year of technical visits, conversations and experience sharing, our 10 farmers are now implementing their individual action plans.

Mostly focused on timing the best age to start calving, getting the most from grass, both in pasture and in troughs, as well as improving waste management, these different technical levers allow improvement in the environmental performance of the group's farms. They have 4 years left to achieve their objectives.



## THE 'LAIT P'AIR'F TRANSITION' PROJECT



Societal demands, the new CAP and the Egalim 2 law (on farmers' remuneration) all led us to a consultation process in 2021 which resulted in the creation of a collective of committed farmers, all convinced of the environmental importance of farming livestock. They represent 11 farms of 120 ha and an average herd of 80 dairy cows.

Their project? To progress as a collective via a 'spearhead group' to test the specifics of the HEV (High Environmental Value) certification process, and

to acquire innovative practices which will preserve the environment and its biodiversity while optimising their farms from a technical and economic point of view.

Conscious of climate change and of present and future periods of drought, the group wishes to re-think their approach to water management, nitrogen and phytosanitary products, trialling new agricultural conservation practices.



This project, run in conjunction with Gaya Consultants, has benefited from a national subsidy, and has as its target the creation of a GIEE (economic and environmental interest group) for a duration of 6 years.

“ It's down to us farmers to fly the flag for ensuring the sustainability of the planet and of French agriculture. ”

Lait P'air'F Transition collective





# EVER MORE INNOVATIVE DAIRY INGREDIENTS



At the end of 2022, 14 innovation projects and pre-projects were under way and numerous other innovative ideas had been proposed and evaluated by our expert teams.

The partnership with Kyoto University in Japan is bearing fruit, having moved to the development project stage, creating a bioactive to regulate appetite. A functional protein has also been

finalised: Prodiet Clear. This allows the protein content to be increased in products such as hyperproteinated fruit drinks, while maintaining a fluid texture and a translucent colour. Manufacturing capability for the 3 new products has also been implemented.

# PROMOTING DAIRY PROTEINS WITH THE SUPPORT OF OUR OWN EXPERTISE AND OUR SCIENTIFIC PARTNERS



The only agri-food project selected in 2021 by the National Research Agency (ANR) for its programme of industrial professorships dedicated to research partnerships, the ProteinoPeps chair was officially inaugurated on 1 March 2022 with two academic partners based at Lille University, in the Materials and Transformations Department (UMET) and in the Transfrontier BioEcoAgro Mixed Department [1].

These two research laboratories are INRAE (National Research Institute for Agriculture, Food and Environment) mixed departments. The project will accelerate the development of new protein and bioactive ingredients in line with our customers' concerns but also in line with the cooperative's values such as CSR. It will also allow us to develop our knowledge while deriving value from it via scientific and technical papers. One challenge is to attract young talent into this exciting sector via teaching programmes, seminars etc.



# R&D at Ingredia

 **12** patents

 **> 30** scientific partnerships with laboratories around the world

 laboratories equipped with the **latest technology**

 a **1,000 m²** pilot semi-industrial facility at our Arras head office





# Producing well and locally

Producing well and locally while respecting all our stakeholders, that's a daily commitment for us! Our members' farms, our production site and our head office are all located in the Hauts-de-France region, and mostly in the Pas-de-Calais *département*. Thanks to the forces of our region, we provide our customers with innovative high-quality products while also being an active part of the dynamics of our region and supporting the sustainability of our environmental and socio-economic ecosystem.

## A SUSTAINABLE AND LOCAL PRODUCTION FACTORY

Our production factory was created in 1964 to produce milk powder. Located in Saint-Pol-sur-Ternoise, a town of 5,000 inhabitants in the Pas-de-Calais *département*, our factory has always evolved, extending and modernising in order to adapt to changes in the market, and always remaining faithful to roots.

Milking has to be done every day, without exception, and this is why our factory keeps running, with three 8-hour shifts, day and night, every day of the year. The 23,458 hectare site consists of various plants and departments, including:

Filtration plants, and concentration/drying plants for cream production, milk powders and dairy ingredients such as proteins

Drinking milk bottling plant

Bioactives production plant

Central laboratory for bacteriological and physical/chemical testing

Mixing/packaging plant

Support services and management for the factory and upstream

1 industrial site

**350** employees - men and women - working three 8-hour shifts, 365 days a year

**5** drying towers

**3** filtration lines

**1** bottling line

**55** million litres of UHT milk

**50,000 T** of milk powders and milk proteins



## A SINGLE ETHICS CHARTER FOR EMPLOYEES AND COOPERATIVE MEMBERS

Prosperité Fermière Ingredia has prepared a single charter shared by all its employees and cooperative members.

Devised in collaboration with the HR teams, Marketing, Quality, Supply Chain and the Cooperative Project, this charter is centred on the group's main commitments to its customers, members and suppliers.

The charter will be rolled out in stages during 2023, so that all stakeholders will be able to have a copy to hand and be able to sign it.

The main points of the charter:



Commitments concerning human rights and employment rights



Environmental protection



Fairness in our working practices



Transparency and sincerity in our communication



SUPPLIER RELATIONS AND RESPONSIBLE PURCHASING (RFAR)



**Salomé Decaens,**  
RFAR labelling  
project lead

“ The label will be a recognition of the work put in by the teams involved every day. The eventual aim of our policy is to achieve 100% responsible purchasing framed by strict specifications but above all by sustainable and beneficial relations with our supplier partners.

”

**Estelle Legrand,**  
Supply Chain  
Director

“ Beyond the label, the RFAR process has enabled us to frame relations with our suppliers and to set objectives for continuously improving our practices!

”

In 2022, our purchasing management team has focused on our approach to Supplier Relations and Responsible Purchasing (RFAR). The RFAR label, awarded by the group formed by the companies ombudsman and the CNA (National Council of Purchasing), aims to shine a light on businesses which differentiate themselves by their responsible purchasing practices.

