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INTRODUCTION

Measures taken by LFB over the year

In 2021, a year marked by the continuing COVID-19 pandemic, LFB was particularly committed to all of its stakeholders to meet its mission in the service of patients.

Despite the health crisis, LFB continued to pursue its strategy to refocus its activities on its core businesses. Its strategic projects have progressed: after the launch in the United States of SEVENFACT[®], a recombinant activated factor VII for the management of certain forms of haemophilia, a registration dossier was filed with the European Medicines Agency. Construction of the new plant in Arras moved forward despite the pandemic : the building is finished, the utilities have been commissioned and the equipment has been delivered.

As part of the "France Relance" plan, LFB has invested in and expanded its bioproduction site in Alès in order to be able to manufacture potential treatments to fight Covid-19 on behalf of three companies.

On the industrial front, despite absenteeism due to the pandemic, the company was able to produce more than in 2020.

In this unprecedented context, the strong commitment of LFB's employees was also demonstrated by various collective initiatives: the connected race for the IRIS patient association and the "United Heroes" challenge were highlights for the company in 2021 and brought employees together in these initiatives to give added meaning to their daily activities. These examples of shared commitments and action united employees from different departments and sites, and forged bonds in the common goal of serving patients.

More broadly in 2021, LFB continued to provide active support to patient associations, in France and internationally, as well as support to blood donor associations in France. The committee composed of donor and patient associations, created in 2019 and chaired by LFB, also met in 2021.

LFB thus has a continuing relationship of trust with its employees, healthcare professionals and patient and blood donor associations. This trust is based on transparency. Transparency with regard to our values first and foremost, since LFB's mission is to ensure the health of patients. Transparency also about its mission, as the company and its employees are fully committed to providing treatments, while meeting today's social and environmental challenges. Lastly, transparency about biological safety, since LFB remains at the forefront in terms of drug safety.

In 2021, LFB actively recruited new talent, with around 371 new hires for all contract types in France. It invested heavily in the training of its employees, in partnership with various schools and universities. Employee well-being and success are essential.

In 2021, LFB also continued its quest to reduce its environmental impact, with better control of water and energy consumption, reduction of greenhouse gas emissions and waste management. Between 2020 and 2021, recycling of non-hazardous waste remained stable at over 55%. The company also worked to reduce travel and commuting: shuttle service for employees, carpooling, new technologies (video conferences, collaborative spaces), remote working, etc. Finally, since August 2021, the Alès site joined the industrial sites in Les Ulis and Lille to consume 100% renewable electrical energy of French origin.

Several audits and assessments have praised LFB's CSR performance:

- the CSR audit conducted in France by the CAHPP (Central medicinal product purchasing centres for public or private hospitals and clinics) awarded LFB with the **“Exemplary” Green Index level** for its compliance;
- the **A++ label** that was renewed for the 6th consecutive year;
- In the assessment by the EcoVadis platform, LFB was awarded the **Silver medal** for the 2nd year in a row for its level of CSR maturity, which places LFB among the top 8% of best companies in the same sector of activity assessed in 2021. Action plans have been implemented in order to correct certain areas to be improved before the next assessment scheduled for July 2022.

These results encourage LFB to pursue its approach of social, societal and environmental responsibility.

LFB wishes to highlight the extraordinary work of all its teams in 2021 that was disrupted by several lockdowns. LFB's employees have ensured the continuity of production of 15 medicinal products of major therapeutic interest for the treatment of serious and often rare diseases. This exemplary commitment was carried out in the service of patient health.

1. LFB'S BUSINESS MODEL

LFB develops, manufactures and commercialises plasma-derived medicinal products and recombinant proteins for patients with serious and often rare diseases in the fields of haemostasis disorders, immunology and intensive care.

Drawing on its firm base of strong values revolving around Initiative, Exemplarity, Culture of excellence, Team spirit and Integrity, LFB is fully committed with its employees to carrying out its public health mission for patients.

LFB advocates a socially-responsible and environmentally-friendly business model, to ensure the well-being of its employees and respect its ethical commitment to both healthcare professionals and patients.

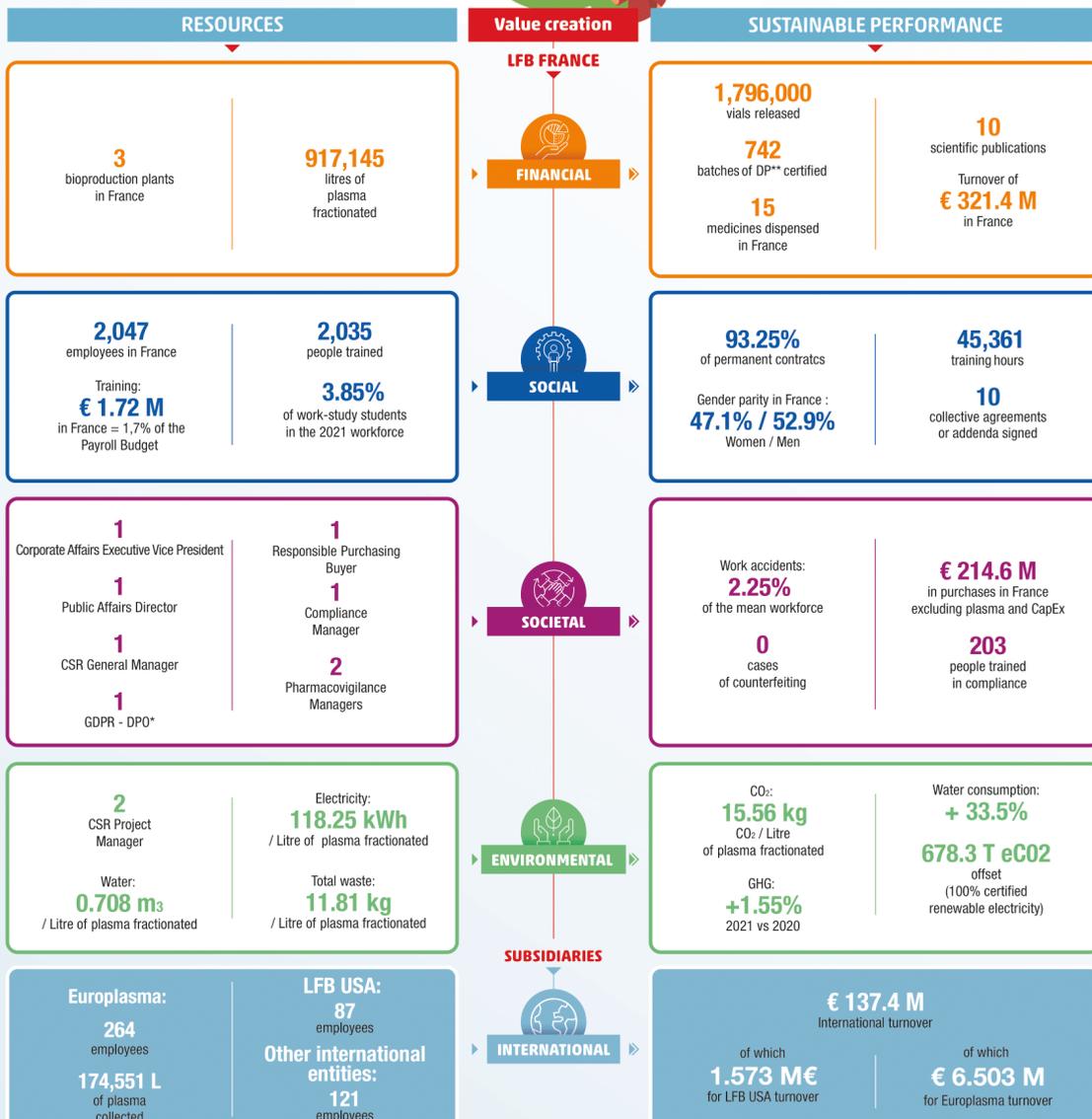
To guarantee the success of this mission over the long term, improve its performance and develop its know-how, LFB implemented a new strategy in 2018 to refocus its activities on its core business. This new strategy, supported by all of the company's employees, has been translated into concrete objectives:

- To build a new organisation tailored for the new strategy, while still respecting the values of LFB;
- To give priority to industrial affairs, and thus address the injunctions handed down by the ANSM (French National Agency for Medicines and Health Products Safety) concerning several of LFB's industrial sites. These injunctions were lifted in November 2019. Among the industrial priorities, the construction of the new Arras plant continues to progress, on time and on budget;
- To refocus the company's activities on its core business: plasma-derived medicinal products and recombinant proteins;
- To strengthen our leadership in France and focus our international development in certain countries (United States, Germany, United Kingdom, Spain, Italy, Belgium, Mexico and Turkey).

LFB's new business model and ongoing transformation have improved both its economic and environmental performance.

Thanks to its adaptability and innovation, LFB continues to pursue its ambitious mission every day: to develop, manufacture and help patients with crucial biomedical products for the treatment of serious and often rare diseases. LFB is therefore a key player for healthcare professionals and patients alike.

LFB'S BUSINESS MODEL



GDPR - DPO*: General Data Protection Regulation - Data Protection Officer | **DP: Drug Product

2. CSR RISKS

2.1 OUR PROTOCOL

A multidisciplinary approach

In 2018, LFB identified a number of sustainable development challenges in connection with its new strategy, the company's priorities and the expectations of its stakeholders. In 2019, a CSR working group was formed to identify new risks. In 2020, this working group was expanded to include representatives from all LFB sites, and was thus renamed the Stakeholders Committee. This committee also provides advice, bottom-up communication, and conveys the Group's vision for initiatives submitted for consideration.

The Financial Affairs department (DAF) and CSR unit will pursue the same policies to tackle clearly identified challenges and monitor the same indicators over a 3-year cycle. This approach will serve to monitor performance indicators linked to the policies and initiatives implemented over a defined period of time, and to assess the results.

This statement will address the overall impact of the COVID-19 pandemic on the main challenges facing LFB.

For this purpose, the company has defined the 15 CSR topics deemed most important in terms of its activities:

	Challenges	Risks
1	Preventing and reducing absenteeism	Operational and financial impact
2	Maintaining adapted professional development and remuneration policies	Loss of company attractiveness
3	Guaranteeing a representative workforce in terms of gender and age	Increased discrimination and loss of knowledge transmission (integration of young people and tutoring)
4	Guaranteeing the match between employee skills and the requirements of their jobs	Mismatch between business needs and employee skills
5	Reinforcing attractiveness to recruit talent	Loss of attractiveness, with a negative operational and financial impact
6	Guaranteeing health and safety conditions at work	Responsibility for employee health
7	Evaluating of collective agreements	Reduction of social dialogue with a risk of development of social movements
8	Managing water consumption	Risk of business disruption and environmental impact
9	Defining waste prevention, recycling and elimination measures	Increased expenses and environmental impact
10	Evaluating measures taken to promote patient health and safety	Risk of non-renewal of product authorisations (MA)
11	Promoting initiatives to reduce greenhouse gas emissions	Increased pollution and CO ₂ emissions in the atmosphere
12	Managing energy consumption in the company's activities	Risk of business disruption and environmental impact

13	Taking social challenges into account in the purchasing policy (towards subcontractors and suppliers)	Financial health risks in connection with agreements and partnerships
14	Maintaining conditions that promote dialogue with people or organisations concerned by the company's activities Maintaining partnership or sponsorship initiatives	Significant risk with respect to the shareholder and partnership agreements
15	Preventing and fighting corruption	Ethics and compliance risks that are legal and financial

2.2. OUR KEY CHALLENGES AND RISK REDUCTION OBJECTIVES

The main challenges described above can be classified into a few major areas.

Social issues

- A. Challenges connected with the total workforce and breakdown by gender, age and geographical area
- B. Challenges connected with wages and wage trends
- C. Challenges connected with absenteeism
- D. Organisation of social dialogue, including procedures for informing and consulting staff and negotiating with them
- E. Evaluation of collective agreements, particularly regarding health and safety at work
- F. The policies implemented in terms of training, and the match between employee skills and the requirements of their jobs.

Environmental issues

- A. Water consumption and water supplies according to local constraints
- B. Waste prevention, recycling and elimination measures
- C. Significant areas of greenhouse gas emissions caused by the company's activities.
- D. Measures taken to adapt to the consequences of climate change

Societal issues

- A. Measures to promote consumer health and safety
- B. Relations maintained with the company's stakeholders and the procedures for ensuring dialogue with them - Sustain partnership or sponsorship initiatives
- C. Consideration of the social and environmental responsibility of suppliers and subcontractors in relations with them
- D. Fight against corruption and tax evasion

2.3. CHALLENGES NOT DISCUSSED

Certain risks (mandatory by law, see Article L225-102-1) were not considered important based on LFB's business model. Those risks are as follows:

A. The company's commitment to the community in the areas of:

- a. **The circular economy**, the company's activities, although sensitive to the circular economy and the life cycle of the components used in the manufacture of medicinal products, reuse part of its non-hazardous waste, recycle the used diluted alcohol as a by-product or send it out for regeneration. Production manufactures single-use drugs that cannot be used or recycled at the end of their shelf life.
- b. **The fight against food waste**, the company cafeterias at LFB's main sites (Les Ulis and Lille) are outsourced to professional organisations. LFB is responsible for its service providers and monitors the information they provide on the tonnages of food waste. The service providers carry out awareness campaigns towards LFB's staff to help reduce food waste.
- c. **The fight against food insecurity**, LFB's activities are not concerned by this commitment.
- d. **Responsible, fair and sustainable food**, LFB's main activities are not concerned by this societal commitment.

