




INTEGRATED REPORT

23 24

AXEREA
Land and people for the future



Jean-François Loiseau
Chairman, Axereal

Paul-Yves L'Anthoën,
CEO, Axereal Group

Joint interview

Transforming our model to stay competitive

How has the 2023-2024 year been in the agricultural and processing businesses?

JEAN-FRANÇOIS LOISEAU

One of the major features of this year has been the exceptional weather conditions, in particular the rain in autumn 2023, the lack of light and the delays in the application of crop protection products, which severely disrupted our work in the fields. The disappointing results from farms and the inconsistent quality of the crops are of course ultimately detrimental to both the farmers and our Group's business. In parallel, global grain prices remained fairly low. We consequently focused our energy during the year on our commitment to provide producers with an agile and reliable service. High inflation is causing issues worldwide, in particular by depressing consumer spending, and naturally our operations are feeling its effects. Our businesses operate in intensely competitive markets, and are weighed down by the restrictive European regulatory framework. We have achieved robust performance nonetheless, because we have the capacity to adapt our installations and we work efficiently to meet the expectations of our customers.

PAUL-YVES L'ANTHOËN

As a result of the unusual conditions this year, farmers found themselves making changes to their crop plans, sometimes at the last minute. Many reduced their areas sown to wheat and to winter barley, which finished the year down an average of 10%, replaced by other crops such as sunflower seed, maize and spring barley, which were up more than 20%. Given the situation, we focused on making prompt and efficient adaptations to our logistics so that we could provide the supplies for the revised sowing plans as and when they were required. The year also demonstrated the need for solid agronomic expertise to support farmers in making decisions to cope with the issues they faced and secure the future of their farms. On the processing side, markets are still struggling to achieve a stable return to pre-Covid levels and value is contracting across all segments. Nevertheless, as our results show, our financial performance remains unaffected because it is driven by coherent strategies.

**At Axereal, we are committed
to being a strong partner and
placing value creation high on
our list of priorities.**

Paul-Yves L'Anthoën
CEO, Axereal Group

Have the issues encountered this year had an influence on the Group's strategic direction?

JEAN-FRANÇOIS LOISEAU

We know that our model has to change, and we integrated this transformation into our strategic direction several years ago now. The difficulties we have seen this year have reinforced this conviction, which is shared by both our councillors and the management team. For example, we made a decision to focus on growing our malting business internationally, and we can see it was the right choice. This business contributes the biggest share of our group's profits. It is now gearing up for a new chapter in its history which will facilitate its continued growth. At our milling business, financial performance is back on track, and we will therefore also be guiding this operation towards new horizons of growth. In our agricultural businesses, our strategic aim is to improve the model we employ to serve our farmers and customers: it needs to be attractive, profitable and innovative. This year, major new milestones have been achieved in the Intact project, which is working to bring innovative decarbonised products to local, national and international customers.

We consequently focused our energy during the year on our commitment to provide producers with an agile and reliable service.

Jean-François Loiseau
Chairman, Axereal Group

PAUL-YVES LANTHOËN

In 2023-2024, we have confirmed our road map for sustainable growth on the basis of the early results of the initiatives launched over the last few years and our desire to ensure that growth is not only sustainable but strong. Boortmalt achieved SBTi¹ certification in respect of its strategy to cut its carbon footprint across scopes 1 and 2 several years ago. In that respect, it is recognised as a pioneer in its market. In June 2024, it was the turn of our Agriculture & Processing Channels division to launch its own SBTi road map. It covers scopes 1 to 3, and therefore includes the decarbonisation of agriculture. We are conscious that the majority of greenhouse gas emissions generated by agriculture can be attributed to the production and use of nitrogen fertilisers. One avenue with potential in this respect is adding to rotations crops that require less nitrogen fertilisers and also capture nitrogen in the air and release it in the soil, fertilising it naturally. We are working with farmers to develop this avenue, mainly using protein peas. We are building a value creation framework for these crops by supporting a channel that will produce plant protein for the food processing and cosmetics industries. We are working with our partner Intact, a start-up that is developing an innovative, decarbonised way of extracting plant protein from pulses. Intact is currently building a plant at Baule, in Loiret. This project is a figurehead for our strategy, and demonstrates that in our sectors, transforming a model is a long-term project. While the transformation is ongoing, we must ensure that it is not pushed off course by weather incidents, price volatility or market hiccups. For a major player like Axereal, it is important to have the resolve not only to take bold and innovative initiatives but also to hold a course over the long term to achieve results and generate growth.

¹ Science Based Targets initiative, a collective strategy that exists to support businesses in reducing their carbon footprint and optimising their resources.

◀ *The expertise of our agronomy teams enabled us to support farmers in making decisions to cope with the issues they faced during 2023-24 to secure the future of their farms.*



**To put this strategy into action,
everyone has to be involved.**

**How do you secure buy-in from all the stakeholders –
staff, farmers and customers alike?**

JEAN-FRANÇOIS LOISEAU

The cooperative obviously has a role to play here: it is a functional and necessary link between farmers and customers. To make it so, we pay close attention to the expectations of our members, as well as the changes, restrictions and difficulties affecting them, so that we can both provide solutions and plan ahead for the future. We are committed to taking Axereal forward, bringing our entire community with us on the path to an ambitious and coherent future. On the farming side, we are providing farmers with the tools they need to make changes to the way they operate and measure the impacts of these. On the customer side, communication remains vital to ensuring we're meeting our customers' needs and expectations with products that generate fair returns for farmers.

PAUL-YVES L'ANTHOËN

The 2023-2024 year has demonstrated that our teams stand ready to swing into action in record time in critical situations. They can do this because we explain the challenges clearly and define our objectives precisely. This is how we offer our cooperative members the agility they need to push through the difficulties and continue working, as they did this year. We have also taken this approach to transforming our model over the last few years, by tapping into our collective strength and intelligence. The added value of our cooperative lies in the support and services that we offer. At Axereal, we will always be a solid partner and place value creation high on our list of priorities. ■



▲► *The Axereal cooperative spirit unites our entire community, from the field to the plate, and with its backing we're ready implement the changes we need to make.*

**We are committed to taking
Axereal forward, bringing our
entire community with us on
the path to an ambitious and
coherent future.**

Jean-François Loiseau
Chairman, Axereal Group



In our sectors, transforming a model is a long-term project. We must ensure that it is not pushed off course by weather incidents, price volatility or market hiccups.

Paul-Yves L'Anthoën
CEO, Axereal Group







**Our cooperative
values, underpinning
a robust future**

1

Performance

Agile teamwork in a year of unpredictable weather

Thanks to the efforts of all our teams, the cooperative was able to provide farmers with the attentive and quick service that they needed throughout the 2023-2024 year. Faced with a succession of weather incidents, we did everything possible to ensure that we met the requirements of each and every cooperative member, helping them to maximise profit on their farm despite the situation.



The 2023-2024 year saw climate conditions and weather events so significant that many farmers were forced to adapt their crop plans, sometimes within extremely tight timescales. This led to returns and new orders for seed, fertilisers and crop protection products. The agility that enabled us to rise to this supply and logistics challenge had one single goal: to provide our members with the best possible support by adapting our way of working to what was needed in the fields.

QUICK REACTIONS AND EFFICIENCY

Thanks to the long-term relationships we have with our seed producers, we were able to source the supplies required to make the changes to the crop plans. We also called on all our logistics teams, who prepared and dispatched orders with impressive speed and efficiency to get them to farmers as quickly as possible. The cooperative incurred costs as a result of this. Seed returns in particular are expensive to process because of the quality checks required on receipt. ■

The implication of all the Axereal teams, backed by robust and effective processes, was crucial in dealing with the difficulties that farmers faced during the year. The staff's experience, their motivation, their initiative and their ability to plan ahead in all situations really made the difference.

Delphine Girault

Logistics Platform Manager, Axereal, Blois

Joint interview

Jean-Maurice Dubois,
Axereal member farmer

&

Romuald Rousseau,
technical sales executive
for the Eurélienne region



Jean-Maurice Dubois has been running a 220-hectare farm spread over three sites at Villemaury, in Eure-et-Loire since 2019. He specialises in cereals (rapeseed, wheat and barley) and has diversified into potatoes and onions.

How was the 2023-2024 year on the farms?

Jean-Maurice Dubois: It rapidly became clear that working the soil was going to be complicated, because we had problematic amounts of rainfall from the end of August onwards. On my farm, I was able to stick to my original crop plan by delaying sowing for certain crops and making the most of the frost where it was helpful. We are lucky here in that the water drains out of the soil fairly quickly, so we were able to get onto our land, which many other farmers couldn't.

Romuald Rousseau: We kept in touch with the farmers throughout the year to offer them the best possible support, with input from our agronomy experts. We encouraged the farmers to make the most of good weather conditions when they did occur, which led many of them to alter their crop plans. That meant we had to be very responsive to collect the seed that wasn't required and deliver new orders as fast as possible. Axereal was definitely the right partner to have in this atypical year.

How did you adapt to this high-pressure situation?

Jean-Maurice Dubois: I had to revise my crop protection plans, which resulted in significant changes to my orders. I was reliant on my technical sales executive to be agile and act quickly to adjust my deliveries.

Romuald Rousseau: In a season like this one, our relationship with the cooperative member really comes into its own. The better we understand the issues and limitations on the farm, the more tailored the support we offer will be. Coordination between the sales, agronomy and logistics teams is also vital in such a complex year. ■

The strengths of the Axereal cooperative when a crisis hits



Agile

stock management, to minimise the risk of late deliveries and stock-outs.



United,

with a full range of skills and a logical structure.



Efficient

logistics, even when working just-in-time.



15%

of straw cereals seed sold

was taken back in 2023-2024, from farmers who had been unable to sow it due to bad weather (twice the usual rate).

20%

more maize seed

was supplied to farmers for fields they had been unable to seed.

Growth

Axereal Invest: farmers investing in malting

Numerous Axereal member farmers have taken up the opportunity offered by the cooperative to support the growth of the Group's malting business by investing in it directly.

The programme to raise capital for the Malting division through Axereal Invest has been a success: 1,650 farmers have now become part of the Axereal Invest community by backing Boortmalt financially. An additional €6.5 million in capital has been raised.

Axereal Invest offered the cooperative's farmers the opportunity to make this more direct contribution to the growth of the Malting division, which has solid potential to expand thanks to a strong market. With a 13% market share and an annual capacity of 3 million tonnes across its network of 27 malting plants located on the five continents, close to the areas where barley is grown, Boortmalt is one of the world's leading malting companies.

Its strategy is ambitious and future-focused. It involves optimising financial and environmental performance while continuing to expand global production capacity, accelerating

▼ *Axereal Invest will support growth at Boortmalt*



decarbonisation across the business as part of a proactive CSR strategy focusing on four priorities: sustainable regenerative agriculture, economic energy management, water resource preservation and staff health and safety.

