



**NON-FINANCIAL
PERFORMANCE
STATEMENT**

APPENDIX 2 • 2023



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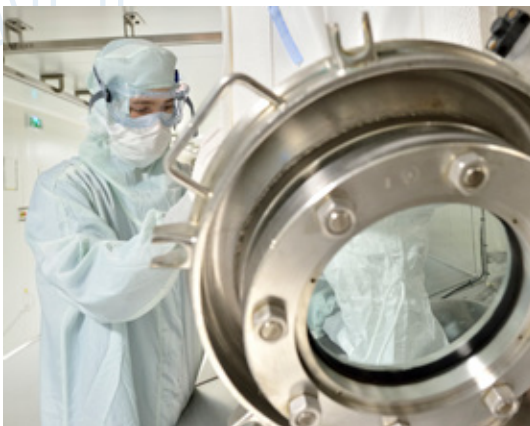
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INTRODUCTION

In 2023, LFB made great strides on strategic projects, including the commissioning of the new industrial site in Arras scheduled for completion by the end of 2024. This Arras plant reached a crucial milestone in 2023 when the French National Agency for Medicines and Health Products Safety (ANSM) granted it the official authorisation to open a pharmaceutical site. The buildings for waste recovery and the plasma storage warehouse are now complete. The quality control laboratories are operational and the first quality checks of materials entering the site have begun. The disinfection of the production facilities is now complete and the finishing touches are being put on the clean rooms. The industrial equipment is currently undergoing calibration and final qualifications.


This new plant will increase France's health and industrial sovereignty in plasma-derived medicinal products. In this context, LFB continued to underscore the importance of being able to collect more plasma in France with a view to opening the Arras site.

LFB also launched CEVENFACTA®, a recombinant activated factor VII for the treatment of certain forms of haemophilia, in several European countries in 2023.


LFB decided in 2023 to define its Raison d'Être or overarching purpose through a collaborative and collective process involving all of its employees and external stakeholders. This involved the following:

- 1 - Getting the opinion of all employees via an open digital survey in 5 languages over a 7-week period, with a participation rate of 64%. Qualitative analysis of the survey identified what employees see as the core principles of LFB: the group's expertise and the commitment and motivation of employees. The Raison d'Être was defined based on these fundamentals.
- 2 - Consultation of the Board of Directors
- 3 - The 14 external stakeholders (shareholder, suppliers including the French Blood Establishment, customers, patient and donor associations, creditors, the French Directorate General of Health, the French Directorate General of Enterprise, etc.) were asked to weigh in. This exercise further refined the Raison d'Être based on the needs of the stakeholders and their vision for the group.
- 4 - After several workshops with the members of the Executive Committee and with feedback from all external stakeholders, the final Raison d'Être was defined as: **"LFB, expertise committed to life"**. This defining phrase will be included in the company's articles of association. A manifesto further explaining the defining phrase and destined for use in internal and external communications has also been fleshed out: *"As experts in plasma-derived medicines, we are an essential link between donors and patients, thanks to our know-how and our daily commitment. Vested with a public health mission, we stand as a pillar of French health sovereignty. We are internationally renowned for the biomedicines we develop, manufacture and market in the service of patients. We are proud to do business in a responsible and sustainable manner."*

In accordance with the company's articles of association, the defining phrase summarising the company's Raison d'Être was unanimously approved on 14 December 2023 by the Board of Directors, which then, on 8 February 2024, convened a General Meeting held on 26 February 2024 to vote on the amendment of the company's articles of association to include the newly-minted Raison d'Être.



LFB decided in 2023 to define its Raison d'Être or overarching purpose through a collaborative and collective process involving all of its employees and external stakeholders.



The CSR Committee, which serves as LFB's internal management body, resumed its activities at the end of 2022. The committee met 4 times in 2023, notably to update LFB's CSR strategy and monitor the company's priorities and CSR action plans. The committee also facilitates exchanges between all internal stakeholders.

LFB also actively recruited new talent in 2023, with 419 new hires across all contract types in France. LFB invested heavily in the training of its employees, in partnership with various schools and universities, in job forums and within the territories of LFB's sites in France. In 2023, the LFB participated in 15 events of this type with teams including operational and Human Resources experts. Employee well-being and success are essential.

LFB continued to provide active support to patient associations, in France and internationally, as well as to blood donor associations in France. The committee of blood donor and patient associations, created in 2019 and chaired by the CEO of LFB, met on the site of the new Arras plant on 29 March 2023.

In 2023, LFB also continued its quest to reduce its environmental impact, with better control of water and energy consumption, reduction of greenhouse gas emissions and improvement of waste management. The company also worked to reduce travel and commuting: shuttle service for employees, carpooling, new technologies (video conferences, collaborative spaces), remote working, etc.

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

the CSR audit conducted by the CAHPP (Central purchasing office for public and private hospitals) awarded LFB with the "Exemplary" Green Index level for its compliance,

The A++ label was renewed for the 8th consecutive year,

The EcoVadis platform's awarded its **Silver medal** to LFB for its CSR maturity for the fourth consecutive year. LFB BIOMÉDICAMENTS SA is among the top 5% of companies assessed by EcoVadis in 2023 in the Pharmaceutical Manufacturing sector.



These results encourage LFB to pursue its approach of social, societal and environmental responsibility. This committed expertise of LFB is put to the service of life, as recalled by LFB's Raison d'Être.

1

LFB'S BUSINESS MODEL

The national scope chosen for the 2023 reporting in the social, societal and environmental areas is described under the names LFB France or LFB Group (Les Ulis, Lille, Carvin and Alès sites). This reporting is being rolled out gradually to LFB's international scope, specifically at Europlasma, a foreign subsidiary (plasma collection centres in Austria and the Czech Republic), with the social and societal areas only. Information concerning part of the social data of the other foreign subsidiaries («LFB USA» and «American plasma») is collected and will be progressively integrated into the data presented.

The entities covered in the NFPS present the majority of LFB's activities, turnover, and workforce.

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 Entrepreneurship, Exemplarity, Stringency, a 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 strategy, supported by all of the company's employees, has been translated into concrete objectives:

- To prioritise industrial affairs, in particular with the future plant in Arras,
- To refocus the company's activities on its core business: plasma-derived medicinal products and recombinant proteins,
- To strengthen its leadership in France and focus international development in certain countries (United States, Germany, United Kingdom, Spain, Italy, Belgium, Mexico and Turkey).

Thanks to its adaptability and innovation, LFB continues to pursue its ambitious mission every day: to develop, manufacture and help patients with essential 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 vision:
 "LFB, expertise committed to life."

LFB's mission:
 "To provide plasma-derived medicinal products and recombinant proteins for patients with serious and often rare diseases in three therapeutic areas: immunology, haemostasis and intensive care."

MEANS, RESOURCES, PERFORMANCE...

FINANCIAL RESULTS

€ 526.1 million in global turnover
 € 412.9 million in purchases

MEDICINES PORTFOLIO

16 medicinal products Commercialised in **some thirty countries**

HUMAN CAPITAL

2,828 employees
 48.70% women
 51.30% men

A corporate culture based on **5 core values**
 Accident rate = **9.77** (France)

SUSTAINABLE PERFORMANCE

+28.17% CO₂eq between 2022 and 2023
 +9% in water consumption (France, between 2022 and 2023)
 63.11% in non-hazardous waste recovered

Progress toward **ISO 50 001** certification

RELATIONS WITH STAKEHOLDERS

A public health mission in France*
Major player in the French plasma market

19 initiatives for patient associations (France and International)
3 initiatives for blood donor organisations

INTELLECTUAL CAPITAL

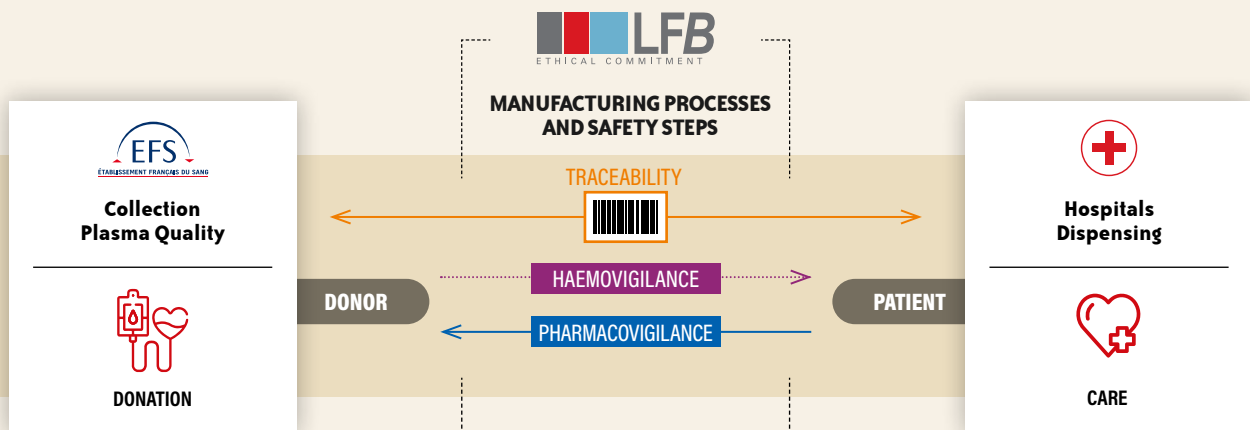
44 scientific publications**
 59,914 training hours (25.73 hours/employee)
 1,924 people trained in compliance
 100% buyers trained in responsible purchasing

INDUSTRIAL SITES IN FRANCE

4 bioproduction sites: Les Ulis (91), Lille (59), Alès (30) and one future site in Arras (62)

992,376 litres of plasma fractionated
 1,857,503 vials released
 556 batches released

2023 data



... RESPONSIBLE AND SUSTAINABLE.

LFB's main CSR commitments.

SOCIAL ISSUES

To make LFB a responsible, social-minded company

SOCIETAL ISSUES

To ensure that LFB's relations with all of its stakeholders further the company's performance, society and patients.

ENVIRONMENTAL ISSUES

To reduce its carbon footprint as much as possible.

*Article L5124-14 of the French Public Health Code modified in 2015 by Act No. 2015-990, Article 190.

**excerpts, articles, scientific publications written by LFB authors and/or citing LFB's products

2

LFB GROUP STRUCTURE & SCOPES



GLOBAL LFB GROUP GEOGRAPHIC PRESENCE: ACTIVITIES AND MARKETS



FRANCE



- Blood and plasma donation centres
- Commercial subsidiaries
- Plasma-derived medicinal products production site (LFB BIOMÉDICAMENTS)
- Recombinant medicinal products production site

THE LFB GROUP'S ACTIVITIES ARE DIVERSIFIED AND FALL INTO SEVERAL CATEGORIES:

- **Blood and plasma collection centres:** they are divided geographically into two subsidiaries, one that collects plasma in Europe (Europlasma) and the other responsible for collecting plasma in the United States (American Plasma).
- **Commercial subsidiaries:** LFB works with commercial partners and its subsidiaries to commercialise its medicinal products in some thirty countries worldwide. LFB has decided to implement a selective strategy outside of France, by focusing its efforts on 8 growth markets for its key medicinal products: Germany, Belgium, Spain, the United States, Italy, Mexico, the United Kingdom and Turkey.

- **Plasma-derived medicinal product production sites:** these sites are located in France, with 2 in operation (Les Ulis and Lille) and one new plant under construction in Arras and currently in the qualification stage. These plants fractionate human plasma collected and produce the derived medicinal products.
- **Recombinant medicine production sites:** these sites located in Alès (France) and Charlton (United States) specialise in the production of therapeutic proteins.

The table below provides a schematic view of the structure of the LFB Group, with its entities, subsidiaries and activities.

Entities and subsidiaries belonging to the LFB Group, presented according to their activity and geographical location

PARENT COMPANY	SCOPE	RECOMBINANT & PLASMA-DERIVED MEDICINAL PRODUCTS PRODUCTION ENTITY	SITE
LFB SA	LFB Group (reporting scope of the current NFPS)	LFB France (LFB biomedicaments, LFB biotechnologie, LFB biomanufacturing, LFB Global Plasma)	Les Ulis Lille Carvin Alès Arras
		BLOOD AND PLASMA COLLECTION ENTITY	COUNTRY OF COLLECTION
		LFB American Plasma	USA
		Europlasma	Austria Czech Republic
		PROMOTIONAL SUBSIDIARIES	PROMOTION COUNTRY
	Additional scope to be included in the 2025 NFPS for the 2024 financial year	LFB USA Inc. & rEVO Biologics Inc.	USA
		LFB Hemoderivados e biotecnologia Ltda	Brazil
		LFB GmbH	Germany
		LFB Biopharmaceuticals Ltd	England
		LFB Bioterapias Hispania	Spain
		LFB Middle East & CAF-DCF	Belgium
		Laboratorio Farmaceutico LFB Mexico	Mexico
		LFB Arabia LLC	Saudi Arabia
Hema biologics	USA		

Global Integration Equity method

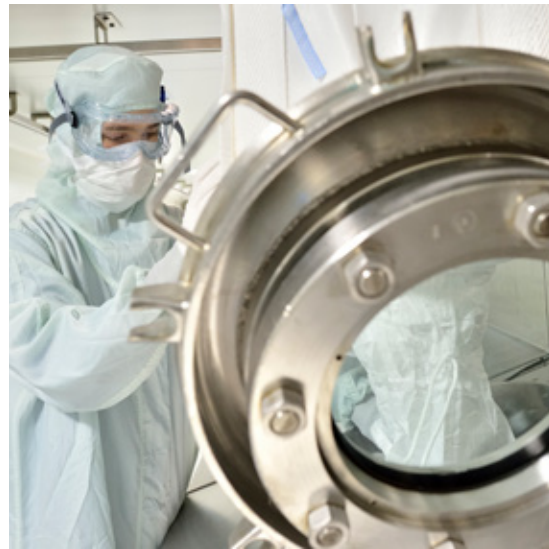
The scopes mentioned in this document refer to this table.

The current reporting scope referred to in this document under the name «LFB Group» only includes the entities that product recombinant and plasma-derived medicinal products, the blood and plasma collection entities and the main promotional subsidiary, LFB USA.

The other promotional subsidiaries, which do not represent a high percentage of the workforce (only 2.1%), are therefore not included in this non-financial reporting. They will be gradually integrated into the NFPS for the 2024 financial year.