B. Initiatives to combat discrimination and promote diversity

With a workforce in France comprising employees of 24 different nationalities, LFB has developed a set of practices designed to foster workplace equality amongst its staff and ensure the absence of discrimination on the grounds of gender, ethnicity, age or sexual orientation. It ensures that its employees demonstrate ideological, religious and political neutrality. This challenge is addressed by the social initiatives of LFB.

C. Measures taken for the disabled

A specific policy for the employment of people with disabilities was initiated in 2012. The aim is to ensure that disability is not a barrier to people expressing their skills and individual talents.

As part of its policy to promote the social insertion of people with disabilities, LFB is committed in the regions where it has a large site to set up structural collaborations with ESATs (Work Aid Establishments and Services).

This challenge was not identified by internal stakeholders because it does not represent a major risk.

3. SOCIAL DOMAIN

3.1. TOTAL WORKFORCE AND BREAKDOWN BY GENDER, AGE AND SUBSIDIARY

Challenge

As the company enters the “New Impetus” period, it recognises the importance of good workforce management. The breakdown of its workforce and how it evolves over time must be controlled. This is a legal obligation, but, more importantly, a growing workforce can also serve to better attract new talent to join LFB.

Thus, increasing its notoriety and developing its attractiveness as an employer in order to capture talent are key objectives that will support and promote the growth of LFB (in particular for the construction of the future plant in Arras).

Policy

The social policy towards employees is a key challenge for the company's performance and sustainability.

In order to accompany and support growth, the company's social policy is based in particular on:

- Construction of our Employer Brand and implementation of a suitable communication strategy in that context,
- Our commitment to the integration of young people in our teams through apprenticeships and on-the-job training.
- Initiatives to promote internal mobility.

Measures implemented

1. Social assessment

The monthly workforce figures and annual summary are presented in the company's social report each year. The social assessment examines the following HR indicators:

- o Annual evolution of Arrivals / Departures by contract type,
- o Annual evolution of Arrivals,
- o Turnover.

2. Development of the Employer Brand

In 2021, LFB completed a project to co-construct its Employer Brand involving a group of 80 employees from the company's various businesses and sites and initiated the first communication initiatives. The Employer Brand strategy developed will be deployed in 2022, with the goals of:

- o Developing the attractiveness of LFB, increasing its notoriety among candidates,
- o Promoting pride in being a part of the company and encouraging employees in their role as ambassadors.

3. Development of work-study contracts

LFB pursues an active policy to promote the long-term integration of young people into teams, with a view to:

- o creating a pool of specific skills in the short and medium term through hands-on collaboration,
- o developing partnerships with schools that provide training in our professions in the regions of LFB's sites,
- o promoting the Employer Brand,
- o committing to an approach that is consistent with the values of LFB.

The Recruitment & Employer Branding department has formed a team dedicated to the rigorous recruitment of work-study trainees as well as the monitoring and guidance of this community.

- **57 new work-study contracts were signed in 2021 (counted in the 72 work-study trainees present on 31/12/2021).**
- In 2022, LFB aims to **recruit 120 work-study trainees** and long-term interns in France.

4. Continuation of the co-optation programme

The LFB co-optation programme was set up to encourage and reward the referral of a new CV not known to LFB. Employees, as the company's best ambassadors, are encouraged to recommend people they have met personally for open permanent positions.

This system also has many advantages for both the company and the co-opted employees:

- Accelerated recruitment process,
- Easier integration,
- Higher level of commitment of the new employee,
- Guaranteed respect for LFB's values.

In 2021, **206 candidates were recommended** by LFB employees and **34 positions** were filled through co-optation.

5. ARRAS mobility agreement

A fixed-term agreement on support for mobility to the Arras site was signed by all the trade unions in July 2021. It allows any employee wishing to join the Arras site to receive financial and non-financial benefits, as well as professional support to facilitate their geographical relocation:

- Assistance in finding housing,
- Support for geographical relocation,
- Professional support measures:
 - 1 GPEC (Forecasting Management of Jobs and Skills) meeting took place in September 2021, and 6 inter-site mobility meetings (in the presence of the site managers and HRBPs concerned) took place in 2021 (01/07/21 – 26/08/21 – 06/ 09/2021 – 05/10/21 – 10/11/21 – 02/12/21)
 - **17 internal transfers** to ARRAS were finalised.

The initiatives implemented for the Europlasma subsidiary were to deploy certain HR Group policies and to initiate the following structuring projects:

- Implementation of a new working time recording system in Austria,
- Implementation of Workday (LFB HR application),
- Harmonisation of the vacation year for Austrian employees. Some donation centres use the work year as the vacation year and others use the calendar year. They must be harmonised for the working time tracking system, because it can only manage one-time accounting system.

6. Equal treatment

Challenge

The values of the LFB Group and its commitments in terms of social responsibility testify to its commitment to combating discrimination and achieving equal professional treatment between women and men. Diversity is seen as a strength and the fundamental challenge of having a mix of talents is a factor of social balance and economic efficiency for the company.

Policy

LFB has long been convinced of the richness of diversity and, through its policy, is committed to:

- Ensuring women and men are treated equally, fighting against discrimination of all types (recruitment, professional training, remuneration, career management),
- Promoting a good work/life balance.

Putting in place measures for the professional integration and continued employment of workers with disabilities.

Measures implemented

1. Measures taken to promote gender equality

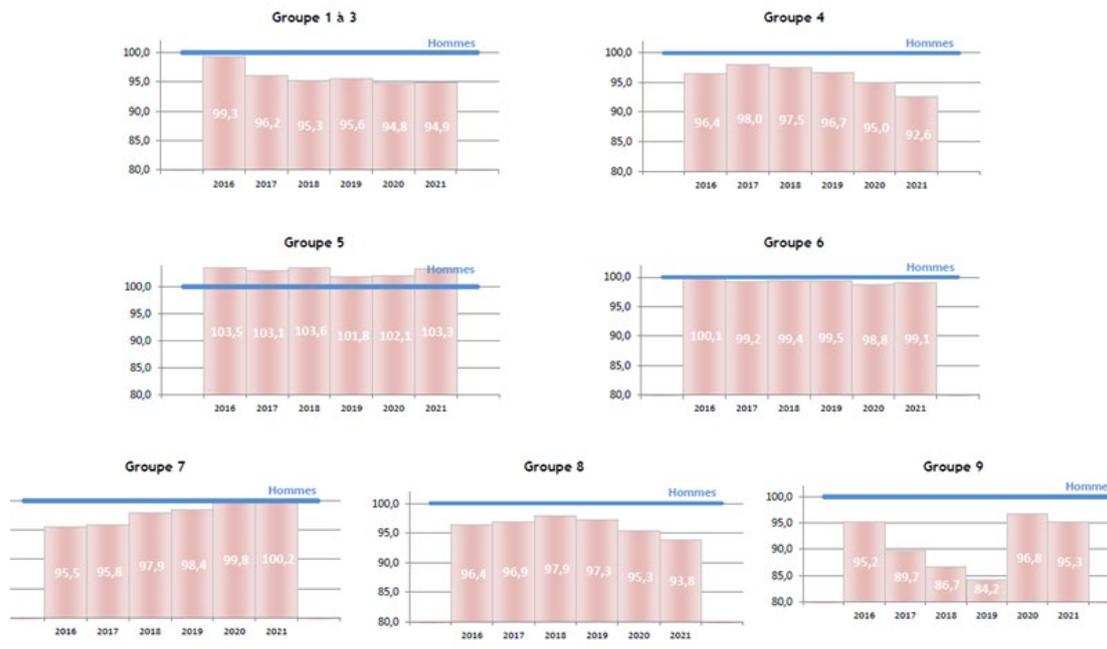
An agreement on professional equality between men and women was signed in 2018 by all the representative trade union organisations and company senior management, in continuation of the agreements signed in 2012 and 2015.

- o Breakdown by sex - Women/Men
 - Gender parity at LFB remained stable compared to 2020 (2021: Women=47% and Men=53%).

As a reminder, LFB is one of the pharmaceutical groups with the best representation of women in its governance body, with 50% women on the Executive Committee with the Chief Executive Officer. LFB is particularly proud to follow best governance practices in terms of gender equality.

- o Graph of salary changes between Women and Men between 2016 and 2021.

Graphique 2: Positionnement du salaire de base moyen (hors prime d'ancienneté) des femmes par rapport aux hommes de 2016 à Déc 2021
Base : effectifs permanents de décembre de chaque année (CDI à temps plein présent tout le mois)
Effectifs permanents de Déc 2021



2. Measures taken to promote employment and integration of people with disabilities

Our disability policy aims to:

- o Keep workers with disabilities employed, through ergonomic improvements of the workstation (appropriate armchairs, transparent masks, etc.),
- o Financial support: a bonus or Universal Employment Services Cheque (CESU) check for people declaring themselves to be RQTH (Recognition as a Disabled Worker).
- o **93** people received the bonus or CESU check across all sites in 2021.

3. Solidarity initiative: the "Donation of days off between employees" campaign

- o "Any employee who is responsible for the care of a child under 20 years of age or his or her spouse with a serious illness, a disability or who was the victim of a particularly serious accident that makes sustained presence and compulsory care essential can request a donation of days off from LFB."
- o This policy allows employees to transfer part of their earned days off on a volunteer basis to another employee with a dependent child aged under 20 who is seriously ill, disabled or has been the victim of a particularly serious accident.

In 2021, 52 days were collected and 11.5 days were given. The remaining days are kept in the bank of days for use during the upcoming campaign or to meet a request before the campaign in the following year.

RESULTS

	MEN				WOMEN				Total per company
	Perm. contr.	Fixed contr.	Trainee	Total	Perm. contr.	Fixed contr.	Trainee	Total	
LFB France	1,028	22	32	1,082	881	44	40	965	2,047
Europlasma	46	4	0	50	198	16	0	214	264
LFB USA	34			34	53			53	87
TOTAL	1,108	26	32	1,166	1,132	60	40	1,232	2,398

- o The total workforce was **2,398 employees in 2021**. The Group data was the sum of the data for France and the EUROPLASMA and LFB USA subsidiaries.
- o Employment: **371 arrivals in 2021**, under all contracts in France in (excluding transfers and contract suspensions), vs. **392** in 2020.
- o **72 work-study trainees** registered for the 2020/2021 school year in the workforce as of 31/12/2021, (vs. 56 work-study trainees in 2020)
- o **3.85%** work-study trainees in the workforce in 2021 (number of work-study trainees/mean workforce (1872) in 2021), vs. 3.2% in 2020

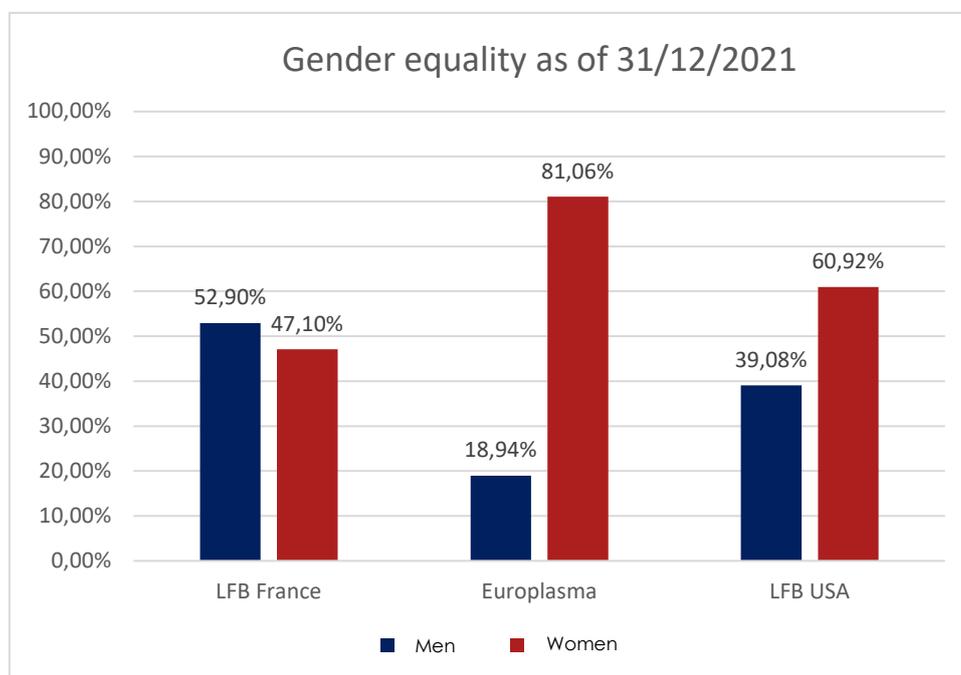
Breakdown of workforce registered as of 31/12/2021 by age group							
Age group	- 25yrs	25-34yrs	35-44yrs	45-54yrs	55-59yrs	+ 60yrs	Total
LFB France	113	539	556	527	198	114	2,047
Europlasma	15	64	77	81	22	5	264
LFB USA	2	12	20	24	15	14	87
Total	130	615	653	632	235	133	2,398

Breakdown of workforce registered as of 31/12/2021 by time with the company							
Time with company	- 2yrs	2-5yrs	6-10yrs	11-20yrs	21-30yrs	+30yrs	Total
LFB France	570	436	222	391	229	199	2,047
Europlasma	63	69	81	45	6	0	264
LFB USA	27	18	15	13	12	2	87
Total	660	523	318	449	247	201	2,398

- o The mean age in the Group companies in France was **42.7 years** (vs. 42.2 years in 2020).
- o The mean period of employment in the Group companies in France was **11.8 years** (vs. 11.6 years in 2020).
- o The breakdown between executives and non-executives is only provided for the French workforce (not analysed for the subsidiaries).

