



ACTIVITY REPORT

2021 - 2022



*terre
Nouvelle* ♦

♦ Lur Berri means New Land in Basque

www.lurberri.fr

EVENTS

2021 • 2022

JULY 2021

Refinancing of the Labeyrie Fine Foods Group.

Construction of new Cornelis silos in Fronton to improve the allotment of cereals and the promotion of new sectors: 1.1 M€ investment.

SEPTEMBER 2021

Webinar and launch of the new LBS Seeds baseline : "Cultivons la Responsabilité !" (cultivating responsibility).

Meeting assemblies with farmers at 4 sites were a success.

OCTOBER 2021

Launching of the 6th "Atouts Jeunes" promotion.

Production of the 1st CSR report 2021/2022 Labeyrie Fine Foods.

NOVEMBER 2021

Lur Berri breeders were able to confine almost all their ducks, at the occurrence of the 4th outbreak of Avian Influenza, having been requested to do so by the authorities.

JANUARY 2022

New executive management at Lur Berri: Frédéric Hialé succeeded Olivier Gémin on 1st January 2022.

Lur Berri governance continued its commitments to CSR by including it within its new strategy for consolidation of partnerships and added value.

FEBRUARY 2022

Launching of the Orizio company specifically dedicated to consultancy and training activities for farmers.

APRIL 2022

1st General Meeting for the Broiler Poultry Producers' Organisation of the chicken sector.

MAY 2022

Deployment of the chick pea sector under the "Agri-Éthique" label for the Blini brand with initial training for producers.

AGRICULTURAL DIVISION Vegetal Branch



Maize seed sector

5 250 hectares

- The surfaces achieved a historical record in 2021 with an increase in cultivated hectares of +9.2%, as a result of the increasing demand from our partnership with Corteva Agriscience.
- Conventional yields were slightly below targets whereas those for Organic Farming were significantly higher but very mixed.
- Arrangements for production contracts, together with successful insurance cover, have made it possible to safeguard farmers' incomes.
- The Aïcirits factory has registered a good technical performance in terms of the harvesting intake rate and the coefficient for unit manufacturing.
- Excellent qualitative level for both varietal purity and germinating capacity.

LBS Seeds



117 900 units

- LBS Seeds has registered successful sales objectives: +7.7% in maize in a bear market that shrank by -3.5% and +37% in sunflowers in a bull market of +30%, amounting to a significant increase in market shares and hectares covered.
- The brand has developed its Dent Innov' range: a nutritional concept relating to ruminal degradability of mealy starch.

Vegetable sector

1 280 hectares

- Results are satisfactory due to price increases.
- Production levels have returned to the normal level, despite cold and humid weather conditions, resulting in average income disparities/hectare.
- Market demand concerning criteria for food security, quality and service (harvesting, maturity...) continues to increase. Our sustainable agricultural approach answers the social demand and that of our partner Congelados De Navarra.

Agricultural Supplies & Cereals



SUPPLY

Turnover: 44.3 M€

- +42% increase in business turnover with an increase in seeded hectares and early start for sales of plant protection products.
- In response to the sharp increase in the price of fertilizer, fertilizing strategies have been proposed using slag, a wider range of vegetation cover and "secure expert" urea contracts.
- A new range of bio-controls and bio-stimulants has been developed.
- Subject-specific video-conferences have been a great success with farmers.

CEREALS COLLECT

330 060 tons

- Surfaces cultivated and volumes collected for cereals and colza have been stable.
- Yields for maize, soya and sunflower harvests have been very good.
- Maize prices have increased significantly, accompanied by intense market volatility.
- The activity continues its development in contractual production by sector, providing new opportunities and added value for farmers.

Research, Innovation & Development*



LUR'INNOV

Conceiving, managing and promoting value-added projects for farmers and the Group are the tasks of the subsidiary Lur'Innov. Its RID* strategy is deployed thanks to 4 cornerstones:

Animal welfare
& agroecology

Traceability
& responsible sourcing

Digitalisation
& production management

Environment
& healthcare



Duck sector West & South-West (France)

2 073 720 animals

- The financial year was marked by 2 risks that affected the sector:
 - > Industrial action at two major sites had an impact on production for Labeyrie Fine Foods.
 - > The 4th outbreak of Avian Influenza in the South West and the 1st outbreak in the West resulted in the depopulation of ducks, leading to a shutdown of production sites for several months and a reduction in volumes.
- The Armonia 5S breeding buildings and the maximum bio-security methods enabled the temporary confinement of animals, in accordance with administrative decisions.
- State assistance was provided for poultry business affected by the Avian Influenza crises.
- Vaccination tests are in progress and all of the sector anticipates using vaccines as soon as possible.
- In view of the lack of ducklings, all the sector showed resilience at every level and switched to female ducks production in order to protect its volumes.



Chicken sector

1 610 280 animals

- Production increased by +36.8%, mainly in ordinary poultry breeding.
- The Avian Influenza crisis in the South West led to 15 weeks of chicken production stoppage and reduced hatching in the West of France.
- The Organisation of Poultry for Meat Producers was accepted into the cooperative.