By responsible practices, we mean the embedding of CSR objectives – economic, environmental, social and societal – within everyday purchasing processes. In line with our ambition to achieve our CSR objectives, a group was set up by the purchasing management team in 2022 and aims to achieve the RFAR label in 2023.

Since signing up to the RFAR charter on 19 May 2022, the group has implemented a responsible purchasing policy centred on three fundamental principles:



Mutual  
commitment



Respect for the  
environment



Favouring the local  
community and SMEs



Efforts rewarded by  
the award of the RFAR  
(Supplier Relations  
and Responsible  
Purchasing) label by  
the French standards  
agency AFNOR!



A word from our internal ombudsman, **Sandrine Delory**

“ The ombudsman service established in early 2022 by the Prospérité Fermière Ingredia group **allows any stakeholder, internal or external, to register a grievance with an emphasis on dialogue.** When we committed to the process for achieving the RFAR label, it was only natural for me to take on the role of ombudsman.

As we moved towards achieving this label, we realised that mediation deserved an important place in the operation of the group and its stakeholders, particularly its suppliers. **In 2022, no grievances have been raised by suppliers, and we're delighted with that.** It's a real testimony to the fairness in our relationship with our suppliers!

Our work doesn't stop there, however. With the implementation of our responsible purchasing policy, we have ambitious plans between now and 2025. Our top priority is to reduce our environmental impact, and a thorough piece of work is under way to support our suppliers in reducing the footprint of their products and

services between now and 2025. Including **specific criteria** in our specifications and **supporting our suppliers to improve their own practices are a key priority for us.**

As internal ombudsman, I am also proud to attend the responsible purchasing committees as part of my work on this initiative. Alongside our teams, my role is to initiate dialogue and to facilitate communication. I am also involved in regular reviews of our progress in this initiative. **The average lead time for settling supplier invoices is an important metric and we monitor this on a daily basis.** My role is also to guarantee compliance with payment terms in order to avoid any legal repercussions.

To conclude, I would say that the ombudsman role is a very varied one and is essential to **maintaining healthy relationships with each of our stakeholders, and keeping the communication channels open in a constantly changing profession.**

”

Key figures 2022

280

suppliers within  
the responsible  
purchasing initiative

69%

of suppliers have signed  
up to the group's ethics  
charter

70

million euros of  
responsible purchases

59

days average lead time  
for payments

24%

of the group's total  
purchases

85%

of invoices settled  
in advance out of 5,000  
invoices in 2022

61%

of SMEs within  
the responsible  
purchasing portfolio

9.5/10

supplier satisfaction  
rating given to Ingredia  
by its suppliers



# International sales

The Prospérité Fermière Ingredia group transforms milk from its member farms into high-tech ingredients sold in over 80 countries around the world, with two main areas of focus: health and nutrition.

## THE HEART OF OUR PROFESSION: NUTRITION AND HEALTH

### Food and nutrition

If this ingredients market represents around 80% of our turnover in 2022, it is because our customers know and recognise the premium quality of our products.

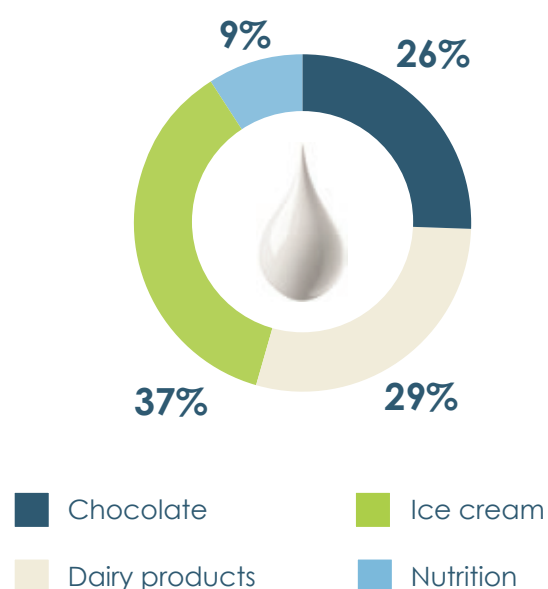
With a **wide range of dairy ingredients**, from whole milk powder to advanced proteins and functional mixtures, we offer the best of French milk, from farms and plants which conserve resources as far as possible.

### Health

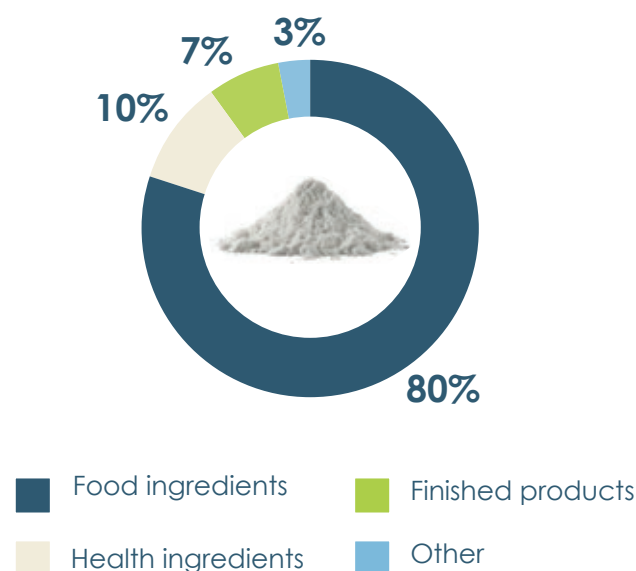
With a presence in the health and wellbeing market for over 25 years, we offer our customers **innovative, unique bioactives with proven efficacy**. We continue to invest in research, in clinical trials and in consumer research to consolidate and bolster the performance of our bioactives.

