

# Universal registration document









**Bonduelle**  
*La nature, notre futur*

2018 2019



**La nature,  
notre futur**

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# Universal registration document

Including the annual financial report



The universal registration document (*document d'enregistrement universel*) 2018-2019 in french language was filed with the *Autorité des marchés financiers* (French financial markets authority) on October 18, 2019, in its capacity as competent authority under (EU) Regulation No. 2017/1129, with no prior approval pursuant to Article 9 of said regulation. The universal registration document may be used for an offer to the public of securities or for the admission of securities to trading on a regulated market, if it is supplemented by a securities note and, where applicable, a summary, together with all the amendments made to the universal registration document. The document as a whole is approved by the AMF pursuant to (EU) Regulation No. 2017/1129.

A French SCA (Partnership Limited by Shares) with a capital of 56,942,095 euros  
Head Office: La Woestyne, 59173 Renescure  
Commercial and Companies Register of Dunkerque no. 447 250 044

In accordance with Article 19 of European (EC) Regulation 2017/1129, the following items are included by reference in this universal registration document:

- the consolidated financial statements and the reports from Mazars and Deloitte & Associés on the consolidated financial statements for the year ended June 30, 2018, presented, respectively, on pages 169 and 219 *et seq.* of reference document no. D.18-0882 ([https://www.bonduelle.com/fileadmin/user\\_upload/SITE\\_CORPO/FINANCE/Document\\_de\\_reference/document\\_reference\\_bonduelle\\_2017-2018.pdf](https://www.bonduelle.com/fileadmin/user_upload/SITE_CORPO/FINANCE/Document_de_reference/document_reference_bonduelle_2017-2018.pdf)), filed with the AMF on October 19, 2018;
- the consolidated financial statements and the reports from Mazars and Deloitte & Associés on the consolidated financial statements for the year ended June 30, 2017, presented, respectively, on pages 143 and 195 *et seq.* of reference document no. D. 17-1001 ([https://www.bonduelle.com/fileadmin/user\\_upload/SITE\\_CORPO/FINANCE/info-reglementees\\_2016-2017/Bonduelle\\_Document\\_de\\_reference\\_2016-2017.pdf](https://www.bonduelle.com/fileadmin/user_upload/SITE_CORPO/FINANCE/info-reglementees_2016-2017/Bonduelle_Document_de_reference_2016-2017.pdf)), filed with the AMF on October 18, 2017.

*This document is a free translation into English of the document d'enregistrement universel, and has no other value than an informative one. Should there be any difference between the French and the English version, only the French-language version shall be deemed authentic and considered as expressing the exact information published by Bonduelle.*



# The Bonduelle Group



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Items of the Annual Financial Report are identified in the contents using the <sup>AFR</sup> symbol



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## 1.1 Interview with Guillaume Debrosse, Chief Executive Officer of the Bonduelle Group - GRI 102-10, 102-14<sup>(1)</sup>

In Western countries, consumers continue to expect healthier, plant-based food. At the same time, the agricultural and industrial sectors have faced challenges. Can you give us details of the challenges that arose during 2018-2019?

Plant-based food is becoming increasingly popular, with consumers looking for safer, healthier food which is affordable and environmentally friendly. For us, this is a tremendous opportunity for growth and has permeated the development and innovation projects in each of our markets. Our brand market share is growing and our ranges are expanding. This is evidenced by the launch of our range of Bonduelle no pesticides residue products, our organic ranges, pulse-based products, and convenient, healthy meal solutions such as ready-to-eat salad bowls containing pulses, grains and seeds.

***“Plant-based food is becoming increasingly popular. For us, this is a real opportunity for growth.”***

However, we also had to contend with various negative factors in 2018-2019. First, adverse weather conditions affected the harvest in several production areas in 2018 (sowing was delayed by heavy rains, which were followed by a series of heatwaves). This impact, which pushed our production costs up, was compounded by trade wars between countries and tensions on labor markets in the United States and in some European countries. This hampered our ability to reflect this inflation in our prices, at a time when the retail environment is undergoing profound changes and the boundaries between retail and food service are blurring.

Consequently, the Bonduelle Group's revenue in 2018-2019 totaled 2,777.1 million euros, virtually unchanged from the previous fiscal year. Current operating profitability stood at 123.7 million euros, on a par with last year's all-time record group profitability (123.6 million euros).



Obviously, this result reflects the different results in each region. What were the highlights in 2018-2019?

To give you more details, Europe - which accounts for 47% of the group's revenue - posted annual growth of 0.5%. The Bonduelle and Cassegrain brands continued to grow in the various segments, albeit in fairly stagnant markets. The group is building market share as a result of various plant-based innovations, combining vegetables, grains and pulses to meet different consumption opportunities.

Outside Europe, we recorded a 0.4% decrease in revenue for the 2018-2019 fiscal year. This change is due to a major client in the fresh vegetables segment in North America diversifying its sourcing from the second quarter, as well as rationalization of the product portfolio. At the same time, the region's canned and frozen vegetable segments saw robust growth, fueled both by internal growth and by the acquisition of the Del Monte brand in Canada, which is performing as expected.

Lastly, activity in the Eurasia region was extremely buoyant during the period due to the success of new product ranges such as baby sweet corn, jars of precooked vegetables and canned olives. This momentum will be bolstered next year by the frozen vegetable segment, produced locally following the acquisition of the plant in the Belgorod (Russia).

(1) Highlights of the year are presented in Section 4.1.7.



As you mentioned, the summer of 2018 saw several heatwaves, particularly in Western Europe, with record-breaking temperatures. How is Bonduelle, as a first-stage agro-industrial processing group, adapting to the global warming we are all seeing?

These extreme weather events remind us of our significant exposure to nature as a major player in first-stage agro-industrial processing.

The UN Sustainable Development Solutions Network (SDSN) is calling for far-reaching changes to achieve the Sustainable Development Goals (SDGs) and honor the Paris Climate Agreement. Bonduelle's strategy ties in with the move towards sustainable food, soil and water. Efforts to make food more productive and resilient to climate change must be coordinated with efforts to conserve and restore biodiversity and promote healthy food, while reducing food waste.

Bonduelle has also been a signatory to the United Nations Global Compact since 2003. We are renewing our commitment to uphold and implement its principles.

#### What forms does this take on the ground?

In real terms, together with our partner producers, we are factoring the impact of global warming into our agronomic decisions (growing areas, seed varieties (non-GMO), agro-ecological practices, technological inputs from precision agriculture). This approach is well under way and has already made it possible to mitigate impacts in some areas. We now need to make this systemic approach across all our production areas.

***“Together with our partner producers, we are factoring the impact of global warming into our agronomic decisions.”***

We are adapting and taking steps to shoulder our share of responsibility in terms of global warming. For example, we have made a commitment to reduce our greenhouse gas emissions in line with the targets set by the international community under the Paris Climate Agreement (COP 21): our aim is to achieve a 20% reduction in our greenhouse gas emissions by 2035.

#### The group's new governance has been in place for a year now. What is your initial assessment of this reorganization?

Bonduelle is continuing to evolve in order to fulfill its ambition to be “the world reference in ‘well-living’ through plant-based food”. After a year of new governance, this has undoubtedly continued. The Chief Executive Board (CEB) and the Group Management Committee (GMC) have made good progress. While maintaining the principle of autonomy of our business units, this organization allows us to be more attuned to our markets and opportunities, facilitates the launch of cross-cutting initiatives and projects, accelerates the introduction of best practice, makes better use of our internal sources of performance, and improves overall

coherence. In short, it means pressing ahead with a more cross-cutting approach by adopting a shared language and vocabulary to make us more relevant, innovative and efficient locally.

***“Our new governance makes us more relevant, innovative and efficient locally.”***

This applies to innovation, industrial projects, workplace safety and talent management, food safety, improving the recyclability of our packaging, searching for efficiency, synergy and savings via the TMO (Transformation Management Office) program and the management of key accounts.

You say that “the most exciting issues today are all found in industry, such as the digital and industrial revolution, consumer trends, products, etc.” Is this compatible with Bonduelle's tagline, *La nature, notre futur*?

Yes, more than ever! Each of these revolutions directly supports our belief that nature is our future. They provide answers to the fundamental challenges of promoting plant-based food, People development and combating global warming and pollution.

At Bonduelle, the legitimacy of our agro-industrial model is rooted in the historical relationship with our partner farmers. We are involved in the agro-ecological transition alongside them. However, our ambition to be “the world reference in ‘well-living’ through plant-based food” means that we have a duty to go even further. This is why we are committed to obtaining B Corp (Benefit Corporation) certification. We subscribe to the philosophy of this certification: not to strive to be “the best company in the world, but the best for the world.”

At the time of publication of this universal registration document, the certification body had completed its pre-assessment of the group. This enabled us to identify areas for improvement and define the certification process by a law firm. In several business units, a self-diagnosis is under way.

#### What are Bonduelle's prospects for 2019-2020?

In light of the uncertain geopolitical and macroeconomic climate and the full year impacts of the previous year's significant events, we expect growth in revenue of between 1.5 and 2.5%<sup>(1)</sup> in 2019-2020. Current operational profitability is likely to range between 115 and 118 million euros<sup>(1)</sup>.