Executives / Non-executives as of 31/12/2021 in France		
Status	Registered workforce	Breakdown
Executives	950	53,60%
Non-executives	1,097	46,40%
Total	2,047	100.00%

Gender equality in the workforce as of 31/12/2021



KEY PERFORMANCE INDICATORS (KPIs)

Turnover Rate - 2021			
	LFB France	Europlasma	LFB USA
Total departures from permanent contracts	152	37	24
Mean workforce	1,872	259.4	91
Turnover rate	8.12%	14.26%	26.37%

The **turnover rate** is calculated in the same way at the Group level corresponding to: Number of departures from permanent contracts in year n / Mean number of permanent contracts in year n.
Example of France = 152/1,872 = 8.12%.

- **Gender equality has been stable in France** over the last 3 years for the entire France scope.
- **+ 54.6% work-study trainees** in 2021 compared to 2020.

3.2. REMUNERATION

Challenge

Without a fair and balanced remuneration policy that takes the realities of the market into account, it is difficult to attract, motivate and retain the best employees. In order to keep up with the race for talent and control the turnover rate, LFB must consider implementing a relevant HR strategy and a competitive remuneration policy to increase its attractiveness.

Policy

LFB ensures that it has a wage policy that allows it to be attractive in its sector of activity in order to limit turnover and build employee experience over time.

In France, base salary changes take place once per year following mandatory annual negotiations with central union representatives, which concern all employees. In 2021, an agreement was signed following mandatory annual negotiations with all the trade union organisations, and included an addendum to the Group savings plan agreement and an addendum to the Collective Retirement Savings Plan (PERCO) agreement.

The remuneration data relate to the annual gross payroll and include both fixed elements (base salary, seniority bonus, etc.) and variable elements (variable pay of executives, overtime, job bonus, etc.). The internal minimum wage scale applied is above the conventional minimum. The internal minimum wage scale applied is above the conventional minimum.

For the Europlasma subsidiary, the legal rules specific to each country are followed.
For remuneration:

- Salaries in our company in Austria are governed by the "Collective agreement for employees" (not specific to our branch) which is a default agreement in the absence of specific branch agreement. The scales of the agreement are updated each year in January. Senior executives have a share of variable compensation which averages around 10%. As for the organisation of work, the weekly working hours vary widely from 7 to 40 hours (10 hours, 12 hours, 17 hours, 20 hours, 21 hours, etc.).
- In the Czech Republic, the company has a salary scale based on the level of the position (implemented since 2021 with the help of an HR consultant). Local inflation is monitored in order to index the scale annually as closely as possible. Regarding the organisation of work in the Czech Republic, the time profiles are much less diverse. On average, 10 to 20% of the salary is variable (bonus on individual objectives for executives and collective for non-executives).

Measures implemented

In accordance with the provisions of the French Labour Code relating to annual negotiations in the company, the trade union organisations and senior management met 3 times on 14, 21 and 29 January 2021 and 11 February 2021.

The agreement signed in 2021 on mandatory annual negotiations included the following measures:

- General salary increase of 0.9% on 01/03/2021 with a minimum of € 40 on a full-time basis,
- Merit bonus for groups 1 to 6, with a guaranteed fixed base of € 300,
- Exceptional bonus of € 550 for all employees,
- Continuation of the success of the Group Savings Plan (PEG) and Group Collective Retirement Savings Plan (PERCO) and renewal of the matching contribution principle for the Collective Retirement Savings Plan. The matching level was revised upwards for the year 2021 by aligning the PEG and PERCO matchings.

With regard to the revision of the conventional minima of the LEEM (France's pharmaceutical industry trade association), LFB will apply a rate of revision of its internal minimum wage scale, as negotiated and implemented in 2018, in order to maintain a difference of 3% above the "minimum professional salary" grid published in Addendum I of the National Collective Agreement for the Pharmaceutical Industry.

A three-year profit-sharing agreement was signed with all the trade unions for the years 2021 to 2023.

For the Europlasma subsidiary in Austria, the salary increase for 2021 follows the branch collective agreement. Some employees (for example doctors, centre directors, various other national directors) can be granted a raise above the average. Despite the health crisis, unemployment currently remains close to zero for these categories of employees.

In the Czech Republic, remuneration remains highly individualised. In 2020/2021, a new company-wide remuneration system was introduced for increased transparency. The salaries of doctors and nurses are still negotiated individually according to the labour market and available budgets.

RESULTS

- 0.9% general salary increase as of 03/01/2021
- Exceptional bonus of € 550 for all employees
- Merit bonus for groups 1 to 6 (guaranteed minimum of € 300)

KEY PERFORMANCE INDICATOR (KPI)

Pay raises in 2021				
	LFB France	Austria	Czech Rep.	LFB USA
Annual raises	0.90% (minimum of € 40)	1.45%	7.50%	1.14%

3.3. WORKPLACE

3.3.1. PREVENTION OF ABSENTEEISM

Challenge

LFB promotes the health and safety of its employees as well as good quality of life at work, which helps to limit absenteeism.

Policy

The Health and Quality of Life at Work Policy was implemented and addresses health prevention measures in particular in light of the health crisis, job retention, quality of life at work (Group agreement) and public health information. The Health and Quality of Life at Work Policy is considered as one of the company's important levers of economic performance and reduction of absenteeism.

Measures implemented

1. Agreement on remote work

In July 2021, LFB concluded an agreement relating to remote work for all of its employees in France whose position is eligible, allowing them to work up to two days per week from their home, or from another place declared in advance, thus reducing their transport time. This agreement also contributes to a better work-life balance and provides organisational flexibility for teams.

2. Initiatives to fight absenteeism at the Lille and Les Ulis sites

A prevention plan against absenteeism was initiated and includes the following initiatives:

- Detailed analysis of results in order to better target the causes,
- Reinforcement of communication on the absenteeism numbers for each sector,
- Definition of a process to be followed for employees / managers in the event of absence, covering the following elements:
 - o Thoughtfulness and respect
 - o Reintegration discussion
 - o Maintaining contact with long-term absentees
 - o Proposal of an adapted position to allow for work in the event of a pathology or in the event of an accident at work.
- Training of management and elected representatives in this process and in the legal constraints of absenteeism (rights and duties of employees and the company): one-day training, essentially participatory with simulation of reintegration discussion,
- Establishment of a working group in Lille including members of management and elected representatives, in order to work on the potential causes of work-related absences, with 2 main areas of focus:
 - o Physical aspects, with initiatives aimed at improving the ergonomics of the most onerous workstations,
 - o Psychological aspects have not yet been explored: an inventory followed by an appropriate action plan are planned for 2022 with an external service provider.

3. Prevention of psychosocial risks

LFB has set up listening and support platforms for employees: this measure has been reinforced and employees have been reminded of its existence in the context of COVID-19.

- o **Pros-consulte:** telephone listening and support platform. Anonymous, confidential, toll-free calls, accessible 24 hours a day, 7 days a week.

- **Hope Expert:** platform offering support by telephone and video conferencing. Confidential requests are submitted by making an appointment at the website <https://hopecoachs-lfb.youcanbook.me>.

4. Agreement on the right to disconnect

An agreement on the right to disconnect was signed with the trade unions in 2021.

In the context of the digital transformation involving a paradigm shift at work, the company has been confronted with new ways of working, new organisations and new production and design methods. The development of digital tools and their increasing accessibility are blurring the boundaries between our private and professional lives.

This is why a collective agreement was signed by the majority of trade unions relating to the right to disconnect within the LFB France ESU (Economic and Social Unit). It reaffirmed the need to regulate the use of digital tools on the one hand, and, on the other, to promote reasonable management of information and communication technologies.

The social partners and senior management confirm the importance of proper use of digital tools in order to ensure that rest and leave times as well as the balance between private and family life and professional life are respected.

3.3.2. SOCIAL RELATIONS

Challenge

As part of its efforts to balance the expectations of its employees with pharmaceutical, regulatory and industrial constraints, LFB strives to maintain good social dialogue.

In the context of the health crisis in 2020 and 2021, senior management remained focused on preserving good social relations within the Group. Respect for and attentiveness to employees and their representatives have always fostered a constructive climate. LFB was thus able to preserve the trust of its employees by establishing continuous transparent social dialogue.

Policy

LFB always favours more direct dialogue at all Group sites in France and this goal is supported by a coherent and dynamic social policy with the signing of 10 social agreements in 2021 (cf. Results section).

Measures implemented

1. Organisation of social dialogue

The representative bodies of the LFB France ESU (Economic and Social Unit) are organised as follows:

- A site SEC (Social and Economic Committee) for each scope (Hauts de France and Les Ulis/Alès) with a site Health, Safety and Working Conditions Committee (HSWCC),
- A central SEC with a central HSWCC,
- A Group committee,
- Monthly site SEC meetings, and 10 central SEC meetings in 2021.

2. Assessment of collective agreements

The commitment to constructive social dialogue resulting in the signing of collective agreements forming the basis of our social policy.

Despite the health context, negotiations continued in 2021 with the signing of **10 collective agreements**:

- Mandatory annual negotiations

- Collective Retirement Savings Plan (PERCO) addendum
- Tutoring agreement
- Addendum to the Group savings plan
- Remote work agreement
- Profit-sharing agreement
- Agreement on internal mobility to ARRAS
- Agreement on the right to disconnect
- Pre-electoral agreement protocol, election of staff representatives to the Board of Directors of LFB SA
- Pre-electoral agreement protocol, election of staff representatives to the Board of Directors of LFB Médicaments

3. Culture and values

Challenge

It is essential for LFB to provide its employees with a working environment that maintains their motivation and commitment. Motivation is developed or maintained, among other things, if employees find meaning in their activities and if the quality of life at work is good.

Policy

To meet this challenge, LFB implements actions to:

- Make its corporate culture visible and understandable (Who are we? What is our mission? What are our Values?),
- Make the link between the products we manufacture and the patients, to give meaning to our activities,
- Offer employees services or events that improve their daily lives.

Measures implemented

The actions implemented in 2021 under this policy included:

- Strengthening of the partnership with the IRIS association, which supports patients with primary immunodeficiencies and their families.
 - In April, 133 employees working on all of LFB's French sites took part as a team in the connected race organised by the association. LFB managed and paid for the registrations.
 - In May, organisation of a new United Heroes challenge which enabled the 659 employees registered around the world to be physically active for the IRIS association. Throughout the month, each sporting or well-being activity earned points which, converted into euros, enabled LFB to make a donation to the association.
- Always in the spirit of improving the well-being of employees through sports, deployment of a programme providing access to a gym near the employee's site at a reduced cost (almost one half of the subscription is covered by LFB).
- As in the previous year, presentation by a representative of a patient association to give employees a better understanding of the pathologies treated by the medicinal products we manufacture. This year, Sandrine Lefrançois came to talk about ADAAT, an association that supports patients with alpha-1 antitrypsin deficiency.
- Launch in November of a major communication campaign on LFB's Values, in France and internationally. A first step, which took place over 5 weeks, aimed to explain in detail each of the 5 Values (one Week, one Value). A second, more participatory stage is planned for early 2022.

RESULTS

Change of group (promotion) at LFB			
	LFB France	Europlasma	LFB USA
Number of group changes in 2021	120	5	14

- **100% coverage of entities for employee representative bodies** in France (all French sites have an SEC)
- **Increased number of collective agreements** signed in 2021 in France (**10**) compared to 2020 (**4**).
- Prevention and reduction of absenteeism in Austria: specific reporting shows **1,924 days** of sick leave, **92 specific regulated vacation days**, **2,117 days of maternity leave**. The **impact of COVID** for the Austrian subsidiary represented 256 days of quarantine and 36,983 hours of partial unemployment supported by the "Kurzarbeit" measure of the Austrian authorities.
- Prevention and reduction of absenteeism in the Czech Republic: **968 days of sick leave**, **1,979 specific vacation days**, **332 days of maternity leave**.

KEY PERFORMANCE INDICATORS (KPIs)

For LFB in France:

- **6.41%: Promotion rate** (number of group changes in 2021 (i.e. 120) / mean permanent workforce (i.e. 1,872), compared to a rate of 6.7% in 2020).
- **5.30%: Overall absenteeism rate** (includes all causes of absence, illness, work accident, maternity, etc.), compared to a rate of 6.1% in 2020 (-13.11%).

Absenteeism at LFB			
	LFB France	Europlasma	LFB USA
Overall absenteeism rate in 2021	5.30%	15.24%	NC*

*: NC, Not Communicated

For the Europlasma and LFB USA subsidiaries: *group change rate for Europlasma and LFB USA corresponds to any vertical change (promotion or downgrading).*

- **1.93%: group change rate** at Europlasma (number of group changes in 2021 (i.e. 5) / mean permanent workforce (i.e. 259.4)).
- **15.38%: group change rate** at LFB USA (number of group changes in 2021 (i.e. 14) / mean permanent workforce (i.e. 91)).

3.4. HEALTH AND SAFETY AT WORK

Challenge

Safety at work is one of the essential levers of operational performance.

Policy

LFB is committed to a proactive approach to continuous improvement in the management of professional risks and the culture of prevention. This approach aims to protect the health and safety of the Group's employees and the staff of external companies working at its sites, and to ensure security during its projects by implementing formal processes.

For the Europlasma subsidiary:

- Health and Safety in Austria: the responsibility for the protection of workers is shared by several actors (health and maternity insurance, pensions and work accidents and occupational diseases). The legal basis for the protection of workers is the Workers Protection Act supplemented by regulations.
- Health and Safety in the Czech Republic: In the area of health and safety, workers are represented either by the union organisation present at the workplace or by the elected safety representatives or a third-party service provider who ensures compliance with laws and regulations.

Measures implemented

The Group deploys a process of continuous improvement of HSSE processes in accordance with ISO standard 45001 at all the Group's sites.