3

CSR RISKS



CHALLENGES	RISKS
1 Maintaining adapted professional development and remuneration policies	Loss of company attractiveness
2 Guaranteeing a representative workforce in terms of gender and age	Increased discrimination and loss of knowledge transmission (integration of young people and tutoring)
3 Guaranteeing the match between employee skills and the requirements of their jobs	Mismatch between business needs and employee skills
4 Reinforcing attractiveness to recruit talent	Loss of attractiveness, with a negative operational and financial impact
5 Guaranteeing health and safety conditions at work Promote physical exercise and sports	Responsibility for employee health
6 Evaluating of collective agreements	Reduction of social dialogue with a risk of development of social movements
7 Managing water consumption	Risk of business disruption and environmental impact
8 Defining waste prevention, recycling and elimination measures	Increased expenses and environmental impact
9 Evaluating measures taken to promote patient health and safety	Safety and patient relations risk
10 Promoting initiatives to reduce greenhouse gas emissions	Increased pollution and CO2 emissions in the atmosphere
11 Managing energy consumption in the company's activities	Risk of business disruption and environmental impact
12 Taking social challenges into account in the purchasing policy (towards subcontractors and suppliers)	Financial health risks in connection with agreements and partnerships
13 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
14 Preventing and fighting corruption	Ethics and compliance risks that are legal and financial - Cybersecurity
15 Respect animal well-being	Ethics risk and company reputational risk

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 Internal 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 have defined the challenges and risks listed in the table below. This initiative will allow for the monitoring of performance indicators linked to the policies and initiatives implemented over a defined period of time, and to assess the results.

To this end, the company has defined 15 CSR topics it deems most relevant for its activities.

RELATED AREAS	ASSOCIATED KPIs	SCOPE COVERED
Remuneration	- Annual raises - Promotion rate	LFB Group
Total workforce and breakdown of employees by gender, age and subsidiary.	- Male/female breakdown - Variation in the number of work-study trainees offered a fixed-term or permanent contract at the end of their work-study contract - Variation in the number of work-study trainees	(LFB France for the KPIs concerning work-study trainees)
Training	- Percentage of employees trained at least once - Overall training effort	LFB France
Total workforce and breakdown of employees by gender, age and subsidiary.	- Employee turnover rate - Percentage of employees with a Career Plan or Individual Development Plan in place	LFB Group
Health and safety	- Work incident indicators (FRI and rate of change in work accident with lost time (AWLT)) - Absenteeism rate	LFB France
Social relations	- Percentage of sites covered by an SEC (Social and Economic Committee)	LFB France
Water consumption	- Variation in overall water consumption - m3 of water per litre of plasma fractionated	LFB France
Management of waste	- Percentage of non-hazardous waste recovered - kg of total waste generated per litre of plasma fractionated - kg of total waste generated per vial of product released	LFB France
Fair trade practices	- Number of LFB product complaints out of total products sold (PPM)	LFB France
Adaptation to the consequences of climate change	- Litres of ethanol consumed per litre of plasma fractionated - Average CO2 emissions of the LFB vehicle fleet - Percent reduction of greenhouse gas (GHG) emissions linked to paper printing - Percentage of electricity certified as renewable on the Alès site	LFB France
Energy and GHG emissions	- Variation in overall energy consumption - Variation in GHG emissions (Scopes 1 & 2)	LFB France
Responsible Purchasing	- Average supplier payment period in days - Share of purchases from SMEs as % - Share of purchases from the adapted or protected sector in turnover out of total purchases (excluding plasma) - Percentage of suppliers in France - Percentage of buyers trained in responsible purchasing - Percentage of buyers with CSR goals - Percentage of suppliers who responded to the EcoVadis assessment	LFB France
Interactions with external stakeholders	- Average time to signing of a contract - Percentage of projects approved by the committee before 31 December	LFB Groupe
Preventing and fighting corruption	- Pass rate of e-learning training on corruption - Pass rate of GDPR e-learning training - Pass rate of e-learning training on the Anti-gift scheme and transparency of relations - Percentage of users who passed the phishing test	LFB Groupe
Respect for animal well-being	- Percentage of passes in SPF (Specific Pathogen Free) tests	LFB Groupe

3.2 **OUR KEY CHALLENGES AND RISK REDUCTION OBJECTIVES**

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

	 SOCIAL AREA	 ENVIRONMENTAL AREA	 SOCIETAL AREA
A	Challenges connected with the total workforce and breakdown by gender, age and geographical area	Water consumption and water supplies according to local constraints	Measures to promote consumer health and safety
B	Challenges connected with wages and wage trends	Waste prevention, recycling and elimination measures	Relations maintained with the company's stakeholders and the procedures for ensuring dialogue with them - Sustain partnership or sponsorship initiatives
C	Challenges connected with absenteeism	Significant areas of greenhouse gas emissions caused by the company's activities	Consideration of the social and environmental responsibility of suppliers and subcontractors in relations with them
D	Organisation of social dialogue, including procedures for informing and consulting staff and negotiating with them	Measures taken to adapt to the consequences of climate change	Fight against corruption and tax evasion
E	Evaluation of collective agreements, particularly regarding health, safety at work, promotion of physical exercise and participation in sports	Respect for animal well-being in the company's activities	Cybersecurity (information security)
F	The policies implemented in terms of training, and the match between employee skills and the requirements of their jobs.		

3.3

CHALLENGES NOT DISCUSSED

Certain risks were not considered significant according to LFB's business model (mandatory according to law, cf. article L.225-102-1 of the French Commercial Code). Those risks are listed below. These challenge were not identified by internal stakeholders because they do not represent major risks:

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

- **The circular economy:** the company's activities, which are sensitive to the circular economy and the life cycle of the components used in the manufacture of medicinal products, recover 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 medicinal products that cannot be used or recycled at the end of their shelf life. LFB's medicinal products are delivered on specific order, and no unused medicinal product is kept in hospitals,
- **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. Social and environmental criteria are requested in the specifications for call for tenders for the selection of service providers and are included in the contracts,
- **Promotion of inter-army relations:** on the occasion of the French National Holiday, LFB stands by the Association for the Promotion of Blood Transfusion in the Armed Forces (APTSA) which supports the mission and activities of the Blood Transfusion Centre of the Armed Forces. Every year, on the 14th of July, the APTSA organises an exceptional blood collection campaign at the Invalides, for the benefit of the armed forces: «Blood Donation for soldiers deployed abroad and wounded people cared for in military hospitals».
- **The fight against food insecurity:** LFB's activities are not concerned by this commitment.
- **Responsible, fair and sustainable food:** LFB's main activities are not concerned by this societal commitment.

Initiatives to combat discrimination and promote diversity

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 **objectives** and social initiatives of LFB.

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).



4.1

TOTAL WORKFORCE AND BREAKDOWN BY GENDER, AGE AND SUBSIDIARY

CHALLENGE

Staff management is essential for the company in the context of industrial growth. It ensures that skills are adapted to fit the desired positions and profiles and that resources are allocated optimally according to the company's strategic vision, priorities and objectives (in particular in the context of commissioning of the Arras industrial site).

SCOPE

This challenge concerns and is addressed within the LFB Group scope.

The KPIs concerning work-study trainees are, however, limited to the France scope, because the other entities or subsidiaries do not currently hire under this type of contract.

POLICY

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

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

- An active policy of internal mobility, training and individual development **continued in 2023 with the objective of 600 expressed wishes for career development,**
- Development of the Employer Brand aimed both to increase the attractiveness of the company to meet recruitment challenges and to generate pride of belonging to the company to optimise retention,
- Our commitments to promote the integration of young people in our teams through internships and work-study alternation (apprenticeships and on-the-job training), **with a goal of 160 work-study trainees in the workforce in 2023 (as at 31/12/2023). The goal will be pursued in 2024 with an ambition of 200 hires, an increase of 25% compared to the previous year.**
- Measures relating to well-being at work

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:

- Annual evolution of arrivals / departures by contract type,
- Promotions over the year,
- Absences over the year.

Social indicators such as employee turnover and absenteeism among others are reviewed every month within the site management committees, to assess the associated risks and implement concrete actions when necessary.

2. Development of the Employer Brand

Since 2022, the company has pursued a strategy to develop an Employer Brand to increase its attractiveness towards different target candidates with the goal of meeting LFB's recruitment needs in the short and medium term.

This Employer Brand strategy continued in 2023 via a targeted communication plan. This annual multi-channel communication plan, which includes a signature, key messages, employee portraits and testimonials, disseminates LFB's distinctive identity as an employer to the wider ecosystem, with a two-fold objective:

- Strengthen LFB's visibility and reputation through a digital presence, but also with target schools, on employment forums and in the territories where the sites are located in France. In 2023, the LFB participated in 15 events of this type with teams including operational and HR experts.
- Promote pride in being a part of the company and encourage employees in their role as ambassadors.

A FEW FIGURES IN THE AREA OF ATTRACTIVENESS AND DEVELOPMENT OF LFB'S EMPLOYER BRAND

- The number of students integrated into our teams was up by 21% compared to 2022, with nearly 158 students recruited for long-term internships and work-study programmes,
- Industrial and quality professions were on top for the number of students recruited in teams this year, totalling nearly 80% of internships and work-study contracts signed in 2023,
- 125 work-study trainees registered for the 2022/2023 school year in the workforce as at 31/12/2023 (vs. 100 work-study trainees in 2022), i.e. a 25% increase.
- For the second consecutive year, LFB was granted the HappyIndex® Trainees label that certifies the quality of the internships and work-study contracts offered, with a score of 4.08/5. LFB came in 9th in that same survey out of 93 participating companies, in the category of 100-199 young talents present in 2023,
- Variation in the number of work-study trainees offered a fixed-term or permanent contract at the end of their work-study contract: 19% for the year 2023.

3. Development of the Young Talents policy

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

- Creating a pool of specific skills in the short and medium term through hands-on collaboration,
- Developing partnerships with 25 schools that provide training in our professions in the regions where LFB has sites, and to promote its Employer Brand more widely,
- 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 Young Talent (long-term internships and work-study alternation) as well as to the support and guidance of this community within the company.

4. Continuation of the co-optation programme

LFB's co-optation programme was set up to encourage and reward the referral of a new prospective profile not identified previously by classical recruitment methods. Employees, as the company's best ambassadors, are encouraged to recommend people they have met personally for open permanent positions.

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

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

In 2023, the co-optation momentum remained strong: 248 applications were recommended by LFB employees, of which 61 resulted in employment (i.e. a success rate of 24.6% for co-optations). This represents a 13% increase compared to the previous year and 77% of the positions filled by co-optation were in the Industrial Department.

5. ARRAS mobility agreement

The support for mobility to the Arras site as defined in the agreement signed in July 2021 continued to be available in 2023. This agreement 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 including:

- Assistance in finding housing,
- Support for geographical relocation,
- Professional support measures.

6. Europlasma Subsidiary

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

- Implementation of a new working time recording system in Austria,
- Opening of access to the Workday tool for Europlasma managers (LFB HR application),
- Launch of the Performance Management 2023 initiative, with setting of objectives.

7. Equal treatment

CHALLENGE

The values of LFB and its initiatives in terms of social responsibility testify to its commitment to combating discrimination and achieving equality of 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:

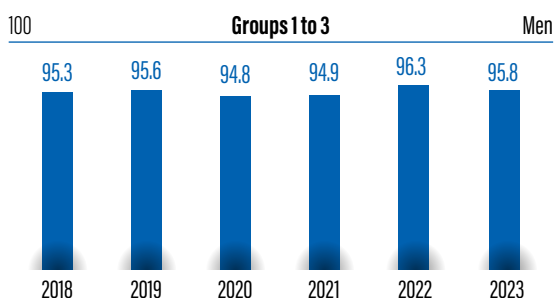
- Ensuring women and men are treated equally, fighting against discrimination of all types (recruitment, professional training, remuneration, career management),
- Planning training for any new manager,
- Promoting a good work/life balance,
- Putting in place measures for the professional integration and continued employment of workers with disabilities.

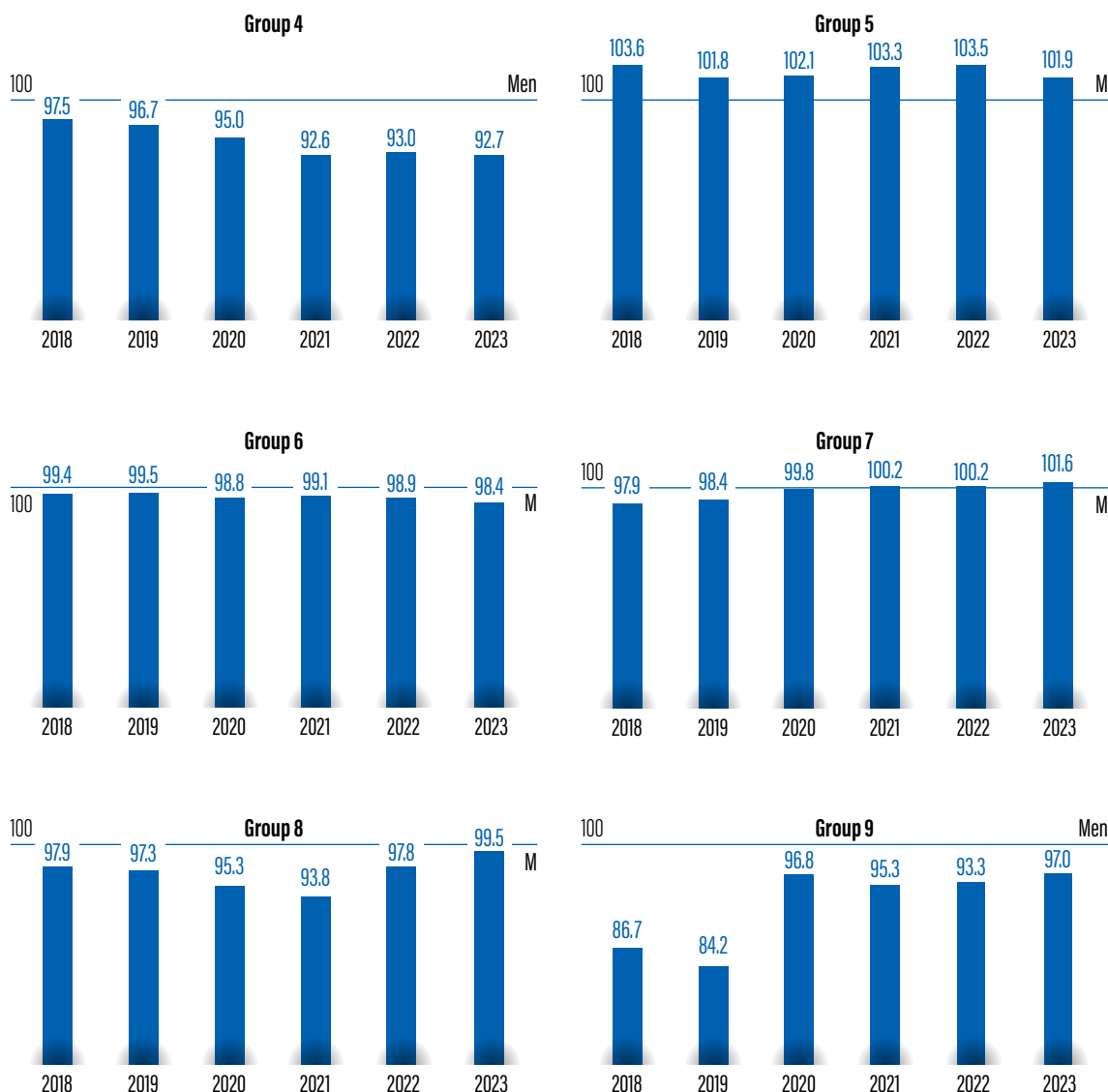
MEASURES IMPLEMENTED

1. Measures taken to promote gender equality

An agreement on professional gender equality remained in effect and continues to be part of LFB's strategic policy.