Combining short-term initiatives with long-term programs, the group's transformation is under way. It is based on continued investments in plant-based innovation with the aim of improving our brands and responding to our customers' expectations. In upstream agricultural activities, it also draws on our fundamental sustainable and responsible industry model.

This transformation will combine business units' local subsidiarity and agility with maximization of our know-how and cross-cutting platforms. It will enable us to gradually return to the course set by our VegeGo! corporate strategy.

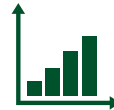
(1) At constant currency exchange rate and scope of consolidation basis.

## 1.2 Bonduelle Group key figures - GRI 102-7

### 1.2.1 Profile in figures



Business established in  
**1853**



Revenue  
**2,777** million euros



**56**  
sites around the world



**14,589**  
employees (full-time equivalent)



**6**  
strong brands



Almost  
**120,000**  
hectares cultivated around the world

### 1.2.2 2018-2019 key financial figures - GRI 102-7

#### 1.2.2.1 2018-2019 indicators - GRI 103-1

(in millions of euros)	2017/06/30	2018/06/30	At 2019/06/30
Revenue	2,288	2,777	2,777
Evolution	16.3%	21.4%	0%
Current operating income	108	124	124
Net income	60	72	73
REBITDA <sup>(1)</sup>	187	212	213
Leverage ratio <sup>(2)</sup>	3.53x	2.91x	3.07x
Acquisitions of tangible assets <sup>(3)</sup>	66	92	104
ROCCE <sup>(4)</sup>	8.5%	9.8%	9.0%

(1) REBITDA (Recurring Earnings before Interest, Taxes, Depreciation, and Amortization). This indicator represents recurring profitability generated by activity independent of financing conditions, taxes and depreciation and amortization on property, plant and equipment and intangible assets.

(2) Leverage ratio: Net financial debt/REBITDA.

(3) See Section 5 Consolidated financial statements, Note 8.3 Property, plant and equipment.

(4) Current operating income before tax/capital employed.

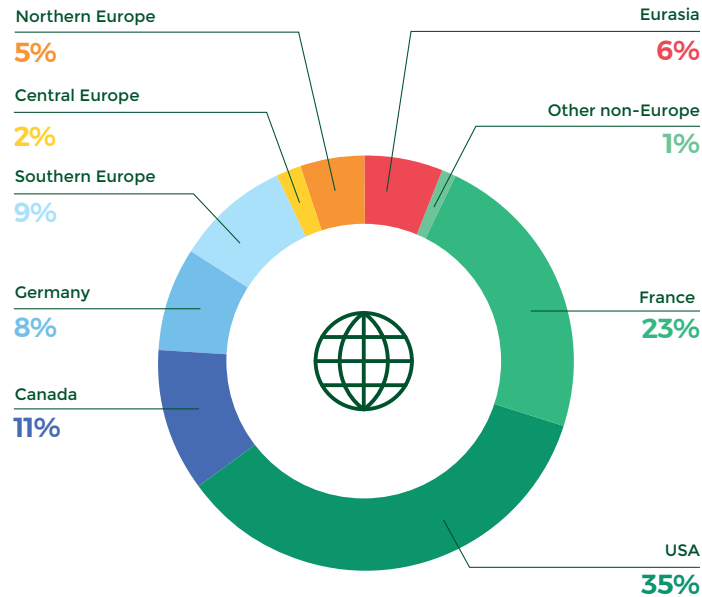




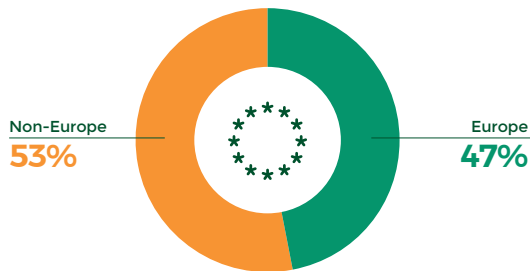
### 1.2.2.2 Breakdown of 2018-2019 revenue - GRI 103-1

#### Breakdown of revenue by geographical region

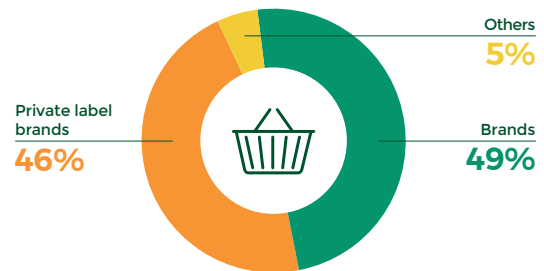
By region



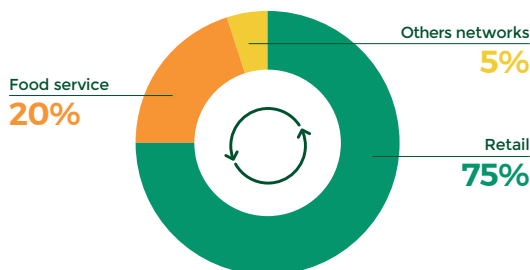
Breakdown of revenue by Europe and Non-Europe zones



Breakdown of revenue by brand



Breakdown of revenue by distribution channel



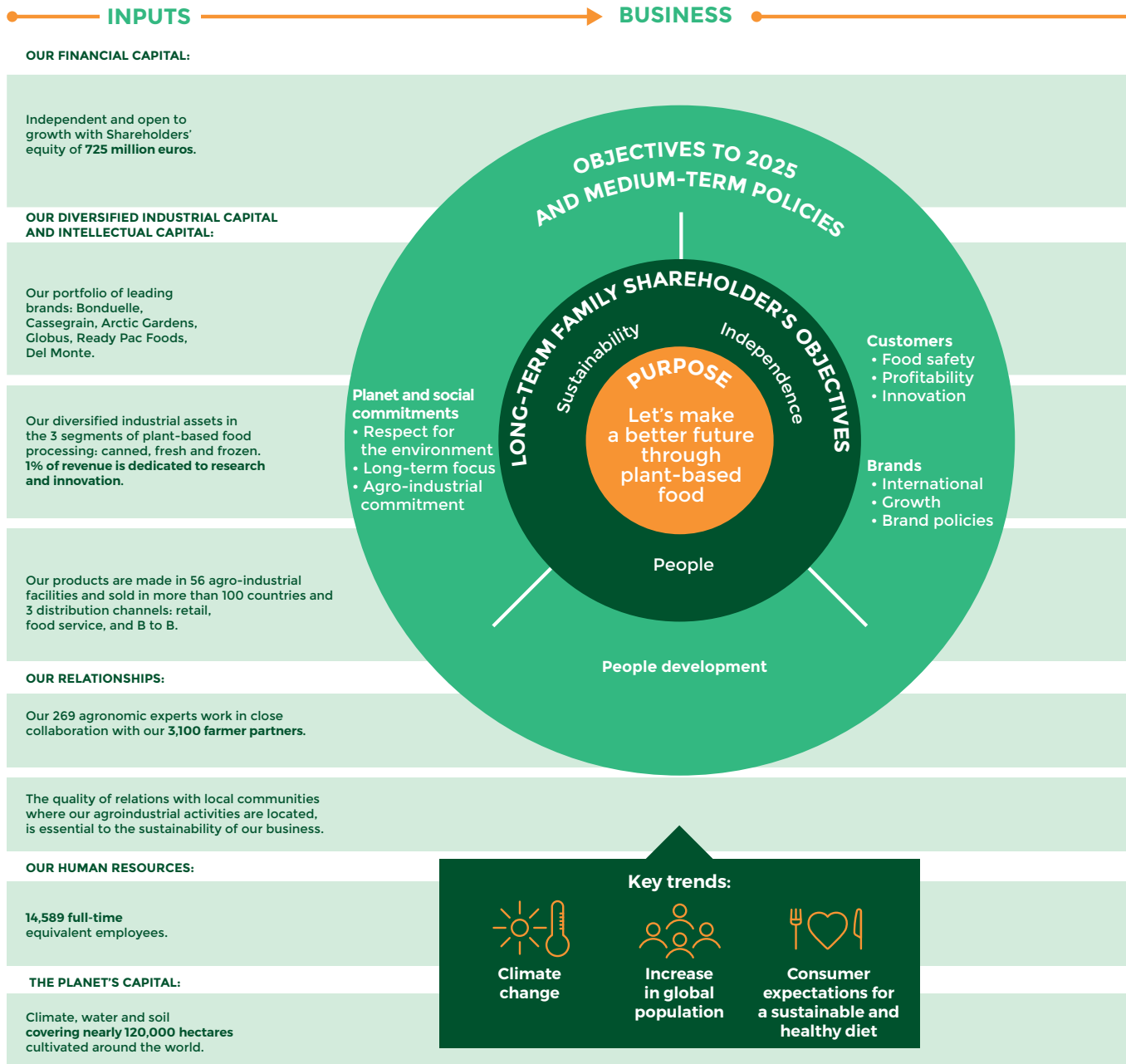
Breakdown of revenue by segment



To be “the world reference in ‘well-living’ through plant-based food”