To support our development strategy in the health and veterinary markets, we have laid the foundations for extending our 'Bioactives' production facility. Our aim is to increase our manufacturing capacity to support new products in due course.

Breakdown of turnover by food market



Breakdown of overall turnover by product family



**Tammy KEISER**,  
Head of Sales and  
Marketing, Ingredia Inc.,  
USA

“ My objective is to help our clients to manufacture products which are safe and healthy for consumers, showing them the incredible products we have to offer and the science we have which underpins them.

”

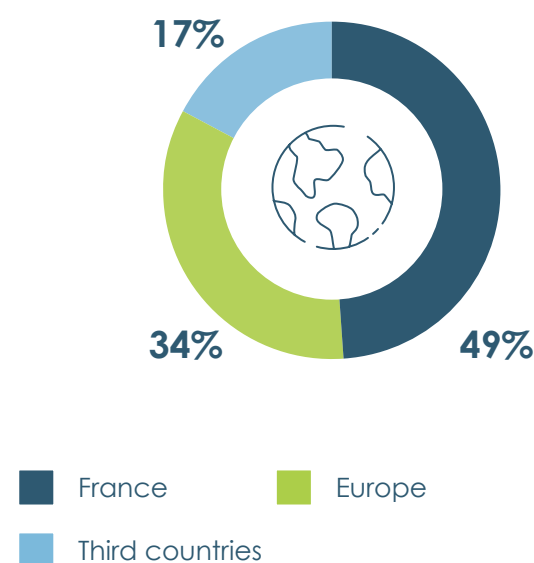


**Bassim KHOUYA**,  
Head of Sales for  
the Middle East  
Region

“ In spite of a complicated socio-economic context in 2022, the Africa-Middle East Region maintains strong growth with our customers' development projects for new products, which places INGREDIA as an unavoidable actor with its innovative ingredients.

”

Breakdown of turnover by geographic area



## OUR MARKETS: FROM LOCAL TO INTERNATIONAL

Although we are certainly anchored locally, our growth over the last twenty years has been global. Central to this development have been our **subsidiaries in Singapore and the United States**. With these outposts and our multinational sales team of 20 people, we travel the world to be as close as possible to local markets and our customers. **We rely heavily on our distribution network of a hundred distributors**. We offer them regular training so that they can deliver the best of our products and services to business customers in the food and health sectors.

Our marketing closely supports our development, amplifying our sales presence on the ground. In 2022, we were part of 16 trade fairs around the world, and organised 6 webinars.

We deliver our products to 700 customers in 80 countries around the world. Our main growth areas are the Asia-Pacific region, the Middle East and North America, representing 17% of our turnover in 2022.

## HOLY COW! WE LOVE OUR MASCOT, COWLAITE!

Cowlaite represents the UHT Prospérité milk brand. **Cute and accessible, she tells the story of her sister cows**: life on the farm, grazing, going out to the field with her friends, biodiversity and all the benefits of milk.

**Hand-knitted by a designer in our Hauts-de-France region**, her name was chosen by our employees from a list of 100 names suggested for our mascot. She can be seen at internal events and trade fairs.





# 2<sup>nd</sup> pillar



Guaranteeing  
the personal  
development of our  
partners, male and  
female



# Ensuring a better quality of life and a safe workplace

The working environment is a multi-faceted key factor in the personal and professional development of our people. As a committed dairy explorer, Prospérité Fermière Ingredia monitors the wellbeing of its employees and cooperative members on a daily basis and implements concrete and pragmatic solutions to maintain their quality of life.

## PROSPÉRITÉ FERMIÈRE INGREDIA PRIORITISES EMPLOYEE WELLBEING



The Arc en Ciel (Rainbow) project, launched in 2022, is a major one for the business. It aims to analyse how work is organised and its impact on the wellbeing of our people, with a view to recommending improvements to be made in this area.

4 major themes identified with 90 areas considered:



communication and coordination between teams



human resources



management



how we run projects

### 1<sup>st</sup> phase April 2022

Questionnaire launched and responses collected: **74% participation!**

### 2<sup>nd</sup> phase June 2022

Discussion groups established, with a mixture of volunteers and invitees selected randomly, to create a sufficiently large sample size to be representative.

An action plan was devised and presented in late 2022, involving our ambassadors, the Health and Safety at Work Committee (CSSCT) and Social and Economic Committee (CSE) as well as management. Numerous ideas have already been proposed and some already actioned.



A factory/head office exchange visit to improve understanding of the work everyone does!

## A PROACTIVE APPROACH TO DISABILITY AND INCLUSION

At Prospérité Fermière Ingredia, we believe that the diversity of the women and men who work for us is our greatest asset. We participated in DUODAYS for a second time, allowing us to demonstrate our commitment to inclusion towards people with disabilities, both in terms of administrative structures (*Cap Emploi*, *Agefiph*, *Pôle Emploi*) and of our ability to absorb people into our workforce, anticipating the need for individual adaptations of the workplace.

By promoting inclusion, we hope to give a fair chance to any employment candidate in the interests of team spirit, a core value of our cooperative.

of PFI employees identify themselves as living with a disability

**6.14%**

## THE SPORTING SPIRIT OF THE 'COW-LECTIVE'

We experience this every day in the messages sent to our customers: milk and milk proteins are good for health and good for athletes! So, it's within this team spirit that our runners participate in races, bringing together people from all parts of our factory and head office to meet the challenges of a different environment in the interests of a common cause.