INNOVATIVE FOR A COOPERATIVE

The funding round offered farmers the opportunity to purchase an ownership stake in Boortmalt. The farmers will be entitled to share in any profit the company makes, just like the private investors who already support the group. They also have the same level of responsibility and right to information. Regular special updates are provided so that investors can track the progress of the development projects of this,

Over to



Mathieu Bracquemond

Farmer and Axereal Invest investor

Axereal cooperative member Mathieu Bracquemond has been farming around 100 hectares in Seine-Loire since 2021. He specialises in field crops (soft wheat, durum wheat, barley, malting barley, maize, potatoes, beet, etc.).

What made you personally decide to buy into Axereal Invest?

I was fortunate enough to visit the Antwerp malting plant as part of the Jeunes Agriculteurs (young farmers) programme in 2023. That's when I got a proper feel for what Boortmalt was all about. Before then, I just knew it as a manufacturing company that was mentioned in Group presentations and publications. Boortmalt adds value to malting barley, which is a major crop for us farmers. It's a highly profitable business, and it's cementing a good position on a market with strong potential. By giving us the opportunity to invest in this business, which is a growth driver for the cooperative, Axereal Invest is enabling more of the production chain to benefit from the added value that is being generated. It's a great opportunity, it's innovative and it's very unusual!

What do you think this programme means to Boortmalt?

It clearly is a mark of how farmers value Boortmalt and are committed to it. Investing in Axereal Invest is a sign that we believe in the business, its future growth and more generally in the malting industry. After all we're the first link in the chain and as such our support is essential. And we're talking about Boortmalt for this today, but tomorrow we might be looking at other markets, like plant protein. ■

Investing in Axereal Invest is a sign that we believe in Boortmalt's business, its future growth and more generally in the malting industry. After all we're the first link in the chain.

the Group's malting subsidiary, which has an end market worth some €700 billion. Axereal Invest is an innovative project for a cooperative. It marks a new milestone in the Group's history and highlights the trust that farmers have in its vision and its sustainable development strategy. This initial funding round may be followed by other capital-raising programmes, for the malting branch or other high-potential areas of the group. ■



Nova: tailored support for new farmers

Axereal has overhauled its programme for new farmers, to support them in their first years running their farms and being part of the cooperative.



Because attracting young people to the profession is one of farming's major challenges, Axereal is particularly attentive to the needs of new farmers. The cooperative's support programme has been overhauled by a group of administrators and has been relaunched in 2024 as Nova. The resulting programme, which lasts three years, helps new farmers to get their businesses off to a good start and explains all the advantages of joining the Axereal cooperative. It offers any farmer who has been running their farm for less than two years – regardless of their age – preferential conditions when they start using Axereal's decision-support and traceability tools, our agronomy and technical support

services, or our farm diagnostics. They can also buy shares at preferential prices.

With Nova, new farmers also get a taste of the cooperative's collective spirit, through the involvement of the administrators and commercial teams. They are invited to Regional Council meetings and other events (such as technical visits, study trips, webinars and agronomy seminars), some of which are organised specifically for them.

Through this programme tailored to their profiles (older on average and not systematically from a farming background), we hope to support the approximately 70 new farmers who start up in our area each year. ■

▲ *The Nova programme: regular opportunities to get out and meet people.*



◀ Watch the **Nova** video

Discover, out on the farms

The Discover programme's class of 2023-2024 experienced cooperative members' work and daily lives first-hand.

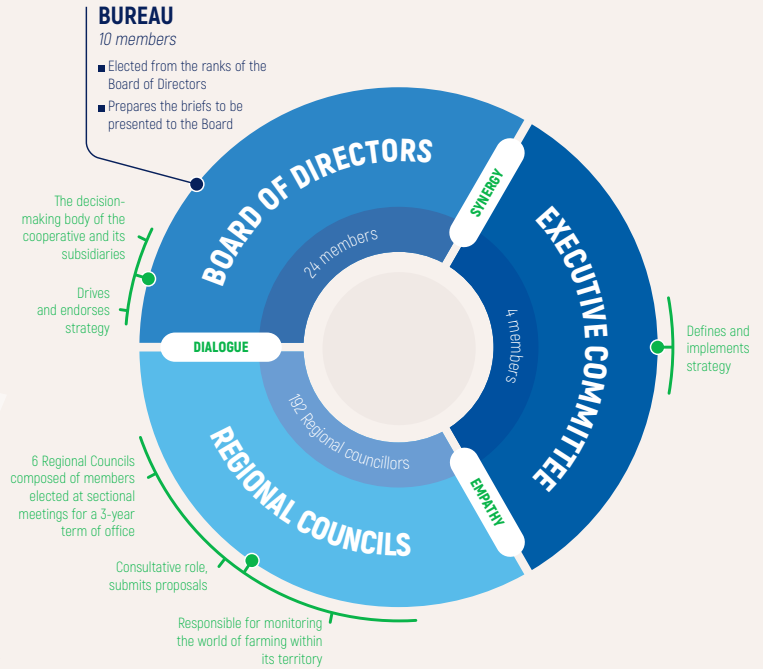
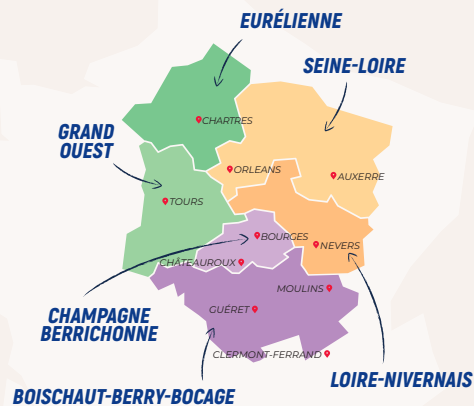
"A superb opportunity", "fascinating discussions", "an excellent initiative": all the Discover community participants gave positive feedback about the project in 2024. In June, 80 students from the Group and its subsidiaries spent several days with around 20 cooperative members, on their farms. These visits were an opportunity for the young staff to gain a better understanding of how a farm works, what it means to be a cooperative member and the challenges facing crop and livestock farmers today. This operation was an important part of the training programme for the students and apprentices, and was also open to staff. It shone a spotlight on the cooperative's regions, the specificities of its members' jobs and its strong spirit of teamwork and mutual support. ■



◀ Watch the **Discover** video

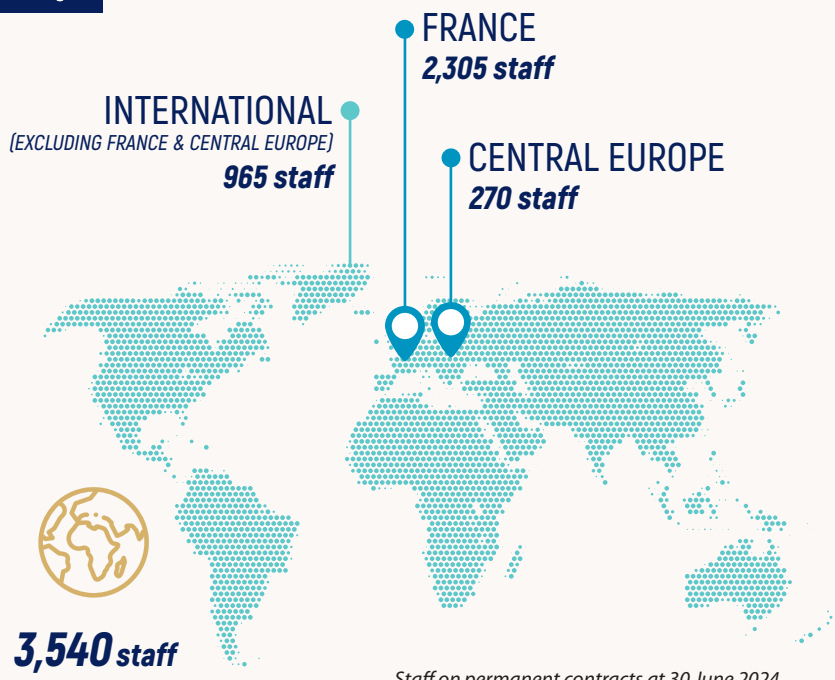
Our governance

Axereal's governing bodies have always worked very closely with our local areas and all our stakeholders. This is one of the things that makes Axereal different, and it stems from our cooperative model. In addition, governing body members believe in the importance of constantly learning so they are in a position to guide the business. ■



Our staff in France and internationally

- AGRICULTURAL BUSINESSES**
1,707 staff
- MALTING**
1,090 staff
- LIVESTOCK FARMING**
325 staff
- MILLING**
311 staff
- GROUP TEAMS**
107 staff



Staff on permanent contracts at 30 June 2024
* including Ebly, Brasserie de Chambord and Central Europe

**We harness
OUR RESOURCES...**



A strong belief in cooperation

11,000

COOPERATIVE MEMBERS



Sales through channels

670,469

TONNES OF GRAIN
ORIGINATED UNDER CHANNELS



Engaged staff

3,540 ⁽²⁾

STAFF



An efficient structure

280 ⁽²⁾

SITES



Financial strength

86

MILLION EUROS
OF INVESTMENTS

(1) Operations sold during the 2024-2025 fiscal year
(2) Prior to sale of feed compound operations

**...to achieve
OUR STRATEGIC AMBITION...**



And



TECHNOLOGICAL INNOVATION PARTNERS

Resource preservation, traceability (e.g. Wiuz), circular economy (e.g. Lallemand), food safety and more



B-TO-B PROCESSING



Holding in **INTACT**

B-TO-C PROCESSING



Under shared brands:



PRODUCT INNOVATION CENTRES

Be Open - Boortmalt Innovation Center
Axiane Boulangers Conseils - Boortmalt X
Intact R&D Centre



...and create VALUE

FARMERS

We provide our members with diversified, high-growth channels so that they maximise their returns on their production. We support them as they progress their farms and their methods towards a low-carbon, productive regenerative agriculture model.

- ▶ **192 regional councillors**
- ▶ **1,650 farmers involved in the Axereal Invest community**
- ▶ **Some 3,000 farmers committed to sustainable channels under CultivUp in 2023-2024 and in the process of transitioning to CultivUp Régénératif**

CUSTOMERS

Across all our markets, we support the development of high-quality food products that reflect the priorities of the agrifood transition, so that our customers can offer consumers products that match their expectations.

- ▶ **Operations in 18 countries**
- ▶ **Exporting to 120 countries**

STAFF

We are proud of the cooperative spirit that inspires the strong, shared values through which we unite our staff.

- ▶ **Over €2.2M allocated to staff training**
- ▶ **70 Boortmalt staff took part in the Talent Programme focusing on three aspects of personal development: energy, aspirations and resilience**
- ▶ **1st Top Employer-certified agriculture and food cooperative group**

LOCAL AREAS

We contribute to the vitality of local areas by working at the heart of the regions and through our efforts to protect the environment.