It has set up a fully competent structure composed of both corporate and operational aspects.

The Group aims to reduce work accidents related to the main identified risks (manual operations, handling of chemicals) by systematising the analysis of the causes with the objective of achieving a frequency (FR) below 10.

RESULTS

- In 2021, **41** accidents with lost time were recorded, versus **27** in 2020.
- During the health crisis, LFB continued to produce and remote working was implemented for eligible positions.

80% of accidents occurred in the industrial sector and particularly in production.

Health and safety	
	LFB France
AWLT	41
AWOLT	26
FR1	10.46
FR2	17.09
SR*	0.2
AWLT EC	22
AWLT TR	9

Health and safety		
	Europlasma	LFB USA
Number of accidents in 2021	2	0

The frequency (FR) and severity (SR) of accidents in France are calculated based on the theoretical number of hours worked. This theoretical number of hours worked does not include overtime or additional hours worked, or vacation days taken during the period.

- For the Europlasma subsidiary: **2** accidents with lost time were recorded in 2021.
- For the LFB USA subsidiary, **no accidents** with lost time were recorded in 2021.

AWLT TR: Commuting accident by LFB employee with lost time	FR1/2: Frequency 1 or 2 (over 12 rolling months)
AWLT: Accident by LFB employee with lost time	FR1: Number of accidents with lost time per million hours worked
AWLT EC: Accident with lost time by external company (including temporary workers)	FR2: Number of accidents with and without lost time per million hours worked
AWOLT: Accident without lost time	SR: Severity

KEY PERFORMANCE INDICATORS (KPIs)

Work incident indicator (accidents or work stoppages)

- **+51,85%** work accidents with lost time (AWLT) compared to 2020.

For the Europlasma subsidiary, **no change in accidents or in the indicator**

- 1 work accident in Austria in 2021: 1 accident in 2020.
- 1 work accident with lost time in the Czech Republic in 2021: 1 accident in 2020.

3.5. TRAINING

Challenge

Training and development of employee skills remained an important objective in 2021 in support of the Group's overall transformation strategy.

The shift initiated was the ability to move from a training plan to a development plan in the broad sense. This has made it possible to offer both skills development and professional development opportunities for all employees.

Policy

In 2021, the HR Development department continued to support the company's overall strategy, which has entered the third phase of the Group's transformation for the next three years: the "Fresh Impetus".

The foundations of the "Fresh Impetus" were laid with:

- Initial focus on the Values and associated behaviours that have been integrated into the objectives of each employee,
- Subsequent focus on mobilising the Leadership Team to work on the growth levers of tomorrow,
- A third level of focus on an active recruitment policy for all sites.

Though the health context still remains challenging, investment in terms of development remained on par with the previous year. It currently represents **1.7%** of the total payroll. This continues to be an important investment for the Group, which is keenly aware of the importance of supporting the skills of its employees.

Whether at the Lille, Les Ulis or Alès sites or at our future plant in Arras, nearly 400 new employees were integrated. These new employees joined the industrial sites and received specific support from our teams of internal trainers on Good Manufacturing Practices.

An annual training cycle was carried out within the Europlasma subsidiary. "On-the-job" training is mandatory. It follows the needs of the company and is supplemented with training according to a schedule prepared by the Quality Management department.

Measures implemented

In 2021, many professional training courses were initiated, and more particularly in preparation for our future plant in Arras. LFB is committed alongside the IMT (Institute of Jobs and Technologies) to supporting and training new employees through a mix of theoretical and hands-on professional training.

The Training department also continued to develop new collaborative training materials as well as new pedagogical approaches. In 2021, the LFB Group launched a training and assessment platform in support of training through e-learning, both for France and internationally. This "FORMAVISA" LMS platform received the Pharmaceutical Validation label. Nearly **5,000 hours** of training have been completed there.

As for the new pedagogical approaches, some training modules have been revised to include virtual reality and 360 Learning in the modules for industrial use. This new approach will optimise the duration of training and reduce face-to-face training time in certain areas such as aseptic zones, for example.

"New Impetus" initiatives

LFB continues to work on 3 areas:

1. Management

The deployment of training for all managers, with the priority for the year being to develop of a culture of Feedback, has helped develop collective performance in terms of excellence and company values.

The use of assessments in 360° mode was also proposed as part of the development of skills.

2. Digital tools

The first "Digital Summit" brought together around 40 employees from the France and International Sales departments. The goal was to encourage the marketing and medical marketing teams to offer healthcare professionals new services and to communicate about our medicinal products differently and in an innovative way. This approach is part of an evolution in customer relations that has been somewhat constrained in the current health environment.

3. Quality

LFB, always mindful of the quality of the medicinal products it brings to patients, continues to invest heavily in professional training on quality and Good Manufacturing Practices (GMP) for all of its employees at the various industrial sites.

International development of LFB:

To support the international growth policy, the Training department also supported the teams within the subsidiaries on scientific and medical issues for the launch of new medicinal products. 25 employees received training (see Results).

RESULTS

- o **€ 1.72 million** in total training investments, i.e. **1.7%** of the payroll (**€ 1.54 million or 1.6% of the payroll in 2020**)
- o **45,361** hours of training during the year in the France scope,
- o **2,035** employees trained at least once (permanent - fixed-term - work-study contracts).

In 2021, for the Europlasma subsidiary, 74 training sessions were provided to employees (all training courses combined, excluding LFB training in France). During the same year, for LFB USA, 25 training sessions (external training only) were provided to employees (excluding LFB training in France).

KEY PERFORMANCE INDICATOR (KPI)

Calculation of the KPI: Percentage of employees trained at least once in 2021 / Staff who worked for LFB during the year (Total workforce at 31/12/2020 + arrivals under all contracts in 2021): (2,282) X100.

	2021	2020
KPI: Rate of employees trained at least once / Staff who worked for LFB in 2021	89.18%	86.49%
OVERALL TRAINING EFFORT	1.70%	1.60%

The overall training effort is defined by the investment that the company attributes to training in relation to its payroll. In 2021 it represented 1.7% of the payroll.

Training effort = Investment in training / payroll

Training data		
	2021	2020
Total training investment in €	€ 1.52 million	€ 1.52 million
Number of hours of training within France scope	45,361 hours	38,058 hours
Number of employees trained at least once	2,035	1,863

4. ENVIRONMENTAL ISSUES

Sustainable use of resources

This challenge for the sustainable use of resources is related to the section of the management report on industrial, professional and environmental risks.

4.1. WATER CONSUMPTION

Challenge

Water is an abundant natural resource necessary for life and the company's mode of production. It is mainly used by LFB for production. LFB's sites use only tap water. The total water consumption described in the NFPS concerns only the production buildings in France (excluding construction of the new Arras plant, water consumed in the tertiary building in Les Ulis).

Policy

LFB's environmental policy aims to minimise the impact of the Group's drug manufacturing activities (from production to distribution) on the environment. Its environmental policy is linked with its industrial priorities.

The impact of the Group's French production operations on its ecosystems is monitored by the progressive introduction of monitoring and improvement processes based on environmental indicators. Inputs (raw materials, energy, water, for example) and outputs (emissions, effluents and waste) are all indicators monitored according to the volume of plasma consumed, turnover, the number of product vials released, the number of employees or the surface area of the sites.

Measures implemented

Water consumption depends on production (0.708 m³ water per Litre of plasma fractionated in 2021). Production increased in 2021 in terms of the volume of plasma fractionated (+11.38%) and the number of batches released (+21.04%) and this had an effect on water consumption which increased by +18.99%.

- The main action taken by LFB was to guarantee that all used water discharged does not contain any environmentally-hazardous molecule (e.g. endocrine disruptor). In 2020, investments were made in industrial renovations at the Lille site to capture triton-containing waste in effluents before discharge. This long-term initiative at the Lille site again allowed for the capture of several tonnes of triton-containing hazardous waste in 2021.

- Increased water consumption in Les Ulis.

Water consumption is only linked with production at the site, and specific increases over the year are associated with qualifications, disinfection and rinsing of the water loops during the Technical Shutdown.

The increase in water consumption in 2021 at the Les Ulis site can be explained by the increased volume of plasma to be processed (+11.38%), which required the production of a large quantity of purified water for **cleaning in place (CIP)**.

Among the other causes of the increased water consumption, the installation and start-up of new systems for the production of water purified by ion exchange resins must also be taken into account. These systems allow for better yield and better water quality for our production processes.

Production never stopped during the health crisis to minimise supply tensions for LFB products and ensure continued treatment of patients.

It should be noted that, for the year 2021, the "official" metres, which are the property of the water supplier, were read manually and by telemetry, and that the water consumption read manually was that indicated on the invoices.

- Increased water consumption at the Lille site.
Water is used at all stages of the plant, from conventional use (lavatories, restaurant), to production (cleaning) and utilities (ACTs: Air-Cooling Towers), production of pure steam, maintenance of the WFI loops, chilled water and cooling water for maintenance of the WFI loops. The commissioning of a new purified water production unit since September 2019 accelerated the increase in water consumption for cleaning-in-place needs, at pace with the increase in production. Cleaning in place (CIP) requires large quantities of water and it is not easy to change this and still comply with regulatory procedures.
An audit to map the water network with AMODIAG Environnement was launched in 2021 at the Lille site in order to identify ways to reduce water consumption. The conclusions of the audit have not yet been communicated.
As for the Les Ulis site, production was not impacted by the health crisis at this site in 2021.
- Water consumption at the Alès site increased very significantly due to its collaboration with many customers on several projects, including one of current interest with the French start-up XENOTHERA to industrially produce clinical batches of neutralising antibodies against Covid-19. Site extension work also contributed to the increase in water consumption.

The general increase in water consumption at the 3 production sites can be explained by several factors. For Lille, it corresponds to the increase in plasma fractionated.

For the Les Ulis site, the tests and commissioning of the new water production units as well as the tests of the new workshop (UDECNW) explain the sharp increase in water consumption, in addition to the correlation with the higher volume of plasma processed.

For the Alès site, the extension of the site and the development of new projects are the reasons for the increase in water consumption.

The rise in water consumption in line with the volume of plasma processed and the water requirements of the processes have triggered an initiative to identify ways to save water.

- The exploratory pilot study at the Les Ulis site launched in the third quarter of 2020 by the Corporate Affairs/CSR department and approved by the Industrial department aimed to identify ways to save water, estimate the costs of investments to be made, water gains and returns on investments.
The CSR project manager was in charge of this project. He mapped the water circuits in production and looked for ways to save water. The most ambitious and environmentally friendly approach that was chosen and developed is the recycling of water used in processes and evacuated in effluents. The exploratory study was approved by the Site Director representing the Industrial department. He wanted to add this project to the industrial priorities to be developed, based on a feasibility audit to be planned in order to launch calls for tenders with engineering firms and other suppliers of water recycling technology.

RESULTS

Water consumption as of 31/12/2021 (Les Ulis, Lille and Alès)

Volume of water in m³	Year 2021	Year 2020	Change between 2021 and 2020
TOTAL in Production	655,784.20	491,108.30	33.53%

KEY PERFORMANCE INDICATORS (KPIs)

- **+33.5%**: change in total water consumption between 2020 and 2021 in France.
- **0.708 m³ of water per Litre of plasma fractionated** in 2021 (only including the water consumed in the manufacturing process of plasma-derived medicinal products, i.e. the consumption in Les Ulis and Lille without Carvin) versus **0.595 m³** in 2020, i.e. **+18.99%**.

4.2. ENERGIES AND GREENHOUSE GAS EMISSIONS

Challenge

The challenge for LFB, which uses different types of energy for the development and manufacture of medicinal products, is to control energy consumption and greenhouse gas emissions, This will serve to limit its impact on one of the causes of climate change and thus help protect the environment, and achieve financial savings for the health of men and women.

Policy

The policy aimed at controlling energy consumption in the company's activities was defined several years ago, and includes the commitment to monitor greenhouse gas emissions and limit the company's impact on the environment. LFB's objectives for reducing its greenhouse gas emissions follow the national low-carbon strategy, with short-, medium- and long-term action plans. Regular monitoring of LFB's energy consumption has shown that, with investments (with ROI \leq 3 years) in less energy-consuming and more efficient equipment for processes, the carbon footprint has decreased significantly since 2011 and then stabilised. The aim of this effective policy is to improve the company's many production processes through monitoring and technical maintenance, to carry out a lifecycle analysis of the necessary components (inputs) and to improve waste management through recycling.

Measures implemented

Energy consumption is recorded regularly for monitoring and analysis purposes. The data in the readings are reconciled with the actual consumption as reported on the invoices.

- The energies concerned for production, are mainly:
 - water, electricity, gas and superheated water.
 - Fuel is not consumed for production, but it is used for the operation of emergency generators.
- Depending on the site, gas is used in the heating and heat production boilers for the production of steam and pharmaceutical water.
- Electricity powers the various cold rooms and other production equipment requiring this type of operating energy.

Water superheated to 110°C (steam) is only used at the Lille site and is not produced on site. It is supplied via the Résonor network. This source of energy comes from 60% renewable and recovered energies. It is used for the production of hot water between 55 and 75°C, or between 70 and 90°C. Since the end of May 2021, DALKIA has switched its hot water network to a low-temperature network and has installed new exchangers at LFB in order to maintain the temperature necessary to supply the various production workshops. The temperature of the hot water network entering the site must be maintained by DALKIA at around 95°C.

- The Alès site was equipped with a heat recovery cooling unit (under HF0 gas) in 2020, the efficiency of which has been visible in 2021 based on the electricity consumption despite an increase in production (electricity consumption reduced by 3.48% in 2120 vs 2020).