Mean base salary (excluding seniority bonuses) of women with respect to men from 2018 to December 2023 (in %)





Groups are the levels of the employees according to the collective classification of the LEEM (France's pharmaceutical industry trade association)

■ Proportion of women (%)

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

Our disability policy aims to:

- Keep workers with disabilities employed, through ergonomic improvements of the workstation if necessary,
- Provide financial support: LFB pays out a bonus or Universal Employment Services Cheque (CESU) check for people who self-report as RQTH (Recognition as a Disabled Worker),
- 122 people received the bonus or CESU across all sites in 2023, i.e. an increase of 34.1% compared to 2022.

A communication plan was deployed in 2023 to raise awareness among employees about disabilities. An event held on 17 October 2023 hosted 10 workshops with 83 registered employees. These workshops aimed to present the disability policy, offer practical workshops (making origamis with a person with a disability, providing equipment

to simulate a disability, etc.) and remind participants of the measures in place at LFB.

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

- “Any employee who is responsible for the care of a child under 20 years of age or spouse with a serious illness, a disability or who was the victim of a very serious accident that makes sustained presence and compulsory care essential can request a donation of days off from LFB”,
- This policy allows employees to transfer part of their earned days off on a volunteer basis to another employee with a dependent child under 20 years who is seriously ill, disabled or has been the victim of a very serious accident,
- 23 days were collected in 2023, for a cumulative balance of 195 days.

RESULTS

BREAKDOWN OF THE REGISTERED WORKFORCE AS AT 31/12/2023

	MEN				WOMEN				TOTAL PER COMPANY
	Perm. contr.	Fixed contr.	Trainee	Total	Perm. contr.	Fixed contr.	Trainee	Total	
LFB France	1,037	51	54	1,142	971	42	71	1,084	2,226
Europlasma	48	7	0	55	208	31	0	239	294
LFB USA	37			37	46			46	83
American Plasma	64			64	161			161	225
TOTAL	1,186	58	54	1,298	1,386	73	71	1,530	2,828

- Employment: **419 arrivals in 2023**, under all contracts in France in (excluding transfers and contract suspensions), vs. **356** in 2022.
- **6.29%** work-study trainees in the workforce in 2023 (number of work-study trainees/mean workforce (125/1,986.83)), vs. 5.18% in 2022.
- The total workforce was **2,828 employees in 2023**. The group data was the sum of the data for France and the EUROPLASMA and LFB USA subsidiaries (including American Plasma).

BREAKDOWN OF THE REGISTERED WORKFORCE AS AT 31/12/2023 BY AGE GROUP

Age group	- 25 years	25-34 years	35-44 years	45-54 years	55-59 years	+ 60 years	TOTAL
LFB France	165	589	580	558	224	110	2 226
Europlasma	13	55	84	102	28	12	294
LFB USA	11	12	14	15	17	14	83
American Plasma	56	82	47	24	14	2	225
TOTAL	245	738	725	699	283	138	2 828

BREAKDOWN OF THE REGISTERED WORKFORCE AS AT 31/12/2023 BY TIME WITH THE COMPANY

Time with company	- 2yrs	2-5yrs	6-10yrs	11-20yrs	21-30yrs	+30yrs	TOTAL
LFB France	562	586	304	358	233	183	2,226
Europlasma	88	65	73	61	7	0	294
LFB USA	39	13	12	4	14	1	83
American Plasma	198	27	0	0	0	0	225
TOTAL	887	691	389	423	254	184	2,828

- The mean age in the group companies in France was **41.5 years** (vs. 41.8 years in 2022).
- The mean period of employment in group companies in France was **10.3 years** (vs. 10.8 years in 2022).
- The breakdown between executives and non-executives is only provided for the French workforce (breakdown not analysed for the subsidiaries).

EXECUTIVES / NON-EXECUTIVES AS AT 31/12/2023 IN FRANCE			BREAKDOWN OF FEMALE EXECUTIVES / NON-EXECUTIVES AS AT 31/12/2023 IN FRANCE		
Status	Registered workforce	Breakdown	Status	Registered workforce	Breakdown
Executives	1,191	53.50%	Executives	564	52.03%
Non-executives	1,035	46.50%	Non-executives	520	47.97%
TOTAL	2,226	100.00%	TOTAL	1,084	100%

KEY PERFORMANCE INDICATORS (KPIs)

EMPLOYEE TURNOVER RATE - 2023				
	LFB France	Europlasma	LFB USA	American Plasma
Number of departures in 2023, permanent contracts	176	39	15	136
Mean workforce in 2023, permanent contracts	1,986.8	155.23 *	76.75	186.83
EMPLOYEE TURNOVER RATE, PERMANENT CONTRACTS	8.86%	25.12%	19.5%	72.8%

*: mean FTEs (and not of workforce)

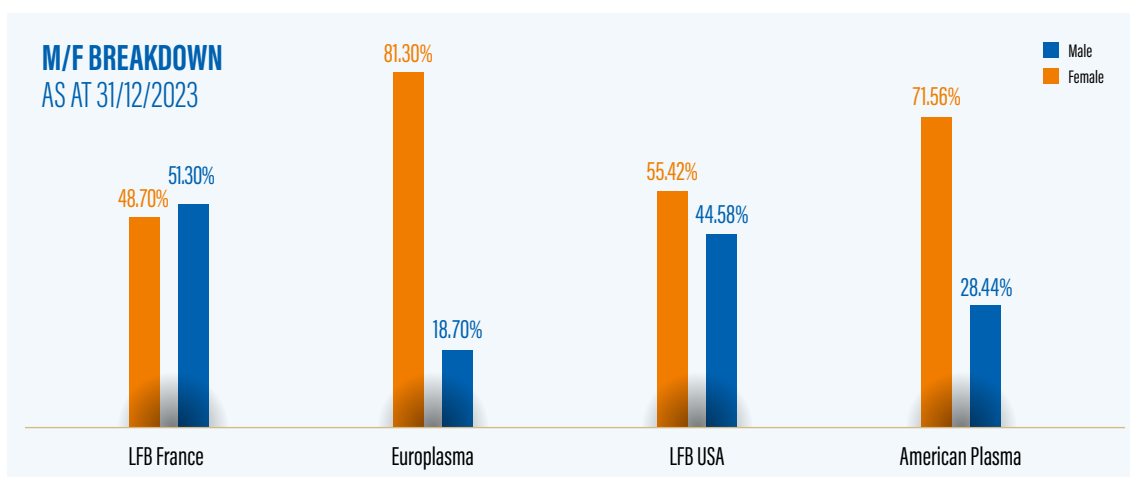
The **turnover rate** is calculated in the same way at the Group level corresponding to: Number of departures from permanent contracts in year N / Mean workforce under permanent contracts in year N. Example of France = 176/1,986.8 = 8.86%.

■ **Variation in the number of work-study trainees offered a fixed-term or permanent contract at the end of their work-study contract: 19%** for the year 2023.

■ **In 2023, 32 young talents** who sought to enter the labour market at the end of their work-study programme were offered a fixed-term or permanent contract at LFB, up from the 21 hires made through this channel in 2022, i.e. **an increase of 52.38%** compared to the previous year.

■ **The M/F distribution has been stable in France** over the last 4 years for the entire France scope.

■ **93.16% of employees** in France had a Career Plan or Individual Development Plan in place in 2023.



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 has been working to implement a relevant HR strategy and a competitive remuneration policy.

SCOPE

This challenge concerns and is addressed within the LFB Group scope.

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 retain employee.

In France, the objective is to align salaries as close as possible with market standards, and at least with the LEEM (France's pharmaceutical industry trade association) scale + 3%. This objective can be revised upwards depending on budgetary considerations and the financial situation of the company.

In France, base salary changes take place once per year following mandatory annual negotiations with staff representation organisations, which concern all employees. In 2023, an agreement was signed following those 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 (PERECO) 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 3% above the agreed minima. For the Europlasma subsidiary, the legal rules specific to each country are followed. In the subsidiaries, the objective is to ensure compliance with both legal and contractual obligations and increase budgets in line with the measures in France.

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 a specific branch agreement. The scales of the agreement are updated in January of each year. 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 align the scale as closely as possible with the standard index on an annual basis. On average, 10 to 20% of the salary is variable (bonus on individual objectives for executives and collective for non-executives). Regarding the organisation of work in the Czech Republic, the time profiles are much less diverse.

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 9 November 2022, 28 November 2022 and 14 December 2022. The agreement signed in late 2022 on mandatory annual negotiations in 2023, in the current context of unprecedented inflation, included the following measures:

- A company-wide salary increase of 4% on 01/01/2023 with a minimum of € 150 on a full-time basis,
- A merit-based bonus for groups 1 to 6 between € 0 and € 1,600 according to the employee's annual performance rating,
- Continuation of the success of the Group Savings Plan (PEG) and Collective Company Retirement Savings Plan (PERECO) and renewal of the matching contribution principle for the Collective Retirement Savings Plan. The 2023 contribution level was the same as that in 2022,
- Increase of variable pay elements as well as individual contractual bonuses for executives and target commercial bonuses of 4%.

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.

For the Europlasma subsidiary in Austria, the salary increase for 2023 follows the employee collective agreement. Some employees (for example doctors, centre directors, various other national directors) can be granted a raise above the average.

In the Czech Republic, remuneration remains highly individualised. The salaries of doctors and nurses are still negotiated individually according to the labour market and available budgets.

RESULTS

- 4% general salary increase (with a minimum of € 150) on 01/01/2023.
- A merit-based bonus for groups 1 to 6 (between € 0 and € 1,600 according to the employee's annual performance rating).
- Increase of variable pay elements as well as individual contractual bonuses for executives and target commercial bonuses of 4%.

KEY PERFORMANCE INDICATOR (KPI)

PAY RAISES IN 2023

	LFB France	Autriche	Czech Rep.	LFB USA	American Plasma
Annual raises	4.00%	8.00%	7.00%	4.00%	4.00%

- **8.86%: promotion rate in LFB France** (number of group changes for employees under permanent contracts in 2023 (176) / mean permanent workforce (1986.8), compared to a rate of 5.96% in 2022).
- **6.44%: promotion rate in 2023 at Europlasma** (number of group changes for employees under permanent contracts in 2023 (10) / mean permanent workforce (254.07), compared to a rate of 4.71% in 2022).
- **7.82%: promotion rate in 2023 at LFB USA** (number of group changes for employees under permanent contracts in 2023 (6) / mean permanent workforce (76.75))
- **15.5%: promotion rate in 2023 at American Plasma** (number of group changes for employees under permanent contracts in 2023 (29) / mean permanent workforce (186.83))

INTERNAL MOBILITY WITHIN LFB

	LFB France	Europlasma	LFB USA	American Plasma
Number of group changes in 2023	176	10	6	29

4.3

SOCIAL RELATIONS

CHALLENGE

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. The open door policy is also key, with individual and informal meetings that the human resources department holds with the members of the staff representative bodies.

SCOPE

This challenge concerns and is addressed within the LFB France scope. The other entities will be integrated gradually.

POLICY

The LFB always promotes direct and collaborative dialogue at all group sites, as part of the assessment of collective agreements in place. LFB also follows a coherent and dynamic social policy to maintain a rate of 100% of sites covered by an SEC (Social and Economic Committee).

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,
- Monthly site SEC meetings, and 8 central SEC meetings in 2023, 5 of which were in addition to the planned number.

2. Assessment of collective agreements

The commitment to constructive social dialogue led to the signing of collective agreements as the basis of our social policy:

- Mandatory annual negotiations,
- Collective Retirement Savings Plan (PERCO) addendum,
- Addendum to the group savings plan.
- Job and Career Path Management agreement

RESULTS

- **3 collective agreements signed in 2023, (including 1 agreement following mandatory annual negotiations and 2 addenda to Group Savings Plans (PEG) and Collective Company Retirement Savings Plans (PERCO))** (3 signed in France in 2022).

- Promotion of physical exercise and sports: **177 people recorded in the France scope, i.e. 9% of the workforce in France.**

KEY PERFORMANCE INDICATORS (KPIs)

- **100% of French sites** are covered by an SEC (Social and Economic Committee) or an HSWCC (Health, Safety and Working Conditions Committee).

HEALTH AND SAFETY AT WORK

CHALLENGE

Challenges related to the health and safety of employees are an absolute priority for LFB and are at the heart of its corporate culture. LFB strives to provide a safe and fulfilling work environment. It is essential for LFB to provide its employees with a working environment that promotes 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 and working conditions are satisfactory. Safety at work is therefore one of the essential levers of operational performance.

SCOPE

This challenge concerns and is addressed within the LFB France scope and at the Europlasma subsidiary.

POLICY

For LFB France

■ LFB is committed to a proactive approach to performance and excellence in the management of professional risks and the culture of prevention. This continuous improvement 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.

The group's ambition is to move towards «zero accidents» and to implement a shared Health and Safety culture.

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 set forth by the Workers Protection Act, and is 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.

Health and Safety at Work information from other subsidiaries will be gradually integrated into the scope of the NFPS.

Furthermore, in the area of health, safety and well-being at work, LFB has adopted a proactive policy based on the promotion of collaborative working conditions, job retention and the prevention of psychosocial risks. These measures also serve to help reduce absenteeism, which is indicative of well-being at work.