- ▶ **180,907 tCO₂ avoided thanks to our carbon programmes (Axereal Agriculture)**
- ▶ **120 meetings in the regions during the year, between farmers, regional councillors and operational teams**

FINANCIAL PARTNERS

We use the robust performance of our business model based on sustainable, profitable growth to provide excellent financial value to our cooperative members and our investors.

- ▶ **€4,086M in turnover, 52% of which is generated internationally**
- ▶ **Regular discussions with financial partners**





**Boosting
our markets** | **2**



Romain Chiron
Cereal Markets Manager



Thibault Lecomte
Administrator

Joint interview

Competitive advantages in a tight market

How have the markets been in 2023-2024?

ROMAIN CHIRON

This year, we've seen an almost continuous fall in the price of agricultural raw materials, primarily due to two factors: firstly, a return to "normal" after the previous year which saw the outbreak of the war in Ukraine, and secondly, the dominance of Russia on the international markets, which has forced operators selling French products to align with low Russian prices to be able to continue to export.

THIBAUT LECOMTE

At the same time, inflation and high interest rates have had a significant impact on farmers' costs, with energy, fuel, irrigation and fertilisers more expensive. So cash flow was already strained. Then 2023's yields were inconsistent due to difficult weather conditions, weakening farmers' situations even further. This is when belonging to a cooperative really comes into its own. As always, Axereal swung into action to help members find the best solutions available in the circumstances.

Customers are looking to optimise their costs but also to develop new markets, in particular to tap into growing demand for low-carbon products.

Romain Chiron
Cereal Markets Manager

How has the Axereal commercial strategy been adapted to meet farmers' expectations?

ROMAIN CHIRON

We have seen renewed interest from farmers in "averaged" prices. This system, which is specific to the cooperative, offers a way of smoothing market movements over time. For farmers who sell their harvests themselves, we offer decision-making tools, and in particular an application called Max (see p.37). These help them to manage their sales optimally over time, following their own commercial strategy.

THIBAUT LECOMTE

The commercial strategy overhaul that we undertook a few years back, focusing in particular on regionalisation, also continues to produce results. It has enabled us to inject more energy into leading our regional teams, reinforce links with farmers and bring decision-making closer to the action, making us more efficient, improving the quality of management and boosting our ability to recruit. In addition, by clarifying our policy on contract termination we have been able to sharpen the focus of farmers on their commitments to the cooperative, ensuring that we receive all the promised crops and can satisfy the markets that farmers expect to access.

The commercial strategy overhaul that we undertook a few years back, focusing in particular on regionalisation, continues to produce results.

Thibault Lecomte
Administrator

More generally, what are the current challenges for the cooperative Group?

ROMAIN CHIRON

Logistics are always a focus for our cooperative, because if they're not optimised, they can be very expensive. They're a challenge on two fronts. Firstly, we have to transport goods to customers, as well as delivering agro supplies to farmers efficiently and collecting their crops from them as they are harvested, taking care to keep them in good condition. We have boosted our responsiveness by taking a fresh look at our distribution system, as we demonstrated last year when we dealt with all the urgent changes to crop plans. The second challenge in terms of logistics is guaranteeing the quality of goods and meeting specifications. At the moment, our customers, in common with most businesses, are seeking to optimise their costs but also to generate growth by developing new markets. We can see this in particular on low-carbon products, which are booming in response both to consumer demand and to obligations on manufacturers to cut carbon. The concrete steps we're taking to reduce the carbon footprint of our operations are giving us a competitive advantage, as is demonstrated by the long-term contracts recently signed by Axiane Meunerie and Boortmalt for low-carbon products.

THIBAUT LECOMTE

As regards decarbonisation, the challenge still lies in generating revenue for farmers through diversification and by securing fair prices for low-carbon products. The cooperative's role is to find markets for these products where value can be created and channel it back to farmers. Thanks to the financial incentives they offer, these contracts will encourage more and more farmers to start cutting carbon from their production. It is important to recognise that many of them are already contributing to the energy transition. For example, numerous farms have already fitted barn roofs with solar panels, installed anaerobic digesters or moved over to electric vehicles. Farmers are an asset for our journey to a net-zero society. ■

Specialist sector



Intact, a local source of value for farmers

The protein pea channel is progressively coming into being in Centre-Val de Loire, on the back of the partnership between Axereal and Intact, a start-up specialising in producing vegetable protein from pulses. Despite the challenging weather conditions in 2023-2024, we have progressed on all fronts as regards this crop and in doing so developed a local community of highly proactive farmers.

The new Axereal pea channel is strategic in terms of the transition to productive regenerative agriculture. It is both driving the transformation of the Group's model and generating sustainable growth, and creating value for the farmers involved. The channel was set in motion when Axereal took a stake in Intact with a view to producing plant protein for the food and cosmetics industries. Thanks to the involvement of a group of pilot farmers, it has made two important strides forward in 2023-2024.

1

Trial sites for protein peas were set up, at locations including the Le Chaumoy experimental farm (Cher, *see p.33*), to explore three areas: varietal testing, disease management and pea fertilisation. By ramping up R&D, with the support of research institutes such as Terres Inovia, we aim to maximise and stabilise yields.

2

Axereal offered an insurance programme covering agronomic and yield risks in pea protein crops to farmers involved in the Intact channel, to support the nascent channel and the investments made by farmers to develop the crop. The programme was essential this year, given the numerous weather incidents.

Intact developing a structure fit for the future

Intact has spent 2023-2024 finalising all the applications and authorisations required to build its factory in Baule (Loiret). Ground was broken in spring 2024, with completion scheduled for late 2025. At the same time, the company opened its offices and R&D centre close to its future manufacturing site. The Intact team grew to a headcount of around 20 spanning all the main business functions: quality, industrial processes, sales, finance, etc. Last but not least, a new partner, the investment fund Isalt, joined the table of investors to support the growth of the business.



Intact, an industrial and environmental innovation

Technological processes

(cracking, grinding, separation, etc.) to produce the plant protein

Dry extraction process

requiring very little water

Environmental footprint

eight times lower than a wet extraction approach

An innovative process

on this scale: at full capacity, 30,000 tonnes of protein peas will be processed each year in the factory at Baule

Specific workshops have been run for technical sales executives on farming protein peas, and they have been highly involved in discussions regarding this new crop throughout the year. We have also encouraged regular direct conversations between pea producers. The aim of these efforts was to improve the level of information that the Axereal teams and farmers have regarding this new crop.

Justine Gauthier

Agronomist and pea channel lead at Axereal

Over to



Alexis Duval

CEO, Intact

In what way does the Intact project offer an optimal response to current and future challenges?

With the CSRD (Corporate Sustainability Reporting Directive), carbon quotas and the nature restoration law, we can see a fundamental movement at European level towards sustainability, which is triggering a full-scale culture shift within businesses. Consequently, working with Intact, and therefore Axereal, will be an advantage for our future customers. This is particularly true in that the market for natural and plant-based products is booming – it is one of the rare markets to have continued to grow this year. We have already seen, through numerous discussions with our future customers, that although the form of their requests may differ, they are all moving in the same direction. While the challenges identified seem to be the same for most businesses, the significance they attach to each depends on the particularities of the company and the specific features of its market. At Intact, we offer an optimal response to these challenges on a general level, and also have the capability to adapt our offering to the expectations of our customers.

How do you work with Axereal?

We continue to work closely and efficiently with the Axereal administrators and operational teams, on the basis of a carefully constructed model. In addition, Axereal's strategy as a cooperative Group of setting up pulse channels and its SBTi commitment are perfectly aligned with the market that will be opening up locally for farmers thanks to Intact.

Strategy

Granit Négoce

A lesson in mastering markets

As a major player in the barley-malt-beer channel with its subsidiary Boortmalt, it was natural and strategic for Axereal to seek to bring the malting barley supply chain into its fold. Since it did, the Group subsidiary Granit Négoce has become a leader in international trade, extending beyond the Group’s own needs.

Malting barley trading specialist Granit Négoce has extended its remit to meet high levels of demand and made a name for itself thanks to its expertise. Today, it offers comprehensive and competitive malting barley supply services to maltsters and brewers from around the world. In addition to its extensive knowledge of the market, it has the capability to monitor the quality of grains and organise transport under optimal conditions.

Granit Négoce has now moved beyond its historic preserves of French and European products to trade malting barley from Argentina, Australia and, more recently, Canada. This geographical diversification reduces the business’s level of risk. This is an important consideration given the increasing numbers of adverse weather incidents with the potential to affect local harvests dramatically, cutting supplies. It is also a powerful lever for growth. ■



Over to



Julien Darley
CEO, Granit Négoce

How would you describe the malting barley market, in particular over the last year?

It’s a speciality market but it’s demanding, in particular in terms of quality and logistics. It requires specialised expertise and constant attention. Granit Négoce offers all that, and is a solid and resilient business. Our company is thriving on our growing levels of business with brewers-maltsters and the lasting relationships we build with third countries. Thanks to this approach, we have been able to maintain very strong positions over the last year, which was marked by two major events: the return of Australian barley to the Chinese markets, causing a shake-up in that part of the world, and lower harvests in some European countries, such as Scandinavia, which helped to keep prices high.

What strengths and strategy are you putting in place to help you stay ahead in this market?

Our main strength is the quality of the Granit team, because they offer our customers an attentive, agile and responsive service. In addition, our granular knowledge of the market and its products enables us to advise them early and well. Our close relationships with Boortmalt and Axereal afford us a view of the sector from a different angle. Our growth strategy is to strengthen our position on the international markets. Having achieved strong growth in Argentina and Australia, we now have our sights set on expanding our presence in Canada. We also have strong long-term relationships with maltsters in China, the world’s biggest market. Our objective is to position ourselves permanently among the global leaders in our market. ■

Commitment

Charting a sustainable course



David Hubert

CEO, Axiane Meunerie & Deputy CEO, Agriculture and Processing Channels, Axereal Group

What strategy is Axiane Meunerie using to cement its position in the milling industry in the long term?

We have a presence across all market segments, to support our business volumes generally and supply France with food. Our focus is however on “competitive tonnage” – products such as flours produced under quality channels that enable us to generate value and pass it up the chain to Axereal farmers. Through all these efforts, we succeeded in doubling our EBITDA in 2023-2024, despite high price volatility. Our wide geographical coverage also supports our strategy by enabling us to maintain close links with our customers and confirming our positioning as a multi-regional miller.

What are the main challenges facing Axiane Meunerie today?