# CONSTANTLY EVOLVING QUALITY OF LIFE AND WORKING CONDITIONS



Organising a week dedicated to Quality of Life and Working Conditions is a unique event for a collective. For the first time after two years of face-masks and social distancing, our teams met up without their faces covered to reestablish some social links and enjoy time together while discussing a number of initiatives which, year after year, are designed to improve our Quality of Life and Working Conditions, particularly around prevention measures, discrimination, harmful working conditions and gender equality.

## New ways of working

We wanted to rethink new ways of working by rolling out organised remote working using off-the shelf solutions and remaining conscious of home-work distance and the medical needs of all. We also established new options for those at the end of their careers who have worked a three 8-hour shift pattern for the last 15 years.

## Gender equality

For us at Prospérité Fermière Ingredia, it's International Women's Day every day, as our 2022 score of 94% for Female/Male Equality testifies.



On 15 March 2022, the group welcomed Monsieur Louis Le Franc, prefect of the Pas-de-Calais, on the occasion of a round table dedicated to the subject of female/male parity. It was an opportunity to hear about the experiences and career paths of 16 of our female employees and members.

# SAFETY FOR ALL



Being innovation experts, constantly researching and creating solutions, means we have to be vigilant in our risk management. We have to ensure we're always compliant with changing regulations, while providing the safest environment possible for our people and managing technological risks inherent in what we do.

## Among the measures implemented 2022:

- ✓ Strengthened checking and testing regime for chemical products before disposal
- ✓ Replacement and safeguarding of equipment used for receiving and storing chemical products
- ✓ Updating of our robots
- ✓ Upgrading of fire protection systems
- ✓ Strengthening of site access security
- ✓ Deployment of a strengthened method for isolating installations (lockout-tagout)
- ✓ Awareness programme concerning inherent risks of working in confined spaces
- ✓ Prevention of risks of musculoskeletal disorders, training in muscular awakening

# FOCUS ON INFORMATION SYSTEM SECURITY

In recent years, a new risk has emerged: cyber-attacks. Conscious of the risks of 'phishing' and other cyber-attacks which can impact the operation of the business, we commissioned an expert review and devised an action plan to improve our security against the risk of malicious acts.

An e-learning campaign has been launched with those of our people using a personal computer, to raise their awareness of best practice and to heighten our day-to-day vigilance against this danger.

**230** employees trained in cybersecurity in 2022

In order to protect the business against loss, theft or unauthorised altering of its data, we have started the process of working to achieve ISO 27001 certification. ISO 27001 is an international standard governing the management and security of information systems. It sets out best practice, which will complement technological solutions to ensure 360 degree coverage of our information security.





# Training at every stage

At Prospérité Fermière Ingredia, careers in dairy take many forms. Faithful to our cooperative spirit, it's essential that we keep our members and employees informed and trained in the latest practices in terms of sustainable production at every stage, upstream and downstream. The training plan is therefore an annual priority for the group.

## SUPPORTING OUR MEMBERS WITH TECHNICAL TRAINING

Our ambition is to support our members with existing tailored services, a source of value-add which helps them to improve their practices, developing their own projects and anticipating their own future needs. These training days allow members to update their husbandry practices and are an excellent opportunity to get together, to share their experiences and to learn from each other.

### Animal wellbeing and environment training sessions in 2022:

2 welcome sessions:

**26** attendees

3 Heifer training sessions:

**39** attendees

3 Protein Self-Sufficiency training sessions:

**40** attendees

2 Dry-Off training sessions:

**22** attendees

In total, 8 training days and a welcome event were attended by 70 different farmers.



## A VARIED TRAINING PLAN FOR EMPLOYEES

In 2022, our business has contributed significantly to the skills base and employability of its employees thanks in large part to an ambitious training plan and a proactive policy for training and professional development.

- **Deployment of technical career training** including internal training in production and maintenance, and general job training.
- Organisation of multiple **regulatory training sessions**, with a **completion rate of 91%**. This is important for the running of the factory and ensuring that all partners can comply with same regulatory requirements.
- Support also in favour of the **development of skills for the entire workforce** (wellbeing at work) or to facilitate career moves particularly after a skills review.
- **Specific training for managers** whose roles are subject to a constantly changing world: gender equality, prevention of psychosocial risks, prevention of discrimination and harassment, the right to not be contacted outside work, generational differences, managing remote working.



'Milk in all its forms' training: providing insights into our everyday work



'Milk in all its forms' is a **new one-day internal training course** which aims to provide a big-picture view of the transformations milk goes through from its arrival at the factory to its distribution to end customers. **Organised by employees in different parts of the business** - laboratory, factory, R&D, Marketing - the course has already been a victim of its own success: thirty employees from the Saint-Pol site have attended the first 2 training days.

Key figures for the employee training plan:



**86%**  
of our people have attended training



Women and men have equal access to career stage training



**224**  
training sessions planned



**9,000**  
hours of training delivered

## TRAINING STUDENTS: CAREER PATHS IN MILK

The 9 attendees from the 2021/2022 Dairy Careers intake received their diplomas in the presence of the internal training team, the representative of the National Dairy Industry School and the HR development function. A further investment of 32 hours of training over two years, not to mention the time spent on homework and reading up on the materials made available on-line. This training has allowed attendees to develop their knowledge of the dairy industry.





# Supporting different generations

As Dairy Explorers since 1949, we are committed to passing on our history, operation and the day to day adventure of our cooperative. To do that, we train and support new generations, the pillars of our future, with the 'CAP'Jeunes' programme, and we encourage job rotation to create vocations. We also look after our seniors, whose knowledge and experience are so important to our group.

## HELPING YOUNG PEOPLE INTO OUR PROFESSION

Prospérité Fermière Ingredia has improved the way it welcomes young people into our teams, particularly in the newer career paths. In 2022, Ingredia welcomed around a hundred young people within the framework of work placements of various lengths and at all academic levels, with holiday jobs (25 young students) and 26 work/study contracts. Several of these young students were subsequently recruited on a permanent or fixed-term contract basis.