MEASURES IMPLEMENTED

LFB has implemented across all of the group's sites a process of continuous improvement of its EHS (environment, health and safety) processes. The Industrial department is responsible for the health and safety of employees on the site. Thus, reporting directly to the Director of Industrial Affairs, the group EHS department's main missions are to propose and implement a clear and effective health and safety strategy and to lead the preventive health and safety approach as a strong and essential component of the company's overall performance. Locally, the EHS teams lead the EHS risk prevention approach and support managers with their expertise to ensure compliance with regulations, implementation of safety measures and increase employee awareness and training.

Strengthening the safety culture among all managers promotes engagement, through discussions and awareness-raising, and thus facilitates the adoption of rules and instructions by everyone in the following priority areas:

Developing awareness of existing dangers at work, from teams in the field to the executive committee, through various initiatives deployed at LFB's 4 sites:

■ **«Safety Days»**, which brought together 631 participants across 15 workshops on different topics such as «the Pyramid of accidents, PPE (Personal Protective Equipment), firefighting, Advice on MSD (musculoskeletal disorders) when working on screens, First aid, Waste sorting, etc.

■ **Developing an internal «Safetrack»** application, which is currently in the test phase, to facilitate the reporting and processing of dangerous situations.

■ Putting managers at the heart of EHS processes. **With the goal of avoiding the recurrence of accidents, getting managers involved is key, from the site director to the local managers.** To this end, the procedure for communicating on work accidents with and without lost time has been revised

and distributed to all Industrial and Quality managers. The role of managers is to share information with their teams and to check whether the accident types discussed concern their scope. If necessary, the manager must implement the recommended action plan.

■ **Strengthen the analysis of new health and safety events**

to increase the efficiency of the resulting action plan updated in July 2023 and avoid the occurrence of work accidents. The plan is for the health and safety roadmap to then take over from this action plan. The operational departments work to share all negative events (taking into account incidents, near-accidents, accidents) through the sharing of flash reports on the circumstances, causes and their resolution, in order to avoid recurrences.

■ **Understanding and reducing absenteeism**

The prevention plan and its actions to fight absenteeism as implemented in 2021 were continued in 2023:

- 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:
 - Thoughtfulness and respect,
 - Reintegration discussion,
 - Maintaining contact with long-term absentees.
- Proposal of an adapted job position to allow for work in the event of a pathology or following a work accident,
- Training of management and elected representatives in this process and in the legal constraints of absenteeism (rights and duties of employees and the company):
 - Monitoring of the most sensitive situations with managers,
 - Regular meetings based on statistical indicators (such as the Bradford factor) on the actions to be implemented to better understand individual and collective situations.

Other measures have also been implemented to promote the **health and well-being of employees at work**:

- **Remote work**: LFB concluded an agreement relating to permanent 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.

→ **Prevention of psychosocial risks** with the creation a listening and support platform for employees:

- “Hope Expert” is a platform that offers telephone and video support. Calls are confidential and appointments are made via the website <https://hopecoachs-lfb.youcanbook.me>,
- In addition, collaborative work is underway with members of the site Health, Safety and Working Conditions Committee (HSWCC) in Les Ulis with a view to proposing a support mechanism in order to support managers and employees experiencing collective changes.

In connection with the promotion of mental and physical health, LFB launched a pilot initiative in 2023 in Les Ulis. It set up a partnership with the start-up Axomove to provide employees with access to an awareness and support program on musculoskeletal disorders. Employees can fill out a self-assessment questionnaire and access personalised exercise and health education programs as well as teleconsultations with physical therapists (assessment and follow-up).

→ **Promotion of the corporate culture and its values** with initiatives aimed at:

- Making LFB’s unique corporate culture more visible and understandable,
- Drawing links between the medicinal products LFB manufactures and patients, to give meaning to the company’s activities,
- Offering employees services or events that improve their daily lives.

In order to promote physical activities and sports that are in line with the values of LFB, it has:

- Strengthened its partnership with the IRIS association, which supports patients with primary immunodeficiencies and their families. A connected Iris race was held from 22 April to 29 April 2023, during which 230 LFB employees covered 4,181 km.
- Continued use of the United Heroes application with the organisation of a new sports and solidarity challenge called “H-Games” that ran from 27 March to 15 April 2023, and during which 1,057 LFB employees participated in support of the French Handisport Federation (FFH). Each sporting event or well-being initiative earned points which, converted into euros, enabled LFB to donate € 8,000 to the association.

LFB’s financial commitment to United Heroes totalled € 35,000 in 2023.

And again in the spirit of improving **the well-being of employees and to promote physical exercise and**

participation in sports, LFB continued in 2023 to provide access to a gym near the employee's site at a reduced cost (almost one half of the subscription is covered by LFB). The staff of the Les Ulis site have direct access to a dedicated, equipped fitness facility which also offers group lessons. Three blood drives were organised with the French Blood Establishment at the LES Ulis site in 2023, where 220 employees were able to donate blood during their working hours. In 2024, 3 new dates have been set for this initiative. One drive was organised at the Arras site in 2023 during which 67 employees were able to give blood. 3 new dates are planned in 2024.

The 2023 communication campaign on LFB's 5 values in France continued:

- Display of the values at all sites,
- Distribution of cups showing the values to new employees,
- Organisation of a teambuilding initiative on the company's values for new employees to help them understand and integrate the values upon their arrival.

Finally, a working group from the Leadership Team put 3 major initiatives in place in 2023 as part of one of LFB's strategic objectives for 2023. These initiatives are slated to continue in 2024 around the topic of the appropriation of values / culture within our company:

- Creation of a performance evaluation tool for each employee on two of our values: Stringency and Team Spirit. The HR department created this questionnaire with the goal of making evaluations more concrete, pragmatic and useful in performance discussions.
- Commitment to these values by each Management Committee in the company's main sectors of activity, in order to embody them and make them concrete, because we know that exemplarity comes from the top.
- Listing of collective successes booked throughout the year, in accordance with our values, and sharing of the first initiatives selected during information meetings in January 2024.

RESULTS

HEALTH AND SAFETY IN 2023

	LFB France
AWLT	40
AWOLT	29
FRI	9.77
FR2	16.86
TGB	0.21
AWLT EC	14
AWLT TR	9

AWLT TR: Commuting accident by LFB employee with lost time

AWLT: Accident by LFB employee with lost time

AWLT EC: Accident with lost time by external company (including temporary workers)

AWOLT: Accident without lost time

FRI/2: Frequency 1 or 2 (over 12 rolling months)

FRI: Number of accidents with lost time per million hours worked

FR2: Number of accidents with and without lost time per million hours worked

SR: Severity

40 accidents with lost time were reported in 2023. 97% of accidents occurred in the industrial sector, in production in particular.

This result is considered unacceptable by management, despite an improvement in the fourth quarter compared to the first three.

The assessment of this situation, already initiated in mid-2023, led to the creation of the Group EHS Director position, which was filled in September 2023. A roadmap will be rolled out in 2024-2025 to improve health and safety performance and implement a strengthened corporate health and safety culture based on the revised OHS (Occupational Health and Safety) management system.

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: **3** accidents with lost time were reported in 2023 (in Austria).
- For the LFB USA subsidiary, **no accidents** with lost time were reported in 2023, while **2** accidents were reported for American Plasma.

Regarding absenteeism:

- Prevention and reduction of absenteeism in Austria: 1,677 days of absence in 2023 (versus 1,710 in 2022).
- Increase of absenteeism in the Czech Republic: 1,952 days of absence in 2023 (versus 2,459 in 2022).

Regarding employee well-being:

102 employees are active on Axomove, meaning they regularly connect to the application, including 20 employees monitored by physical therapists, 727 logins, 2,830 exercises performed and 65 physical therapist appointments.

HEALTH AND SAFETY			
	Europlasma	LFB USA	American Plasma
Number of accidents with lost time in 2023	3	0	2

KEY PERFORMANCE INDICATORS (KPIs)

Work incident indicator (accidents or medical leave):

- **+81.82%** work accidents with lost time (AWLT) compared to 2022. As a reminder: **40 accidents in 2023, 22 in 2022 et 41 in 2021.**
- A higher frequency compared to the previous year only: **FR1 of 9.77 compared to 5.67 in 2022 but 10.7 in 2021.**
- **The Severity was 0.21.**

For comparison, the overall FR1 in LFB’s branch of activity (NAF 2120Z) was 7.4 in 2021. We saw a deterioration in LFB’s safety indicators between 2023 and 2022, but this is more of an oscillation in the frequency rate (FR) than a constant deterioration. We should note that the FR remains close to the average FR in the pharmaceutical industry sector.

- **5.67%: absenteeism rate for France in 2023** (includes all causes of absence, illness, work accident, maternity, etc.), compared to a rate of 6.40% in 2022.

ABSENTEEISM AT LFB				
	LFB France	Europlasma	LFB USA	American Plasma
Absenteeism in 2023	5.67%	6.47%	Indicator not monitored*	Indicator not monitored*

*: This indicator within the scopes of LFB USA and American Plasma will be integrated into the next NFPS.

4.5 TRAINING

CHALLENGE

Training and development of employee skills remains a priority for 2023 and supports the global strategy and transformation of LFB in France and internationally.

SCOPE

This challenge concerns and is addressed within the LFB France scope. Information about the other blood and plasma collection entities is not currently included, but will be gradually.

POLICY

Initiatives to improve and consolidate the group's transformation across all sites are implemented in the area of both individual and collective professional development:

- Mobilisation of all employees during development weeks at all sites, through workshops and specific communication campaigns.
- Simplification and strengthening of internal mobility and career development with the creation of career committees and development monitoring tools.
- Focus of discussions between the employee and manager on well-defined development objectives: one or two specific skills among the nine identified, either to be reinforced or to be acquired. This results in a development path which can be reviewed and adjusted throughout the year, with a focus on collaborative work and feedback.
- Strengthening of expert area skills in various areas (see below).

Lastly, LFB continued its active recruitment policy for all of the group's sites with the integration and training of new employees. The content and duration of the "onboarding" sessions were also revised to make them more operational. Investment in development remained at 1.80% 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.

INITIATIVES IMPLEMENTED TO PROMOTE THE DEVELOPMENT OF SKILLS

- The Development and Career department continued to improve the learning methods with more innovative tools, new collaborative training materials and new pedagogical approaches.

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.

LFB also continues to work on several aspects:

1. Managerial skills

In 2023, the managerial development path was redesigned, particularly for local operational managers in the industrial sector, with the deployment of a modular course to support them in their duties. Eventually, this entire course will be implemented on all of our industrial sites. This year,

workshops were also set up on the management of individual performance and employee development.

A 360° evaluation approach was proposed and deployed for Top Management to promote the associated values and behaviours. Management role assessments are carried out systematically for employees without prior management experience.

2. Digital tools

The Industrial Business Development department continued to develop the use of digital tools, in order to facilitate access to learners at all times and to increase the effectiveness of training. Face-to-face training sessions were transformed into «e-learning» modules, and the Good Manufacturing Practices refresher training campaign for all industrial employees was carried out digitally, in the form of a learning game.

Training modules were also modified to integrate 3D video or virtual reality tools, to replace face-to-face training in the workstation, which limited access to facilities to reduce the risks of microbiological contamination and optimise tutor working time. Over this year, as part of the launches of new medicinal products, all the training courses designed for the sales teams both in France and internationally were carried out remotely with digital tools such as, for example, «stratgames» or even sessions led in the form of a game by fictional characters.

3. Quality

LFB, always mindful of the quality of the medicinal products it offers to patients, continues to invest heavily in professional training on quality (GMP, Data Integrity) for all of its employees at the various industrial sites. The 10 golden rules of Quality were the common thread throughout 2023. Every year, Good Manufacturing Practice (GMP) training campaigns are held for 2 types of population, the first being Top Management and the second being all employees and managers involved in GMP activities. Rigorous control mechanisms are in place to verify the degree of mastery of GMP standards.

This body of annual training and assessment sessions demonstrates that LFB is firmly anchored in a process of continuous improvement.

New training modules are also created or updated each year, and were focused more particularly in 2023 on support of our new plant in Arras. Control of the training activity was strengthened through the implementation of indicators, as requested by our internal customers.

This year in particular, trained days were held for tutors in each manufacturing workshop to reinforce the mastery of

tutoring processes and teaching methods, and thus enhance the transmission of «Knowledge management» know-how by operators to new learners.

Particular attention was also paid to preparing employees for external audits and regulatory inspections on the various industrial sites.

4. Scientific expertise

To support the growth policy in France and internationally, the scientific trainers built and implemented complete training programmes to support the teams in the field and in the subsidiaries on scientific and medical issues for the launch of new medicinal products.

In order to increase versatility in the different learning methods and to support the teams in the field who interact with healthcare professionals, the teams of internal trainers designed «Pathology review kits» to train employees in a more amusing environment, and independently, on the indications of our medicinal products. At the same time, continuing education remains a priority.

5. Operational excellence / Lean management

A specific structure was created to implement a culture of Operational Excellence within organisations. The roll-out of a vast plan began at the various industrial sites:

Lean management, problem solving, Lean manufacturing, statistics culture were the first cornerstones laid in support of this new culture of Operational Excellence (**7 sessions and 120 employees trained**).

6. Other measures

Language development remains a priority with English as part of the group's international growth (**128 employees trained in English**).

The implementation of a common culture for Project Management accelerated with the start of module 1 «Essentials» and preparation of module 2 «Advanced concepts».

Thus, the need was clearly identified to support employees to adopt a common project management methodology. A comprehensive 3-year Project Management development course was built and includes 3 learning levels. The «Essentials» level 1 module was designed in 2022 and, based on the pilot, a broader roll-out was carried out in 2023 (**47 sessions, 448 employees trained, with an average overall satisfaction rating of 9/10**). The programme and pilot session of the «Advanced concepts» module 2 were also carried out in 2023.

Specific support was set up at industrial sites to raise awareness and reduce the risk of workplace accidents, and manage safety.

RESULTS

- **€ 2.07 million** in total training investments, i.e. **1.80%** of the payroll.
- **59,914 hours** of training during the year within the France scope.
- **2,329** employees trained at least once (permanent - fixed-term - work-study contracts).

Employee training and investment in training in 2023 were consistent with the overall efforts, which have led to an improvement in the average number of hours of training per employee. The group is determined to continue this momentum in 2024 because training is at the heart of all career paths at LFB.

DONNÉES FORMATION - FRANCE

	2023	2022
Total training investment in €	€ 2.07 million	€ 1.81 million
Number of hours of training within France scope	59,914	42,753
Number of employees trained at least once	2,329	2,200
Mean number of hours of training per employee	25.73	19.43

Calculation of results for LFB France: Employee trained at least once / Workforce as at 31/12/23: (2329/2226) x 100 = 105%, reduced to 100%.

The overall training effort is defined by the investment that the company attributes to training in relation to its payroll.