# 1.3 To be “the world reference in ‘well-living’ through plant-based food”

## 1.3.1 Bonduelle’s value creation model – GRI 102-2, 102-6



The Bonduelle Group is continually refining its business model to adapt it to global challenges while seeking to meet the expectations of its stakeholders. Today, this model is based on a vision underpinned by **seven core values** and **ten core policies**,



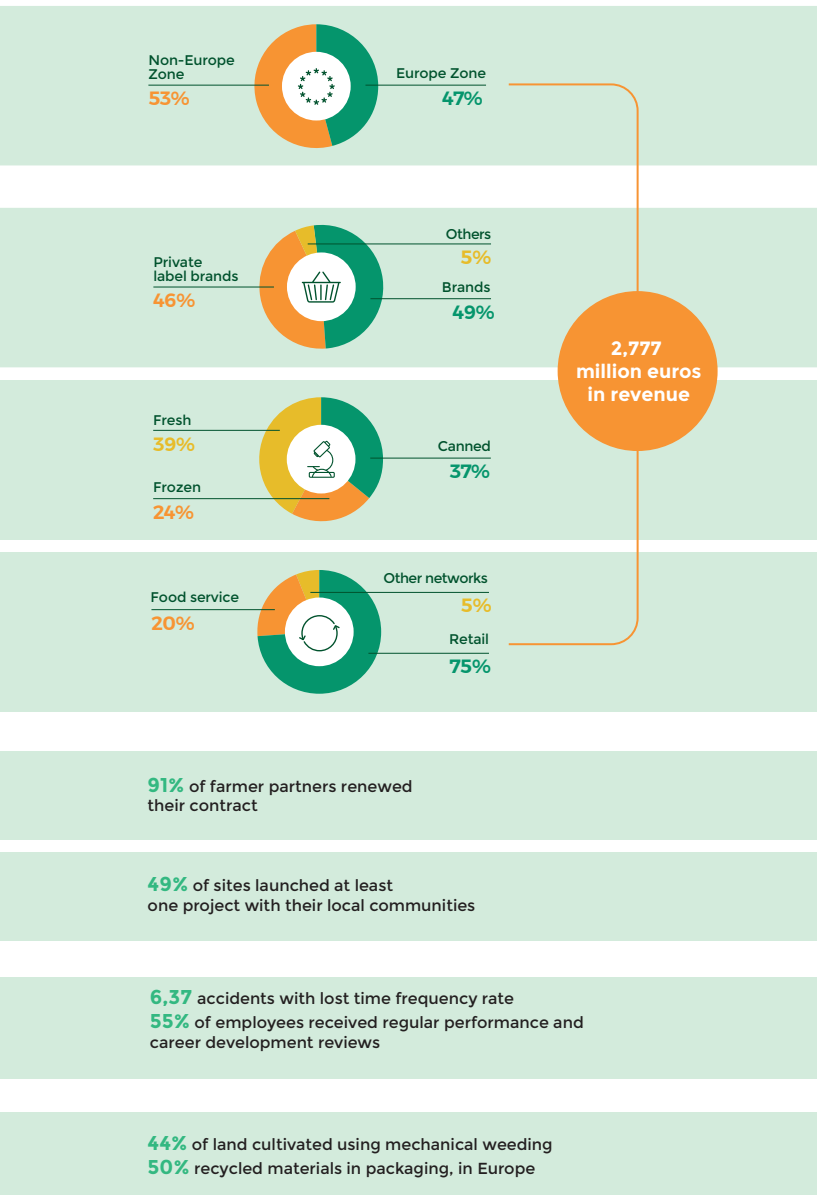
To be "the world reference in 'well-living' through plant-based food"



For the Bonduelle Group, making a better future through plant-based food means being an agro-industrial player that has a positive impact on its ecosystem. Bonduelle is a French family-owned business which, together with its partners, has been innovating in the plant-based food industry since 1853, while steadily improving its business model. Its priorities are to promote biodiversity and soil protection, engage with local communities, and stimulate demand for and access to plant-based food in a sustainable way.

VALUE CREATED

VALUE SHARED



**Economic partners:**  
Our group is growing by reinvesting most of its profits and cash flow. 104 million euros dedicated to capital expenditure.

**Consumers:**  
We offer healthy and affordable plant-based food to suit all consumption opportunities. 100% of Bonduelle-branded products comply with Bonduelle's nutrition charter; in France, more than 95% of products are classed as Nutri-score A or B.

**Farmers:**  
Our agreements are negotiated several months in advance and absorb global price fluctuations.

**Local communities:**  
One of our priorities is the positive local impact of our site location.

**Employees:**  
We strive to ensure employee well-being and health and safety in the workplace. 10% of employees attended a CSR workshop.

**Society at large:**  
500,000 people benefited from projects supported by the Louis Bonduelle Foundation since 2007.

which enable the group to develop steadily over the years in its competitive environment. Bonduelle gives expression to its vision, values and policies through its corporate project VegeGo!

To be “the world reference in ‘well-living’ through plant-based food”

### 1.3.1.1 Our manifesto: nature is our future

The history of the world is punctuated by key milestones. Driven by engaged and committed People wishing to build a better future, these transitions change behaviors, reshape relations with the world, and help us move forward.

Bonduelle believes it is time for a plant-based revolution, an inevitable sea change in the face of the immense challenges facing the planet (see 1.4.1 A changing world). The fact that there will be 9 billion men and women to feed in tomorrow’s world has made plant-based food a major challenge for the well-being of future generations, in terms of both the quantities to be produced and the ways they are produced.

Nature is our most precious asset, and will not wait. We cannot remain blind to the warning signs, we must react. Climate change, soil depletion and biodiversity loss threaten to undermine the balance of nature and in turn that of humanity.

As a family-run company with a long-term vision, and responsible for feeding millions of consumers across the planet, we aim to be a committed player. The controlling Shareholders and employees of the Bonduelle Group are today committed to building a better future through plant-based food.

At Bonduelle, we believe that we must lead the way, offer innovative and pertinent solutions to feed people better while respecting the planet and thereby ensuring the well-being of future generations.

Since 1853, we have been working with our partners on all fronts to develop modern plant-based production that respects water, air, soil and subsoils. This is why we resolutely defend efficient, ecological, intelligent and supportive agro-industrial business, focused on healthy, safe, sustainable and accessible food.

We are committed and are innovating from field to plate to make a better future through plant-based food, because it is our firm belief that nature is our future.



To be “the world reference in ‘well-living’ through plant-based food”

### 1.3.1.2 People-centric values

Bonduelle’s seven core values are: being people-minded, integrity, fairness, openness, confidence, simplicity and excellence.

### 1.3.1.3 Ten policies to achieve the goals of the family Shareholder: sustainability, independence and development

Our values pave the way for the group’s policies, which contribute to the achievement of the Bonduelle’s Shareholders’ historical objectives: sustainability, independence and the individual development of our employees.

These policies are key to the group’s ability to thrive in an economic and political environment that is undergoing rapid and profound change. They guarantee the group’s durability and its development across borders. They are connected and interdependent, and translated into decisions and actions.

- Long-term focus;
- Growth;
- Food safety;
- Respect for the environment;
- Profitability;
- Brand policies;
- Innovation;
- Agro-industrial commitment;
- International;
- Personal development.

### 1.3.1.4 VegeGo!: a visionary and collaborative corporate project

To further its ambition to be “the world reference in ‘well-living’ through plant-based food”, the VegeGo! corporate project supports the Company’s growth, with a clear vision of what the group will look like in 2025. VegeGo! consists of four pillars:

- we respect the planet and our societal commitments;
- we promote the development of women and men;
- we are developing our brands and vegetables in all their forms;
- our organization serves our customers.

Bonduelle’s Corporate social responsibility (CSR) strategy strengthens and widens the impact of the VegeGo! project. It covers five macro-objectives:

- caring, with our farmer partners, for cultivated land;
- reducing environmental impacts from field to plate;
- encouraging people to eat healthy and sustainable food;
- ensuring the “well-living” of employees and local communities;
- encouraging all employees to be actors in the CSR strategy.

The group’s commitments for achieving these five macro-objectives are detailed in Section 2.2.1.2 An approach which focuses on five macro-objectives.





## 1.4 Bonduelle in its ecosystem

### 1.4.1 A changing world

#### 1.4.1.1 Climate change and population growth

According to forecasts by scientists from the Intergovernmental Panel on Climate Change (IPCC), the rise in the overall temperature of the Earth's surface could reach an additional 1 °C to 5 °C by the end of the 21<sup>st</sup> century. Global warming and the higher concentration of carbon dioxide in the atmosphere will have wide-ranging consequences, the effects of which - although certain effects are not entirely clear at present - will inevitably have an impact on the agricultural and agro-industrial sectors. These will include an increase in the number of extreme weather events (droughts and floods), the destabilization of ecosystems, and implications for biodiversity and soil life, with the spread of pests encouraged by the rising temperatures and lower yields for many crops.

The world's human population continues to grow, with estimates converging on the figure of 9 billion people on Earth by 2050. The need to feed these 9 billion people, particularly in a context of global climate change, requires an energy and agro-ecological transition to take place within our society.