## SUPPORTING THE ESTABLISHMENT OF YOUNG FARMERS IN 2022:

Our ambition is to support our members with existing tailored services, sources of value-add which helps them to improve their practices, developing their own projects and anticipating their own future needs. These training days allow members to update their husbandry practices and are an excellent opportunity to get together, to share their experiences and to learn from each other.

**23** set-up grants of €4,000

available subject to compliance with the Charter of Best Practices for Animal Husbandry and delivering colostrum

**58** financial aid grants of €2,000

available once a year for 5 years, subject to having attended 3 training sessions and a sales session or one of the cooperative's statutory meetings during the past year

The cooperative has supported the establishment of 24 young farmers during 2022

## The 'CAP'Jeunes' programme



The 'CAP' Jeunes' programme includes:

- financial support from the cooperative (up to €15,000)
- development of production volumes (up to 350,000 litres)
- technical and economic support via training with various speakers (3 sessions per year)
- discovering different production methods in France and abroad (1 study visit per year) for 5 years

The traditional exchange trip restarted in 2022. The programme covered training in the particular aspects of dairy production in Normandy, the advantages and disadvantages of a local area, discovery of ultra-fresh processed products with the involvement of the Maitres Laitiers du Cotentin dairy cooperative.



Julien Vasseur,  
Serques

“ Put 9 people in a minibus, go and discover another region and its specialties, the whole thing perfectly prepared and organised – a perfect cocktail for meeting new people. A trip filled with good humour, fun moments and new friendships.

”



## FAVOURING THE EMPLOYMENT OF THE OVER FIFTIES

Our business is committed not only to the young generations but also to the employment of seniors in particular by means of the following:

- **going part-time** at the end of one's career, for employees with over 15 years' service as part of our Quality of Life at Work agreement: 7 employees took up this option in 2022
- **non-discrimination on the basis of age** whether in recruitment or in our response to changes in the labour market: **5 new employees over the age of 50 were recruited to permanent or fixed-term contracts in 2022**

In 2022:



Employee numbers:

**19%** under 30 years of age

**28%** over 50 years of age



Recruitment:

**65%** under 30 years of age

**8%** over 50 years of age



# 3<sup>rd</sup> pillar



Safeguarding  
the future of  
the planet



# Reducing our carbon footprint upstream and downstream

At Prospérité Fermière Ingredia, it's part of our DNA to produce responsibly, to protect our planet and the environment. Our CSR approach, launched 10 years ago, is perfectly aligned with the expectations of our consumers and our B2B clients who not only buy our products but also demand that their supply chain and their suppliers respect and share their carbon reduction commitments.

## PILOTING PERFORMANCE WITH A CARBON ASSESSMENT TOOL

The company EY has supported us since 2022 in the development of our carbon assessment, which we expect to be delivered by mid-2023. It will serve as the starting point in our cooperative group's commitment to carbon reduction and our major commitment to acting for the future of our planet. This decarbonisation plan will run until 2030 and will involve the commitments of different 'scopes'\* within the business. The coming years will bring many challenges in reducing our carbon footprint and we know that this is a crucial issue for our customers and all of our stakeholders. It's why we are committed to progressing on numerous fronts with our various partners in the sector.



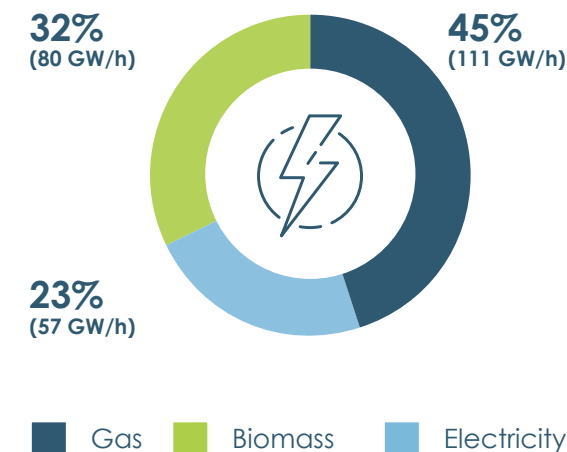
## ISO 50001: OPTIMISING ENERGY PERFORMANCE



Thanks to the energy management system put in place, Prospérité Fermière Ingredia is structuring its management of energy use and improving its productivity, while limiting its impact on the environment. We are preparing to comply with the Paris agreements. **Achieving ISO 50001 certification is the culmination of extensive work started by our teams in 2019.** Our entire workforce mobilised to adopt a culture of energy performance, both through sharing innovative ideas and in applying new procedures for monitoring energy usage. **The certification process led us to develop new skills within the group, and to share these with our stakeholders.** A multi-year energy performance plan allowed us to identify potential improvements and action plans to get us on the right track and reduce our energy consumption.

\*Scopes are a classification used for the evaluation of greenhouse gas emissions (GHG) within a carbon assessment. Governed by the GHG Protocol, the scopes are key tools for evaluating and categorising GHG emitted by an organisation. There are 3 different types of scope.

Breakdown of energy consumption by type in 2022



## A NEW BIOMASS BOILER FOR 85% GREEN ENERGY

Since 2008, Prospérité Fermière Ingredia had already pioneered steam generation from local biomass at its Saint-Pol-sur-Ternoise site. It has continued along this path in 2021 by signing a 15-year partnership with ENGIE Solutions for the design and operation of an ambitious new biomass heating plant, built to support the needs of increasing production. The expected performance, both in terms of productivity and reliability, will allow CO2 emissions from the factory site to be reduced by around 10,000 tonnes per year. The facility will be in service by the end of 2023.