In 2023 it represented 1.80% of the payroll.

Training effort = Investment in training / payroll.

TRAINING DATA - INTERNATIONAL

	Europlasma	LFB USA	American Plasma
Number of training sessions in 2023	61	46	14

KEY PERFORMANCE INDICATOR (KPI)

KPIs LFB FRANCE

	2023	2022
Rate of employees trained at least once / Staff who worked for LFB in 2023	100%	91.55%
Overall training effort	1.80%	1.68%



5

ENVIRONMENTAL
ISSUES

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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.

SCOPE

The challenges at play in the environmental area concern and are addressed within the scope of LFB France, because the environmental impact is mainly due to the industrial activities of the production plants.

Because the promotion subsidiaries and collection entities represent only a very small percentage of water and energy consumption, GHG emissions and waste, they are not counted.

It should be noted that the Arras site is included for these different challenges, except for waste management and water consumption. The Arras site will be included gradually in the reporting scope until the time it is in full operation. This explains the differences in scope.

5.1

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 only concerns the production buildings in the France scope.

POLICY

LFB's environmental policy aims to minimise the impact of the group's finished medicinal product and pharmaceutical active substance 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 or contract manufacturing volumes for the Alès site (CDMO, contract development and manufacturing organisation: pharmaceutical subcontractor), turnover, the number of product vials released, the number of employees or the surface area of the sites.

The objective of the policy implemented by LFB at the industrial level is to reduce its water consumption by 10% by 2030 through initiatives taken at each of the sites, following the recommendations of the "Water Plan" issued by the French government ("France, Green Nation" of 30 March 2023).

MEASURES IMPLEMENTED

■ 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).

■ At the Les Ulis site

Water consumption is only connected with production on the site. Since September 2022, the Les Ulis site has had a production capacity of 60 m³/hr of purified water with a yield of over 90%. On the other hand, since 2021, periodic cleaning validation verifications of our equipment, compensatory cleaning measures requiring, for example, double cleaning of our equipment have been carried out to ensure compliance with our cleaning processes. These actions generated occasional increases in water consumption.

The return to standard consumption will be spread over 2023 and 2024 after improvement actions aimed at lifting the compensatory measures.

Water consumption in 2023 remained stable compared to 2022. In addition, a technical feasibility study on the recycling of rinse water was completed, and solutions were proposed. This project is slated to continue in 2024.

■ At the Lille site

The different types of water used at the Lille site are as follows:

- Tap or so-called raw water:
- Softened water:
- Purified water (PW):

- Industrial steam and pure steam:
- Laboratory grade water (LGW):
- Water for injections (WFI)

It is used at all stages of the plant, from traditional use (toilets, restaurant), to production (as a raw material or to clean equipment), for the operation of certain technical systems (cooling towers, thermal networks), and the production of pharmaceutical quality fluids (pure steam, WFI).

RESULTS

Water consumption is dependent on production. The quantity of plasma fractionated increased in 2023, which pushed water consumption up.

CONSOMMATION D'EAU GLOBALE AU 31/12/2023			
Volume of water in m ³	Year 2023	Year 2022	Change between 2023 and 2022
TOTAL	594,483.93	497,155.30	+19.58%

The 2023 data concern all LFB France sites (Les Ulis, Lille, Carvin, Alès and Arras sites) unlike the 2022 data which included the entire scope of France excluding Arras, which explains the order of magnitude of the variation between 2023 and 2022.

KEY PERFORMANCE INDICATORS (KPIs)

- **0.541 m³ of water per litre of plasma fractionated** in 2023: the indicator improved compared to 2022 (0.580 m³). The Arras plant is not taken into account because it does

not yet produce plasma-derived medicinal products or carry out any production activity.

5.2

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 women and men.

POLICY

The policy aimed at controlling energy consumption in LFB'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-term, medium-term (-35% by 2030) and long-term (-80% by 2050) action plans. To follow the announced policy in terms of energy sobriety, LFB must improve its performance and reduce its consumption by 10% by 2024 (compared to 2019, the reference year). LFB also aims to improve the management of its non-hazardous industrial waste by recovering or recycling it.

MEASURES IMPLEMENTED

Electricity consumption is recorded regularly to monitor and analyse it. The data in the readings are reconciled with the actual consumption as reported on the invoices.

■ For the Les Ulis site

A new boiler was commissioned in 2023 as a back-up for the two old ones. This boiler is equipped with a micro-modulating burner. We therefore decided to shut down one old boiler and operate with two boilers (one old and one new), which will allow us to optimise gas consumption in 2024.

It was also decided to replace the site's generators, with commissioning of the new models in January 2024. Fuel oil consumption increased in 2023 due to the preparatory work during the technical shutdown.

■ For the Lille site

The following operations were carried out in 2023 as part of an energy efficiency policy: 481 lighting points in the technical areas were replaced with low-energy lighting, resulting in an estimated annual savings of 47 MWh. During maintenance operations, the electric motors used were replaced with IE4 IE5 type high energy performance equivalents. A new boiler room was commissioned in the first quarter. The new steam boiler provides for a 7.5% gain in gas consumption for equivalent production. An old compressed air dryer was replaced with an adsorption dryer with hot air regeneration. Steam trap maintenance and leak repairs on compressed air networks were carried out.

KEY PERFORMANCE INDICATORS (KPIs)

TOTAL ENERGY CONSUMPTION - 31/12/2023			
ENERGIES - France Scope	2023	2022	Change %
Electricity in MWh	74,513.93*	55,601.35	+34%
Gas in MWh	59,359.55*	39,201.40	+51.42%
Superheated water (Steam) in MWh	8,950.42	8,199.48	+9.16%
Fuel oil (Litres) + NRD	74,556	12,747	+484.9%

* Electricity and gas consumed by the Arras plant are included, unlike the 2022 data which did not include them, which explains the order of magnitude of the variation compared to 2022.

GHG (GREENHOUSE GAS) EMISSION VARIATIONS								
Conversion of energy emissions into kg CO ₂ eq	Emission factor	Unit	Source: FE	Total for scope	Unit	Value in kg CO ₂ eq in 2023	Reminder of Total kg CO ₂ eq in 2022	Change (%)
Electricity	0.052	kg eCO ₂ /KWh	ADEME	74,513,934.40*	KWh	3,874,725	3,166,497	+22.37%
Gas	0.215	kg CO ₂ eq/KWh GCV	ADEME	59,359,550*	KWh GCV	12,762,303	8,006,268	+59.40%
Steam	0.106	kg eCO ₂ /KWh	DALKIA	8,950,419	KWh	945,164	2,687,789	-64.83%
Fuel oil	3.240	kg CO ₂ eq/litre	ADEME	6,091	Litres	19,735	41,440	-52.38%
Non-Road Diesel (NRD)	3.160	kg CO ₂ eq/litre	ADEME	68,465	Litres	216,349	0	N/A ¹
TOTAL (kg CO₂eq)						17,818,276	13,901,994	28.17%

¹N/A There was no variation since LFB did not consume Non-Road Diesel in 2022.

Since 2021, the reporting scope includes emissions related to tertiary activities (Building A in Les Ulis and Tower W in the La Défense business district)

* Electricity and gas consumed by the Arras plant are included, unlike the 2022 data which did not include them, which explains the order of magnitude of the variation compared to 2022.

5.3

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 an environmentally-friendly manner and in compliance with regulations.

POLICY

Waste management at LFB consists of taking all necessary measures during the design, arrangement and use of its installations to prevent and reduce waste produced. Waste recovery and reduction are among the environmental objectives pursued by the group.

LFB has set itself the goal of achieving 80% of its non-hazardous waste recovered or recycled by 2030.

LFB tracks the quantities of hazardous waste treated from the producer via the transporter to the service provider via a computerised system interconnected with the national WASTE TRACKING system (TRACK DECHETS).

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). Towards this goal, LFB funds the collection of sharp objects used by haemophiliacs who self-administer LFB's products in their home.

MEASURES IMPLEMENTED

As part of continuous improvement of waste prevention and management, the group's sites continued their efforts to improve the sorting of various materials (cardboard, plastic, glass, metal and wood):

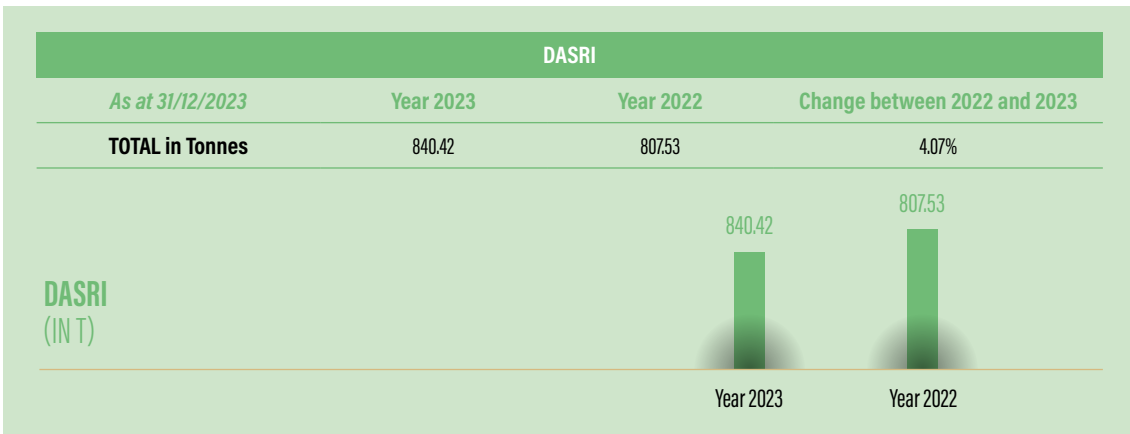
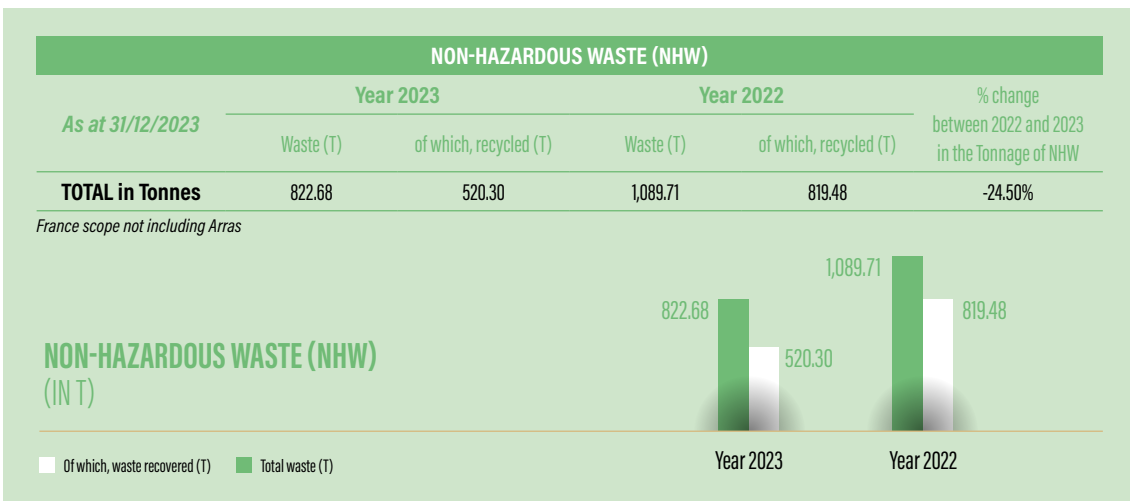
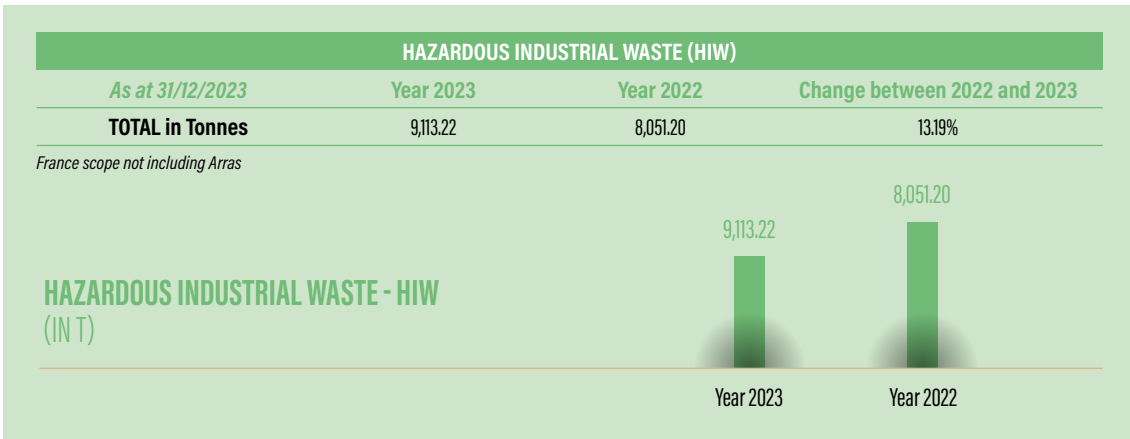
- As a pioneer in the circular economy, the Arras site has built a Recovery Unit entirely made from bio-sourced, recycled and reused materials, mainly from local sources. This unit will recover infectious waste from the industrial process to extract a source of recycled raw material made up of recycled plastic bottles.
- The installation of SORTING - VOLUNTARY DISPOSAL bins in areas of passage (inside buildings), near copy machines and in cafeterias,
- **Optimisation of waste sorting and disposal flows:** LFB has continued to optimise the collection and disposal of general waste,
- **Environmental safety:** continued monitoring of analyses of discharges and effluents, with respect to regulatory specifications.