Each year, LFB carries out a carbon assessment to monitor its energy consumption according to its production.

LFB also carries out a regulatory energy audit every 4 years. The first audit in 2014-2015 led to improvements on the Les Ulis site: the replacement of cooling towers with a dry-cooler for the cooling of water vapour produced, which is safe for the environment (to avoid risk of contamination by legionella micro-organisms), more powerful, less energy consuming.

The second regulatory energy audit was carried out in 2019 at the Les Ulis and Lille sites. Improvements and possible sources of energy and financial savings were identified. These sources were prioritised according to their efficiency on the processes and possible rapid financial benefits.

The main improvement measures implemented in 2020 concerned the gas boilers in Les Ulis (micro-modulating burners, energy savings of 72 MWh or 16.8 T CO₂).

RESULTS AND KEY PERFORMANCE INDICATORS (KPIs)

Overall energy consumption - 31/12/2021

ENERGIES - France Scope	2021	2020	Change %
Electricity in MWh	57,428.52	56,755.89	1.19%
Gas in MWh	42,627.28	40,232.00	5.95%
Superheated water (Steam) in MWh	8,381.78	8,715.00	-3.82%
Fuel oil (Litres)	11,835	5,383	+119.86%

GHG (Greenhouse Gas) emission variations

Conversion of energy emissions into kg CO ₂ eq	Emission factor (ADEME)	Unit	Total for scope	Carbon Footprint, Total scope	Value in kg CO ₂ eq in 2021	Reminder of Total kg CO ₂ eq in 2020	Change (%)
Electricity	0.0545	kg CO ₂ eq/KWh	57,428,520	56,119,350	3,129,854	2,951,306	6.05%
Gas	0.2267	kg CO ₂ eq/KWh GCV	42,627,282	38,407,181	8,706,908	8,207,328	6.09%
Steam	0.286	kg CO ₂ eq KWh	8,381,780	8,381,780	2,397,189	2,492,490	-3.82%
Fuel oil	3.251	kg CO ₂ eq/litre	11,835	9,735	38,476	17,500	+119.86%
Non-Road Diesel	3.165	kg CO ₂ eq/litre	188	188	595	0	X
TOTAL (kg CO₂eq)					14,273,022	13,668,624	+4.42%

ADEME = French Environmental and Energy Management Agency

From this year (activities in 2021), the reporting scope includes emissions related to tertiary activities (Building A and Tower W).

Since 1 October 2020, LFB has chosen to power its two main production sites, Les Ulis and Lille, with 100% guaranteed renewable French electricity.

This certified energy of hydraulic and French origin used by LFB proves its active commitment to the energy transition. This demonstrates the share of so-called "green" energy integrated into the French electricity network.

The same approach has been implemented for the Alès site since 1 August 2021; LFB's three main production sites are now supplied with certified energy of 100% renewable and French origin.

The additional cost paid for the supply of renewable energy allows LFB to compensate for the quantity of CO₂ as calculated below. This quantity can be deducted from the total greenhouse gas emissions induced by its energy consumption in 2021.

- Consumption in 2021 for the Les Ulis and Lille sites are added together and converted into euros at the additional cost price imposed by the energy supplier (€ 0.68/MWh).
- For the Alès site, the additional cost is € 0.15/KWh (i.e. € 1.5/MWh).
- This calculation results in a total in euros which, at the price per tonne of CO₂ as indicated by Energie Dev Consulting (<https://energiesdev.fr/prix-carbone-co2/>) of € 55/T, can be used to convert the additional cost equivalent to the energy consumption of all LFB's GHG emissions into deductible tonnes of CO₂ (678.3 T CO₂).
- **+4.42% GHG emissions between 2020 and 2021 (before offsetting).**
- **- 4.53%: 15.56 kg CO₂/L of plasma** (16.3 kg CO₂/L of plasma in 2020).

	Electricity consumption Les Ulis Lille 2021 (MWh)	Additional cost €/MWh	Total additional cost (€)	Price per Tonne of CO ₂	Tonnes of CO ₂ offset
2021	52,205.5	0.68	35,499.7	€ 55/T	645.45
	Electricity consumption Alès 2021 (MWh) 08/21 ->12/21	Additional cost €/MWh	Total additional cost (€)	Price per Tonne of CO ₂	Tonnes of CO ₂ offset
2021	1,204.5	1.5	1,806.8	€ 55/T	32.85
Total Tonnes of CO₂eq offset in 2021 for the Group					678.3

	GHG emissions in 2021 (kg CO ₂ eq)	CO ₂ offset in 2021 (kg CO ₂ eq)	GHG emissions offset in 2021	GHG emissions offset in 2020	Change in GHG between 2020 and 2021 after offsetting
LFB 2021	14,273,022	678,300	13,594,722	13,387,474	+1.55%

4.3. WASTE MANAGEMENT

Challenge

Given the nature of its businesses, processes and the values it upholds, LFB strives to deliver its services in compliance with environmental regulations. This is a crucial challenge for LFB and it does everything possible to act in regulatory compliance, protect the environment and preserve a good reputation.

Policy

Waste management at LFB consists of taking all necessary measures during the design, arrangement and use of its installations to prevent and reduce the production and toxicity of waste.

Part of LFB's waste is processed for energy recovery after incineration in approved facilities; the other part is sent for recycling, thus reducing the consumption of raw materials such as wood, metal, paper, cardboard, etc.

LFB is a member of the DASTRI ecological organisation that has been accredited by public authorities since December 2012 as part of extended producer responsibility for waste from healthcare activities associated with a risk of infection (DASRI).

DASTRI manages the regulatory obligation of producers of medicinal products and medical devices to set up and fund the recovery of products sold on the market once they have reached the end of their shelf life. This obligation concerns sharp objects produced by patients who self-treat.

LFB funds the collection of sharp objects used by haemophiliacs who self-administer LFB's products in their home. Public authorities renewed the DASTRI accreditation of LFB on 27/12/2016 for a period of six years (2017 – 2022).

The goals for the coming years are:

- The creation of an Environment Management System according to ISO standard 14001 at the Les Ulis site must be pursued until its certification in 2022 or the following year.

Measures implemented

As part of continuous improvement of waste prevention and management, the Les Ulis site continued its sorting initiative with:

- The installation of new SORTING - VOLUNTARY DISPOSAL bins in areas of passage (inside buildings), copy machine areas and cafeterias.
- Optimisation of sectors: LFB continued to work on optimising overall waste and sorting by setting up a new category of plastic bottle waste.
- Environmental safety: continued monitoring of analyses of discharges and effluents, with respect to regulatory specifications. The 2021 data were reliable and were consolidated in the Solvent Management Plan (SMP) that was handed over to the inspector of Equipment classified for the purpose of environmental protection (ICPE) during his visit in November 2021.
- Concerning the control of Volatile Organic Compounds (VOC) at the Les Ulis site, the data have been made more reliable and could therefore be consolidated in accordance with regulatory requirements.
- Additional sorting has been set up at the Alès site: cups, cans, bottles in addition to previous recycling of office paper, printer cartridges and coffee capsules.

LFB collaborates closely with the institutional authorities (DRIEE (Regional and Interdepartmental Directorate for the Environment and Energy) in Ile-de-France or DREAL (Directorate of the Environment, Land-Use Planning, and Housing) for other sites in other regions).

Regular inspections are carried out on LFB's classified installations.

RESULTS of work to increase reliability

- **1 visit by the DRIEAT (Regional and interdepartmental Environment-Planning-Transport Service) inspector** took place on 17/11/2021 at the Les Ulis site.
- **No overstepping** of regulatory thresholds for industrial effluents at the Les Ulis site in 2021.
- **Total elimination of the use of triton in our processes.**
- **The share of uncaptured emissions of VOCs (volatile organic compounds) in the air complies with regulatory requirements (less than 15%).**

- **9,004.62 T (Les Ulis): Total waste** (Hazardous Waste + Non-Hazardous Waste + waste from healthcare activities associated with a risk of infection (DASRI)), **+2.35%** (8,798.11 T in 2020)

The 11.38% increase in plasma fractionated in 2021 involved higher productivity, thereby amplifying the quantity of waste generated by the Group (hazardous, non-hazardous, DASRI) but also its recovery and reuse.

- **1,826.72 T** (Lille + Carvin) total waste (hazardous, non-hazardous and DASRI): **+12.32%**

The increase in the plasma to be processed in 2021 and in hazardous triton-containing waste (Lille site) contributed to the increase in tonnage compared to 2020 (**1,626.25 T**).

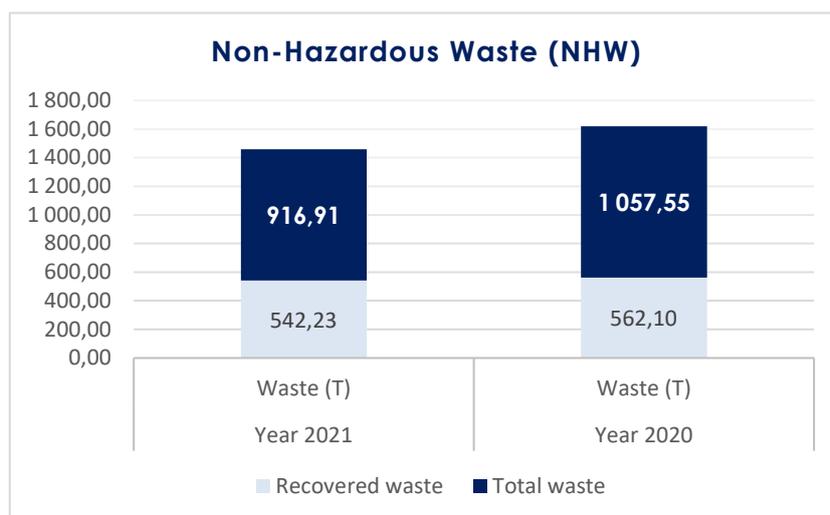
- **48.60 T** (Alès) total waste in 2021: **+56.17%** (31.12 T in 2020)

Non-hazardous waste from the Alès site was increased by the site extension work.
The tonnage values summarised in the table include French entities only.

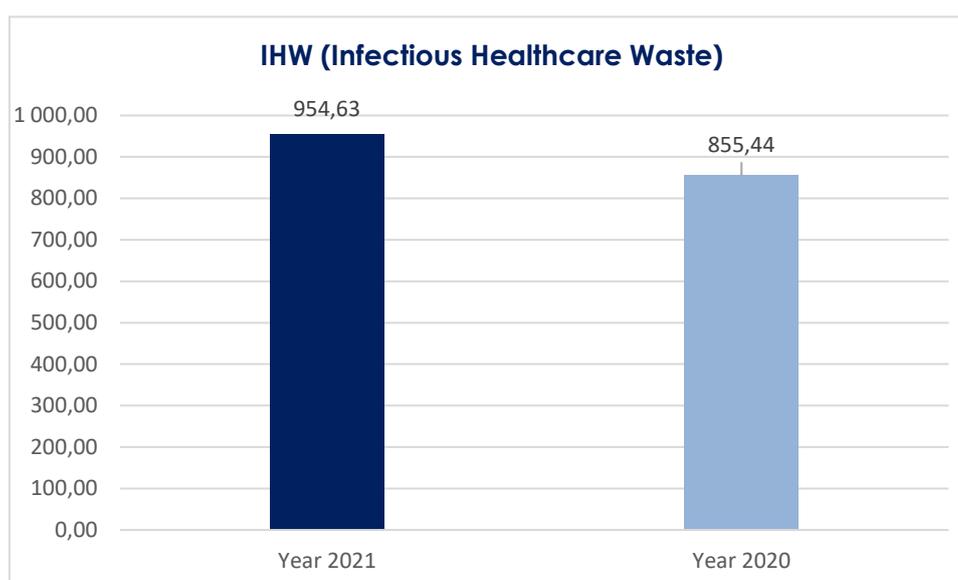
Hazardous Industrial Waste (HIW)			
On 31/12/2021	Year 2021	Year 2020	Change between 2020 and 2021
TOTAL (T)	9,008.40	8,542.50	5.45%



Non-Hazardous Waste (NHW)					
On 31/12/2021	Year 2021		Year 2020		% change between 2020 and 2021 in the Tonnage of NHW
	Waste (T)	Recycled (T)	Waste (T)	Recycled (T)	
TOTAL (T)	916.91	59.13% recovered	1,057.55	52.78% recovered	-13.30%



IHW (Infectious Healthcare Waste)			
On 31/12/2021	Year 2021	Year 2020	Change between 2020 and 2021
TOTAL (T)	954.63	855.44	11.55%



KEY PERFORMANCE INDICATORS (KPIs)

- **11.81 kg of total waste** generated **per Litre of plasma fractionated** compared to **12.66 kg** in 2020, i.e. **-6.71%** (only the total waste from Lille, Carvin and Les Ulis is taken into account).
- **6.03 kg of total waste** generated **per vial of product released** (only total waste from Lille, Carvin and Les Ulis are taken into account) versus 5.62 kg/vial in 2020.
- **59.13% of non-hazardous waste recovered** in 2021 compared to 52.78% in 2020.

4.4. ADAPTATION TO THE CONSEQUENCES OF CLIMATE CHANGE

Challenge

- Climate change is a new type of risk that companies must manage. Addressing this challenge requires an economically viable and scalable system, limiting the impact on the environment.
- In this context, LFB has decided to implement a process to set up an Environment and Energy Management System to create a lasting system to improve protection of the Environment and use of Energy. The SMSE Integrated Management System is part of a quality approach and its vocation is to allow for continuous improvement of the overall performance of the company.
- Ethanol is the main input for fractionation of the starting material (plasma). Thus, monitoring of ethanol is important on several levels: optimisation of its use and subsequent recycling and for the mitigation of VOCs (Volatile Organic Compounds) in effluents, as integrated into the Environmental Management System.
- LFB is committed to minimising its impact on the environment in the short, medium and long term by developing a low carbon strategy.