#### 1.4.1.2 The vital energy and agro-ecological transition

**Agro-ecology** aims at transforming agriculture and developing food systems to make them more sustainable. It proposes modifying production methods to optimize their productivity whilst increasing their capacity to withstand climate change and the volatility of agricultural and food prices. Agro-ecology also aims to maximize the eco-friendly services supplied by agro-systems and to limit their negative impacts, in particular, by reducing dependency on fossil fuels. It takes the form of a logical series of agricultural practices that enhance ecological processes and biodiversity. As such, agro-ecology consists of designing agricultural production systems based on the functionalities offered by natural ecosystems. It extends these functionalities (e.g.: combats erosion and stimulates soil biodiversity by means of plant cover and no-till farming, water purification and the provision of areas of refuge for auxiliary insects and strips of land for growing bee-friendly flowers, etc.) with the aim of reducing environmental impacts (greenhouse gas emissions, use of synthetic fertilizers and phytosanitary products, etc.) and preserving natural resources (water, energy, biodiversity, minerals, etc.).

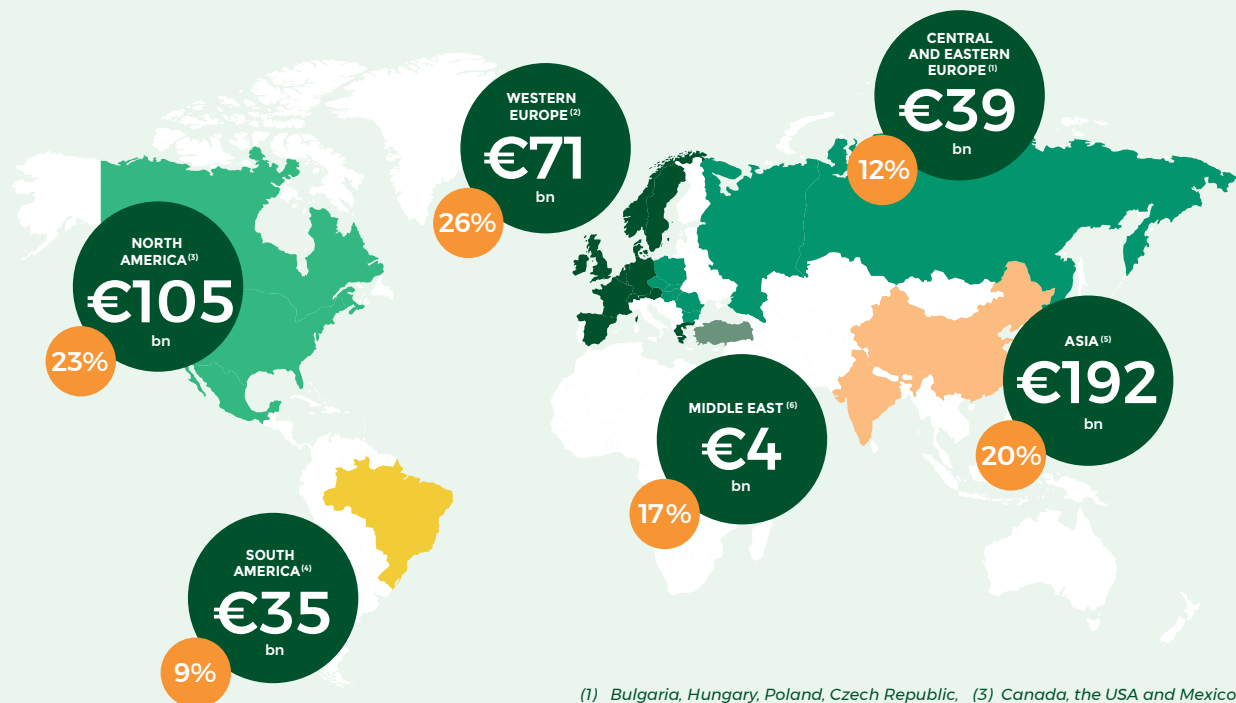
**The energy transition** seeks to turn the current energy model into a new energy model based on renewable resources. For industrial players, it is a question of transforming production models to improve energy efficiency and of replacing fossil fuels with renewable energy sources. In addition to these challenges, farmers need to switch to biomass boilers in order to generate so-called renewable energy for heating and electricity.



## 1.4.2 Trends in the global vegetable market: ever-increasing demand for healthy and sustainable food

The plant-based market is growing. Regularly receiving more precise information about the role of nutrition in health, consumers are hungry for more fruit and vegetables, both organic and locally grown. Sensitive to innovation, they are adopting new ways of eating vegetables: meal kits, online orders, plant-based proteins and ready-to-eat prepared plant-based food.

### Vegetable consumption in all segments by value and the share of prepared vegetables (in %) by region



(1) Bulgaria, Hungary, Poland, Czech Republic, Romania, Russia and Slovakia  
 (2) Germany, Austria, Benelux, Denmark, Spain, Finland, France, Greece, Ireland, Norway, the Netherlands, the United Kingdom, Sweden and Switzerland  
 (3) Canada, the USA and Mexico  
 (4) Brazil  
 (5) China and India  
 (6) Turkey

Source : Food for thought 2019

### 1.4.2.1 The essential consumer requirements remain: quality, health and safety

The food sector is the sector in which consumers pay most attention to quality. Indeed, 74% of French people<sup>(1)</sup> consider it a priority. This reinforces the issue of product transparency. More than a third of French people tend to check the ingredients list before buying. The presentation of the ingredients and the cultivation or production method is becoming clearer and more detailed. More and more packaging is literally transparent, which offers consumers reassurance. Traceability initiatives are emerging, such as the use of blockchain and the release of applications (the Yuka app scans and deciphers food labels for consumers, for example).

### 1.4.2.2 From demand to supply: the growth of organic produce

Seen as healthier, organic vegetables are now an integral part of the shopping habits of Europeans and Americans. In 2018, 19% of the vegetables sold in Europe were organic, compared with 13.5% in 2015.

The distribution networks for organic produce are growing: mass-market retailing is expanding its organic ranges, the number of organic stores is rising steadily, and organic produce is increasingly available online. While there are differences between regions globally, farms are gradually switching to organic farming. At the end of 2016, organic farms (certified and in the process of switching) accounted for more than 6.2% of European agricultural land and 1.1% of the world's total agricultural land<sup>(2)</sup>.

### 1.4.2.3 Major retailers turn to local producers

In addition to their health, consumers are considering the environmental impact of their food. The initial response has been a move towards shorter supply chains. This trend, initiated by small producers and social start-ups, has been taken up by the major players, notably by creating collection points for fruit and vegetable baskets in the form of lockers, a service that can be extended to businesses.

### 1.4.2.4 Growing awareness of the issue of food waste

One-third of the world's food production for human consumption is lost or wasted. This is equivalent to around 1.3 billion tonnes per year<sup>(3)</sup>. Of this food waste, 45% consists of fruit and vegetables. In recent years, several retailers have launched initiatives to tackle food waste, such as the sale of "imperfect" fruit and vegetables, on-site transformation of damaged fruit and vegetables into prepared dishes, and raising consumer awareness.

### 1.4.2.5 New ways to eat vegetables

Consumers are eager for solutions and recipes to help them eat more vegetables. Meal kits (salads, wraps) sold in stores and their delivery services are expanding. Online shopping is continuing to see strong growth. However, consumers still like to see and handle fresh produce. In-store availability thus remains an important factor for shoppers.

### 1.4.2.6 Outlook: the plant-based food market will continue to grow

The plant-based food market is expanding, and will continue to grow in the coming years. Two recently introduced segments demonstrate this: plant-based proteins and ready-to-eat prepared plant-based food. The global plant-based protein market, with average annual growth of 5.5%, is expected to reach 11 billion euros by 2020<sup>(4)</sup>. The global market segment of ready-to-eat prepared plant-based food is expected to grow by 25% per year until 2020<sup>(4)</sup>.

(1) OpinionWay study for Veeva, June 2018.

(2) Agence BIO with various European sources.

(3) Global food losses and food waste, FAO, 2012.

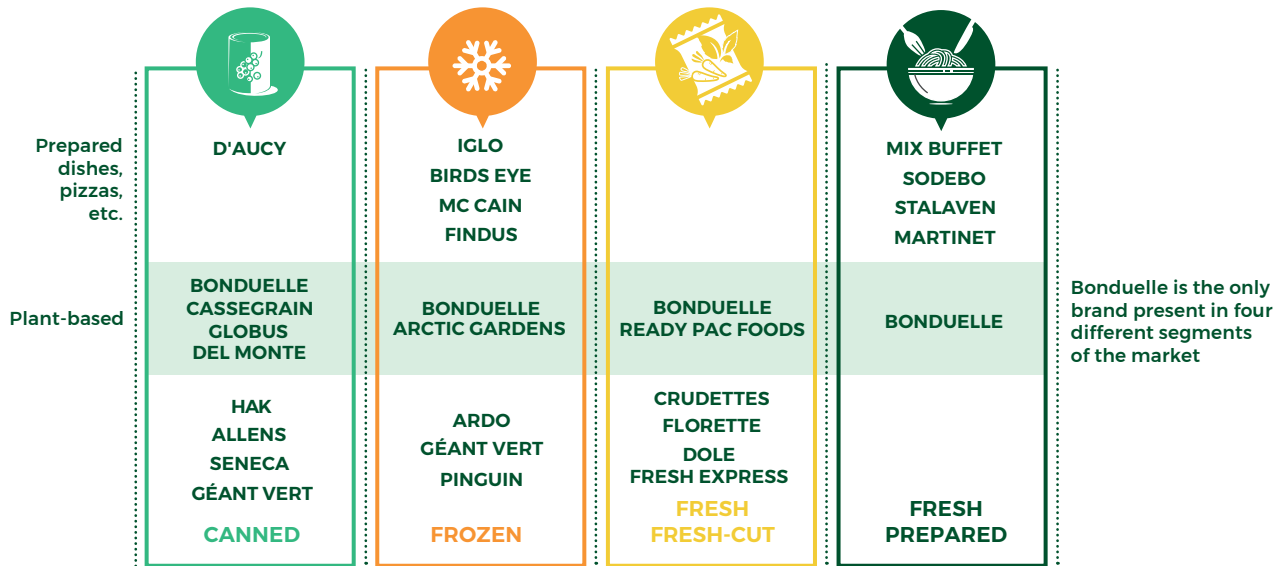
(4) "Dans l'alimentaire, le match végétal/animal ne fait que commencer", Xerfi study, 2018.