Concerning Volatile Organic Compounds (VOCs) linked to the use of ethanol at the Les Ulis site, the results of the Solvent Management Plan (SMP) confirm that these emissions are controlled below the regulatory threshold. LFB collaborates closely with institutional authorities (DRIEAT (Regional and Interdepartmental Directorate for the Environment Planning and Transport) 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

- **2 visits by an inspector from the DRIEAT (French Regional and Interdepartmental Directorate for Environmental Planning and Transport):** 15/11/23 at the Les Ulis site and 28/03/23 at the Lille site.
- **No violation** of regulatory limits for industrial effluents at the Les Ulis site in 2023.
- **4.54%:** share of uncaptured emissions of VOCs (volatile organic compounds) in the air, which complies with regulatory requirements (less than 15%).
- **9,491.39 T:** Total waste in Les Ulis (hazardous + non-hazardous + waste from healthcare activities associated with a risk of infection (DASRI)) **+13.29%** (8378.07 T in 2022).
- **1,250.95 T** (Lille + Carvin) total waste (hazardous, non-hazardous and waste from healthcare activities associated with a risk of infection (DASRI)); **-18.97%** (1543.90 T in 2022).
- **22.31 T** (Alès) of total waste in 2022: **-15.72%** (26.47 T in 2022).
- **The increase in hazardous waste is due to the increase in residual ethanol.**
- **Total waste (HW, NHW, DASRI, Les Ulis, Lille, Carvin and Alès) = 10,776.31 Tonnes**
- The quantity of waste generated in 2023 was **20.48 kg/€ 1000 of turnover.**



KEY PERFORMANCE INDICATORS (KPIs)

- **63.11% of non-hazardous waste recovered** in 2023 compared to 75.2% in 2022 (only the overall waste from Lille, Carvin, Alès and Les Ulis is taken into account).
- **10.83 kg of total waste generated per litre of plasma fractionated** compared to **11.63 kg** in 2022, i.e. **-6.6%** (only the overall waste from Lille, Carvin and Les Ulis is taken into account; Alès is not included because this site is not involved in the plasma fractionation process).
- **5.78 kg of total waste generated per vial of product released** (only the overall waste from Lille, Carvin and Les Ulis is taken into account; Alès is not included because this site is not involved in the plasma fractionation process) compared to **6.6 kg/vial** in 2022, i.e. **-12.27%**.

5.4

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.

5.4.1. ANAGEMENT SYSTEM CERTIFICATIONS (ISO)

POLICY

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. The SMEÉ Integrated Management System is part of a quality approach and a global EHS/CSR policy. It was designed to manage continuous improvement of the company's Environmental and Energy performance.

CSR challenges are more than ever at the heart of LFB's strategy, with a proactive and ambitious environmental and energy policy, pursued in collaboration with all stakeholders.

MEASURES IMPLEMENTED

LFB attaches great importance to proposing and implementing sustainable actions to reduce its impact on the environment and improve its energy performance, while maintaining the production of high-quality medicinal products.

In order to successfully move the company to an Environmental and Energy Management System, several action plans aim to develop an approach that will lead to an efficient management system for all of the group's sites in France.

Energy audits were carried out in 2023 at the Les Ulis and Lille industrial sites and their results have been taken into account in the action plan for energy sobriety and reduction of LFB's Carbon Footprint Scope 1 and 2.

In Arras, the actions initiated in 2023 to achieve the objectives of the process towards establishing a management system were:

- Ensure full compliance with legal obligations in terms of energy,

- Extension of the scope of ISO 50 001 application to the entire site,
- Start of implementation of the Energy Monitoring Software (Dalkia Analytics)
- Analysis of energy performance on the Arras site for the year 2023,
- Analysis of metering needs and installation of meters,
- Integration of energy into purchasing processes and maintenance plans.

Structuring of the environmental management system will continue with the ambition to reach maturity by 2026. It will be built in parallel with the energy management system in order to have an integrated energy/environment system.

Maturity of the Energy Management System:

- The maturity of the system was re-evaluated in 2023 in order to widen the scope to include all sites and anticipate the applicable regulations. **The objective is to obtain ISO 50001 certification for the France scope by 2027.**

5.4.2. COMMITMENT TO A LOW CARBON STRATEGY

POLICY

With the national objectives in mind, LFB is committed to minimising its impact on the environment in the short, medium and long term by developing a low carbon strategy.

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).

The policy implemented aims to meet the regulatory obligation of the tertiary decree aimed at reducing energy consumption (that induces greenhouse effect emissions) with objectives to be achieved over time for buildings for tertiary use with floor surface area $\geq 1,000$ m².

The energy consumption reduction targets set and monitored by LFB for the policy accompanying the tertiary decree are:

- -40% by 2030,
- -50% by 2040,
- -60% by 2050.

MEASURES IMPLEMENTED

Actions to be implemented under the tertiary decree:

- Better define the tertiary surface areas of the sites,
- Carry out metering of energy used in tertiary vs. industrial areas,
- Acquire a tool to control energy consumption (cf. Arras),
- Initiate an ISO 50 001 approach at the group's sites (cf. Arras),
- Identify and implement energy saving measures.

An energy audit was carried out in 2023 (submission of the report on 10/01/2024) to define the actions and recommendations necessary to achieve the objectives set by the decree. The recommendations for the tertiary sector are as follows:

- Implement a "recommissioning" of the Technical Building Management (BMS) & plan its upgrade in accordance with the BACS decree
- Modify the heating setpoint temperature
- Shut down heat pumps, central air supply units, air conditioning systems (VRV/split), extractors during periods of vacancy
- Reprogramme the temperature setpoint of the server room air conditioning regulator
- Change heat pumps at the end of their life & optimise fresh air flow
- Plan LED relamping in offices and circulation areas

With regard to the reference consumption (year 2020), the energy performance indicator to be followed is the number of kWh/m². The target is -40% by 2030. The result obtained in 2020 for the Les Ulis site (Building A alone) was 109 kWh/m²/year. In 2022, the result of this indicator was 97 kWh/m²/year for the same scope (Les Ulis Building A only).

Low carbon initiatives

The actions implemented as part of the construction of LFB's

low-carbon trajectory follow most of the recommendations of the regulatory energy audit carried out in 2023.

The main points covered and action plans implemented are listed below:

- Definition of the organisational scope covered,
- Definition of the emission items covered,
- Definition of the reference year considered,
- Establishment of short-, medium- and long-term "objective" deadlines,
- Selection of the gasses considered,
- Definition of the units used,
- Calculation of LFB's low-carbon trajectory,
- The strategies for achieving the objectives (short term within 5 years, medium term by 2030 and long term by 2050).

MAINLY REDUCE OUR STEAM & GAS CONSUMPTION:

- Installation of meters to monitor and control our consumption.
- Optimisation of the energy efficiency of our boilers

DRASTICALLY REDUCE REFRIGERANT GAS LEAKS:

- Replacement of units plagued by serious leaks, with reuse of unavoidable energy if possible.

OPTIMISATION OF OUR ELECTRICITY CONSUMPTION:

- Installation of meters to monitor and control our consumption.
- Plan to replace low energy efficiency motors, monitoring of compressed air leaks, installation of LED lighting.

Ethanol is the main input for fractionation of the plasma starting material. It generates the largest amount of hazardous industrial waste. Thus, ethanol use must be monitored in order to:

- Optimise its use,
- Increase recovery and recycling,
- Reduce the quantities of VOCs (Volatile Organic Compounds) in effluents, including through monitoring done in the Environmental Management System.

The other initiatives 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 abroad, to limit professional travel by its employees,
- Modernisation of the messaging system to make live meetings possible from the workstation via Office 365 and the Teams application. This upgrade has also reduced LFB's environmental impact through the sharing of links to attached documents instead of multiple electronic messages with attachments sent to several people. This saves time and increases traceability and reliability, which are good for the environment.
- 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 providing for electronic exchange of order forms.

(<http://www.hospitalis.org>).

5.4.2.1. MEASURES TO REDUCE EMPLOYEE TRAVEL

POLICY

The remote working policy has facilitated better respect of social distancing and has limited contact with other employees during lockdown periods and epidemic outbreaks. It was rolled out during the Covid crisis to meet health needs. It led to lasting negotiations between the staff representative bodies and Management in order to make this social action permanent and improve safety and quality of life for all.

At the environmental level, the objective of this policy is to sustainably reduce carbon emissions related to home-to-work travel and business travel.

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 considerations.

MEASURES IMPLEMENTED

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.

For the Lille intercity site, a study of commuting needs 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 (Lille Institute of Political Studies): 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.

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.

The General Resources unit offers employees vehicles that comply with 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 of which has increased each year within the fleet of company vehicles) or, for the first time in 2023, electric passenger cars and light commercial 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. The number of vehicles has been increasing slightly for 3 years.

After strong growth between 2020 and 2022 in the number of electric charging stations on its various sites (31 stations in total), LFB sought to stabilise its fleet in 2023 in order to contain its electricity consumption. A rotation system has been set up to maximise the number of vehicles that can access a full charge in one working day. As a reminder, these stations are accessible to any LFB employee, whether their vehicle is a service, company or personal vehicle, without any financial contribution on their part.

5.4.2.2. MEASURES TO REDUCE THE USE OF PHOTOCOPIES

The strategy to reduce paper consumption by actively reducing the use of printers, copiers and "all in one" fax machines preprogrammed for double-sided and black and white printing was extended to all French companies as early as 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 39.33% over 6 years in all print-outs. The digitisation of documents (archives, orders) has further amplified this spectacular drop. 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

- **1,771.19 m³ of undiluted ethanol** delivered in 2023 for plasma fractionation (1575.26 m³ in 2022).
- **24 rechargeable hybrid vehicles** among the 121 company vehicles (including 4 utility vehicles) in LFB's fleet (period from 1 January 2023 to 31 December 2023). That is an increase of 85%. More than 50% of vehicle changes in the second half of 2023 were for plug-in hybrids. The first orders for 100% electric vehicles have been signed.
- Achievement of the objective to reduce paper print-outs between 2016 and 2023 equivalent to a reduction of **51.65 T of CO₂eq since 2016**.

LFB CO₂ EMISSIONS RESULTS BY SCOPE (IN T CO₂Eq)



NUMBER OF COMPANY VEHICLES IN LFB'S FLEET AND TONNES OF CO ₂ EMITTED				
Period from 01/01/2023 to 31/12/2023	Number of company vehicles	Kms travelled	Tonnes of CO ₂ emitted	Mean CO ₂ rate (g/km)
ALD	101	1,984,049	238.92	120.42
ALPHABET	38	892,436	107.84	120.84
TOTAL	139	2,876,485	346.76	Mean: 120.63

NB: In the table we have chosen to consider all vehicles driven at least one day in 2023 and for LFB, i.e. 139 vehicles in total.

NUMBER OF PRINT-OUTS (B&W AND COLOUR) IN FRANCE (LES ULIS, LILLE, CARVIN, ALÈS)					
Sheets of paper	2023	2022	2016	Change 2023/2016	Change 2023/2022
B&W print-outs	2,560,000	3,092,000	5,936,978	-56.88%	-17.21%
Colour print-outs	3,633,000	3,731,000	5,309,770	-31.58%	-2.63%
TOTAL Number of sheets	6,193,000	6,823,000	11,246,748	-44.94%	-9.23%
CO₂ emitted in Tonnes (considering 10.22 g CO ₂ per sheet)	63.29	69.73	114.94	-44.94%	-9.23%

ELECTRICITY SUPPLY CERTIFIED AND GUARANTEED FROM RENEWABLE AND FRENCH ORIGIN IN 2023				
French sites				
Les Ulis	Lille/Carvin	Alès	Arras	
0%	0%	100%	0%	

KEY PERFORMANCE INDICATORS (KPIs)

- **1.78 L of ethanol/Litre of plasma fractionated (1.85 L of ethanol/Litre of plasma in 2022).**
- The **average CO₂ emissions** of the vehicles in LFB's fleet was **120.63 g/km** (135.34 g/km in 2022)
- Percent reduction of carbon emissions from paper printing in 7 years (compared to 2016, the reference year): **-44.94% CO₂ emissions by LFB.**
- In 2023, in France, only the Alès site was certified as using 100% electricity of renewable and French origin. The guaranteed certified green electricity purchasing policy was suspended for financial reasons in connection with the energy crisis.

5.5

RESPECT FOR ANIMAL WELL-BEING

CHALLENGE

Patients with haemophilia A or B with inhibitors, due to a factor VIII or coagulation factor IX deficiency, can be treated with Eptacog beta (activated factor VII; trade names: Sevenfact®/Cevenfacta®), produced and marketed by LFB. This coagulation factor is necessary for the treatment of bleeding in patients affected by these diseases that can have lethal consequences.

The production of the active molecule in the form of a human recombinant protein for the treatment of patients is carried out in vivo in farm animals.

All conditions for animal health and well-being are rigorously respected.

SCOPE

This challenge concerns and is addressed within the LFB Group scope.

POLICY

The use of farm animals to produce the recombinant protein identified as an alternative to human factor VII contained in human plasma is necessary for the treatment of patients with haemophilia A or B with inhibitors. Circulating plasma concentrations of factor VII are not sufficient to treat bleeding because the product is used at extra-physiological doses. Production of the recombinant protein in milk and its harvesting are easy to perform, non-invasive and non-traumatic for the animal.

LFB is recognised for its expertise in the therapeutic areas of immunology, haemostasis and intensive care, with the aim of developing innovative drugs and therapies derived from living organisms.

LFB's facilities that house and care for the animals used to produce milk containing the recombinant protein operate as a breeding and dairy operation. The animal breeding and treatment conditions are subject to strict international regulations dictated by the relevant authorities (FDA, EU, French veterinary authorities). The animal breeding units undergo regular inspections and audits to ensure compliance with these regulations. A specialised team breeds and cares for the animals and ensures they remain in good health, as they are essential to the manufacture of a high-quality pharmaceutical product. In compliance with regulations, LFB and the specialised rabbit breeding team have implemented measures to ensure the health and well-being of the animals. Staff training is governed by regulatory requirements and an ethical commitment by the companies that house the animals. The objective of the livestock use policy is to maintain the highest level of biosafety specifications and maintain the status of Specific Pathogen Free (SPF) livestock, i.e. with a guaranteed 100% positive test rate.

MEASURES IMPLEMENTED

The rabbits used in the production of the molecule of interest of the medicinal product are unique and represent a significant monetary value for the company due to their singularity and rarity. A calm environment without induced stress allows for optimal stimulation of lactation and milking and better production.

The measures taken include:

- A comprehensive biosafety programme to maintain the specific pathogen free (SPF) status of the breeding facility monitors several conditions:
- Strict compliance with health procedures by staff when entering production sites,
- Use of a bio-decontamination unit to transfer consumables to the facility,
- A routine animal health monitoring programme.

An ethics committee approved by the French Ministry of Research (MESR) periodically evaluates the animal use protocol.

- A body responsible for animal welfare (SCBEA) verifies compliance with good practices related to animal welfare and makes proposals for improvements. It is composed of a veterinarian, animal technicians and staff responsible for designing animal use protocols. It meets on a quarterly basis. These standardised procedures concern:
 - Control of animal health and well-being,
 - Access to a balanced diet,
 - Enrichment of the environment which allows animals to express natural behaviour and improves their well-being.
 - Respect and transparency of procedures for the proper treatment of animals,
 - Exercise programmes to maintain the animals in good physical health,
 - Proper handling and adaptation of animals,
 - A specific programme for cleaning and disinfecting facilities.