Policy

- To propose and implement sustainable initiatives to improve the lives and performance of employees, by maintaining quality drug production while controlling the company's impact on the environment.
- For the company's policy towards an Environment and Energy Management System, several action plans have been implemented in order to develop the approach towards an effective management system and obtain ISO 45001 and 14001 certification in 2023 for all of the Group's sites in France.
- To meet the challenge of the low-carbon strategy that companies in the APE (State Participation Agency) portfolio must describe in their NFPS, with a schedule of short-, medium- and long-term objectives, LFB has proposed, based on the carbon assessments carried out (Scopes 1, 2 and 3), to carry out concrete actions to work towards reducing its greenhouse gas emissions in compliance with the National Low Carbon Strategy (*Article of the Order of 2 November 2021 pursuant to Article 66 of Act No. 2020-935 of 30 July 2020 on amending finances for 2020*).

Measures implemented

- The actions initiated in 2021 to achieve the objectives of the approach towards establishing the management system are:
 - Ensure full compliance with legal obligations in terms of the Environment,
 - Reduce the environmental impacts of the activity (energy, water, waste, VOCs, etc.),
 - Reduce external costs (natural resources, energy, discharges, waste) and optimise HSSE investment costs through a priority-based approach to risks.
- The actions implemented to design LFB's low carbon trajectory follow the items below:
 - The organisational scope covered
 - The emission types covered
 - The reference year considered
 - The short-, medium- and long-term "objective" dates
 - The gases considered
 - The units used
 - The calculation of LFB's low-carbon trajectory
 - The strategies for achieving the objectives (short term 5 years, medium term by 2030 and long term by 2050).

The other actions aimed at reducing the Group's impact in this area were implemented in recent years:

- LFB has video conferencing equipment at the Group headquarters and in its main subsidiaries, including in other countries, to limit professional travel by its employees.
- Modernisation of the messaging system to allow for live meetings from the workstation via Skype, then from the start of the health crisis via Teams with the move to Office 365. This upgrade has also reduced LFB's environmental impact through the sending of links for attached documents instead of multiple electronic messages with attachments sent to several people. This represents a saving of time, a gain in traceability and reliability, benefits for the environment.
- All these technological improvements have helped to reduce employee travel since 2017 which remained stable until 2019 (2020 carbon footprint). The reductions in professional and personal "home to work" travel were mainly due in 2021 to the implementation of remote working (made almost compulsory during the health crisis) that was later formalised in a social agreement in September 2021.
- LFB BIOMÉDICAMENTS teamed up with Hospit@lis to provide a web ordering health portal for healthcare establishments in the public and private sectors. Hospit@lis is the only shared interface between healthcare institutions and the pharmaceutical industry and its goal is to optimise the supply chain by making ordering and order processing easier, centralising orders from suppliers and dematerialising order forms. (<http://www.hospitalis.org>).
- LFB facilitates carpooling between employees and between companies: this system has been implemented at the Les Ulis site, in particular due to its distance from a train station and the near absence of public transportation. A carpooling system is in place at the Les Ulis site and is managed by a smartphone application, allowing each user to contact "a driver" going to the same area of activity at the time of their departure (formerly OuiHop, now Ecov). This system makes it possible to get home in the evening outside the operating hours of public transport or the LFB shuttle. An LFB shuttle is provided to Group employees to drop them off at the nearest station or pick them up according to a set schedule.
- At the social level, the agreement signed for remote working has in fact been extended to all staff who could work from their home since the lockdown due to the health crisis.

This remote working policy has facilitated better respect of social distancing and has limited contact with other employees. It has also limited home-work commuting, reduced the effects of pollution due to exhaust fumes, improved work quality of life for employees, and contributed more efficiently to a clean environment.

- In 2021 LFB continued the efforts made in 2020 and provided employees with charging stations in the car park for hybrid or electric vehicles:
 - **In Les Ulis**
 - **4 free access electric charging stations** for electric or hybrid vehicles which have been operational since 29/09/2020.
 - **2 additional stations** were put into operation in 2021 in the basement of Building A, the headquarters building on the Les Ulis site.
 - **In Lille**
 - Installation of **6 operational charging stations**.
 - No planned date for the installation of stations in Carvin.
 - **In Arras**
 - 10 double stations planned in the project were installed in 2021.
 - **In Alès**
 - The car park is outside of the LFB Biomanufacturing compound and the project is under consideration.

LFB also monitors the vehicles in its fleet by renewing it with more efficient vehicles that are better in keeping with its environmental policy. The HR policy on company vehicles was overhauled in 2021 to incorporate environmental aspects. The number of vehicles has been increasing slightly for 3 years. The General Resources department offers employees vehicles that comply with the regulations on g CO₂/km

emissions (on grey card), by reducing the engine power of thermal vehicles, or by offering rechargeable hybrids whenever possible (the number has doubled each year within the fleet of company vehicles).

A personalised study of driving habits is carried out at each new allocation or renewal, to define the appropriate motorisation that meets ecological and economic criteria.

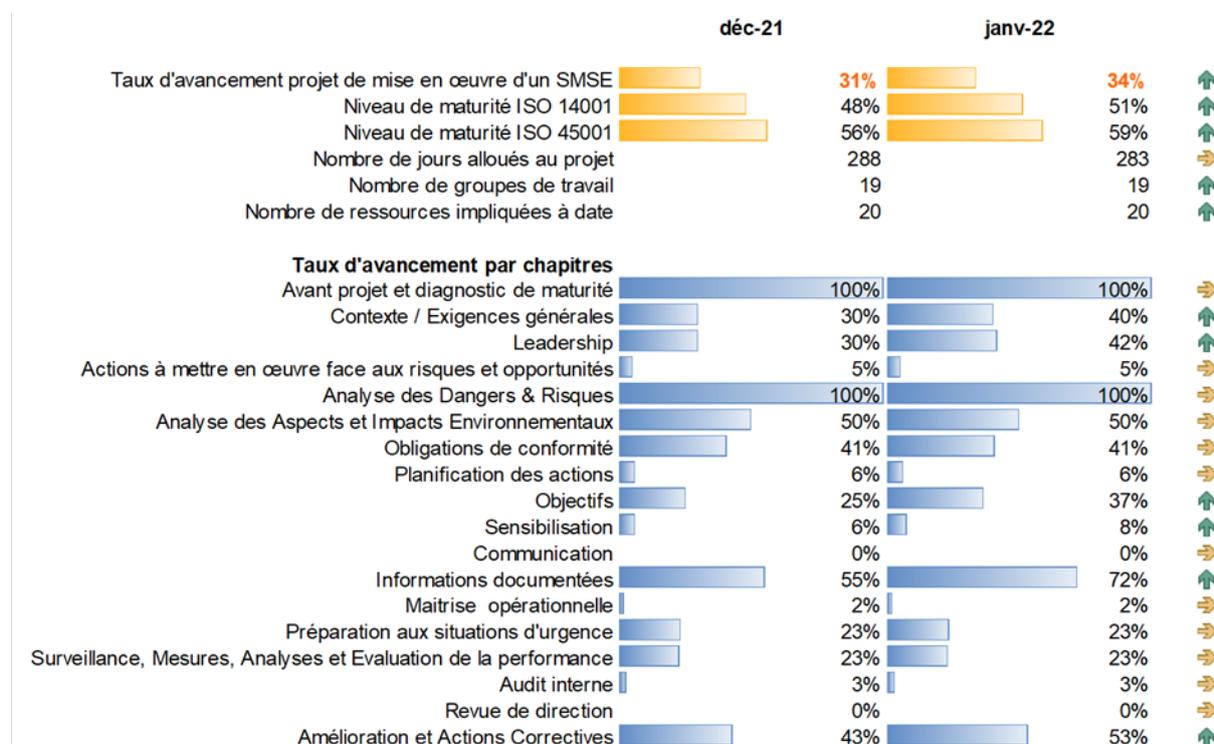
A study of commuting needs for the Lille intercity site revealed that the site is served by a large number of existing means of transport due to its proximity to the EFS (French Blood Establishment), a hospital and an institute of higher learning (Sciences Po Lille): metro, tram, bus. Employees get to the site by bicycle or scooter. A room has been set up to park them. Downloadable applications for connected carpooling have been proposed to employees. These applications have been recommended by the Chamber of Commerce and Industry of the Hauts de France regional and the European Metropolis of Lille.

- **The strategy to reduce paper consumption** by actively reducing the use of printers, copiers and “all in one” fax machines pre-programmed for double-sided and black and white printing was extended to all French companies back in 2015. From 2016, information on the consumption of sheets of paper was collected and the policy implemented with the aim of reducing the use of paper has achieved its objective. With a **net decrease of 29.04%** in 5 years for all print-outs. The digitisation of documents (archives, orders) has further amplified this spectacular drop. The rate remained stable between 2020 and 2021. The sheets of paper used come from sustainable forests and the supplier is ISO 9001, ISO 14001, OHSAS 18001 and FSC (ForestStewardshipCouncil) and EU Ecolabel certified.

RESULTS

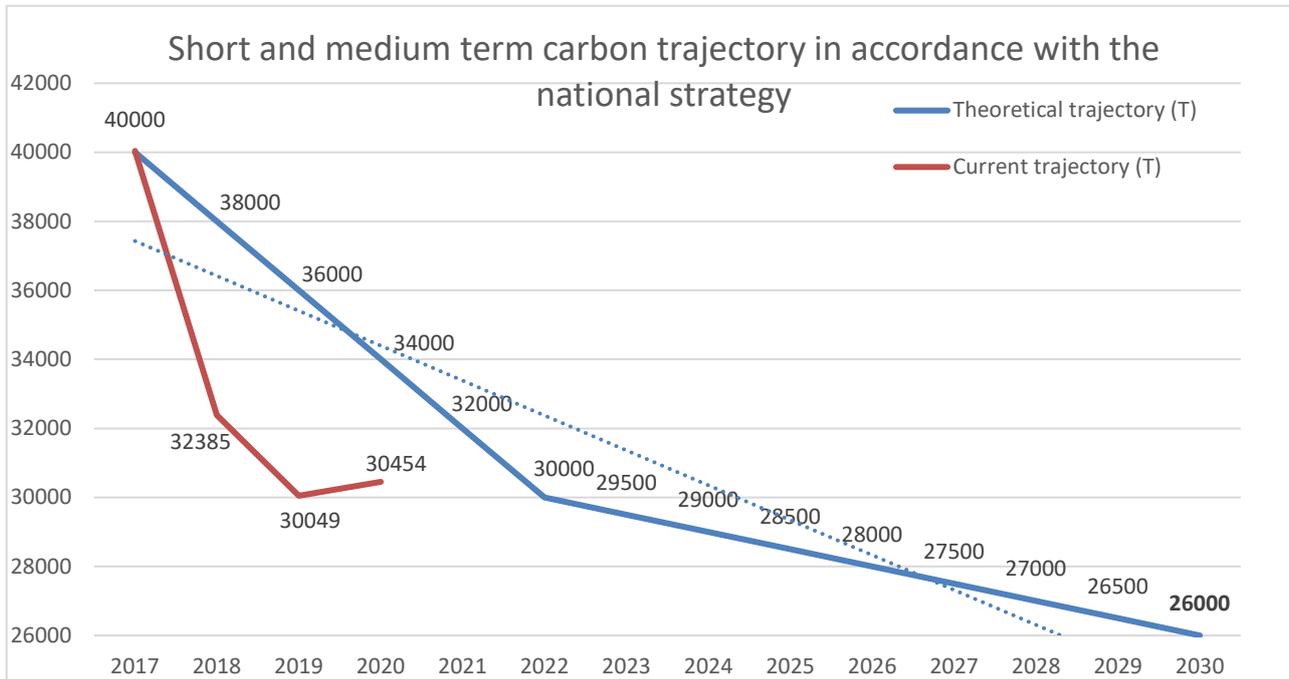
- **1,705.6 m³ of undiluted ethanol** delivered in 2021 for plasma fractionation (1,746.7 m³ in 2020).
- **113 company vehicles** among the **116** vehicles (3 utility vehicles) in LFB's fleet (period from 1 January 2021 to 31 December 2021).
- **12 electric vehicle charging stations** installed at the Les Ulis and Lille sites.
- Achievement of the objective to reducing paper printing between 2016 and 2021 equivalent to a reduction of **18 Tonnes of CO₂**.

• **ISO 45001, 14001 and 50001 maturity analysis**



• **Results of emissions by LFB item**

Emissions item (T CO ₂ eq)	Activity in 2020	Activity in 2017	Difference
Energies	13,998	14,506	-3.50%
Travel	3,234	8,568	-62.25%
Inputs	4,874	5,691	-14.36%
Freight	2,898	5,098	-43.15%
Refrigeration fluids	3,127	3,357	-6.85%
Waste	1,814	1,600	13.38%
Packaging	509	1,219	-58.24%
Total assessment	30,454	40,039	-23.94%



Number of company vehicles in LFB's fleet and Tonnes of CO₂ emitted

Period from 01/01/2021 to 31/12/2021	Number of company vehicles	Kms travelled	Total Litres consumed	Tonnes of CO ₂ emitted	Mean CO ₂ rate (g/km)
TOTAL	113	1,850,500	X	225.76	122.2

Number of print-outs (B&W and colour) in France (Les Ulis, Lille, Carvin, Alès)

Sheets of paper	2021	2020	2016	Change 2021/2016	Change 2021/2020
B&W print-outs	3,364,000	3,279,000	4,100,978	-17.97%	2.59%
Colour print-outs	2,900,000	2,820,000	4,726,770	-38.65%	2.84%
TOTAL	6,264,000	6,099,000	8,827,748	-29.04%	2.71%
CO₂ emitted (kg CO₂)	43,848	42,693	61,794	-17,946	1,155

KEY PERFORMANCE INDICATORS (KPIs)

- **1.86 Litres of undiluted ethanol/litre of plasma** treated (2.12 Litres of ethanol/litre of plasma in 2020).
- The vehicles in LFB's fleet have **average CO₂ emissions of 115 g/km** (115 g/km in 2020)
- **Rate of reduction of paper printing in 5 years: -29.04% CO₂eq emissions by LFB.**

5. SOCIETAL ISSUES

5.1. FAIR TRADE PRACTICES

Addressing the challenges

This challenge for fair trade practices is related to the section of the management report on the risks of non-renewal or withdrawal of the authorisations necessary for the Group's activities. The same holds true for the section on the risks connected with human biological materials and health.