### 1.4.3 Bonduelle: the only pure player in the plant-based food market - GRI 102-2

With its four market segments - canned, frozen, fresh-cut ready to use and fresh ready-to-eat prepared vegetables - Bonduelle is the only brand present in four segments of the plant-based food market. Bonduelle also stands out for the added value and quality of its products.

This unique positioning is driven by the group's proximity to the farming sector, its multi-technology know-how and the VegeGo! ambition: to make the Bonduelle Group "the world reference in 'well-living' through plant-based food".



### 1.4.4 Risks and challenges

Bonduelle has a risk map (see Section 4.2 Risk factors) and a risk management policy (see Section 4.4 Internal control and risk management procedures). In 2018-2019, in response to the requirements of Law No. 2017-399 of March 27, 2017 on the duty of vigilance, the Bonduelle Group identified the CSR risks

and opportunities linked to the challenges of its materiality matrix, its group risk mapping and its business model. In accordance with the law, these are defined as the risks that threaten the Company and the risks that the Company poses to its stakeholders and the environment.

## 1.5 Group organization structure as of July 1, 2019

*GRI 102-4, 102-7, 102-10, 102-45*

The Bonduelle Group has a total of five business units, organized by region (Europe and Non-Europe):

- **Bonduelle Americas Long Life (BALL)** includes all canned and frozen plant-based food activities in North and South America, under the Bonduelle, Arctic Gardens and Del Monte brands, as well as private labels, in the mass-market retailing and food service channels;
- **Bonduelle Fresh Americas (BFA)** covers all fresh produce operations in North America (bowls, ready-to-mix salads, snacks, etc.) under the national brands Ready Pac Foods, Bistro, Ready Snax and elevAte, and for private labels in the mass-market retailing and food service channels;
- **Bonduelle Europe Long Life (BELL)** serves as an umbrella for all of the group's canned and frozen plant-based food activities in Europe, the national brands (Bonduelle and Cassegrain) and private labels in the mass-market retailing and food service channels;

- **Bonduelle Fresh Europe (BFE)** includes all the group's ready-to-use fresh vegetable activities (fresh-cut bagged salads and ready-to-eat prepared salads) in Europe, for the Bonduelle brand and private labels in the mass-market retailing and food service channels;
- **Bonduelle EurAsia Markets (BEAM)** brings together the group's activities and development in Eastern Europe, in particular, under the Bonduelle and Globus brands as well as private labels, in all segments and all distribution channels.

Several acquisitions have strengthened the group's production facilities and market positioning:

- July 2018: acquisition of the Del Monte processed fruit and vegetable business in Canada from Conagra Brands;
- February 2019: in the United States, acquisition of a packaging site located in Lebanon, Pennsylvania;
- June 2019: acquisition of a frozen vegetable production facility located in the Belgorod region of Russia.

### Bonduelle Prospective & Development division

The **Bonduelle Prospective & Development** division has the task of supporting the five business units and of identifying new areas of development; whether these are new regions, technical innovations, the exploration of new markets or new distribution channels. It acts as a scout, hunting out opportunities to secure the group's future and harnessing innovation as a lever for long-term growth.





Group organization structure as of July 1, 2019

## Organization structure

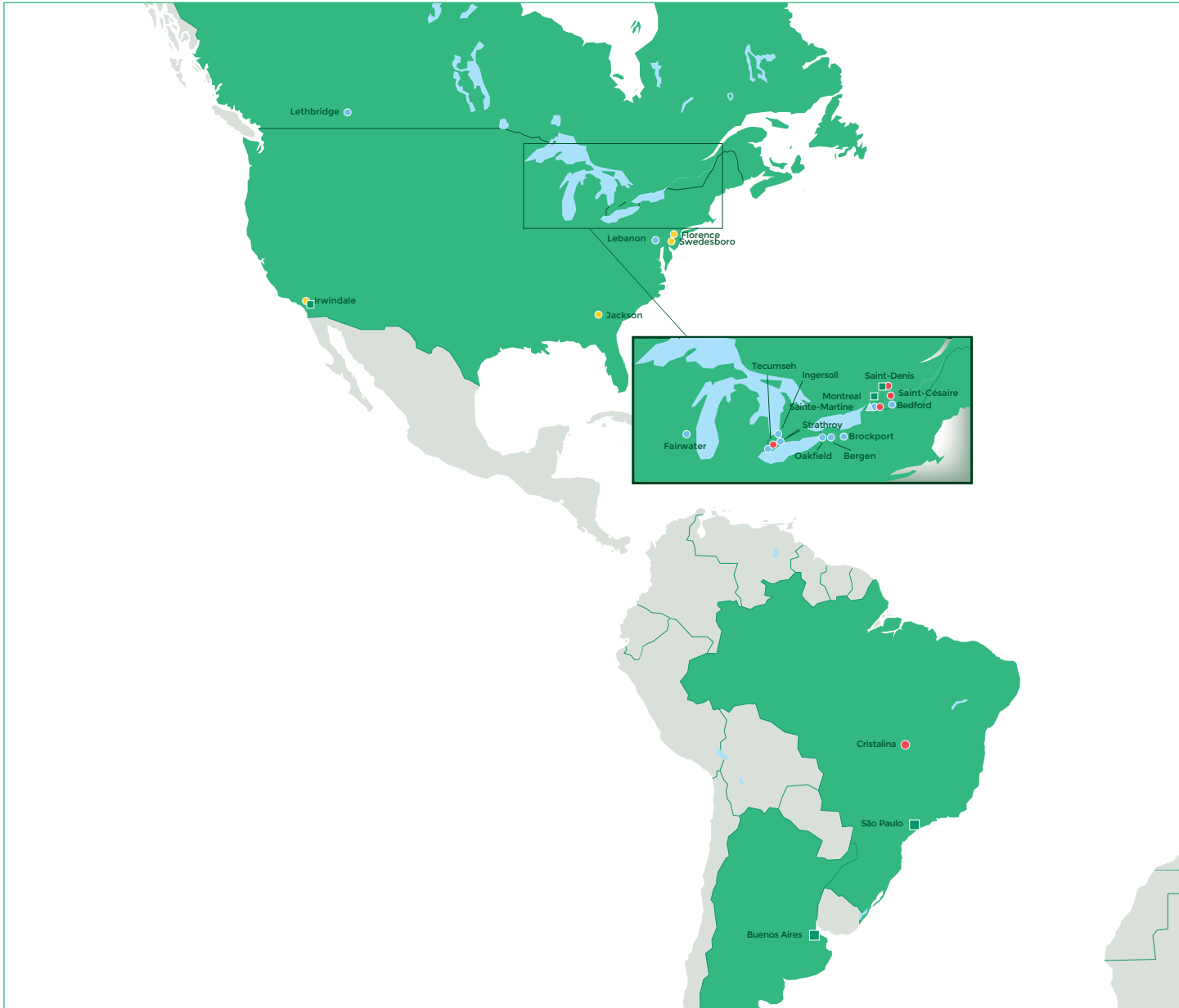
	BONDUELLE EUROPE LONG LIFE Canned and frozen	BONDUELLE FRESH EUROPE Fresh	BONDUELLE AMERICAS LONG LIFE Canned and frozen	BONDUELLE FRESH AMERICAS Fresh	BONDUELLE EURASIA MARKETS Canned and frozen
<b>AGRICULTURAL OWN-PRODUCTION FACILITIES</b>	<b>France</b> <ul style="list-style-type: none"> <li>• L'Île-Bouchard</li> <li>• Longué-Jumelles (La Tourte)</li> <li>• Loudun</li> <li>• Montoire</li> </ul>	<b>Spain</b> <ul style="list-style-type: none"> <li>• Torre-Pacheco</li> </ul>	<b>Canada</b> <ul style="list-style-type: none"> <li>• Sainte-Martine</li> </ul>		<b>Russia</b> <ul style="list-style-type: none"> <li>• Novotitarovskaya</li> <li>• Timashevsk</li> </ul>
<b>INDUSTRIAL PRODUCTION FACILITIES</b>	<b>France</b> <ul style="list-style-type: none"> <li>• Bordères</li> <li>• Doué-la-Fontaine <sup>(1)</sup></li> <li>• Estrées-Mons conserve</li> <li>• Estrées-Mons surgelé</li> <li>• Herm</li> <li>• Labenne</li> <li>• Renescure</li> <li>• Vaulx-Vraucourt</li> </ul> <b>Hungary</b> <ul style="list-style-type: none"> <li>• Békéscsaba</li> <li>• Nagykovács</li> <li>• Nyiregyhaza</li> </ul> <b>Poland</b> <ul style="list-style-type: none"> <li>• Gniewkowo</li> <li>• Ruchocice</li> </ul> <b>Portugal</b> <ul style="list-style-type: none"> <li>• Santarém</li> </ul>	<b>Germany</b> <ul style="list-style-type: none"> <li>• Reutlingen</li> <li>• Straelen</li> </ul> <b>France</b> <ul style="list-style-type: none"> <li>• Genas</li> <li>• Rosporden</li> <li>• Saint-Mihiel</li> <li>• St-Benoist-sur-Vanne</li> </ul> <b>Italy</b> <ul style="list-style-type: none"> <li>• Battipaglia <sup>(2)</sup></li> <li>• San Paolo d'Argon <sup>(2)</sup></li> </ul>	<b>Brazil</b> <ul style="list-style-type: none"> <li>• Cristalina</li> </ul> <b>Canada</b> <ul style="list-style-type: none"> <li>• Bedford</li> <li>• Ingersoll</li> <li>• Lethbridge</li> <li>• Saint-Césaire</li> <li>• Saint-Denis</li> <li>• Sainte-Martine</li> <li>• Strathroy</li> <li>• Tecumseh</li> </ul> <b>United States</b> <ul style="list-style-type: none"> <li>• Bergen</li> <li>• Brockport</li> <li>• Fairwater</li> <li>• Lebanon</li> <li>• Oakfield</li> </ul>	<b>United States</b> <ul style="list-style-type: none"> <li>• Florence</li> <li>• Irwindale</li> <li>• Jackson</li> <li>• Swedesboro</li> </ul>	<b>Russia</b> <ul style="list-style-type: none"> <li>• Novotitarovskaya</li> <li>• Shebekino</li> <li>• Timashevsk</li> </ul>
<b>LOGISTICS PLATFORMS</b>	<b>Belgium</b> <ul style="list-style-type: none"> <li>• Kortemark</li> </ul> <b>France</b> <ul style="list-style-type: none"> <li>• Flaucourt</li> <li>• Longué-Jumelles <sup>(1)</sup></li> <li>• Montreuil-Bellay <sup>(1)</sup></li> <li>• Rosières</li> </ul>				
	EUROPE ZONE		NON-EUROPE ZONE		