### Favouring a circular economy for food production



Designed and constructed by ENGIE Solutions, with the help of local partners, this new boiler will derive value from renewable energy using local wood: biomass. 75% will be sourced from within a maximum radius of 100 km in order to support the dynamism of forestry in the Hauts-de-France.

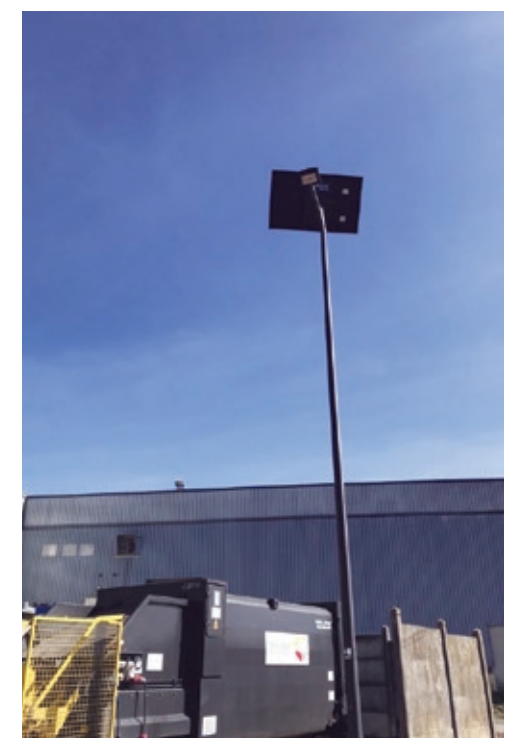
The energy provided to the factory will be 85% renewable from the end of 2023, up from 63% today. This will also limit the fluctuations in energy pricing for the company. This long-term investment project has been supported by the ADEME Support Fund as part of the France Relance plan and the BCIAT Biomasse Chaleur Industrie Agriculture Tertiaire (Biomass Heating for Industry, Farming and Tertiary Industry).

## LIGHTING THANKS TO HAUTS-DE-FRANCE SUNSHINE

New solar lamp-posts have been installed at our factory and head office sites. Solar lighting is ecologically responsible and enables us to limit our environmental footprint.

They contribute to energy savings and provide lighting in less accessible areas. They enable self-sufficient lighting: by producing their own energy, they avoid the constraints of underground or overhead cabling.

“ Solar lighting represents an annual saving of 1,215 kg CO2 compared with a cabled installation\* ”

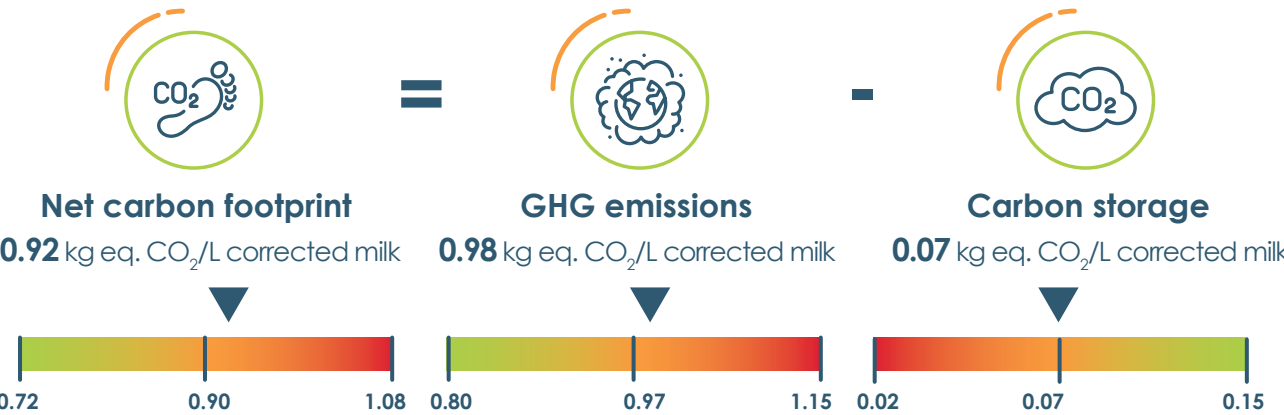


\*Base Carbone ADEME v11.0.0



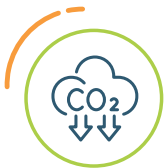
# SUPPORTING FARMERS IN REDUCING THE CARBON FOOTPRINT OF THEIR FARMS

The group supports its members in updating their working practices in various ways, such as training and partnerships, performing CAP'2ER assessments, or the innovative research project into regenerative agriculture with around ten pilot farms in 2021, in partnership with our client, General Mills. An upstream decarbonisation plan is also being prepared, linked to our carbon assessment and the resulting objectives to reduce our footprint.



Results from 10 pilot farms for year 1 of the group's "Regenerative Agriculture" project (group average)

Key upstream decarbonisation figures 2022:



**40%** (Footprint 0.97) initiative (2013-2021)  
of members committed to the Low Carbon Dairy Farm

**77** farmers signed up to the 3<sup>rd</sup> cohort for the Low Carbon Label project



**10** farmers involved in High Environmental Value certification

**10** farmers participating in the Regenerative Agriculture programme

Almost 40% of members have already completed a CAP'2ER assessment, 21% are level 2



We are fully committed to the dairy industry objective for 50% of dairy producers to complete an environmental assessment by 2025. Upstream skills in decarbonisation have been brought in house through the training of dairy advisers to perform level 2 CAP'2ER assessments. This is allowing us to put in place 5-year action plans for our members in order to help them to reduce their carbon footprints.

## RESPONSIBLE COLLECTION

In 2021, the Prospérité Fermière Ingredia became the first dairy group to opt for 100% responsible collection for the transport of its grass-fed milk from cows with a GMO-free (<0.9%) diet. The cooperative is supporting its transport partners in the deployment of biofuel solutions (B100) for collection vehicles, so helping us to support local energy transition in the Hauts-de-France region. Made in France, B100 biofuel is obtained from the extraction of rapeseed oil harvested in the region.