With wheat prices trending downwards and production costs trending upwards, our mission is to remain competitive and increase our profitability. Through diversification, we are able to invest in modernising our facilities and cutting carbon from our business. We are introducing new lines that stand out in the market, while continuing to hold ourselves to the same high standards of food safety for our products, and of health and safety for our workforce. Net margins in milling continue to fall, and yet quality and excellence have a value: this is the equation we’re constantly working to solve. ■



David Gonin

Vice-Chairman, Axereal

Axiane Meunerie has committed to the SBTi with Axereal, to make our products stand out and offer better returns to farmers. This will involve working with the cereals channels to cut carbon from our products. It’s a win-win strategy for us and our customers because it will also cut their scope 3 carbon emissions. Alongside this, we’re progressing the energy transition in our mills, to cut energy consumption, and working with transport service providers to identify more sustainable alternatives to diesel (Oleo100, gas, electricity, etc.). Thanks to awareness-raising efforts, we’re now in a position to roll out low-carbon projects across all our markets. ■

1st major low-carbon flour contract on the French market

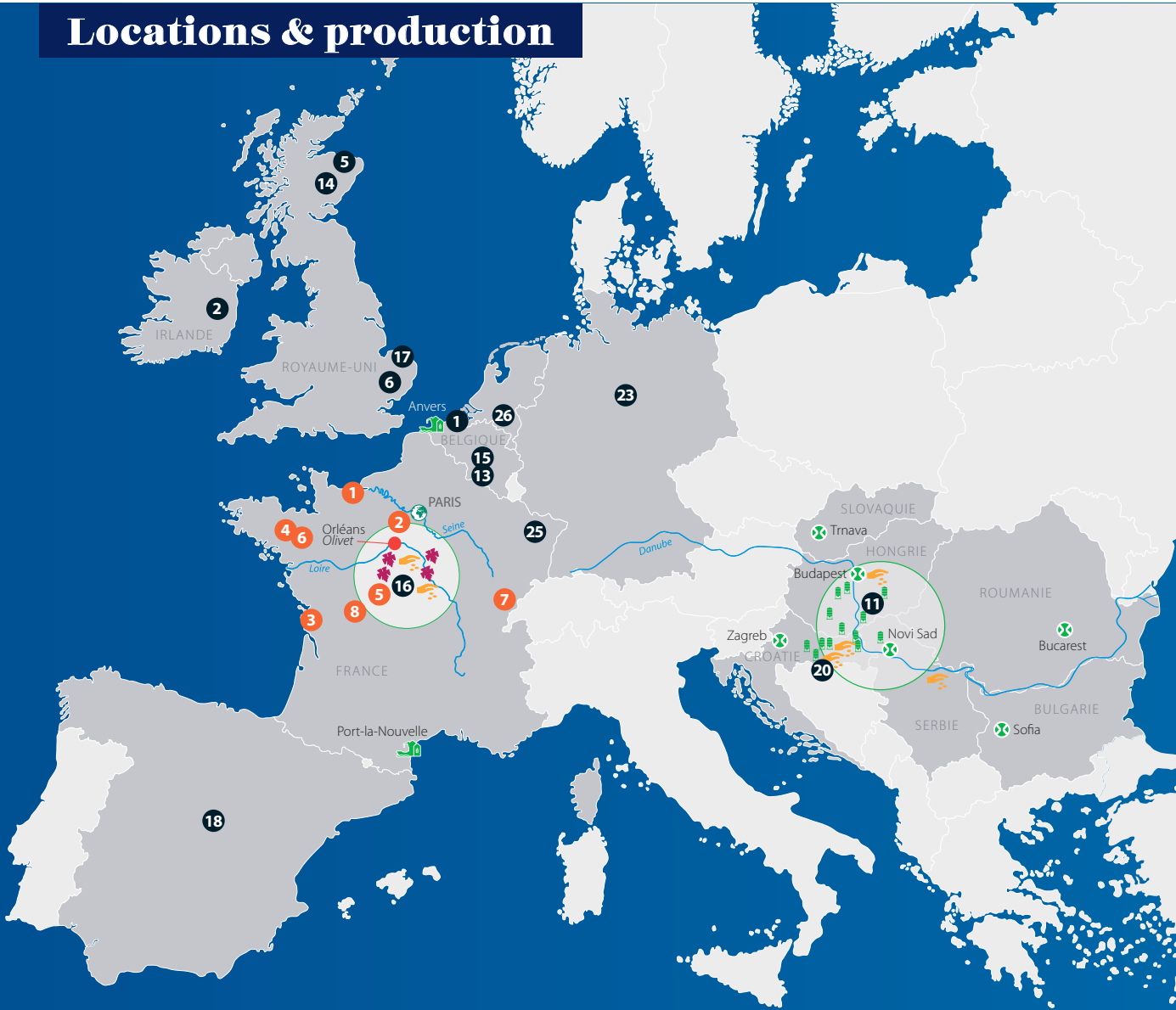
In 2024, Axiane Meunerie signed a first long-term tripartite contract to supply flour made with low-carbon wheat. Vandemoortele, one of Europe’s premier industrial bakery businesses, is committed to reducing its carbon footprint by supporting the agricultural transition. Axiane sources the wheat used for this flour from the regenerative, low-carbon channels set up by Axereal. Vandemoortele makes products from it and sells them, highlighting various benefits that dovetail with the expectations of today’s consumers: the wheat is grown by French farmers committed to the climate who employ methods that regenerate the soil and are part of a low-carbon strategy. ■



Decarbonised grain at Axereal:

- **Technical experts** to train our teams on regenerative agriculture methods
- **“Low-carbon” clubs for farmers** to progress, share and develop good practices
- **An agricultural standard**, CultivUp Régénératif, that includes performance indicators
- **Associated low-carbon products and services** delivered by our technical sales executives
- **Trading teams** to relay our offers to manufacturer customers
- **Discussions** with our manufacturer customers, and in particular those working with Axiane Meunerie, at our Le Chaumoy experimental farm and on farms run by Axereal cooperative members
- **150% increase in the volumes of low-carbon barley and wheat** traded for the year 2023-2024

Locations & production



Agriculture

236
sites

3.26Mt
storage
capacity



Milling

8
mills

600kt
milling capacity

AXEREAL
AGRICULTURE

-  **Origination zones**
-  **Seed stations**
-  **International trade**
GRANIT NÉGOCE
-  **International agricultural businesses**
AXEREAL CENTRAL EUROPE
-  **Wine-growing**
AX'VIGNE
-  **Logistics and port services**
-  **Grain elevators**
AXEREAL CENTRAL EUROPE

BOORTMALT
MASTERS OF MALT

- | | | |
|-------------------|-----------------|------------------|
| 1 Antwerp | 10 Devonport | 19 Minto |
| 2 Athy | 11 Dunaújváros | 20 Nova Gradiška |
| 3 Bahia Blanca | 12 Forrestfield | 21 Port Adelaide |
| 4 Biggar | 13 Gembloux | 22 Punta Alvear |
| 5 Buckie | 14 Glenesk | 23 Salzgitter |
| 6 Bury St Edmunds | 15 Herent | 24 Sheboygan |
| 7 Cavan | 16 Issoudun | 25 Strasbourg |
| 8 Debre Birhan | 17 Knapton | 26 Swalmen |
| 9 Delacombe | 18 Madrid | 27 Tamworth |

AXCIANE
MOUNTAINE

- | | | |
|-------------|---------------------|---------------|
| 1 Caen | 4 Maure-de-Bretagne | 6 Val d'Anast |
| 2 Gallardon | 5 Reuilly | 7 Vincelles |
| 3 La Jarrie | | 8 Vivonne |



Axereal Elevage sites exited the Group on 30 September 2024.



Malting

27
malting plants

3Mt
production capacity



82.5%

PLANT UTILISATION RATE
across our processing facilities
(88% for malting
and 77% for milling)





Cutting carbon,
step by step

3



Xavier de Verneuil
Administrator



Yvan Schaepman
Deputy CEO, Axereal Group
& CEO, Boortmalt

Joint interview

Decarbonisation – from strategic ambition to concrete reality

What place does decarbonisation hold in Axereal Group's strategy?

XAVIER DE VERNEUIL

Decarbonisation is an integral part of Axereal's strategy. The Board of Directors and the Executive Committee communicate its importance to our farmers, customers and staff. It's a long-term, cross-sectoral process. It involves changing our way of doing things, and its impact will be particularly marked and complex to implement on farms. The transition will take around a decade.

YVAN SCHAEPMAN

By decarbonising agriculture, we aim to secure the future profitability of farms, guarantee soil fertility and produce low-carbon products that meet customer and consumer expectations. To achieve this, we must maintain our efforts even in the face of short-term headwinds, such as the bad weather over the last year. And that's what we're doing: despite the current difficulties, we are continuing to promote more sustainable agriculture and cut carbon from our processing businesses, through our specific road maps and our SBTi commitment, which in 2024 was certified for Boortmalt and launched for our agricultural businesses and Axiane Meunerie.

What concrete actions have been started or achieved in the decarbonisation sphere during the year?

YVAN SCHAEPMAN

At Boortmalt for example, our flagship achievement was the heat loop (see p.34) connected to our Antwerp malting plant, which is going to enable the plant to cut its carbon emissions by 50%. It was switched on in January 2024. We have various other projects in the pipeline, such as heat pumps designed specifically for our plants. They will be installed in our sites in Ireland and the UK initially. In Spain, 14 hectares of thermal solar panels will soon be producing the hot water needed by our Villaverde malting plant. We have also announced a very sharp acceleration in the support provided to help the farmers who supply us with barley across the world to cut carbon from the methods they use.

XAVIER DE VERNEUIL

On the agricultural side, our road map (see p.46) encompasses the decarbonisation of farms, which is an important part of our strategy, the energy performance of our own equipment, such as dryers, and the energy transition in our logistics operations. During the year, we have evolved our CultivUp sustainable agriculture strategy to create CultivUp Régénératif (see p.34), which includes performance indicators. We are developing low-carbon products, such as malting barley under CliMalt. The 20,000 tonnes produced under this programme in 2024 have helped to establish a decarbonised malt channel. We are also working with our partner Intact (see p.20), to set up a channel to produce plant protein from pulses. The cooperative has accelerated its programme of agronomy trials focused on this and set up a system of insurance for the farmers involved during the 2023-2024 year. Axiane Meunerie, for its part, is continuing to successfully develop and market its innovations. The long-term partnership signed with European industrial bakery group Vandemoortele in January 2024 to produce flour from low-carbon wheat is a prime example.

Decarbonisation represents a major transformation. What resources are you dedicating to it?

YVAN SCHAEPMAN

To decarbonise, you have to invest, in particular in the energy transition but also to secure sustainable supplies, and at Boortmalt we have suppliers all over the world. The countries in which we operate have varying degrees of maturity as regards regenerative agriculture. That's why we are teaming up with Belgian start-up Soil Capital. They are progressively going to assist us in transitioning each of our supply basins to producing low-carbon barley. We are also working at the highest level, in that we are involved in talks regarding the creation of a European malting barley consortium that would work to establish a common definition of regenerative agriculture and identify the resources required to accelerate its implementation. This consortium would act as a spokesperson for discussions with the European Union regarding the review of the common agricultural policy (CAP), with a view to introducing sections on decarbonising farming and financial rewards for farmers.