(1) In partnership with the France Champignon cooperative. (2) In partnership with OP OASI.



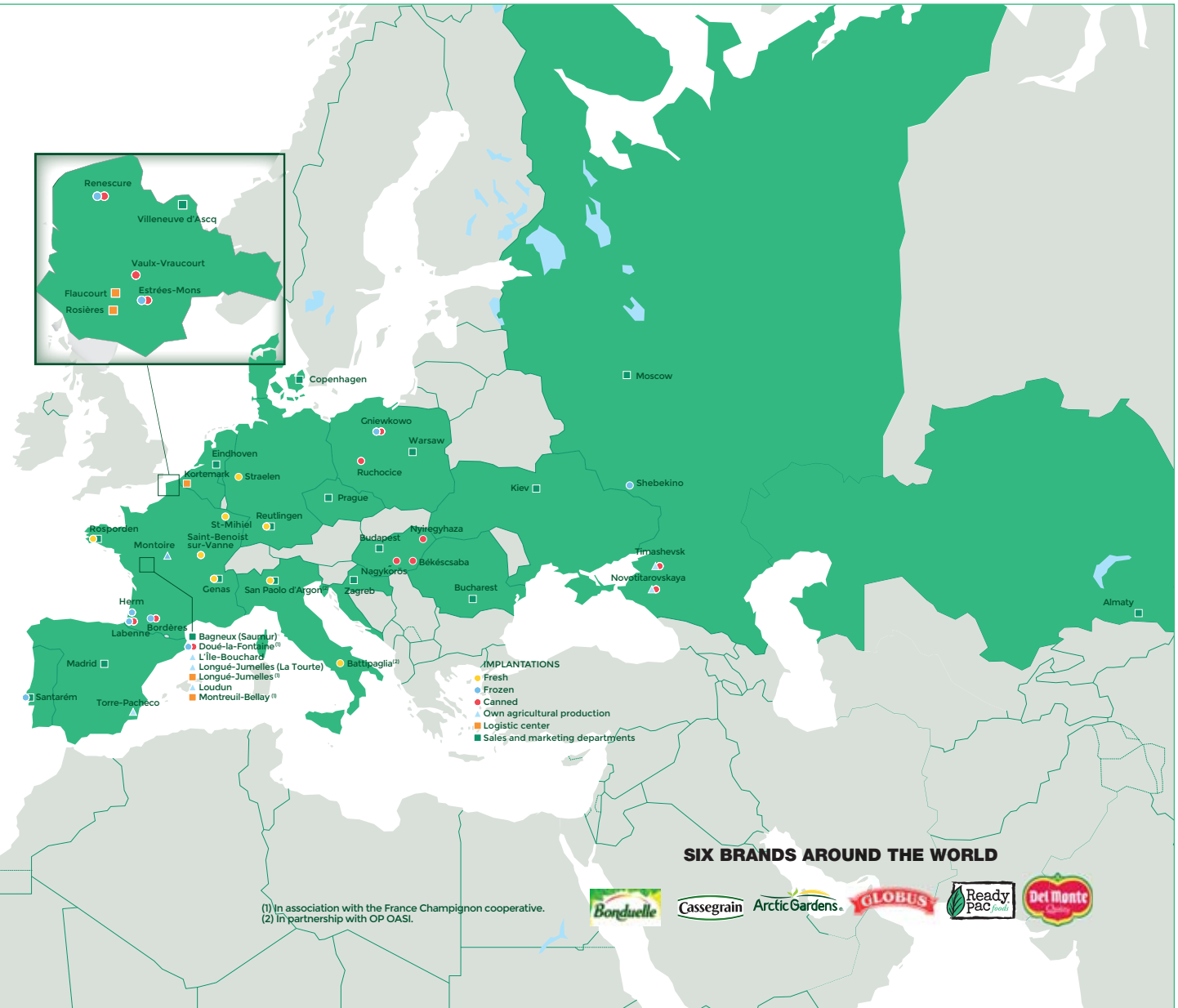
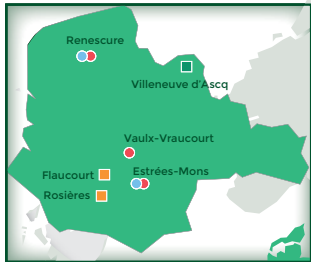
# 1.6 Bonduelle worldwide as of July 1, 2019

GRI 102-2, 102-4, 102-6





Bonduelle worldwide as of July 1, 2019



### ***Notice to the reader***

This chapter sets out the Bonduelle Corporate social responsibility (CSR) approach: the group's CSR policies, commitments, achievements and results. It is intended to provide a transparent report outlining the approach Bonduelle has designed to contribute to its corporate strategy. It also meets:

- the requirements resulting from order no. 2017-1180 of July 19, 2017 and decree no. 2017-1265 of August 9, 2017 which brought in the non-financial performance statement, specifically referred to in Articles L. 225-102-1 and R. 225-105 et seq. of the French Commercial Code (see 2.1);
- the requirements of law no. 2017-399 of March 27, 2017 on the Duty of vigilance (see 2.3);
- the expectations of all of the group's stakeholders.



# Corporate social responsibility



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FOR MORE INFORMATION,  
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BONDUELLE.COM

Items of the Annual Financial Report are identified in the contents using the AFR symbol



## 2.1 Bonduelle Group key figures



Business established in  
**1853**



More than **500**  
varieties of vegetable grown.