Bovine sector

24 670 animals

- Bovine activity decreased markedly for animals for slaughter, with relative stability for lean animals.
- The continuation of a price list for "Boeuf de Chalosse IGP & Label Rouge" and "Boeuf Excellence Label Rouge" made it possible to support breeders.
- In collaboration with inter-branch organisations, the sector overall has extended its communication operations with good results.



Ovine sector

103 780 animals

- The sector as a whole continued with a +11% expansion overall and +15% for sucking lambs.
- Numbers for cull ewes and heavy lambs stabilised.
- The "Agneau de lait des Pyrénées IGP & Label Rouge" (sucking lambs) benefitted from a dynamic communication campaign and the support of the top starred chefs for this unique product.



Porcine sector

111 510 animals

- Production of standard pigs decreased by -11% and the numbers of farm and Duroc pigs continued to rise by +3%. Numbers for Duroc building pigs remained stable.
- The Organisation of Producers was involved in the CSR Jambon de Bayonne IGP (Bayonne Ham) initiative.
- Breeders increased their vigilance by means of bio-security breeding methods, in order to protect against African swine fever, which is spreading in Europe.

Consultancy & training



Lur Berri has created Orizio: a consultancy and training company that unites all the activities of Elemen'TER Conseils and Service Batiment & Environnement, with more than 900 farmers in the South-West.

- Development of construction activity: plan for modernisation of farms, winter garden programme for ducks and solar energy projects.
- Consolidated agro-environment activity.
- Surfaces covered by the collective contracts for crop insurance increased by +11% for 14 600 hectares and 295 insured parties.



Shops • Fuel

Turnover: 35.9 M€

Gamm vert 

Mr.Bricolage



- The shops have had sustained activity compared to the pre-Covid-19 period, despite a decrease (-7% after the 30% progression achieved in 2019/2020 and 2020/2021).
- The network strengthened its e-reputation, 5 shops received a mark of +4.5/5 for excellence: Gamm Vert Artix, Came, Carresse, Gan and Mr.Bricolage Saint-Jean-de-Luz, with above satisfactory customer service and experience.
- In view of inflation, distributors' labels for each brand continue in order to offer a range of products with the best value for money on the market.
- After sales service and repair workshop activities remains dynamic: +8.7%
- Lur Berri Carburants (fuels) has registered an increase in numbers +13.2%, consolidated by a suitable pricing policy and by the acquisition of the fuel activity of Massondo in 2020. The truck fleet is equipped with an embedded IT system with automatic invoicing and geo-localisation.

Animal Fodder

168 560 tons

LURALI

Pédefer

- Despite the Avian Influenza crisis, activity increased by +13.3%, especially with the increase in numbers for ordinary chickens, farm poultry and laying hens.
- Numbers for sheep, pigs and new prospects for ducks continue to progress.
- The start of a new mash food production unit at the Pedefer factory in Coarraze made it possible to respond favourably to customer needs and requirements and thereby increase production for ruminant feed (sheep and beef cattle).

Livestock breeding equipment

Turnover: 2.5 M€

axel

LELY

- Ax'El diversified and structured itself in view of new construction projects suited for various animal sectors.
- New green energy partnerships: Soltéa (solar), Nénufar (re-use of biogas) and Val'ld par Ocene (re-use of livestock manure).
- The Montardon site remains the exclusive Lely distributor in the South West, for milking robots, innovative solutions and personalised services for dairy farming.

Veterinary services

- The team of 5 vets continues to assist the breeders and their factories in terms of risk prevention and bio-security, and also by implementing technical days.
- Specific activities have been undertaken for the sheep sector.
- The veterinary pharmacy is located in Saint-Palais and ensures the dispatchment of veterinary products to breeders by a system of express deliveries.

Orizio develops a range of services and training programmes that is suited to current and future developments, aiming to contribute to the continuity of agricultural business.



RENEWABLE ENERGIES
& CIRCULAR ECONOMY



BARN BREEDING
& ANIMAL WELFARE



MANAGEMENT & PRODUCTION
CERTIFICATION



DIGITAL TECHNIQUES
& SOLUTIONS



REGULATION
& AGRO-ENVIRONMENT





Labeyrie Fine Foods

LABEYRIE
FINE FOODS

- Three major events occurred during the financial year:
 - > A strike in autumn 2021 at Saint-Geours-de Marenne and Came. Industrial relations improved as a result of a new HR policy, with continuous dialogue with the staff union and salary increases in line with the economic situation.
 - > A new episode of Avian Influenza resulted in the temporary closure of the Labeyrie slaughterhouse in Came and the Alain François slaughterhouse in Bouaye.
 - > Significant inflation was experienced in 2022. In order to compensate for the increase in raw materials and energy, LFF progressively increased its sale prices, with a time lag and adaptation for the United Kingdom and the international market.
- Despite these circumstances, LFF sales showed resilience with turnover reduction limited to -3%.
- Demand for duck meat and foie gras remains strong, and the Labeyrie Fine Foods Group is well-positioned to offer a wider range of products suited for the market.
- Based on its purpose, the ambition of LFF is to combine maximum satisfaction with responsibility, starting from a strategic project based on the development of the brands, the international market and the omni-channel, mainly from the drive through and veggie businesses.