XAVIER DE VERNEUIL

For decarbonisation to happen, we need to raise awareness among farmers and bring them onside, but we also need agronomic innovations and support for low-carbon programme participants. Pilot groups have been set up. Through them, farmers receive technical support from the cooperative and opportunities to discuss their results with their peers. There are currently around one hundred farmers in these groups, potentially representing 100,000 tonnes of low-carbon cereal crops. We're really scaling up!

The agricultural transition is a long-term, cross-sectoral process. It involves changing our way of doing things, and its impact will be particularly marked and complex to implement on farms.

Xavier de Verneuil
Administrator

What do customers think about this decarbonisation process?

YVAN SCHAEPMAN

With Boortmalt, farming and milling, we're a front-runner among agricultural and food processing cooperatives as regards decarbonisation. We already have concrete actions in place and results to show. Many of our manufacturing customers are highly receptive to the path we're taking, because they've made SBTi commitments themselves. We aim to talk to as many of our customers as possible to understand the challenges they're facing and identify the best way to support them in achieving their decarbonisation targets.

XAVIER DE VERNEUIL

Absolutely. The idea is to have people understand and recognise the value that our low-carbon, regenerative agriculture strategy adds to our products. To achieve this, we've met with a large number of customers this year. We're also training our trading teams so that they're equipped to promote decarbonisation and the benefits it offers in an effective way. Securing fair prices for our products will enable us to finance changes in methods and the risks farmers take in making them. This is how we will be able to bring all farmers on board with low-carbon approaches, or even carbon neutrality. ■

With Boortmalt, farming and milling, we're a front-runner among agricultural and food processing cooperatives as regards decarbonisation. We already have concrete actions in place and results to show.

Yvan Schaezman
Deputy CEO,
Axereal Group
& CEO, Boortmalt

Low carbon

The barley-malt-beer channel, striding towards decarbonisation

At Axereal, we were quick to begin selling low-carbon production, and malting barley was one of the first such crops. This approach, initiated in France with and for our malting subsidiary Boortmalt, now extends across all the regions where Boortmalt operates.

CliMalt, Axereal's low-carbon malting barley channel, is part of our path to sustainable development and combatting climate change. Tonnages produced under the channel increase each year. This progress is achieved thanks to close collaboration with Boortmalt and a commitment to passing the additional value generated on to the various players in the chain: maltsters, brewers, distributors and end customers.

GOOD PRACTICES

To provide the best possible support to the farmers involved in our carbon-cutting strategy, we have chosen to work with Soil Capital (*which is also already supporting Boortmalt, see interview*), and then to add another partner, Carbone Farmers, to put in place the Bas Carbone (low-carbon) label. We have already consolidated our in-house expertise by forming specialist teams to work on these topics.

This has led us to set up "carbon clubs". Formed of cooperative members who are working to cut carbon from their crops, they offer opportunities to share experiences and exchange good practices to encourage farmers to roll out a comprehensive productive regenerative agriculture programme at farm level. Some farms are already sequestering more carbon than they emit, and can consequently promote themselves as "net sequestrators". ■

Over to



Kathryn Hermann

Sustainability Data Analyst, Boortmalt

What objectives does Boortmalt aim to achieve through its partnership with Soil Capital?

Our barley supplies, and therefore the process of growing the malting barley that we source through our supply chain, make a major contribution to our efforts to cut our greenhouse gas emissions. In most of the regions in which we operate, our partnership with Soil Capital supports our barley suppliers as they transition to sustainable agriculture. As well as developing sustainable sources of barley for Boortmalt worldwide, this tailored support also aims to develop the competitiveness of the farms with which we work and their resilience in the face of climate change.

How is this farmer support programme getting off the ground?

First and foremost, the farmers understand the importance of developing their methods. Their questions are mainly about how it works, because the initial step is to calculate carbon emissions for their farms and evaluate a number of criteria linked to our regenerative agriculture concept. By 2030, we will have cut our emissions by 30% across two-thirds of the barley we source on a global scale, in line with the 1.5°C target set by the SBTi (Science Based Targets initiative). We are now working to identify, in continental Europe, the UK and Ireland, suppliers who are strategic because they provide us with large volumes of barley, so that we can encourage them to join the programme. We will also soon be rolling it out to South America, North America and Australia. ■



10,000
tonnes of decarbonised malting barley
produced in France in 2023-2024
(and 20,000 tonnes planned for 2024-2025)

Agromony

Regenerative and productive

At Axereal, we began implementing our sustainable agriculture strategy back in 2017. Today, we are taking it to the next level with regenerative agriculture. This model centres on soil health and protecting living resources. As well as being low-carbon, it is also resilient and productive, so it offers solutions to the economic challenges facing farmers today and also to environmental and societal issues.



Regenerative agriculture is a long-term strategy that proves that sustainability and productivity are not mutually exclusive. It is a farm-wide strategy involving significant changes to methods and offers a response to the interconnected challenges of the changing climate, society's evolving expectations and the long-term futures of farms. However, it has to exist alongside short-term priorities, because they are essential to farm productivity and ensuring crops meet food safety standards. With regenerative agriculture, farms are able to produce, in quantity and over the long term, high-quality agricultural raw materials while cutting their carbon footprints, in particular by

reducing the use of nitrogen fertilisers, improving soil fertility, preserving and restoring biodiversity and safeguarding water resources.

COMBINING MECHANISMS

Good soil health is the cornerstone of regenerative agriculture. It promotes better interactions with the plant, optimising yield volumes and quality. To achieve this, farmers can combine several different mechanisms. Firstly, working the soil as little as possible by adopting selective tillage helps to boost fertility, as does adding organic matter (specific crops, organic fertilisers and straw return).

Continued on next page ►

Over to



Jérémy Isaac
Agronomy and Plant Health
Manager, Axereal

How does Axereal Group support farmers in extending rotations and improving soil health?

Firstly, we always ensure we work closely with cooperative members so that we have a good knowledge of their farms, their specificities and the challenges they face. That way, we're perfectly placed to give them tailored advice. As regards introducing pulses into crop rotations, we are supporting farmers who are growing protein peas for the Intact channel (*see p.20*) and we regularly present their results to the other members. We are also increasing the number of experiments we undertake (ensuring that we vary factors such as seeding dates, fertilisation, bio-stimulants, plant cover, etc.) to improve our knowledge of the crop and the yields it produces.

We are also carrying out crop management trials to test and evaluate ways of reducing environmental impacts for example by changing seeding dates, using bio-stimulants or selecting more resilient or tolerant varieties. We share the results of these at our annual Agronomy Seminars.



The 2024 edition (*see opposite*) confirmed that farmers are indeed interested in soil-related topics. In 2023-2024, the weather conditions meant many of them experienced situations where it was difficult or impossible to get onto certain fields to work because the soil structure had become weak. With a good knowledge of the subject and support from the cooperative, they will be able to adapt their methods next year to offer the soil the best possible protection. ■



◀ Watch the **Crop Diversification** video

► *Continued from previous page*

It is important that farmers adopt agricultural practices that reduce environmental impact. Alongside alternative solutions (biosolutions and combined approaches), decision-support tools have an important role to play: they indicate to farmers the doses of fertiliser and plant protection products to be applied to different plots across the farm. Using the precise doses of intrants necessary also protects and even enriches biodiversity, which is crucial to maintaining the ecosystem and regenerating the soil.

Another approach ripe for wider use is soil coverage, using either cash crops or cover crops. This prevents the soil from eroding, protects its structure and supports life within it. It also promotes carbon sequestration in the soil, reinforcing farmers' low-carbon practices.

EXTENDING CROP ROTATIONS

Extended crop rotations are a major mechanism within productive regenerative agriculture. They are generally achieved by adding additional

crops, ideally pulses. Extending rotations also reduces weed pressure and makes weed control strategies more effective.

Although this new model of agriculture significantly cuts carbon emissions, improves farm carbon footprints and helps combat climate change, it does however require farmers to overhaul the way they work completely to combine the different mechanisms. Ultimately, these practices improve soil fertility and help plants to withstand the stress caused by climate change. As the 2023-2024 year has demonstrated, given the risks that this is causing, close attention must be paid to the financial viability of the farm: it is vital that the crops grown remain profitable overall. This is why it is also important to promote diversification in crops and the other activities undertaken, as well as securing higher prices for regeneratively grown crops that can offer farmers a decent income and additional sources of revenue. ■

Our cooperative values

Boosting our markets

Cutting carbon, step by step

Highlights of the year

Performance

Prospects

Agronomy highlights

Axereal's annual Agronomy Seminars are an opportunity to share the results of field trials with cooperative members in order to accelerate the roll-out of productive regenerative practices on farms. The 2024 edition focused on soil health in all the areas where the cooperative operates.

The programme for Axereal's sixth Agronomy Seminars was built around sharing the results of more than 200 trials to develop knowledge and presenting practical solutions to help farmers change the way they work. The seminars were held in May and June 2024 in each of the cooperative's areas, with a focus on soil and how it interacts with plants.

ENHANCED OBSERVATION SYSTEMS

In addition to technical workshops, presentations of new agricultural equipment and discussions during the field day, new observation systems

were created for the events to make it easier for farmers to observe and understand the topics. First among these were rhizotrons of service plants. A rhizotron is a piece of equipment made of plexiglass through which the root systems of a plant can be observed. Various rhizotrons were set up with secondary crops (pulses, crucifers, grasses, etc.) and farmers could observe differences in how they become established. 3D profiles of soil extracted with a spade were also displayed this year. This technique offers better visibility than digging a pit, and is also easier for farmers to replicate themselves to carry out their own observations on their farms. ■



10,500
trial
micro-plots
planted by Axereal
in 2024

Le Chaumoy, more than just an experimental farm

Our experimental farm at Le Chaumoy, in Cher focuses on field crops. We use it to run experiments on plants, soils and farming methods, taking account of the environmental and financial challenges facing farming today. It is a crop test centre where we try out farming methods under real conditions so that we can advise farmers on how to maximise their yields, and also experiment with innovative solutions. There are four

indicators that we track particularly closely to see how the soil is benefitting: soil carbon, underground biodiversity, soil structure quality and soil water-holding capacity. Numerous trials have been carried out at the farm on protein pea crops to prepare for the creation of the plant protein production channel we are building with Intact (see p.20). We are currently exploring three themes: varietal testing, disease management and pea plant nutrition. ■

Regenerative agriculture

CultivUp Régénératif, a stringent agricultural standard

We have taken our existing sustainable agricultural standard to the next level by creating CultivUp Régénératif. Working under it will make farms more resilient and help them to meet both the challenges of climate change and customers' and consumers' expectations. The standard is certified and is made up of 74 criteria relating to crop rotations, reducing environmental impacts and reinforcing soil health. The process begins with a simplified carbon footprint audit, and the standard includes not only the measures put in place but also the results achieved. ■



10

PERFORMANCE INDICATORS

are tracked under the CultivUp Régénératif standard, to demonstrate how regenerative agriculture cuts carbon emissions, improves soil fertility, develops biodiversity, preserves water resources and enhances the financial sustainability of farms.