**56**  
sites around the world



**3,100**  
farmer partners.



Revenue  
**2,777** million euros



Share of alternative energy  
in the group's energy mix:  
**9.8%**



Net income  
**73** million euros



**50%**  
recycled materials  
in packaging in Europe



**14,589**  
full-time equivalent employees



**207**  
projects supported  
by the Louis Bonduelle Foundation



Almost  
**120,000**  
hectares cultivated around the world



## 2.2 The Bonduelle Group and Corporate social responsibility

### 2.2.1 CSR: using Bonduelle’s agro-industrial model to accelerate the agro-ecological transition

#### 2.2.1.1 Editorial - GRI 102-10, 102-14

*“The climate emergency and the need for a more circular economy that has a smaller environmental impact mean that collectively we face major responsibilities. Bonduelle, as a corporate citizen and agro-industrial player, wants to play a proactive part.*

*The group’s agro-industrial model legitimizes it on this path. For decades now, Bonduelle has chosen to base its vegetable supplies on close partnerships with 3,100 farmers. These partnerships enable it to conduct its agro-ecological transition by testing and developing alternative farming practices, specifically designed to protect soil life, the only way to ensure its resilience in the face of the changes to come. In 2018-2019, Bonduelle confirmed this longstanding, committed approach by launching three salad products and one sweet corn product with no pesticides residue.*

*In 2018, Bonduelle set about bringing a new dimension to its CSR commitments, by beginning the B Corp certification process. Its target is to cover 100% of revenue within by 2025. This is a holistic approach focused on continued improvement and is extremely exacting, but crucially very inspiring for the group’s employees.*

*In 2018, a new Steering Committee focused on six priority topics redefined tangible targets for each pillar of its CSR approach: climate change, relationships with farmers, packaging, accessibility and sustainable food, employees and B Corp. certification 2019-2020 will focus on monitoring the action plans.*

*All of these approaches are part of Bonduelle’s plan to be better for the world, not the best in the world.”*

**Anne-Sophie Fontaine**, Head of CSR and external communications.

#### 2.2.1.2 An approach that focuses on five macro-objectives - GRI 102-14, 103-1, 102-46, 102-10

Bonduelle is a family-owned company established in 1853 that produces ready-to-use and ready-to-eat vegetables. It has a commercial presence in over 100 countries and operates or owns 56 agro-industrial production sites. Its growth is based on two fundamental pillars: respect for nature - essential for a group whose business activity is directly linked to the land every single day - and its drive to place humans at the heart of a long-term corporate strategy. This project aims to offer the best that nature can provide, guided by ethical principles formulated by seven generations of Shareholders.

Bonduelle has been a pioneer in these crucial areas of sustainability and CSR; this spirit is reflected in the targets set by the group’s family Shareholders: sustainability, independence and the individual development of our employees. Since 1996, the group has also had an agronomic sourcing charter in place with its producer partners to ensure

optimum production conditions and the best product quality, while protecting the land.

With the intention of responding even better to society’s expectations while formalizing its approach, the Bonduelle Group decided in 2002-2003 to step up its CSR actions by setting up a dedicated Steering Committee.

*“We have two objectives in our DNA, as family Shareholders: respect for the natural environment and a desire to put People at the heart of what we do. These fundamentals are behind our ambition for 2025, announced in 2012: to be “the world reference in ‘well-living’ through plant-based food”. We have now committed to a B Corp certification approach, which ensures continued improvement of our business model to make a better future through plant-based food.”*

**Guillaume Debrosse**, Bonduelle Group Chief Executive Officer



### Bonduelle awarded the Global Compact 2019 award for best communications

Global Compact France, a United Nations initiative to encourage and support companies in their social responsibility endeavors, placed Bonduelle's Communication on Progress (COP) in the GC Advanced category.

The jury commended the clarity, informative nature and transparency of the group's Communication. It was

particularly impressed by the use of environmental criteria in investment decisions, the agronomic sourcing charter and information on the deployment of an ethics culture.

As an opportunity for further improvement, the Global Compact recommends that the group prepares a cross-reference table with the 10 principles and the 21 criteria of the Global Compact.

### Bonduelle runner up in the "European Business Awards for the Environment" (EBAE)

Bonduelle was one of five European finalists for its CSR reporting at the EBAE. This award celebrates companies at the forefront of eco-innovation or that have positioned respect for the environment at the very core of their business principles.

In 2012, Bonduelle launched VegeGo! a visionary and collaborative corporate strategy driving the group's aim to be "the world reference in 'well-living' through plant-based food" by 2025 (details of VegeGo! appear in Chapter 1 of the 2018-2019 universal registration document). Designed to underpin the group's corporate project and global strategy, Bonduelle's CSR approach has been re-defined as five simple, and communicable, macro-objectives to be achieved by 2025, which can be monitored on a quarterly basis by the CSR Steering Committee and annually by the Group Management Committee (GMC).

#### 1. Caring, with our farmer partners, for cultivated land

The aim is for an appropriate combination of alternative cultivation techniques to be used for all land cultivated for Bonduelle, to ensure<sup>(1)</sup> that progress is made in each of the five agronomy CSR focus areas.

#### 2. Reducing environmental impacts from field to plate

Environmental protection is a major target, to be achieved by measuring natural resource consumption and implementing overall plans to manage greenhouse gas emissions (GHC), biodiversity and water resources across all of the group's operations. Transport flows and related actions to reduce CO<sub>2</sub> emissions are also subject to annual assessment. Bonduelle aims for zero loss of natural resources, through saving and recycling. Its aim is to cut its greenhouse gas emissions by 20% by 2035 and for all of its packaging to be recyclable or reusable by 2025.

#### 3. Encouraging people to eat healthy and sustainable food

The group is committed to healthy, sustainable food by ensuring the traceability of vegetables, and the quality and composition of its recipes. The Company is innovating and increasing access to vegetables through products and services. Since 2004, Bonduelle has been committed to achieving long-lasting improvements in eating habits via the Louis Bonduelle Foundation. Its aim is for all of the group's brands to be developed with a positive impact and to spread the word about the work of the Louis Bonduelle Foundation in the countries in which Bonduelle operates.

#### 4. Ensuring the "well-living" of employees and local communities

The group has a dual objective: on the one hand, to achieve zero workplace accidents for all group employees and, on the other, for all sites to be involved in at least one local-community project, to promote employee engagement and embed its sites in their local communities.

#### 5. Encouraging all employees to be part of the CSR strategy

The 5<sup>th</sup> macro-objective of the Bonduelle Group's CSR approach, "All actors", aims to involve all employees in Bonduelle's transformation into a more responsible business. In 2016-2017, the group launched the #Demain chez Bonduelle ! (The future at Bonduelle) program, open to all employees. The program provides support and training for employees with a sustainable development idea or project. In 2018-2019, Bonduelle continued the targeted

(1) Defined by Bonduelle as: alternative cultivation techniques to conventional agricultural practices, which advance the agro-ecological transition. The alternative cultivation techniques chosen by Bonduelle to produce its vegetables are those which progress at least one of the five CSR focuses of the agronomic strategy.



mobilization of its plants with four new sites in France (Saint-Benoist-sur-Vanne, Vaulx-Vraucourt, Estrées-Mons and Bordères), where awareness days and new project activation days took place. In total, 900 people received training in 2018-2019, bringing the total number of people trained in the group since the project launch to 1,300 (10% of group employees). Projects focused on areas such as protecting biodiversity, promoting well-being, the pursuit of zero waste, etc. A pilot test to measure the impact of the #Demain chez Bonduelle ! program conducted at the Labenne (France) plant saw encouraging results: 30% of the site's employees were involved in one or more CSR projects, and 70% of employees said that they understood CSR and how to be involved in it. In the coming years, Bonduelle intends to update its method for running the program so that it can be increasingly adapted to the plants and made easier to replicate. As of 2019-2020, Bonduelle plans to implement it outside France and wants all of its plants to soon be involved. Employee commitment to the CSR approach should enable Bonduelle to attain its objective: for the entire group to be B Corp certified by 2025.

These five macro-objectives have been set based on the group's materiality matrix (see 2.2.1.5 Materiality Matrix). The first four macro-objectives punctuate this chapter. The fifth is illustrated by the initiatives throughout this report. All of these are shared by the Bonduelle Group's five business units. - GRI 103-1.

### 2.2.1.3 Structure of the CSR approach in the group's business units

The inclusion of Ready Pac Foods in the group's CSR approach, which began in 2017-2018, continued in 2018-2019. The Bonduelle Fresh Americas (BFA) business unit has structured its approach to applying the group's CSR policy through a materiality matrix, and is working to set its targets for 2025. The policies and measures implemented by the group to manage these CSR risks and challenges also include BFA. The list of indicators for which BFA data are consolidated in the group's reporting has grown; this consolidation will continue and be completed in the years to come. The indicators in the report include BFA, with the exception of those listed in the methodology note (see 2.9.3.2 Inclusion of the BFA business unit).

*"The work done on our CSR strategy complements the progress made in the field of energy (see box about the Irwindale (US) site in 2.5.2.3 Zero energy loss for the industrial activity), transport optimization and involvement in our local communities."*











**Mathew R. Caldwell** - Senior Manager of Corporate Social Responsibility, BFA

The Bonduelle Americas Long Life (BALL) business unit has also stepped up its CSR approach by including this in its mission, with a view to achieving B Corp certification. Other progress includes the design of products without pesticides residue, the design and roll-out of an initiative aimed at improving the well-being of all employees, and measuring employee mobilization in real time.



**2.2.1.4 Dashboard of the Bonduelle Group’s CSR approach – GRI 103-2, 102-46, 102-47, 102-48**

The table below shows all the macro-objectives and the indicators used to monitor them. A five-year history is included in 2.9.7 Results of all indicators, where available.