CSR - Corporate Social Responsibility - Approach :

- > **SAFEGUARD** the ecosystems linked to the production sector.
- > **MASTER** procedures and know-how thanks to sound practices.
- > **RESPECT** the men and women who produce, transform and consume the products.

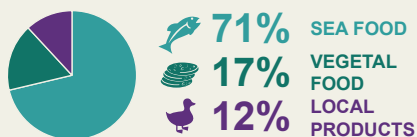
The mission of Labeyrie Fine Foods and its collaborators:

Give to as many people as possible the keys to a responsible pleasure consumption.

STRONG PERFORMANCE

994 MILLION

EUROS TURNOVER (2021-2022)



AN INTERNATIONAL PRESENCE

4 600

COLABORATORS
WORLDWIDE

50 PAYS

IN WHICH
OUR PRODUCTS
ARE DISTRIBUTED

16 SITES

IN FRANCE, THE UNITED KINGDOM,
BELGIUM, THE NETHERLANDS,
SPAIN & CANADA

38%

OF SALES CARRIED OUT
OUTSIDE OF FRANCE

12 PREMIUM & LEADING BRANDS



DYNAMIC SHAREHOLDING

92%

PAI* + LUR BERRI**
(à 50/50)

8%

MANAGEMENT
LABEYRIE FINE FOODS

*Private Equity Fund
**South West France Cooperative Group

Arcadie Viandes

30% participation

204 employees | Turnover: 26.5 M€ | 3 sites



- Arcadie Viandes is the common organisation of Lur Berri (30%) and the Bigard Group (70%). It has taken over the sites in Anglet, Auch and Mont-de-Marsan, and is specialised in the slaughtering, butchering, transformation and commercialisation of meat under the quality signs for the bovine, ovine and porcine business sectors.

- The partnership synergies between Lur Berri, Arcadie Viandes and the Bigard Group enable new outlets to be developed by creating added value for the quality meat sectors, stemming from the work of 2 500 cooperative breeders.
- A local actor in the distribution of meat under quality marks, Arcadie Viandes supplies local butchers or traditional counters in supermarkets, as well as catering establishments.

Martiko Partnership

675 140 fattened ducks

ADP Subsidiary: 50% participation



- Lur Berri and Martiko (Spanish smoked salmon and foie gras leader) are partners on an equal basis in a common company: ADP (Agropecuaria Del Pato).
- Lur Berri plans the production, provides the food and the technical support for a production of fattened ducks destined exclusively for the Spanish market.

FIGURES AND PRIORITIES LUR BERRI COOPERATIVE GROUP



5 100
farmers

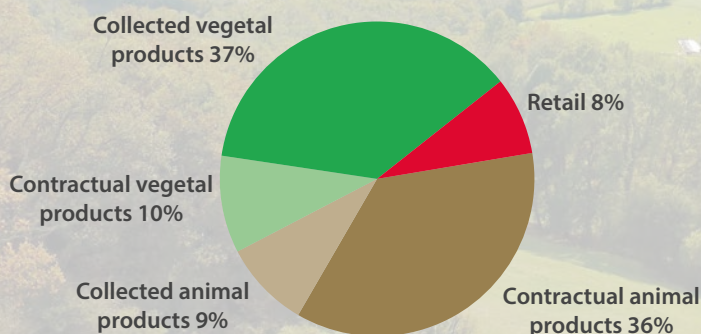


416 Cooperative employees
5 016 Consolidated
Group employees

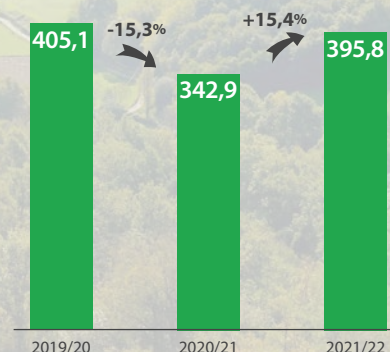


1 361 M€
consolidated group's
turnover: 2021/2022

Turnover distribution - Cooperative (excluding the agrifood sectors)



Evolution of turnover (in M€) - Cooperative (excluding the agrifood sectors)



Skill development

The cooperative develops a training policy that helps its collaborators to progress and responds to farmers' needs.

221 collaborators have attended at least one training event, being 53.1% of staff.



53,1%
of staff have received
training

Digital transition

In a rapidly changing world, our challenge is to assist farmers, customers and partners in setting up the **best sustainable business model**.



CSR responsibilities

**CORPORATE
SOCIAL
RESPONSIBILITY**



PRIORITISING
collective
and humane
objectives

ANSWERING
consumer's
needs

ACTING
for animal
welfare

PRESERVING
our territory's
natural resources

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