RESULTS

The registration dossier for LFB's recombinant activated factor VII (SEVENFACT®/Cevenfacta®) was approved by the FDA in April of 2020 and by the EMA in July of 2022 for the treatment of haemophilia A or B with inhibitors. An indication extension for the prevention of bleeding during surgery has been filed in the United States, and this indication has already been accepted in Europe. Registrations have been obtained (United Kingdom, Mexico) or are in

progress in other countries (Saudi Arabia). About 50 American patients are now being treated effectively and regularly with Eptacog beta, and the medicinal product is now available in the United Kingdom, Italy, Spain and Germany.

The rabbits benefit from a variety of environmental enrichments that support the expression of natural behaviour and interaction between individuals.

KEY PERFORMANCE INDICATORS (KPIs)

- **100% positive results for SPF tests, maintaining the excellent status level.**



6

SOCIETAL ISSUES

FAIR TRADE PRACTICES

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 Act 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.

SCOPE

This challenge concerns and is addressed within the LFB Group scope.

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's objective is to maintain a high level of excellence in Good Manufacturing Practice to avoid batch recalls.

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. The medicinal products are therefore released twice, by health authorities and by LFB.

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 medical 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 medicinal products, and its medical sales visits have been certified since 2010 ([referentiel de certification ip mars 2017.pdf \(has-sante.fr\)](#)). This certification of the promotional information was renewed on 20/06/2023.

A code of ethics has been established. It is handed out during visits of the medical 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

- **2,415 SRTs** (Transfusion Network Reports) SRT = quality report from the centres that supply plasma (starting material for LFB's medicinal products) - **(2704 in 2022)**.
- **0** Precautionary measures* following SRTs (* precautionary measures = blockage of batches of products).
- **0** Cases of counterfeiting **(0 in 2022)**
- **43 Complaints** concerning LFB medicinal products (47 chrono: - 1 cancelled - 2 tests and 1 historical rework from 2022) - **(31 in 2022)**.
- **3 PSURs*** (Periodic Safety Update Report: issued by the Pharmacovigilance department) sent to authorities, or concerning about ½ of LFB's products - **(5 in 2022)**.
- **No change:** Change in the Benefit/Risk balance of an LFB medicinal product.
- **14 emergency orders - (14 in 2022)**.
- **0 nonconformities observed** during the promotional information certification audit in 2023 (compared to 0 in 2022).
- **0 Batch recalls (0 in 2022)**.
- **10 Stock shortages** concerning LFB's medicinal products - **(5 in 2022)**.

KEY PERFORMANCE INDICATORS (KPIs)

- Complaints indicator: **24.94 ppm (parts per million)**, i.e. 43 complaints / 1,724,426 units distributed (NB: for 2022 the figure was 31 / 1,863,232 = 16.6 ppm).

6.2

INTERACTIONS WITH EXTERNAL STAKEHOLDERS

CHALLENGE

LFB contributes to improving care for patients with acute or chronic diseases that are often rare and serious, among others, through efforts to raise awareness among healthcare professionals and support for projects led by patient associations. One of the LFB's major challenges is to maintain partnerships and/or sponsorships with patient associations, despite a difficult financial situation.

LFB promotes the French plasma sector with blood donors, the French Blood Establishment and patient associations, towards public stakeholders to serve the needs of patients.

These interactions take place according to the rules set by the French High Authority for Transparency in Public Life (HATVP), the guidelines of the French (LEEM, France's pharmaceutical industry trade association) and European (EFPIA, European Federation of Pharmaceutical Industries and Associations) professional organisations as well as internal procedures.

SCOPE

This challenge concerns and is addressed within the LFB Group scope.

POLICY

To meet this challenge, the Public Affairs unit, integrated within the Corporate Affairs department, defines the scope of intervention of the expert areas and works with them to implement the strategic objectives of the group in terms of defending the interests of the company, and applies the rules put in place by the Compliance unit (fight against corruption, relations with patient associations, declaration of relations between persons representing the public interest and public authorities, etc.).

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

- The centralising of budgets and action plans within the Public Affairs department,
- The creation internally of two Committees to interact with patient associations (France and internationally) to discuss requests for funding by patient associations,

- 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 authorised rules for the interaction of LFB employees with patient associations were formalised in 2021 in an internal procedure.

An annual review of contacts with administrations, ministerial cabinets and elected officials is carried out jointly with the Compliance department.

REGULATORY OBLIGATIONS

LFB complies with its obligation to annually declare instances in which it represents its interests to the French High Authority for Transparency in Public Life, in accordance with the authority's guidelines.

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 the political sphere 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 APTSA (Association for the Promotion of Blood Transfusion in the Armed Forces) and the ANCDB (National Association of Railway Workers for Volunteer Donation) as well as the ADSB-RATP (Association for Voluntary Blood Donation of

the RATP). In addition to funding some of the operations of these associations, the Public Affairs department takes part in the organisations' meetings/conferences/seminars in order to present LFB news and promote the French plasma industry.

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 immune deficiency (IRIS), alpha-1-antitrypsin deficiency (ADAAT), peripheral neuropathies (AFNP), haemophilia (AFH) and multiple myeloma (AF3M).

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

3. Public institutions

LFB interacts with central and territorial administrations as well as ministerial offices on its subjects of interest, in particular the impact of energy and geopolitical crises, plasma supply and regulations relating to our activity.

4. Professional organisations

LFB is a member of four professional organisations, including 2 in France (Leem and France Biotech), 2 internationally (IPFA and PPTA), one French think tank (G5 Santé) and the competitiveness clusters Eurobiomed and Medicen.

5. *Etablissement Français du Sang* (French Blood Establishment)

LFB also maintains close relations with the French Blood Establishment (EFS) through regular exchanges within the Joint Steering Committee and participation in events organised by the EFS. LFB is sometimes invited to speak at regional events organised by the EFS (summer universities) or blood donation days.

These regional events bring together local associations (departmental unions).

LFB's initiatives in France:

- **Maintaining a significant number of initiatives with patient associations despite a 20% drop** between 2022 and 2023
- **Fewer funding initiatives with blood donor organisations** between 2022 and 2023 (-25%), but an increase in plant visits.

RESULTS

In France, defending LFB's position as a major player in the supply of plasma-derived medicinal products requires continuous dialogue with blood donor and patient associations:

- **Annual meeting of the Committee created in 2019** to bring LFB together with blood donor organisations and patient associations.
- **Support for the action plans** of each of the partner patient associations in France and abroad as well as of French blood donor associations.

- **Regular exchanges** with each of the stakeholders depending on current events.
- **3 blood drives** in 2023 at the Les Ulis site.
- The number of initiatives was maintained overall between 2022 and 2023, and the aim is to increase the number in the coming years.

The overall budgetary envelope devoted to funding sponsorship and partnership actions was: **€ 272,050 in 2023.**

LFB PARTNERSHIPS AND SPONSORING BY PUBLIC AFFAIRS IN FRANCE AND INTERNATIONALLY and the number of days between the date of recording and the signature date

6 Patient associations | 6 contracts and 13 initiatives

					
AF3M	ADAAT	AFH	AFNP	IRIS	Le Rire Médecin
26.00 days	5.00 days	32.00 days	47.00 days	130.00 days	41.00 days

4 International associations | 4 contracts and 6 initiatives

			
EPODIN	IPOPI	EHC	WFH
49.00 days	13.00 days	14.00 days	76.00 days

3 Blood donor organisations | 3 contracts and 3 initiatives

		
FFDSB	AP TSA	ANCDB
25.00 days	158.00 days	206.00 days

Average number of days between the date of recording and the signature date :

63.23

- **13 initiatives for patient associations.** (ADAAT, AF3M, AFH, AFNP, IRIS, Le Rire Médecin (Laughing Doctors))
- **63 initiatives for international associations.** (EPODIN, IPOPI, EHC, and WFH).
- **3 initiatives for blood donor organisations** (FFDSB, APTSA, ANCDB).
- **1 initiative with the Tulipe Association** (other association: Know how to respond to health emergencies).
- **3 plant visits** (FFDSB, La Poste Orange and ADSB-RATP)

KEY PERFORMANCE INDICATORS (KPIs)

Contracting with blood donor and patient associations

Contracts must be signed very early in the year so that associations can start their projects as early as possible in the calendar year. Contracting is preceded by a preliminary decision-making process before the end of the year N-1 (on 31/12/2023). This committee brings together the Operations, Compliance, Legal Affairs, Advertising Control and Public Affairs departments. The committee arbitrates on the basis of documents or information provided by the associations.

The performance indicator most in line with the objective is the contracting period between 1 January and the date of signature, as well as the number of projects submitted to the committee before the end of the year:

In 2023, the average time to the signing of a contract was 63.23 days (between the day of entry in the legal affairs tool (Legisway) and the day the contract was signed by both parties).

In 2023, **19 patient association projects (France and international) were submitted** to the committee for validation.

6 were approved before 31/12/23, or **31.58%** of French and international associations (excluding blood donor organisations because they were not presented to the committee) presenting a project to the committee. The objective is to increase this percentage because by validating the projects as early as possible, if possible before 31 December of year N-1, this would allow the associations to launch their projects at the beginning of the year N.

RESPONSIBLE PURCHASING

CHALLENGE

The Purchasing Department's policy follows the group's strategy, and is based on the Supplier Relations charter set out in LFB's CSR strategy and General Terms and Conditions for Purchasing.

Commitments of the Purchasing department

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).

SCOPE

This challenge concerns and is addressed within the LFB France scope. It is not addressed within the Group scope because the Purchasing department does not handle purchasing of the plasma starting material. In addition, purchases are mainly made within the France scope due to the production inputs and materials required for plants located exclusively in French territory.

POLICY

Responsible Purchasing

To meet LFB's CSR challenges, the group's Purchasing department follows 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

To further engage buyers in this process, the Purchasing department has made part of the variable compensation of its employees subject to achievement of the following overall objectives:

- Assess 26 new suppliers and/or service providers in EcoVadis, in addition to the 96 already assessed in 2022, or 122 suppliers evaluated out of a target of 115
- Improve the group's EcoVadis score in the «Responsible Purchasing» module compared to the previous year (60/100 in 2022 to 80/100 in 2023)
- Integration of CSR clauses in supply agreements since 2023
- Integration of respect for animal well-being in the relevant supplier contracts
- Sharing of a shuttle for transportation of staff from the Les Ulis site, with companies located near the site.
- Production of CSR risk mapping related to purchases, in order to anticipate needs related to the duty of vigilance.
- Work in progress to secure the group's supplies.

RESULTS

Global data and performance indicators in the area of responsible purchasing:

- **€ 412.9 million** covered for purchases in 2023 (€ 361.6 million in 2022).
- **2,496** active suppliers in 2023 (2492 in 2022).

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

KEY PERFORMANCE INDICATORS (KPIs)

The table below shows the changes in the purchasing indicators between 2022 and 2023.

PURCHASING INDICATORS	2023	2022
Share of purchases from adapted or protected sector in turnover out of total purchases (excluding plasma)	0.04%	0.10%
Percentage of suppliers in France	86%	87%
Percentage of buyers trained in responsible purchasing	100%	89%
Percentage of buyers with CSR goals	89%	89%

Share of purchases from SMEs not including plasma: 36% in 2023 (35% in 2022) for a target of 40%. As part of its calls for tenders and local anchoring, 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 51 days in 2023 (47 days in 2022), in accordance with the French act on modernisation of the economy (LME Act No. 2008-0776).

ECOVADIS EVALUATION*

Objective of partners assessed	115
Partners invited	156
Partners assessed	122
Percentage of suppliers who responded to the assessment	78.2%

- **122 suppliers and subcontractors** were assessed for their degree of CSR maturity out of a total of 156 invited to reply to **the CSR questionnaire** on the ECOVADIS platform.

EcoVadis platform for the year 2023: Results of the EcoVadis assessment by LFB Purchasing.

PREVENTING AND FIGHTING CORRUPTION

CHALLENGE

Preventing corruption is a priority for LFB. General management is committed to ensuring compliance with the laws and regulations applicable to our activity and implementing all measures to demonstrate LFB's ethical commitment to patients, healthcare professionals, its employees, partners and shareholder.

SCOPE

This challenge concerns and is addressed within the LFB Group scope.

POLICY

One of LFB's 5 values that form the foundation of its corporate culture is «Succeed with Integrity», which advocates for ethical and transparent behaviour, guaranteeing regulatory compliance and preventing and detecting the risks of corruption and influence peddling.

As a pharmaceutical group, LFB is subject to regulations that strictly govern gifts for healthcare professionals. To meet this challenge, LFB has operational procedures and measures in place to prevent and detect any act of corruption, particularly towards healthcare professionals.

In accordance with the French Sapin 2 Act, LFB, with the support of its Executive Committee, has implemented a corruption prevention programme based on zero tolerance for any practice that is contrary to the fight against corruption. The Executive Committee has entrusted the deployment and supervision of this programme to its Corporate compliance department.

MEASURES IMPLEMENTED

LFB performs corruption risk mapping and has an anti-corruption code of conduct and a procedure for assessing the integrity of third parties. A professional whistleblowing line is also available to employees and stakeholders to report facts or conduct that are contrary to its values and principles, as set out in its Anti-Corruption Code of Conduct.

LFB's Code of Conduct and internal reporting procedure were updated in December 2022 to take into account the new regulations and guidelines in this area. The CSR Ethics Charter was also updated in 2022 and incorporates LFB's anti-corruption principles.

The corruption risk mapping was updated in 2023 based on a revised methodology and in line with the recommendations of the AFA (French Anti-Corruption Agency). It was done by the Corporate Compliance division in collaboration with the Audit and Risks department and was validated by the Executive Committee before being presented to LFB's Audit and Remuneration Committee (CAR).

In terms of mandatory training, a new e-learning module on the prevention of corruption was deployed in 2023 on the FORMAVISA platform:

- In French for all managers and employees of LFB's French companies (with the exception of production and laboratory technicians who are less exposed to corruption risks).
- In English for all managers and employees of LFB companies abroad who are proficient in English and exposed to corruption risks.

RESULTS

Development of a professional alert system

and opening of an alert hotline in 2018:

→ alert-compliance@lfb.fr.

Two new results were implemented in 2023:

- **Number of convictions for violations of anti-corruption legislation: 0**
- **Total number and nature of proven cases of corruption or payment of bribes: 0**

KEY PERFORMANCE INDICATOR (KPI)

In 2023, three mandatory compliance training courses were deployed on FORMAVISA (internal regulatory training and assessment platform).