Energy transition

Antwerp heat loop now up and running

Boortmalt's decarbonisation programme took a leap forward in February 2024 when the Antwerp North Heat Network heat loop was switched on. The system recovers residual heat from the nearby waste incineration plant operated by Indaver and transports it as hot water through pipes to our maltings 10km away. This renewable source of energy replaces natural gas and cogeneration, supplying half of the heat required by the malting plant (the world's largest, with an annual capacity of 470,000 tonnes). In doing so, it is cutting Boortmalt's carbon emissions by 30,000 tonnes per year. ■



◀ Watch the **Heat Loop** video

250

certified carbon footprint audits

carried out on cooperative members' farms since the low carbon strategy was launched.

160

more farmers

joined the cooperative's low-carbon strategy in 2023-2024, in most cases with the intention of cutting their carbon emissions in the long term.

Axiane Meunerie

Treblec introduces two new buckwheat products

Treblec, a French household name and the market-leading buckwheat flour brand, extended its range in April 2024 when it introduced two new references to supermarket grocery aisles. The first is a flour mix for making Breton buckwheat pancakes in a pan or on a *billig* (Breton cooking plate), sold in 100% recyclable packaging. The second is a mix for buckwheat *brunzh* (brunch products) that can be used to cook delicious, wholesome pancakes, waffles, cakes, cookies, blinis and more. These innovations aim to encourage households to consume more buckwheat flour, by making it easier and by diversifying use cases in the kitchen. ■



Brasserie de Chambord



The location of Brasserie de Chambord has been officially announced as Saint-Gervais-la-Forêt. The 1,400 sqm site will house the production lines, a shop and a bar offering the full "Brasserie de Chambord" experience. Once it is fully up and running, this craft brewery will produce 10,000 hectolitres of beer each year for sale to the public, beer cellars, resellers, restaurateurs and the events industry. ■

Professional development

A deep dive into malt with the Boortmalt Malting Course

In June 2024, Boortmalt invited 25 brewing, distilling and, for the first time, food industry professionals selected from among its customers and partners to take part in the Boortmalt Malting Course. The one-week course included visits, activities and talks covering the full spectrum of malt-related topics ranging from the barley market to the malting process, craft brewing, innovation and sustainable development. This course, which is run annually, boosts knowledge of the malting industry and strengthens relationships with stakeholders. In September 2024, an edition of the course was run for Boortmalt staff. ■



Innovation

Atlantis, a completely new range of malts

Following years of research, in 2024 Boortmalt and cereal-based biotechnology leader Vivagran launched a range of new speciality malts made from tritordeum. This new natural cereal crop created by crossing durum wheat with wild barley is a single grain with no outer envelope and has excellent agronomic qualities. It is hardy, suitable to be farmed organically and has a very high lutein content (10 times that of wheat). Several different products have been developed to form an exclusive and innovative range of malts, named Atlantis in honour of the lush island that marked the golden age of agriculture in the Mediterranean basin. ■

Support

Axereal extends its partnerships with the Young Farmers

Following a pilot project in Indre, Axereal is entering into partnerships with Young Farmers clubs on a local level, with the aim of promoting agriculture and rural life across the area in which it operates. Thanks to these partnerships, the clubs know they can count on Axereal's long-term support, in particular when they organise fairs. ■



10 EVENTS

organised by the Young Farmers across the areas in which Axereal operates in 2023-2024 were supported by the Group. They included "Terre Agri" in Indre, "Rurales Folies" in Cher and "Festi Campagne" in Loir-et-Cher.

Inclusion

Axereal signs agreement to develop employment of people with disabilities



In October 2023, Axereal signed a collective agreement on employing staff with disabilities and keeping them in work. It covers the head office and Agriculture and Processing Channels division. The agreement, which runs until the end of 2025, will involve additional awareness-raising actions for the workforce and specific provisions for employees with disabilities including a tailored on-boarding and training pathway, additional holiday and work-from-home days, as well as adaptations to roles. The agreement will also make Axereal a more attractive employer for job applicants with disabilities. ■

Commitment

750

km to build team spirit and raise awareness

Following on from 2023's rugby tournament, in June 2024 Axereal staff were invited to run, walk or cycle in a relay. Dozens of teams set out from Group administrator Xavier Feuillet's farm in Issoudun (Indre) bound for the Le Chaumoy experimental farm in Cher. The purpose of this event, which was held just a few weeks before the 2024 Paris Olympic and Paralympic Games, was to help staff get to know one another and build team spirit, and encourage them to get active. It also included coached taster sessions and inspiring presentations to raise awareness of disability and disability sport. ■



◀ Watch the **Relay** video

Award

Axereal, the first agricultural and food industry cooperative group with Top Employer certification

At Axereal, we strive continually to offer our staff the best possible working environment. In 2024, our efforts were officially recognised when we were awarded Top Employer certification. This distinction, presented by the Top Employers Institute, is based on 20 themes across six major areas within people practices, ranging from career management to skills development, work-life balance and diversity and inclusion. We achieved an overall score of 82.76% satisfaction across the certification criteria, achieving particularly high marks for our practices to promote well-being at work and for change management. ■



Decision-support tools



More and more farmers are using Max

The Max mobile app is a highly valued tool offered by the cooperative to farmers to help them manage their farms and run their businesses. Users can plan ahead for the work they need to complete in full autonomy thanks to personalised weather alerts and keep all their information together in the app (crop plans, doses applied, input purchases, etc.). Farmers can also use Max to keep up to date with the markets and check "daily price" quotes in real time to optimise the sale of their crops. They can now also track their agro supply order deliveries directly from the app. A web version, launched in September 2024, offers additional features: account tracking, invoice archiving, agronomy content to read and more. ■

1,600 DOWNLOADS*

for the Max mobile app since it was launched in late 2022

1,100 REGULAR USERS*

logging in an average of twice a week

5,000 SALES CONTRACTS*

signed via Max, 70% of them by the farmers themselves

**As at 30 June 2024*





A close-up photograph of a hand holding a single stalk of wheat. The background is a vast field of wheat under a bright, hazy sky, suggesting a sunrise or sunset. The lighting is warm and golden, creating a soft, ethereal atmosphere. The wheat stalk is the central focus, with its grains and awns clearly visible.

Financial & non-financial performance





Xavier Boulat
Deputy CEO and
Group CFO, Axereal Group



Pierre Toussaint
Sustainable Development Director,
Axereal

Joint interview

A growth trajectory to deliver financial and non-financial performance

How has the 2023-2024 year been in terms of financial and non-financial performance?

XAVIER BOULAT

For our agriculture division, the year saw bad weather and volatile agricultural commodity prices, which adversely affected both our members' farming operations and the cooperative's results. Our processing arm has recorded good results. The malting and milling businesses succeeded in maintaining their margins notwithstanding the lower volumes.

PIERRE TOUSSAINT

Despite the context and the uncertainties, we have maintained our sustainability trajectory and continued to ramp it up progressively. For example, at Boortmalt the Antwerp heat loop has been switched on and at Axiane Meunerie a first low-carbon flour contract has been signed. In agriculture, participation in the low-carbon programme has rocketed from 100 to 250 farmers.

Weather incidents and price volatility over the last year have affected the Group's financial results, but they have also highlighted how important it is for us to boost performance and become more agile.

Xavier Boulat
Deputy CEO
& Group CFO, Axereal Group

Have the economic situation and the weather conditions over the last year impacted the Group's ambitions and results?

XAVIER BOULAT

Weather incidents and price volatility over the last year have affected the Group's financial results, but they have also highlighted how important it is for us to boost performance and become more agile, and therefore to reinvent our business model so that we can continue to maximise farmers' returns on their production.

PIERRE TOUSSAINT

As well as its financial results, we must also evaluate the Group's performance in terms of what we're doing to reduce our environmental impacts. The agricultural path we're taking through our SAI-silver-certified CultivUp Régénératif standard is the right one because it incorporates performance indicators to measure the results achieved. In addition, the changes in methods on which it is based will increase the resilience of farms. Decarbonisation is a long-term strategy and one that demands perseverance and agility to find the right method and the right pace, while adapting to the context and to what the farmers want.

To improve the performance of the Group, we need to improve the performance of farms, which means maximising yields by making the most appropriate and suitable agronomic choices according to what happens in plants' growth cycles.

Pierre Toussaint
Sustainable Development Director, Axereal Group

In what way is decarbonisation a performance enabler for Axereal?

XAVIER BOULAT

By starting to decarbonise our business several years back, we got a head start on the demand for low-carbon products from manufacturer customers who are themselves committed to cutting their carbon footprints. Ultimately, this demand is driven by consumers' expectations, and between the two, by distributors' requirements. Consequently, we're ahead of the pack in this area, and we see it as a future growth opportunity.

PIERRE TOUSSAINT

In addition, decarbonising allows us to perform both on a financial and a non-financial level simultaneously. By setting up sustainable, low-carbon channels, we are doing what we need to do in terms of both our corporate social responsibility (CSR) and our commitment to the climate (under the SBTi), and at the same time creating the conditions for better returns on productions from customers with demand for low-carbon products. It is by generating value for farmers in this way that we will be able to progress, thanks to a "decarbonisation bonus" that will support and reward the efforts made and risks taken on farms.

How do you involve farmers in this quest for performance?

PIERRE TOUSSAINT

To improve the performance of the Group, we need to improve the performance of farms, which means maximising yields by making the most appropriate and suitable agronomic choices according to what happens in plants' growth cycles. That's what makes our agronomy teams and the experiments we are running so important for farmers. They expect their cooperative to provide a high level of expertise in this area.