**“ In 2022, almost half of all milk was collected by vehicles running on B100 biofuel. ”**



# Recycling at every stage of the production chain

Reduce, Re-use and Recycle. Those are the verbs we have integrated into our everyday and we encourage our members and partners to do the same. Adopting all three good habits makes a difference and has committed our cooperative to an effective circular economy with a real impact.

## EVERY DAY, TRANSFORM EVERYTHING AND WASTE NOTHING!



### On the farm

The client bases of ADIVALOR and ENSIVALOR waste management include important partners

– farmers, distributors and industrial clients – who are working towards a common goal: collect, recycle and bring out maximum value from plastic waste and old tires from agricultural vehicles.

In 2022, a major awareness campaign was implemented, targeting partners, member farmers and transport providers with information packs explaining the steps to follow.



Collected for recycling in 2022

**14 T** of empty drums

**1,120 T** tires



### In the factory and head office

Numerous actions implemented across the two sites:

#### • Sorting of:

- paper
- small and large items
- plastics
- bottle tops
- cardboard

#### • Collection of used items

- clothing
- light bulbs
- batteries
- pens

Each year, 1 new recycling facility is set up.

In 2022

**70%**

of waste products at Ingredia are reused or recycled



To combat pollution, we have set up a special service which collects empty drums from our farms and recycles them.



# Optimising water resources

Good management of water is a major challenge for sustainable development. The Hauts-de-France region remains less affected by drought than other regions of France, but the teams from our cooperative are conscious of how rare this essential resource is.

This is why we are establishing a number of initiatives designed to improve our management of water consumption and to preserve the quality of water.

## THE 'ROS'EAU' PROJECT LAUNCHED IN 2022



The 'ROS'EAU' project was initiated in 2022. In time, it aims to introduce structure to Prospérité Fermière Ingredia's environmental management system, basing it around continuous improvement to limit significant impacts on the environment.

For the first year, the priority has been to put structure around water management. Management of waste, air pollution and protecting biodiversity are the subsequent stages of the project.

The ROS'EAU project will become a reality by obtaining ISO 14001 certification. This certification will reinforce our CSR commitments and is designed to reduce our environmental impact and ensure compliance with French and regional regulations.

## CHLORATE-FREE COLLECTION

Chlorates are by-products of chlorine-based disinfectants used in the cleaning of milking equipment, milk tanks and in drinking water treatment. European Regulation 2020/749 imposes a specific maximum residue level (MRL) for chlorates present in raw milk of 100 ppb (parts per billion), i.e. 0.1 mg/kg.

However, as we produce dairy ingredients by drying milk, we need to aim for a higher standard than the regulations require. The process of drying the milk multiplies the chlorate concentration in the milk powder by 8 compared with liquid milk. We are therefore imposing on ourselves an MRL of 10 ppb.

### Results

Several campaigns of taking samples from tanks have allowed us to examine the results of these actions achieved by members.



**99.5%**

of tanks at Saint-Pol comply with the regulations



**90%**

are below 10 ppb, a very high level of quality with regard to this contaminant

## REUSING WATER IN OUR PROCESSES

The Prospérité Fermière Ingredia group is implementing a water efficiency strategy in order to reduce the consumption of water taken from our catchment basins, to improve the use of water in our processes and to reduce the disposal of waste water into the natural environment (the Ternoise river).

Our transformation processes use water, partly for the cleaning of our facilities, an important factor in the quality of our products. In recent years, INGREDIA has established solutions which reuse water from Clean-In-Place (CIP) units, filtration units etc: actions to make the most of our water at every stage of our process in compliance with existing regulations.

## POSITIVE WATER RESULTS

Industrial dairy sites dispose of a volume of water greater than their water intake, because their concentration and drying processes extract water from the milk (which is itself 80% water). In 2022, **our ratio reached 114%. We therefore contributed to the water levels of our local area.**

We have launched a study into the treatment and filtration of water evaporated from milk in order to collect it and reuse it in processes. We use water purified by reverse osmosis in our production processes, and have conducted a project to treat concentrates generated as part of the production of osmosis water so that they can be reused, which would allow us to **reduce our water consumption by 100,000 m<sup>3</sup>, thus reducing our demand for water pumped from boreholes.**

Together, these operations are entirely coherent within the context of climate change whose symptoms are seen increasingly in the Hauts-de-France region.

2022



Environment - Water

**1,343,640**

Volume of water drawn (m<sup>3</sup>)

**943,958**

Volume of waste water discharged into the network (m<sup>3</sup>)

**2.75**

Average volume of water used in our processes per litre of raw milk





# Acting to preserve biodiversity and animal wellbeing

Helping to maintain biodiversity and ensuring animal wellbeing are two workstreams which have been running for several years at Prospérité Fermière Ingredia.

Planting hedges, biodiversity assessments upstream of projects, installation of beehives at the factory site in Saint-Pol, training for our members in animal wellbeing, there are many examples of our actions. Here is a selection of those from 2022.



Our members' farms ensure a significant milk density level and contribute towards maintaining an average biodiversity of 75 ha.

## OBJECTIVE 100% ANIMAL WELLBEING ASSESSMENT

Our ambition is to have undertaken an animal wellbeing assessment for 100% of farms by 2023. Assisted by the Welfarm association, we are developing and promoting best husbandry practice. We started the rollout of the Boviwell assessment in 2021, firstly on organic farms and farms producing GMO-free grass-fed milk. Since 2022, Boviwell is coupled with a husbandry best practice charter. It will be updated for each member every 3 years with an assessment of changes and potential action plans.