■ **Pass rate of Anti-corruption training e-learning in French and English: 95.30%** of the most exposed employees were trained in anti-corruption topics in 2023. This indicator counts 1,177 people who validated the training (including 1,068 French employees and 109 international employees) out of 1,235 targeted (of which 1,102 French and 133 international).

■ **Pass rate of GDPR e-learning training: 94.64%** (i.e. 724 people who completed the training out of 765 targeted) of the most exposed employees were trained on GDPR topics in 2023.

■ **Pass rate of e-learning training on the Anti-gift scheme and transparency of relations: 76.67%** (i.e. 23 people who validated the training out of 30 targeted) of the most exposed employees were trained on the Anti-gift scheme and transparency of relations in 2023.

The results are in line with expectations, with an increase in the training indicator and a pass rate that improved compared to the previous year.

The compliance training plan and its monitoring were strengthened in 2023 with a new mandatory campaign on the prevention of corruption and increased monitoring of learners (reminder system, statistics regularly communicated to the Executive Committee (COMEX), etc.).

6.4.2. IT system security**CHALLENGE**

By virtue of its status, LFB must protect its information assets and the services essential to its missions. The security of its IT system is a major challenge for the group.

SCOPE

This challenge concerns and is addressed within the LFB Group scope.

POLICY

General Management therefore published an IT system security policy in 2011, which stems from the group's security strategy.

It is based on 5 fundamental goals:

- Ensure the appropriate level of availability, integrity, confidentiality and traceability,
- Control risks,
- Comply with laws and regulations in force,
- Follow good practices, applicable norms and standards,
- Follow national guidelines defined by the supervisory bodies.

It is applicable to all group entities and activities. It takes into account all the human, tangible and intangible resources that contribute to the operation of LFB.

It is associated with an IT charter, as well as operational procedures and measures.

In order to conduct the security strategy with a coherent approach, an organisation structured around decision-making units was created, and consists of a functional chain of command and security committees.

All stakeholders and decision-making bodies are responsible for developing, applying and enforcing the security guidelines resulting from the group's strategy.

The objective of the IT security policy is to maintain or improve the number of people who pass the phishing tests carried out during the year. The objective is to achieve and maintain a minimum pass rate of 95% in phishing tests.

MEASURES IMPLEMENTED

To strengthen the security of its IT system, LFB has carried out the following projects and actions:

- Application of fundamentals throughout the fleet:
 - Management of equipment obsolescence,
 - Management of security updates,
 - Protection of equipment by antivirus/antimalware,
 - Supervision.
- Network segmentation,
- Consolidation of security events from critical equipment to a SIEM (Security Information and Event Management) for correlation and analysis by an SOC (Security Operations Centre) team. Strengthening of the SOC in 2022 by adding new use cases for security alerts,
- Supervision of data access,
- Deployment of a Bastion server to manage remote access,

- Email threat protection: Antispam/antivirus upstream of emails received,
- Website threat protection: Web gateway for internal as well as external use (remote working),
- Protection of remote links (WAN): deployment of network boxes so as to have a global security policy on all private and public links, while guaranteeing increased redundancy and increased bandwidth,
- Workstation and server threat protection: Deployment in 2022-2023 of an advanced security tool to detect and block threats, associated with an SOC,
- Internal network threat protection: Deployment of next-generation firewalls in 2022-2023,
- Account takeover (phishing) threat protection:
 - Raising user awareness through e-learning, phishing tests, tutorials, a Cybersecurity web page, regular alerts,
 - Checking for suspicious connections,
 - Deployment of multi-factor authentication in 2022-2023.
- Fraud protection (2023):
 - User awareness through e-learning on identity theft, CEO fraud, fake supplier fraud and audio deepfakes,
 - Addition of an alert banner to external emails.
- Annual security audit of the IT system with penetration test,
- IS Security governance through security committees,
- Contracting of Cybersecurity insurance.
- **35 security events** confirmed in 2023.

RESULTS

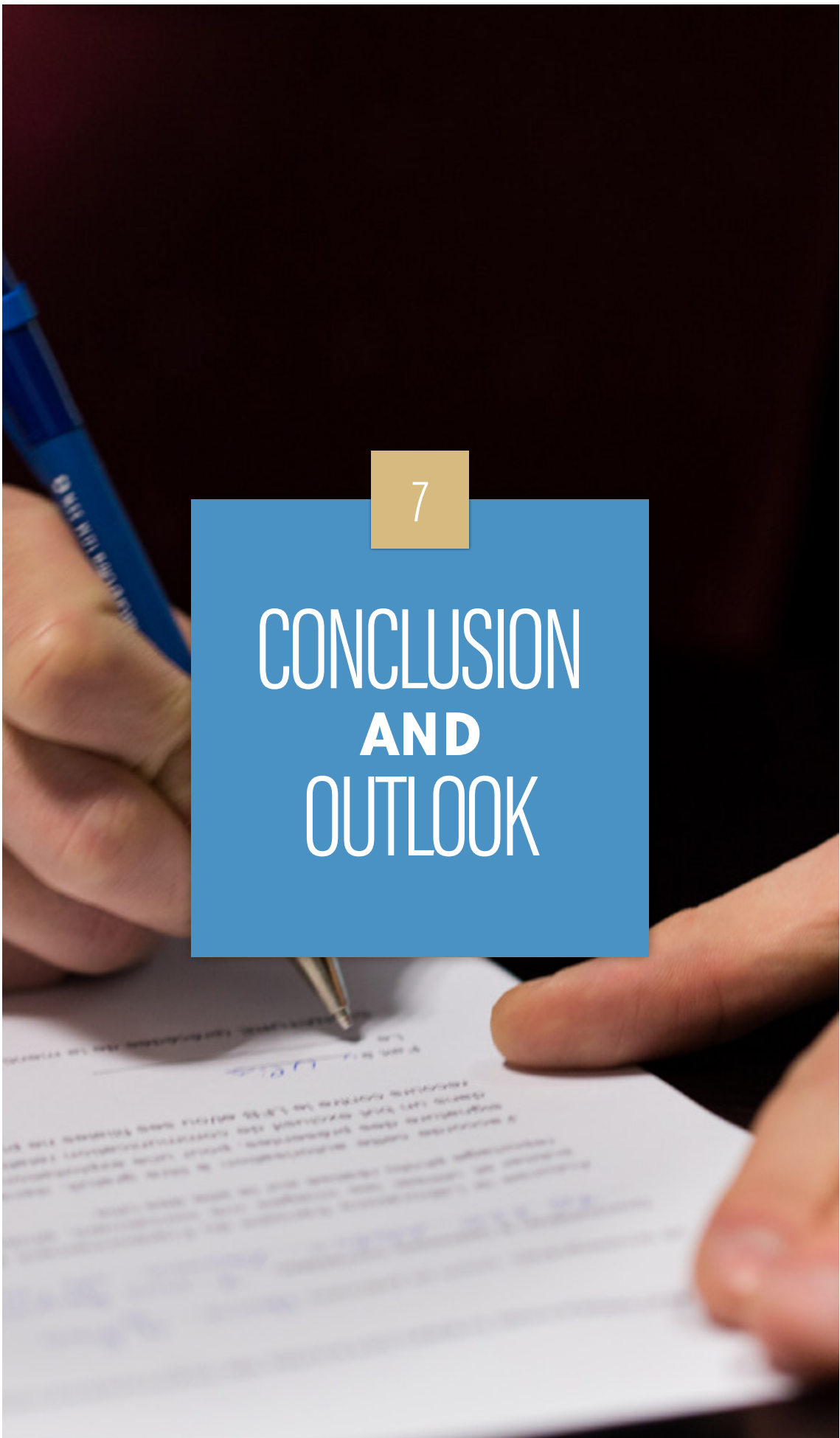
- **87%** of emails representing a threat blocked in 2023.

KEY PERFORMANCE INDICATORS (KPIs)

- **93%** of users passed fake phishing tests in 2023.

7

CONCLUSION AND OUTLOOK



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

The CSR risks related to Purchasing were mapped in 2023, according to the duty of vigilance.

CSR clauses (social and environmental) were integrated into the contracting process with suppliers and service providers, and the General Terms and Conditions (GTC) of Purchasing were updated. Buyers were trained by purchasing family in CSR risk assessment.

In 2023, LFB implemented an action plan within the scope of the France sites which was structured around 3 axes: developing awareness of dangers, positioning managers as leaders in safety and avoiding the recurrence of critical events through a robust analysis. The roll-out of this action plan, under the «sponsorship» of the Director of Industrial Affairs, was completed in the first quarter of 2024.

A programme aimed at developing an integrated safety culture at LFB will take over from the second quarter of 2024. Initially deployed to control industrial risks, it will later integrate all of the group's functions and sites, in France and internationally.

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

LFB continues its efforts to reduce its environmental impact by complying with the medium- and long-term objectives of its low-carbon strategy. Assessment its carbon footprint annually (complete with Scopes 1, 2 & 3 since 2017) provides a base of information to follow the changes in energy consumption and greenhouse gas emissions as closely as possible, and to identify areas for improvement. This Carbon Footprint was submitted on the BEGES platform of the French Agency for Ecological Transition (ADEME).

LFB's new CSR Charter as published in 2022 presents the company's «10 major commitments» for the coming years.

The CSR Committee initiated action plans on the company's CSR objectives for 2024 with monitoring over the years to come to improve the company's efficiency and competitiveness.



**FINALLY,
SOME EXAMPLES
OF CSR AWARDS
RECEIVED BY LFB
IN 2023 ARE
LISTED BELOW:**

■ The assessment of LFB for its degree of CSR maturity by EcoVadis in the 5 key thematic areas

■ Results of the LFB evaluation by EcoVadis : Silver medal

■ The result of the assessment of LFB for its CSR criteria during the call for tenders by the CAHPP (Central purchasing office for public and private hospitals): A++ label in the Green Index. The highest level of the Green Index.



LFB IS WORKING ON ITS STRATEGIC TRANSFORMATION PROJECT AND PREPARING FOR RESPONSIBLE GROWTH IN THE FUTURE.

Strategic priority driven by Governance

Since the restitution of last year's CSR audit, LFB has been made aware of the new European directive (CSRD) that will become compulsory on 1 January 2026 for the 2025 financial year.

LFB has thus equipped itself with a digital tool for collecting information corresponding to its major challenges, and will be supported in the achievement of its dual materiality, in the study of deviations and in its critical review by an Independent Third Party Organisation throughout 2024. LFB's objective is to be in compliance with the regulatory expectation by the end of 2024 and to carry out a CSR audit in 2025 for the 2024 financial year on the main challenges identified by the dual materiality. Improvements to the processes for integrating the information required for the CSRD will be carried out during the year 2025.

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 reinforce LFB's role as a key player in plasma fractionation. An ambitious industrial investment plan has been implemented in France to build the new plant in Arras. These investments will enable LFB to triple its production capacity to achieve growth and offer its medicinal products to patients. This new plant will also increase France's health and industrial sovereignty in terms of plasma-derived medicinal products,
- **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 involves reclaiming market shares, winning back customers and maximising the potential of its existing portfolio of medicinal products.

This ambition will be based in particular on maintaining a solid commercial presence, focusing on priority medicinal products and customers. LFB is a major industrial player in France and occupies a very special place within the French plasma industry, alongside blood donors, the French Blood Establishment, hospitals and patients. It will help strengthen France's health and industrial sovereignty in terms of plasma-derived medicinal products.

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

The goal is to accelerate the development of LFB in the coming years, in order to continue fulfilling its 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.

In 2024, LFB, having adopted its Raison d'Être "**LFB, expertise committed to life**", will celebrate its 30th anniversary, and inaugurate its new Arras plant at the end of the year, the 3rd site for the production of plasma-derived medicinal products.

7.3

KEY RESULTS

INDICATOR	YEARS			
	2020	2021	2022	2023
Quantity of plasma fractionated (L)	823,446	917,145	852,482.1	992,376
Number of batches released	613	742	632	556
Number of filled vials	1,856,372	1,796,000	1,502,000	1,857,503
SOCIAL				
Number of work-study contracts	56	72	100	125
M/F breakdown in France	47% / 53%	47% / 53%	47.4% / 52.6%	46.5% / 53.5%
Turnover rate	9.62%	8.12%	10.57%	8.86%
Annual raises	1%	0.90%	4%	4%
Promotion rate	6.7%	6.41%	5.96%	8.86%
Absenteeism rate	6.1%	5.30%	6.4%	5.67%
Number of accidents with lost time	27	41	22	40
Frequency rate (FRI)	8.2	10.46	5.67	9.77
Investment in training	€ 1.52 million	€ 1.72 million	€ 1.81 million	€ 2.07 million
Training hours	38,058	45,361	42,753	59,914
Number of employees trained at least once	1,863	2,035	2,200	2,329
Number of training hours per employee	20.43	22.29	19.43	25.73
Overall training effort	1.6%	1.7%	1.68%	1.80%
ENVIRONMENT				
Water consumption in m³/€ thousand in turnover	1.36	1.43	0.95	1.02*
GHG emissions in kg/€ thousand in turnover	37.76	31.10	26.54	25.39*
Waste generated in kg/€ thousand in turnover	28.88	23.71	18.99	20.48*
Energy consumed in KWh/€ thousand in turnover	292.16	236.63	196.90	206.56*
Number of paper print-outs	6,099,000	6,989,000	6,823,000	6,193,000
% of non-hazardous waste recovered	52.78%	59.13%	75.20%	63.11%
Maintenance of SPF status of breeding sites	X	X	100%	100%

*These data were calculated outside the scope of the Arras plant because it does not yet produce medicinal products and therefore does not generate turnover.

	SOCIETAL			
Number of batch recalls	0	0	0	0
Stock shortages	7	1	5	10
Complaints concerning LFB products out of all products sold	X	18.9	16.6	24.94
Number of nonconformities observed during the promotional information certification audit	X	0	0	0
Number of sponsorship actions by Public Affairs	16	17	24	21
Amount covered by purchases	€ 212.6 million	€ 214.6 million	€ 361.6 million	€ 412.9 million
Number of active suppliers	1937	2503	2492	2496
Share of purchases from SMEs as %	41%	40%	35%	36%
Mean payment time in days	49	52	47	51
Number of employees trained in compliance	210	203	355	1944
Number of convictions and amount of fines for violations of anti-corruption legislation and acts of corruption	X	X	X	0
Total number and nature of proven cases of corruption or payment of bribes	X	X	X	0
Number of confirmed security incidents	X	X	24	35
Percentage of blocked emails representing a threat over the year	X	X	83%	87%
Percentage of users having passed fake phishing tests in 2023	X	X	86%	93%

**NON-FINANCIAL
PERFORMANCE
STATEMENT**

APPENDIX 2 • 2022



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