Challenge

The activities of LFB BIOMÉDICAMENTS consist of the manufacture and sale of plasma-derived medicinal products for use in the fields of Immunology, Haemostasis and Intensive care / Pulmonology.

All of LFB BIOMÉDICAMENTS' products are medicinal products of major therapeutic interest (MITM) as defined by French law No. 2016-41 of 26/01/2016 and decree No. 2016-993 of 20/07/2016.

These medicinal products are delivered to hospital pharmacies (except for one product sold in retail pharmacies) and are administered in most cases for the treatment of rare or serious diseases such as in emergency situations, in specialised units (haemostasis, immunology, surgery) by healthcare professionals.

Policy

LFB BIOMÉDICAMENTS undertakes to manufacture and market to healthcare professionals medicinal products that meet the manufacturing criteria and controls as defined in their marketing authorisations (MA) and in accordance with the requirements of Good Manufacturing and Distribution Practices. The MAs are obtained from health authorities after a rigorous and documented evaluation of the manufacturing processes and the benefit-risk balance for patients.

LFB BIOMÉDICAMENTS also undertakes to provide healthcare professionals with reliable, objective and quality information to support them in the care of their patients and promote good use of its medicinal products in accordance with the therapeutic indications of their MAs.

Finally, LFB BIOMÉDICAMENTS undertakes, in accordance with the law, to inform authorities of any risk of supply tensions and shortages concerning its medicinal products and, if necessary, to take appropriate action to minimise the consequences of any such unavailability.

Measures implemented

In the area of medicinal product controls, all batches of plasma-derived medicinal products distributed by LFB BIOMÉDICAMENTS must, by law, undergo additional tests and are released by an independent official health laboratory that issues an official batch release certificate.

For the purposes of post-marketing surveillance aimed at guaranteeing optimal safety and quality of its medicinal products in accordance with laws in force, LFB BIOMÉDICAMENTS has a Pharmacovigilance, Complaints and Haemovigilance unit that monitors its products.

A pharmaceutical telephone service is available outside of the company's working hours to receive and process any urgent information.

LFB BIOMÉDICAMENTS has set up serialisation of its medicinal products in order to secure the use of its products and to guard against the risk of counterfeit products being used. This measure has been effective since 9 February 2019.

In the area of promotional information, LFB BIOMÉDICAMENTS provides promotional information to healthcare professionals through its Hospital Scientific Sales Representatives to assist them in caring for their patients and promoting the proper use of its medicinal products.

LFB BIOMÉDICAMENTS has committed to apply the charter of the LEEM (France's pharmaceutical industry trade association), a charter for information provided by canvassing or prospecting for the promotion of drugs, and its medical sales visits have been certified since 2010. This certification of the promotional information was renewed on 13/07/2020 by a new certification body.

A code of ethics has been established. It is handed out during visits of the Hospital Scientific Hospital Sales Representatives to healthcare professionals and is available on LFB BIOMÉDICAMENTS' website under "Commitments to healthcare professionals".

Supply tensions/stock shortages:

LFB BIOMÉDICAMENTS has implemented Shortage Management Plans for all of the medicinal products in its portfolio.

Since 15/09/2021, and in accordance with Decree 2021-349 of 30 March 2021 relating to safety stocks intended for the national market, LFB has set up safety stocks corresponding to 4 weeks for LFB immunoglobulins and 6 weeks for all other LFB products.

In addition, dedicated stocks of products are set aside for emergency situations (medical emergencies, attacks or other extremely serious situations such as natural catastrophes) that can be provided 24 hours a day, 7 days a week via a pharmaceutical on-duty system.

RESULTS

- o **2,856: SRTs** (Transfusion Network Reports) □ SRT = quality report from the centres that supply plasma (starting material for LFB's medicinal products) - **(2,454 in 2020)**.
- o **0:** Precautionary measures* following SRTs (* precautionary measures = blockage of batches of products).
- o **0:** Cases of counterfeiting - **(0 in 2020)**
- o **32: Complaints** concerning LFB's medicinal products - **(46 in 2020)**.
- o **0: Batch recalls (0 in 2020)**.
- o **4: Number of PSURs*** (Periodic Safety Update Report: issued by the Pharmacovigilance department) sent to authorities, or concerning about ½ of LFB's products - **(10 in 2020)**.
- o **No change:** Change in the Benefit/Risk balance of an LFB medicinal product.
- o **1: Stock shortages** concerning LFB's medicinal products - **(7 in 2020)**.
- o **14:** Number of **emergency orders** - **(32 in 2020)**.

KEY PERFORMANCE INDICATORS (KPIs) for complaints in 2020

- o **0 batch recalls** for all medicinal products sold in 2021 compared to 0 in 2020.
- o **- 85.7% stock shortages between 2021 and 2020** (-65% stock shortages between 2019 and 2020).

5.2. CONDITIONS OF DIALOGUE WITH EXTERNAL STAKEHOLDERS

Addressing the challenges

This challenge for commitments to promote conditions for dialogue with external stakeholders is connected with the section in the management report on the risks linked to the interruption of activities.

Challenge

LFB is a French company specialised in the fractionation of plasma and the production of medicinal products for the treatment of serious and often rare diseases. One of the major challenges for LFB is to promote the French plasma sector by maintaining good relations and dialogue with its external stakeholders. This challenge is correlated with the overall risk factors in the management report: risks linked to the non-renewal or withdrawal of the authorisations necessary for the Group's activities, which would have a strong impact on patient access to the company's medicinal products.

We can also cite the ethics and compliance risks dealt with in the management report. These are non-negligible risk factors that could have significant negative impacts on the Group's reputation and image and lead to penalties.

Policy

To meet these challenges, the Public Affairs unit within the Corporate Affairs department is in regular contact with blood donor organisations, patient associations, public authorities, professional organisations, and learned associations among others.

Measures implemented

1 - Blood donor organisations.

Since its origins, LFB has actively supported blood donor organisations and in particular the French Federation of Voluntary Blood Donors ([FFDSB](#)), an association recognised as of public utility. The association federates regional blood donor associations in a national organisation, promotes voluntary and unpaid blood donation in partnership with institutional organisations, contributes to blood safety throughout the chain, participates in the recruitment of donors and volunteers, their loyalty and training of volunteers and finally represents blood donors officially before politicians as well as international bodies. LFB also maintains relationships with other organisations including the [UNDSB](#) (National Union of Volunteer Donors Associations of the French Post Office and Orange), the [AP TSA](#) (Association for the Promotion of Blood Transfusion in the Armed Forces) and the [ANCDB](#) (National Association of Railway Workers for Volunteer Donation).

2 - Patient associations.

Plasma-derived medicinal products are used to treat a multitude of acute and chronic, serious and most often rare diseases that are mainly managed in hospitals and sometimes at the patient's home. The patients affected by these pathologies are grouped mainly within 5 associations: primary immunodeficiencies ([IRIS](#)), alpha-1-antitrypsin deficiency ([ADAAT](#)), peripheral neuropathies ([AFNP](#)), rare bleeding diseases ([AFH](#)) and multiple myeloma ([AF3M](#)).

LFB supports patient associations in their missions: educating patients, supporting families, promoting diagnosis, representing patients, promoting donation and supporting research.

3 - Public authorities.

Though it has the French government as its shareholder, LFB interacts with administrations and ministerial cabinets on its subjects of interest which require the involvement of public authorities.

4 - Professional organisations.

LFB is a member of four professional organisations (French: LEEM (France's pharmaceutical industry trade association) and France Biotech; international: IPFA and PPTA), think tanks (G5 Health in France) as well as within the Ile-de-France competitiveness cluster Medicen.

5 - Learned associations.

LFB also maintains relations with healthcare professionals and participates, as a public health player, in the improvement of patient care paths.

Impact of the Covid-19 pandemic

Blood donor associations were active in the promotion of blood donation, and in particular during the lockdowns.

Blood and plasma donations are used to supply both healthcare facilities with labile blood products (transfusion) and LFB with plasma for fractionation.

Exchanges between LFB and blood donor associations concerned the supply of plasma for fractionation by the EFS (French Blood Establishment), the needs of healthcare establishments facing a drop in supplies from other industrial players, as well as the actions implemented by LFB to respond to demand.

Patient associations adapted to the constraints of Covid-19 in 2021.

In addition, to answer questions from patients, the associations actively communicated on their websites about the day-to-day management of the disease during the pandemic.

In 2021, due to the health crisis, patient associations adapted their activities (example: remote versus face-to-face meetings) in order to prevent the risk of contamination.

Some associations were able to successfully deploy new digital tools to hold virtual conferences.

In summary, activities resumed gradually in 2021.

6- Austrian Association of Plasma Collectors

EUROPLASMA Austria participated in two campaigns to raise awareness about plasma donation as a member of IG Plasma (IG Plasma website <https://www.plasmaspende.at/>). IG Plasma is the association of plasma producers in Austria. Its aim is to make a significant contribution to the security of supplies of the starting material blood plasma, which is the precious starting material crucial to many therapies.

RESULTS

The influence of LFB in France through dialogue with its external stakeholders is distinguished by its positioning:

- **Continued participation in a committee created in 2019** to bring together blood donor organisations, patient associations and LFB.
- **Support for the action plans** of each of the patient and blood donor associations.

The international actions implemented by Europlasma Austria to raise awareness on plasma donation have been broadcast on social networks and during television ads:

- TV ads (from 13 to 26 October, "PLASMA - MEHR ALS DU DENKST") were broadcast on the main Austrian channels Plus4 & PRo7, SAT1 Austria,
- A digital campaign was carried out on social networks such as Facebook, Instagram Ads, Google Ads and YouTube.

KEY PERFORMANCE INDICATORS (KPIs)

Notoriety of LFB in France

- **LFB sponsoring for 4 patient associations**
 - **KPI was reduced by 20%** in 2021 compared to 2020 (5 relationships). LFB participates in events alongside these associations: Multiple Myeloma Day, International Rare Diseases Day, etc.
- **LFB sponsoring for 3 different blood donor organisations**
 - **KPI was stable in 2021 compared to 2020.** LFB participates in events with these organisations: National Congress of French Post Office and Orange Blood Donor Associations, Blood Donation Operation for the Armed Forces, etc.

Involvement of Europlasma Austria with organisations

- Relations of EUROPLASMA with **1 professional plasma collectors organisation**
 - **KPI was stable in 2021:** member of IG Plasma.

5.3. CONTINUED PARTNERSHIPS AND/OR SPONSORSHIPS

This challenge for partnership initiatives is related to the section of the management report dealing with risks connected with partnership agreements.

Challenge

LFB contributes to improving care for patients with acute or chronic diseases that are often rare and serious, through efforts to raise awareness among healthcare professionals and support for therapeutic education projects for patients. One of LFB's important challenges is to maintain partnership and/or sponsorship relationships with its external stakeholders, despite a difficult financial situation.

Policy

LFB and EUROPLASMA support the initiatives of blood donor associations to promote blood and plasma donations.

Measures implemented

In France, LFB's support is reflected in a financial participation in certain operations carried out by the associations, including the organisation of annual congresses, in accordance with the guides of professional organisations at the European level (EFPIA - European Federation of Pharmaceutical Industries and Associations) and French level (LEEM - France's pharmaceutical industry trade association), and LFB's internal procedures.

It also participates in combating illness and suffering among hospitalised children through support for initiatives carried out by Rire Médecin (Doctor's Laugh) in paediatric units and at the homes of young patients.

The governance of interactions between LFB and blood donor organisations and patient associations changed in 2020 with:

- o The centralising of budgets and action plans within the Public Affairs department,
- o The creation of an internal Committee on interactions, which arbitrates requests for funding from patient associations,
- o The limiting of contacts with blood donor and patient organisations to the Director of Public Affairs, Medical Directors and Scientific and Medical Affairs department.

Any partnership or sponsorship operation must be presented to the Committee on interactions with patient associations for an opinion before the Group provides funding. The projects are formalised by a contract which specifies the purpose and amount of support.

The rules for the interaction of LFB employees with patient associations were formalised in 2021 in a procedure titled [CO01 FR "Interactions with patient associations"](#).

In the Czech Republic, **the social and solidarity commitment of Europlasma employees** is regularly confirmed by their participation in the challenge of a charity organisation called "Fondation Tereza Maxová". <https://nadaceterezymaxove.cz/>.

This association is very popular in the Czech Republic and its mission is to help orphaned and disadvantaged children. Participants accumulate kilometres by walking, running or using a bicycle. The total distance covered is then calculated in one terametre (1 Tm = 10¹² m). Participating companies donate 20 Czech crowns (CZK) per terametre (CZK 20 = € 0.82). Europlasma employees accumulated 1,220 Tm that converted into CZK 24,500 and was donated to the association.