XAVIER BOULAT

Decarbonisation support is a service we provide to farmers, and its value needs to be recognised in the same way that the value of low-carbon production needs to be recognised by our manufacturer customers. It contributes to the Group's performance plan, the funding of which will from now on be linked to non-financial criteria. For example, we will be introducing CSR indicators which will have an effect on the Group's financing costs. ■

Consolidated annual results 2023-2024

**AXEREAAL SHOWS ITS RESILIENCE IN THE FACE OF ADVERSE WEATHER
CONDITIONS AND A SLOW BEER MARKET**



TURNOVER

€4,086M

*Down 19% in line with the
fall in commodity prices*



OPERATING INCOME

€157M

Up 10%



BANK COVENANTS MET



EARNINGS BEFORE INTEREST AND TAX

€57M

Up 36%



NET FINANCIAL DEBT

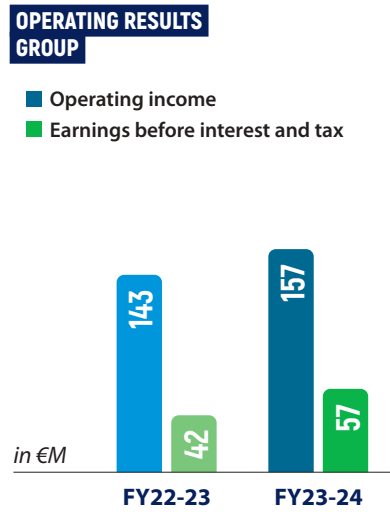
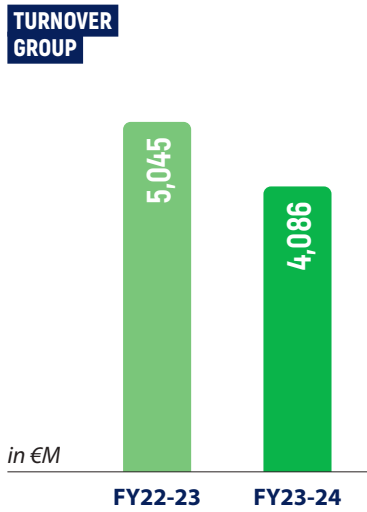
€1,093M

*of which €366M of WCR,
down 10%*

Group results

Turnover for the 2023-2024 financial year was €4,086M, down 19% on last year. The main cause of this fall is the downward trend in grain prices over the year, given the high stock levels in the main grain-producing countries.

Around 52% of the group's turnover is generated internationally, with Europe accounting for 75%, South America for 11% and Asia for 7%.



TURNOVER BY GEOGRAPHICAL ZONE⁽¹⁾ (IN €M)



⁽¹⁾ Turnover by country of destination

Results by division

The **Agriculture & Processing Channels division** generated operating income of €14M.

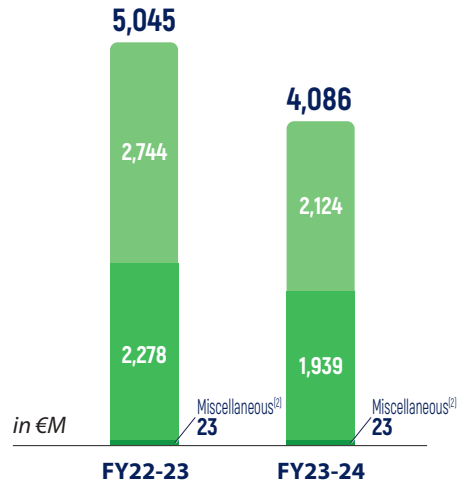
- In Agriculture, Axereal originated 4.5 million tonnes of crops during the 2023 harvest, a 7% increase on the previous year. The harvest was completed within a tight time-scale. Volumes were in line with expectations but varied widely across the Axereal area. In France, weather conditions were difficult throughout the entire 2023-2024 year, from seeding through to harvest. Rainfall, especially the very wet spring, and the lack of sunshine had an impact throughout the year, forcing farmers to adapt their plans so that work in the fields was carried out at the most appropriate times. The grain season was disrupted both operationally and in terms of value generated. The agro supplies business suffered under the effects of the weather conditions and rising intrant prices.
- In Milling, volumes fell slightly to 350,000 tonnes of flour sold. The year's results were satisfactory nonetheless, because good unit margins were maintained despite the falling market.
- Lastly, livestock farming maintained its volumes at around 400,000 tonnes although the market remained tight. The planned merger with Avril Nutrition Animale was approved by the French Competition Authority in summer 2024 and the sale was finalised in September.

The **Malt and Malting Barley division** had a good year despite a fall in malt sales volumes (to 2.6Mt) on the back of a contraction in the beer market caused by the effects of inflation on household spending. The malting plant utilisation rate fell significantly to around 90%. Thanks to negotiations with the major brewers regarding compensation for volumes booked but not used and good margins, the malting business succeeded in maintaining its financial performance with operating income of €138M. The malting barley activity demonstrated good resilience in a flat market.

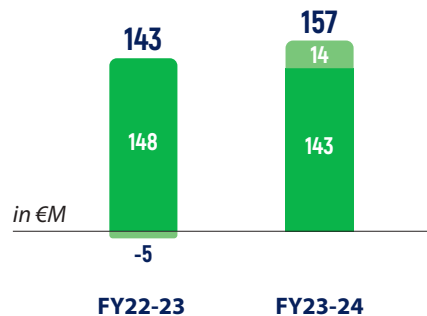
⁽²⁾ Consisting mainly of Group holdings and services

- Agriculture & Processing Channels
- Malt & Malting Barley

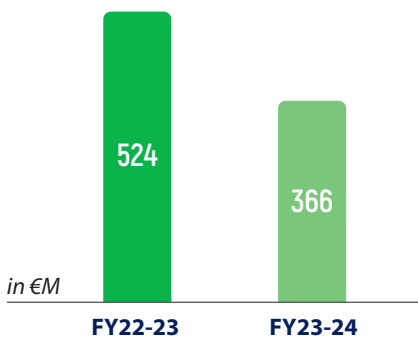
TURNOVER GROUP



OPERATING INCOME



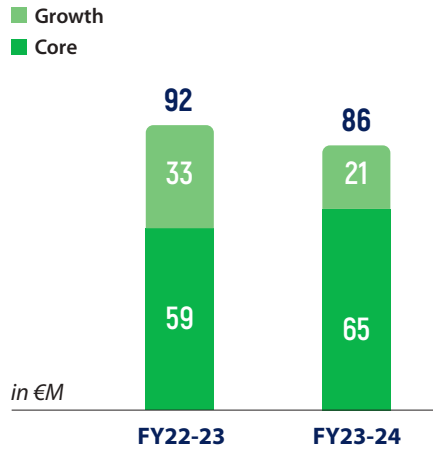
Working capital requirement (WCR)



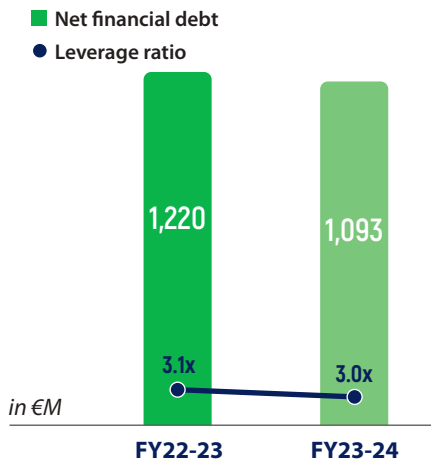
As at 30 June 2024, the Group's accounting WCR stood at €366M, down 30%. This improvement is attributable to price falls across most cereals, although volatility remains high. The price of malting barley fell less sharply than other cereals prices, remaining relatively high over the year. In addition, the efforts made to optimise WCR resulted in a reduction in inventories and customer receivables.

Investments (CAPEX)

The Group's investment spend over the year was €86M. Of this, €65M was maintenance CAPEX dedicated to keeping our assets (grain elevators, malting plants, mills, etc.) in good working order and €21M was allocated to growth. This year saw a higher proportion of maintenance (recurring) investments compared to growth investments.



Net consolidated debt & leverage ratio



The Group's net accounting debt at 30 June 2024 was €1,093M, of which 33% was accounted for by WCR. It has fallen 10% compared to the previous year, as a result of the reduction in WCR.

In preparation for upcoming debt liabilities and to continue to safeguard our cash position, we have entered into negotiations with our financial partners with a view to refinancing this debt during the financial year 2024-2025.

Our leverage ratio, as defined in our banking documentation, which excludes subordinated debt, was 3.0x at 30 June 2024 compared to 3.1x at 30 June 2023 and remains within the maximum defined in the covenant. ■

Strategy

Sustainable development: not just a strategy but a road map

In the face of the changing climate and society's shifting expectations, we are engaged in a vital transition of the Axereal business model and have set out our sustainable development path to 2030. The cornerstones of this ambition are the decarbonisation of agricultural production and the energy transition. On an operational level, it is expressed in a road map backed by quantified targets.

The agricultural sector is one of France's main greenhouse gas (GHG) emitters (19%)* and as such has a responsibility both to play its part in the fight against climate change and to adapt to its impacts, while continuing to produce safe, high-quality food ingredients and protect the profitability and long-term future of farms.

2024-2030 TRAJECTORY

At Axereal, we intend to solve this equation through our sustainable development road map. It has been written based on a complete carbon footprint assessment (covering scopes 1, 2 and 3), with input from staff across the various divisions of the Group and defines a clear and precise trajectory out to 2030, based on two pillars.



French and international targets

Paris Agreement > Limit global average temperature increase to:

1.5°C by 2030

2°C by 2050

French low-carbon strategy > For the agricultural industry:

18% cut in GHG emissions by 2030 compared to 2015

46% cut by 2050 (based on the most recent version)

* Alongside the transport and residential sectors.

1/ The energy transition

Reduce direct greenhouse gas emissions from the Group's administrative and manufacturing sites and transport operations (own fleet of cars, vans and HGVs)

- Improve dryer energy performance
- Replace fossil fuels used to power dryers with biogas
- Replace the HGV fleet with vehicles powered by B100 biodiesel
- Train drivers in eco-driving techniques to cut fuel consumption and greenhouse gas emissions
- Increase the proportion of electric vehicles in the car and van fleet
- Install electric vehicle recharging points

AXEREAAL TARGET (SBTi)
► **Energy transition**

42% cut

in GHG emissions by 2030 compared to 2021

2/ Decarbonising agriculture

Reduce greenhouse gas emissions generated in producing agricultural raw materials

- Adopt farming methods that generate less carbon, use less water and are more positive for biodiversity
- Develop carbon sequestration in the soil

AXEREAL TARGET (SBTi)
► Decarbonising agriculture

30% cut

in GHG emissions by 2030 compared to 2021



We will decarbonise the Group's agricultural activities by developing the use of regenerative agriculture and implementing low-carbon programmes. To do this, we have progressed our "CultivUp" standard to become "CultivUp Régénératif", and we aim to have 2,000 farmers working under it by 2026. It takes the form of a core set of methods that constitute this new sustainable agriculture model capable of combining productivity, quality and resilience. Farms that follow the principles of regenerative agriculture reduce their carbon footprint, safeguard and restore biodiversity, improve soil health and fertility and protect water resources. CultivUp Régénératif tracks not only the measures put in place but also the results achieved, by introducing indicators to evaluate and demonstrate the benefits of the new methods implemented.