The first returns are very positive with 100% of our members achieving 'superior' level.



Scoring scale

## TRAINING TO ENSURE ANIMAL WELLBEING

Each year, the cooperative group organises several training courses to support our members in animal wellbeing for their cows and goats.

### Handling cows well



In order to handle a cow in the most effective way, it is essential to start by knowing and understanding the animal's behaviour. An approved trainer from the Institut de l'élevage provided training to our members in 2022, to reiterate the key points necessary for the animal's wellbeing:



stay calm



anticipate the animal's reaction



use your voice and physical contact to warn the animal of your intentions

For practice on their farms, members present had the opportunity to train in using various knots and halters for safe handling and animal wellbeing.

### Caring for heifers



Rearing and caring for heifers is also a key step towards improving the performance of a dairy herd.

Wishing to provide our young members with the information and nutritional fundamentals they need to get the best from their heifers, 89 of our cooperative members received a training session from a heifer expert from Oxygen Conseil in 2022.

## TAKING CARE OF THE FAUNA AND FLORA OF THE TERNOISE

The Ternoise river in the Hauts-de-France, with its source at an altitude of 137 m and a length of 41.4 km, passes through Saint-Pol-sur-Ternoise. It crosses the watershed of the Canche, mostly made up of farmland. Prospérité Fermière Ingredia abstracts water from the river, so has a responsibility towards the conservation of its fauna and flora.

Every year, the 'Gaule Populaire' association organises an operation to re-stock the fish population of the river. This provided an opportunity for Prospérité Fermière Ingredia to release 500 kg of Fario trout, a native species, into the river, and to commit to an involvement in the trout census planned for 2023.

Developing the biodiversity of the Ternoise not only benefits the fauna of the river, but also the development of the flora and the stabilisation of the riverbanks.





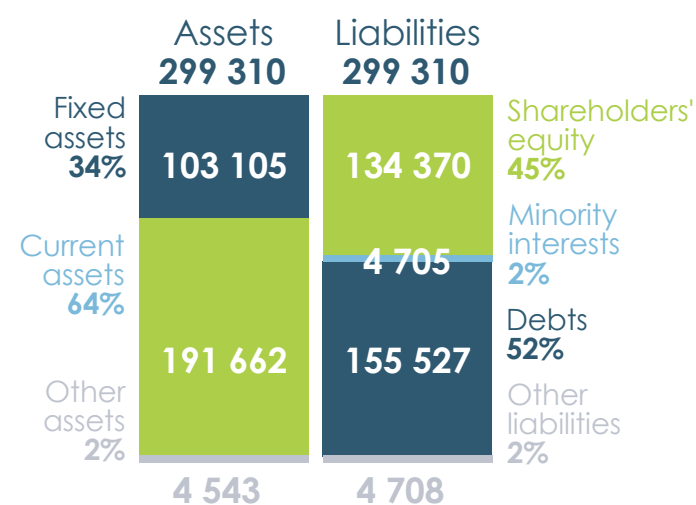
# Financial analysis

## Some figures

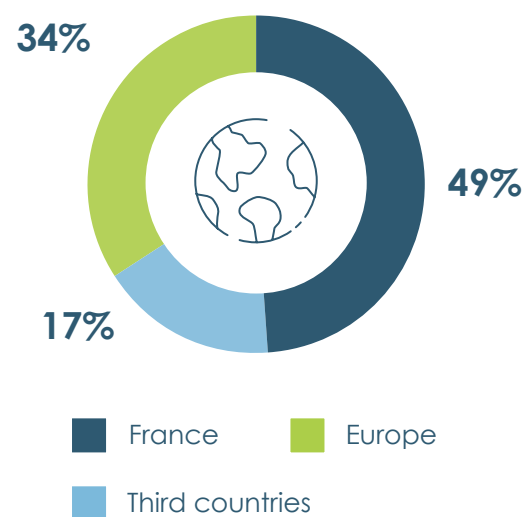
Balance sheet at 31/12/2022 (in €K)

	2022	2021
<b>Turnover</b>	<b>437,374</b>	<b>375,386</b>
Members' milk contributions	179,669	147,871
Operating income	4,584	973
Net income	7,252	2,484
Self-financing capability	19,092	10,508

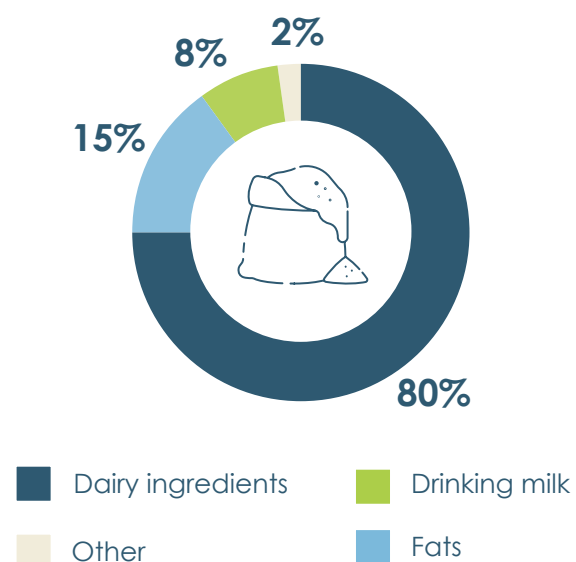
Balance sheet (in €K)



Breakdown of turnover by geographic area



Breakdown of turnover by product type



# Our communication in 2022

## Our social networks are progressing

**31,575** followers **+15%** in 2022

**f** **6 pages** **i** **2 pages**

**in** **5 pages** **t** **4 accounts**

## Our activities in 2022:





# JOIN US!



is

Entreprise



Certifiée

since June 2023

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— Dairy explorers since 1949 —