CORPORATE CHARITY PARTNERSHIP

Europlasma Czech Republic collects funds from donors for foundations/associations. These funds are shared among several organisations. In 2021, a total of € 28,000 was paid to the Foundation against paediatric cancers "Chance for Oncologists", the Foundation for the Support of Police and Firefighters and the Association for the Protection of Animals.

RESULTS

LFB partnerships and sponsorships by Public Affairs in France and internationally

- **9 initiatives** for patient associations.
- **3 initiatives** for international associations.
- **3 initiatives** for blood donor organisations.
- **1 initiative with the Tulipe Association (other association: Know how to respond to health emergencies).**
- **1 initiative with the Rire Médecin Association**

	AF3M	AFH	AFNP	IRIS	RIRE MEDECIN	IPOPI	WFH	EHC	FFDSB	AP TSA	ANCDB	Other associations	TOTAL
Number of partnerships, donations or sponsorships	1	2	3	3	1	1	1	1	1	1	1	1	17

Partnerships/sponsorships of EUROPLASMA Czech Republic

- **1 company charitable partnership initiative.**
- **1 social and solidarity commitment** for the foundation helping orphans and underprivileged children in the Czech Republic.

KEY PERFORMANCE INDICATORS (KPIs)

LFB initiatives in France

+6.25% in the number of initiatives or partnerships, donations and sponsorships (16 in 2020).

+7.7% global support initiatives for patient associations, international associations and blood donor organisations.

-25% agreements with blood donor organisations.

Europlasma initiatives

-33.3% charitable initiatives compared to 2020 (2 partnerships with associations/foundations in 2021 compared to 3 in 2020).

5.4. PURCHASING POLICY

Challenge - the Purchasing department's policy is aligned with the Group's strategy.

The Purchasing department has made the following commitments:

- Ensure reliability of purchases from a panel of competent and competitive suppliers,
- Secure the procurement of Group supplies to ensure the continuity of production,
- Improve administrative, financial and contractual flows,
- Contribute to the control and improvement of the financial performance of LFB,
- Ensure that all purchases (materials and services) are properly authorised, evaluated and accounted for within the appropriate period of time,
- Protect the interests of LFB by maintaining long-term relationships with suppliers and service providers and promoting the external image of LFB,
- Include, defend and promote the Group's "Corporate Social Responsibility" (CSR) values in relations with suppliers (Supplier Relations Charter, Duty of vigilance, Sustainable Development, Ethics, Transparency).

Policy - the Responsible Purchasing approach

To meet the Group's CSR challenges, the Group's Purchasing department is developing a Responsible Purchasing approach based on the promotion of responsible practices and balanced relations with its suppliers and subcontractors.

Since 2010, the Group Purchasing department has signed the Supplier Relations and Responsible Purchasing Charter (SRRP Charter) led by the Company Mediator and the National Purchasing Council (CNA). This Charter, renamed the Supplier Relations Charter at LFB, was updated in November 2020 to better take into account the 10 good practices of the SRRP Charter in the context of purchasing at LFB.

The 10 good practices range from the principle of ethical affairs to the consideration of environmental issues, and are based in particular on:

- Ethics, fairness, transparency and business loyalty,
- Consideration of social and environmental criteria,
- Development of purchasing from companies in the protected and adapted sector,
- A complete cost approach where possible,
- Purchases favouring local businesses and SMEs,
- Awareness of the principles of Responsible Purchasing.

Measures implemented

In line with the actions of previous years, in 2021 the Group's Purchasing department invited around a hundred of its suppliers and subcontractors to assess their CSR maturity and performance on the ECOVADIS platform. 55 suppliers had completed their assessment at the end of 2021. An action plan will be initiated in 2022 for 5 of them whose score was below 50/100. New suppliers and subcontractors will be invited to participate in 2022.

Other initiatives continued in 2021

As an example:

- o Supply of certified renewable electricity of French origin to the Group's two main plants in Lille and Les Ulis by the end of 2021. The initiative was continued in 2021 at the Alès site,
- o Installation of electric charging stations for employees,
- o Sharing of a shuttle for transportation of staff at the Les Ulis site, with companies located near the site,
- o Consultation for the Group's sites in Hauts-de-France (Lille, Carvin and Bailleul-Sir-Berthoult), to improve waste management, in particular for the sorting and recovery of waste,
- o Reinforcement of collaboration with suppliers and subcontractors on purchases under supply tensions due to the health crisis.

RESULTS

Overall data and performance indicators for responsible purchasing:

- o **€ 214.6 million** covered by purchasing in 2021 (€ 212.63 million in 2020).
- o **2,503** active suppliers in 2021 (1,937 in 2020).

These data correspond to purchases made in France, excluding plasma.

- o **Share of purchases from SMEs: 40%** in 2021 (41% in 2020) for a target of 40%.
As part of its calls for tenders, LFB strives to always include at least one SME. SMEs established near LFB sites are solicited widely.

Average payment time of suppliers and subcontractors of 52 days in 2021 (49 days in 2020). In accordance with the Act on the modernisation of the economy (LME Act No. 2008-0776) of 4 August 2008, LFB undertakes through its General Terms and Conditions of Purchasing (GTCP), to respect the average time for payment of its Suppliers and Subcontractors of forty-five (45) days from the 15th or 30th following the date of issue of the invoice. This period may be reduced, in particular for sectors of the economy for which a specific period applies.

The table below shows the change in these indicators between 2020 and 2021.

KEY PERFORMANCE INDICATORS (KPIs)

- o **Share of purchases from SMEs: 40%** in 2021 (41% in 2020)
- o **97 suppliers and subcontractors** were invited in 2021 to reply to the **CSR questionnaire** on the ECOVADIS platform to be assessed on their degree of CSR maturity. This evaluation aimed to reach a target of 80 evaluated.

Purchasing indicators	2021	2020
Average payment time* for suppliers and subcontractors (days)	52	49
Share of SME purchases in Turnover out of total purchases	40%	41%

EcoVadis evaluation*	
Objective of partners evaluated	>80
Partners contacted	97
Partners evaluated	62
Partners currently in evaluation	21
Evaluation refused (to be reminded)	26
Number of partners evaluated with a score <50	7

(*) EcoVadis platform as of 08/02/2022: Results of the EcoVadis evaluation by LFB purchasing

5.5. MEASURES TO COMBAT CORRUPTION

The challenge of corruption is related to the sections of the management report concerning:

- Ethics and compliance risks.
- Risks related to litigation and disputes.

Challenge

In compliance with laws and regulations in force, senior management has committed to implement all necessary actions to demonstrate LFB's ethical commitment to patients, healthcare professionals, its employees, partners and shareholder.

In this context, the prevention of corruption is a major commitment for LFB.

Policy

As a drug company, LFB is subject to stringent anti-gift regulations. This means that LFB has procedures and operational measures in place to prevent acts of corruption aimed at healthcare actors in particular.

In accordance with the French Sapin 2 law, LFB's Executive Committee has put in place a corruption prevention plan led by the Legal Affairs and Conformity department.

Measures implemented

LFB has thus adopted, among other measures, a corruption risk map, an anti-corruption code of conduct (translated into English, Spanish, German and Czech) and a procedure for assessing the integrity of third parties. A professional whistleblower line has also been set up through which any employee can report to the Compliance department any fact likely to adversely affect the Group's activities or responsibility.

The Group's corruption risk map was updated in 2020, following in particular the reshuffling of the governing body, the general reorganisation and the refocusing of the Group's activities. This led to the development of an action plan adapted to the situations assessed and focused mainly on creating a more standard organisation in line with that imposed by LFB on its foreign subsidiaries and more regular monitoring of subsidiaries.

LFB's CSR Charter, which also incorporates the Group's anti-corruption principles, was updated.

The third party integrity assessment procedure, which is applicable to the Group's French companies, assesses new third parties considered for work with LFB before any contract is signed and progressively reassesses third parties with existing contracts in the order of their priority.

RESULTS

In 2021, compliance training focused on the GDPR with e-learning which was dispensed via the Formavisa platform to around 500 employees and specific training sessions for HR department employees on the CNIL's HR reference guide.

In 2021, **one new employee in France** and six employees in the United Kingdom were trained in the prevention of corruption. Also in 2021, employees of the International Operations department attended an information session on the French Act on the anti-gift scheme.

In February 2022, an e-learning course on the prevention of corruption will be dispensed via Formavisa to new employees arriving in 2021 and 2022 at LFB in France.

Development of a professional alert system and opening of an alert hotline in 2018: alert-compliance@lfb.fr.

- General GDPR training: 145 employees trained and assessed (training offered to 546 employees)
- GDPR training (HR reference guide): 57 employees trained
- 1 employee trained in the prevention of corruption

i.e. a total of **203 employees** who have therefore taken compliance training

KEY PERFORMANCE INDICATOR (KPI)

Extension of the scope of the performance indicator to compliance training

- **Indicator: 10.84%** (number of people trained / mean workforce in 2021 = 203/1,872) X100

6. CONCLUSION AND OUTLOOK

6.1. OUR RESULTS

RECOGNISED VALUES

Employees, future hires, customers, and more broadly all external stakeholders can trust LFB: as a socially responsible company and in keeping with its values, LFB seeks to establish itself as a partner of their success and development.

LFB contributes to improving care for patients with serious and often rare diseases, through efforts to raise awareness among healthcare professionals and support for therapeutic education projects for patients.

A SUSTAINABLE DEVELOPMENT CHALLENGE

Controlling water and energy consumption, reducing greenhouse gas emissions and managing waste are considered major challenges.

LFB continues its initiatives to reduce its environmental impact, and its carbon footprint has fallen sharply since 2011. Between 2018 and 2021, LFB's recycling of non-hazardous waste more than doubled from 25% to 58.95%.

The 3 industrial sites of Les Ulis, Lille and Alès today consume 100% renewable electrical energy of French origin, which has made it possible to offset 678.3 Tonnes of CO₂ from its greenhouse gas emissions.

LFB's CSR Charter, revised in 2021, presents the company's "10 major commitments" for the coming years.

LFB will also meet the challenge of a low carbon strategy with concrete actions in order to have a trajectory for reducing its greenhouse gas emissions in keeping with the National Low Carbon Strategy.

Finally, some examples of CSR awards received by LFB in 2021 are listed below:

ecovadis

Vue d'ensemble de la performance RSE

LFB BIOMEDICAMENTS SA

Les Ulis - France | Fabrication de préparations pharmaceutiques, de produits chimiques à usage médicamenteux et de produits d'herboristerie

Date de publication : 20 oct. 2021

Valable jusqu'au : 20 oct. 2022



62 /100
86ème
percentile

Répartition des scores globaux



FAITS MARQUANTS

Score global

LFB BIOMEDICAMENTS SA fait partie du top **8%** des entreprises évaluées par EcoVadis dans le secteur d'activité Fabrication de préparations pharmaceutiques, de produits chimiques à usage médicamenteux et de produits d'herboristerie .

Environnement

LFB BIOMEDICAMENTS SA fait partie du top **25%** des entreprises évaluées par EcoVadis dans le secteur d'activité Fabrication de préparations pharmaceutiques, de produits chimiques à usage médicamenteux et de produits d'herboristerie .

Social & Droits de l'Homme

LFB BIOMEDICAMENTS SA fait partie du top **7%** des entreprises évaluées par EcoVadis dans le secteur d'activité Fabrication de préparations pharmaceutiques, de produits chimiques à usage médicamenteux et de produits d'herboristerie .

Achats Responsables

LFB BIOMEDICAMENTS SA fait partie du top **25%** des entreprises évaluées par EcoVadis dans le secteur d'activité Fabrication de préparations pharmaceutiques, de produits chimiques à usage médicamenteux et de produits d'herboristerie .

Éthique

LFB BIOMEDICAMENTS SA fait partie du top **25%** des entreprises évaluées par EcoVadis dans le secteur d'activité Fabrication de préparations pharmaceutiques, de produits chimiques à usage médicamenteux et de produits d'herboristerie .



* Vous recevez ce score/cette médaille sur la base des informations communiquées et des news mises à la disposition d'EcoVadis au moment de l'évaluation. Si des informations ou des circonstances changent sensiblement au cours de la période de validité de la fiche d'évaluation/médaille, EcoVadis se réserve le droit de retirer temporairement la fiche d'évaluation/médaille de l'entreprise, afin de réévaluer et de publier/d'activer éventuellement une fiche d'évaluation/médaille révisée.



6.2. A RESPONSIBLE FUTURE

LFB is working on its strategic transformation project and preparing for responsible growth in the future.

LFB sees the sharing of its values as the foundation for improving its performance and meeting its long-term goals:

- Continued prioritisation of industrial activities** to support market growth and to once again be a key player in plasma fractionation. An industrial investment plan in France to build a new plant in Arras has been implemented. These investments will enable LFB to triple its production capacity to achieve growth and offer its medicinal products to patients.
- Refocusing its activities on its core business:** plasma-derived or recombinant medicinal products.
- Consolidation of LFB's leadership in France and selective international development.**

In France, consolidating LFB's leadership will involve reclaiming market shares, winning back customers and maximising the potential of its existing drug portfolio.

This ambition will be based in particular on maintaining a solid commercial presence, focusing on priority products and customers.

Internationally, LFB follows a selective strategy by focusing on certain markets with its key medicinal products.

Our goal is to accelerate the development of LFB in the coming years, in order to continue fulfilling our mission: to offer crucial medicinal products for patients suffering from serious and often rare diseases.

In a process of continuous improvement of its CSR performance, LFB continues to strengthen its actions and approach to social responsibility for the years to come. It is fully committed alongside its employees to serving the health of patients.