The farmers committed to CultivUp Régénératif are also encouraged to enter into low-carbon programmes (such as the Bas Carbone label, Cool Farm Tool, etc.), in line with our aim to produce 300,000 tonnes under these channels in 2026. To help them achieve this, they can depend on tailored support from the cooperative and from other farmers involved, through "low-carbon clubs" where they can listen to feedback on their colleagues' experiences and share good practices.

ALIGNED GOVERNANCE

The implementation of our road map is overseen by the Sustainable Development department in association with the CSR ambassadors within the Group's various entities. It is facilitated by buy-in and alignment throughout all our levels of governance: the Board of Directors (Board, 24 members), made up of cooperative members elected by their peers, which drives and approves

Working towards SBTi certification at Group level

Following the lead taken by Boortmalt, which already has certified targets for reducing its direct and indirect GHG emissions (scopes 1, 2 and 3) by 2030, we have begun working towards SBTi (Science Based Target initiative) certification for the Group's agricultural activities, Alliance Négoce, Agri Négoce and Axiane Meunerie. This undertaking aims to demonstrate that our carbon emission reduction targets are in line with the scientific recommendations issued in the Paris Agreement signed as a result of the COP 21 in 2015. ■


strategy; the Executive Committee (ExCom, five members), made up of the directors of our businesses, which defines and implements this strategy; and the six Regional Councils (192 elected councillors), which relay the Group's strategy across the regions. The Agronomy Seminars are also an opportunity to go out into the regions and talk to the farmers, which is a source of both motivation and continuous improvement for the Group.

Last but not least, to achieve these ambitions we are galvanising our teams, reinforcing our agronomy knowledge and that of the farmers, and making use of R&D as a resource to experiment with crops and drive innovation, particularly in the digital sphere. ■

Aims

11 major challenges identified by Axereal

We manage and track them to control their potential impacts and harness them as growth opportunities

| CHALLENGE | RISK | SDG | INDICATORS |
|--|------|---|---|
| <p>1 Develop sustainable and competitive channels to reinforce the competitiveness of farms, the cooperative's industrial and commercial performance and our positive impact on local areas</p> | |  | <ul style="list-style-type: none"> ▶ 20% of grain and oilseed volumes sold under channels ▶ 26% of flour sold under sustainability specifications ▶ 36% of barley supplies are sustainable |
| <p>2 Work to implement a regenerative agriculture strategy by developing agricultural practices and controlling our impact on water, biodiversity and soil</p> | |  | <ul style="list-style-type: none"> ▶ Some 3,000 farmers committed to sustainable agriculture ▶ 2.8 cubic metres of water consumed per tonne produced (Boortmalt) |
| <p>3 Continue to work to save energy and pre-empt climate change</p> | |  | <ul style="list-style-type: none"> ▶ 104kg of CO₂ equivalent per tonne produced across scopes 1 and 2 ▶ 4.6kg of CO₂ equivalent per tonne sold ▶ 180,907 tonnes of CO₂ avoided across scope 3 for Axereal Agriculture |
| <p>4 Comply with legislation on our sites</p> | |  | <ul style="list-style-type: none"> ▶ 4 Seveso-regulated sites |
| <p>5 Look after animal welfare</p> | |  | <ul style="list-style-type: none"> ▶ 37% of poultry farms supported by Force Centre hold category A or B French animal welfare certification ▶ 38% of Force Centre broilers are fed and reared to "no antibiotics" specifications |

| | | |
|---|---|---|
| <h1>6</h1> <p>Ensure products meet safety standards</p> |  | <ul style="list-style-type: none"> ▶ 100% of sites are CSA-GTP food safety certified (Axereal Agriculture) ▶ 100% of mills are IFS and GMP+ certified and operate under AIB improvement programmes (Axiane) ▶ 100% of malting plants meet at least one food safety standard: FSSC 22000, ISO 22000 or ISO 9001 (Boortmalt) ▶ 100% of plants are feed safety certified: RCNA, STNO (excluding organic plants) and STNE (Blois plant) (Axereal Elevage) |
| <h1>7</h1> <p>Innovate through first-rate R&D</p> |  | <ul style="list-style-type: none"> ▶ 1% of our permanent workforce was assigned to innovation and R&D at 30/06/2024 |
| <h1>8</h1> <p>Develop product quality and origin certification</p> |  | <ul style="list-style-type: none"> ▶ Certifications secured by Axiane Meunerie: Organic Agriculture, Label Rouge, NFV30, NFV30+, CRC, HEV, regional PGI labels, Organic Kosher PGI, Kosher, IFS and GMP+. |
| <h1>9</h1> <p>Safeguard staff health and safety</p> |  | <ul style="list-style-type: none"> ▶ Workplace accident frequency rate: 11.9 ▶ Workplace accident severity rate: 0.54 |
| <h1>10</h1> <p>Develop the attractiveness of our businesses and encourage staff development</p> |  | <ul style="list-style-type: none"> ▶ 3,540 permanent staff at 30/06/2024 ▶ 51,569 training hours ▶ €2,215,356 training spend |
| <h1>11</h1> <p>Limit food waste and promote the circular economy</p> |  | <ul style="list-style-type: none"> ▶ 96% of waste recycled ▶ 201,456 tonnes of coproducts recovered |



FOR DETAILED INFORMATION ON THESE CHALLENGES, PLEASE DOWNLOAD THE APPENDIX

directly from Axereal.com or by scanning this QR code with your mobile ▶



CSR indicators

| Field | Indicator | SDG | Related challenge | 2022-23 | 2023-24 | Change |
|--|--|-------------|--|---------------|---------------|--------|
| | Total workforce (permanent) | SDG 4 | | 3,542 | 3,540 | -0.1% |
| SOCIAL | Breakdown by gender | | | | | |
| | Men | | | 76.0% | 75.7% | -0.4% |
| | Women | | | 24.0% | 24.3% | 1.1% |
| | Gender Equality Index for 2023 and 2024 | | | | | |
| | ESU, Grain Chain and Group Teams | SDG 5 | Develop the attractiveness of our businesses and encourage staff development | 93 out of 100 | 92 out of 100 | -1% |
| | Axiane Meunerie | | | 81 out of 100 | 83 out of 100 | 4% |
| | Axereal Elevage | | | 85 out of 100 | 90 out of 100 | 6% |
| | Work organisation | | | | | |
| | Number of seasonal staff recruited | SDG 4 | Develop the attractiveness of our businesses and encourage staff development | 805 | 850 | 6% |
| | Absence rate (%) | SDG 3 & 8 | Safeguard staff health and safety | 4.3% | 4.84% | 12.6% |
| | Workplace accidents | | | | | |
| | Lost-time accident frequency rate (per million hours worked) | SDG 3 & 8 | Safeguard staff health and safety | 13.2 | 11.9 | -10% |
| | Severity rate (per thousand hours worked) | | | 0.67 | 0.54 | -20% |
| | Training | | | | | |
| | Training time (hours) | | Develop the attractiveness of our businesses and encourage staff development | 40,044 | 51,569 | 29% |
| Training spend (€) | SDG 4 | 1,820,953 | | 2,215,356 | 22% | |
| Main collective agreements signed during the 2023-2024 financial year for the Grain Chain and Group teams ESU: obligatory annual negotiations agreement (26/09/23), agreement on a value-sharing premium (17/10/23), gender equality in the workplace agreement (12/03/24), top-up health insurance agreement (25/03/24); for the Axiane Group ESU: agreement on a value-sharing premium (04/10/23), obligatory annual negotiations agreement (21/11/23), top-up health insurance agreement (20/03/24), CSE implementation agreement (12/04/24); for Axereal Elevage: obligatory annual negotiations agreement (21/12/23). | | | | | | |
| ENVIRONMENTAL | Energy consumption (in MWh, total of all energy sources) | | | 2,275,075 | 1,970,765 | -13% |
| | Energy consumption per tonne produced (in kWh per tonne) - processing only: Axiane Meunerie, Boortmalt, Axereal Elevage | SDG 7 | | 612 | 584 | -5% |
| | Greenhouse gas emissions (in tonnes of CO ₂ equivalent - scopes 1 and 2) | | | 440,665 | 354,995 | -19% |
| | Greenhouse gas emissions per tonne produced (in kg CO ₂ eq. per t - scopes 1 and 2) - processing businesses only: Axiane Meunerie, Boortmalt, Axereal Elevage | SDG 13 | Continue to work to save energy and pre-empt climate change | 117 | 104 | -11% |
| | Upstream and downstream scope 3 GHG emissions for Axereal Agriculture (in tonnes of CO ₂ equivalent) | | | 18,517 | 17,819 | -4% |
| | Scope 3 GHG emissions for Boortmalt (in tonnes of CO ₂ equivalent) | | | 3,064,268 | 2,803,223 | -9% |
| | Water consumption (in m ³) | | | 7,947,664 | 7,017,266 | -12% |
| | Water consumption (in m ³) | | | 7,947,664 | 7,017,266 | -12% |
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| | Water consumption (in m ³) | | | 7,947,664 | 7,017,266 | -12% |
| SOCIAL RESPONSIBILITY | Waste production | | | | | |
| | Total waste (in tonnes) | | | 41,656 | 41,004 | -2% |
| | Waste recycling rate (%) | SDG 12 | Limit food waste and promote the circular economy | 94% | 96% | 2% |
| | Co-products recovered (in tonnes) | | | 218,457 | 201,456 | -8% |
| | Number of farmers involved in the CultivUp sustainable agriculture initiative | SDG 3 & 15 | Work to implement a sustainable agriculture strategy by developing agricultural practices and controlling our impact on water, soil and biodiversity | 3,676 | 2,979 | -19% |
| | Number of farmers committed to HEV 3 under channel contracts | SDG 12 & 15 | | 90 | 40 | -56% |
| | Grain and oilseed volumes sold under channels (%) | SDG 3 & 8 | Develop sustainable and competitive channels to reinforce the competitiveness of farms, the cooperative's industrial and commercial performance and our positive impact on local areas | 81% | 20% | -75% |
| | Percentage of flour volumes sold under sustainability specifications | | | 27% | 26% | -4% |
| | Percentage of sustainable barley in supplies | | | 42% | 36% | -14% |
| | Percentage of broilers fed and reared to "no antibiotics" specifications | SDG 12 | Look after animal welfare | 39% | 38% | -2% |
| Percentage of poultry covered by category A and B animal welfare labelling | | 38% | | 37% | -4% | |

Appendices available to download



Methodology note & Detailed information on challenges

Available at axereal.com



KPMG audit report

Report by the independent external organisation on the verification of the non-financial performance declaration

Available from axereal.com



We would like to thank all the Axereal and stakeholder staff who have played a part in preparing this report.

AXERREAL

Land and people for the future

36 rue de la Manufacture - CS 40639
45166 Olivet Cedex - France
Tel.: +33 (0)2 34 59 51 00



axereal.com