Macro-objectives	Target for 2025*	2018-2019 progress	SDG
1. Caring, with our farmer partners, for cultivated land	An appropriate combination of alternative cultivation techniques is used for all surface areas cultivated for Bonduelle, to ensure that progress is made in each of the five agronomy CSR focus areas	<ul style="list-style-type: none"> <li>• 44% of surface areas use mechanical weeding</li> <li>• 44% of surface areas restrict the use of fertilization (monitoring of nitrogen residues)</li> <li>• 35% of surface areas irrigated using irrigation management (water balance or sensors)</li> <li>• 35% of surface areas use plant cover (before vegetables)</li> <li>• 46% of surface areas use soil conservation techniques (direct seed planting, strip-till, etc.)</li> </ul> <p>Data excluding the BFA business unit for 2018-2019. Monitoring indicators for the penetration rate of other alternative cultivation techniques and the consolidated indicator for monitoring the target macro-objective are under construction.</p>	   
2. Reducing environmental impacts from field to plate	<ul style="list-style-type: none"> <li>• 20% reduction in greenhouse gas emissions from Bonduelle’s operations by 2035 (based on 2018-2019 emissions)</li> <li>• 100% of packaging recyclable or reusable</li> </ul>	<ul style="list-style-type: none"> <li>• First evaluation in 2019-2020</li> <li>• First evaluation in 2019-2020</li> </ul>	   
3. Encouraging people to eat healthy and sustainable food	<ul style="list-style-type: none"> <li>• 100% of group brands with a positive impact</li> <li>• Spread the word about the work of the Louis Bonduelle Foundation in the countries in which Bonduelle operates</li> </ul>	<ul style="list-style-type: none"> <li>• Indicator under construction</li> <li>• The Louis Bonduelle Foundation operates in seven countries</li> </ul>	
4. Ensuring the “well-living” of employees and local communities	<ul style="list-style-type: none"> <li>• Zero workplace accidents</li> <li>• 100% of sites have developed projects in association with their local communities</li> </ul>	<ul style="list-style-type: none"> <li>• Frequency of work-related accidents is 6.37</li> <li>• 49% of sites have developed projects in association with their local communities</li> </ul>	
5. Encouraging all employees to be actors in the CSR strategy	100% of the group B Corp-certified	<ul style="list-style-type: none"> <li>• First evaluation of the group conducted using the B Corp questionnaire</li> <li>• 10% of group employees made aware of CSR issues</li> </ul>	

\* With the exception of the greenhouse gas emissions target reduction.





### 2.2.1.5 Materiality Matrix - GRI 103-1, 102-40, 102-4, 102-46, 102-47, 102-42

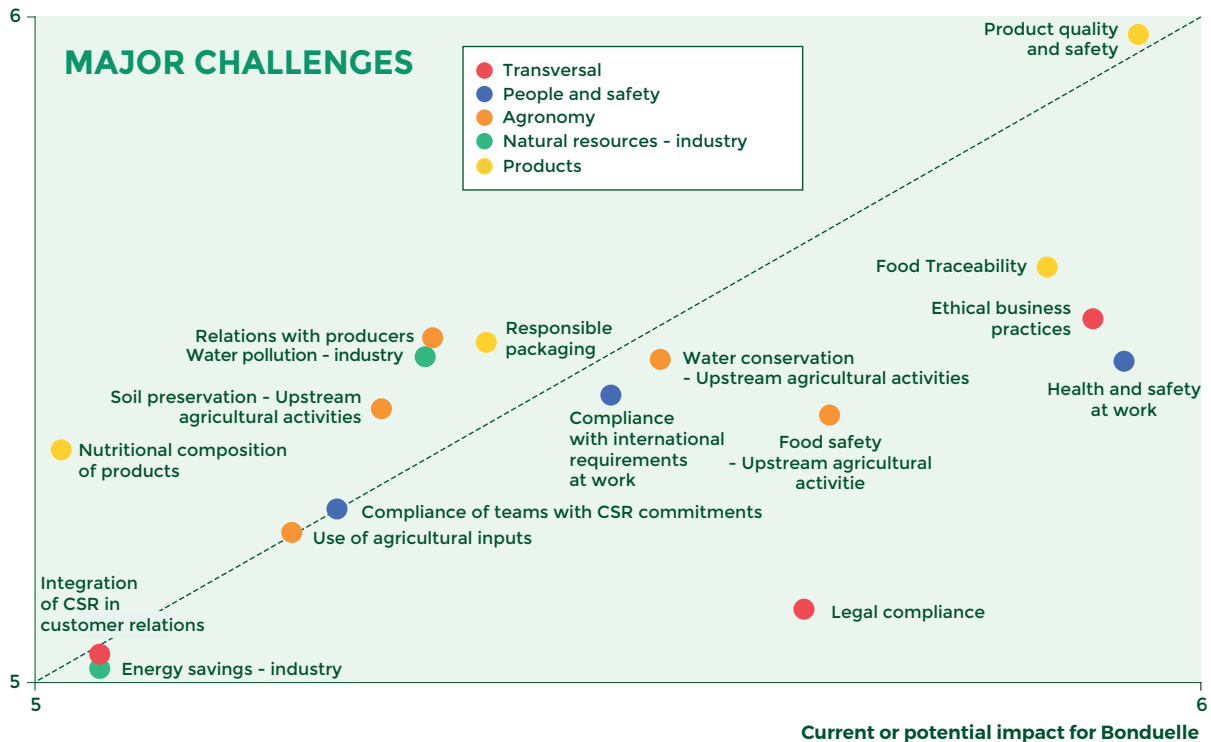
In 2014-2015, the Bonduelle Group began a materiality analysis approach in conjunction with its stakeholders; the method used is outlined in 2.10.3 Materiality matrix. The materiality analysis identified, among Bonduelle's 51 CSR challenges, 17 major challenges shared by the group and its stakeholders. These challenges are an integral part of the Company's CSR strategy and apply to the entire Bonduelle Group, which works with its ecosystem, and particularly its farmer partners, to address these challenges. Their inclusion in Bonduelle's CSR strategy is detailed in Section 2.10.3. Materiality Matrix.

The materiality matrix for the operations of the BFA business unit was produced in 2018-2019. The results did not necessitate an overhaul of the group matrix, as most of BFA's

material challenges are also material for the Bonduelle Group or already taken into account in a continual improvement policy. However, some modifications have been made to the group matrix; the material challenges for the Bonduelle Group, including those of BFA, have been moved higher up the group matrix: product quality and safety, ethical business practices, water preservation - upstream agricultural practices, water pollution - industry, responsible packaging and team involvement in CSR commitments. Some material challenges for BFA will be added to the challenges evaluated by Bonduelle and its stakeholders when redesigning the group matrix: stakeholder dialog, diversity, responsible sourcing, suppliers' environmental and social impacts, waste - industry and compensation and benefits.

### Bonduelle Group materiality matrix

Importance for external stakeholders





## 2.2.1.6 Procedure for dialog with stakeholders – GRI 102-40, 102-42, 102-43, 102-44

Bonduelle implements a dialog policy, structured around regular discussions and strategic meetings, both internally with its employees and social partners and externally with farmers, suppliers, consumers, national and local public institutions, etc. Bonduelle wants to construct and develop action plans that meet its stakeholders' expectations.

The table below lists the stakeholders which the Bonduelle Group has relationships with in all the various spheres of its environment. The methods used to consult or inform stakeholders, or to enter into dialog with them, are listed for each category of stakeholder, as well as any agreements, partnerships or collaborations that have been set up.

An overhaul of the format for meetings with stakeholders scheduled for 2018-2019 will take place in 2019-2020, to give the meetings a more international dimension, deepen knowledge on CSR risks and challenge the group's targets and the measures implemented as a result.

The External Relations Officer develops communications with all types of stakeholders: trade federations; institutions; European, national and international regulatory bodies and agencies; NGOs; ratings agencies; local communities; the media; and educational and research institutions.

Stakeholders	Information Communication	Dialog Consultation	Agreement - Partnership Collaboration
<b>SOCIAL SPHERE</b>			
Employees/social partners <i>Questionnaire</i>	<ul style="list-style-type: none"> <li>• Web-based communication tools (intranet, company social network)</li> <li>• Brochures and reports</li> <li>• Dynamic display at all Bonduelle sites</li> </ul>	<ul style="list-style-type: none"> <li>• Dialog with employees, employee representatives and trade unions</li> <li>• European Works Council – at least one meeting per year</li> <li>• Measure real-time team engagement and satisfaction in the BALL business unit using the Office vibe tool</li> <li>• Internal "Climate" survey – every two years (see 2.7.4.4)</li> </ul>	<ul style="list-style-type: none"> <li>• Collective agreements with employee representatives and trade unions</li> </ul>
<b>ECONOMIC SPHERE</b>			
Customers <i>Questionnaire</i> <i>Discussion meeting</i>	<ul style="list-style-type: none"> <li>• CSR report containing the non-financial performance statement in the universal registration document</li> <li>• Specific questionnaires</li> </ul>	<ul style="list-style-type: none"> <li>• Annual responses to CSR questionnaires and audits of key customers</li> <li>• Biennial European study on the main mass-market retail customers of Bonduelle canned and frozen products</li> </ul>	<ul style="list-style-type: none"> <li>• Specific working meetings on CSR issues (farming practices, product origins, etc.)</li> </ul>

(1) AIM: Association des industries de marque (European Brands Association).

Legend: Text in green: means of contributing to the Bonduelle materiality matrix.



Stakeholders	Information Communication	Dialog Consultation	Agreement - Partnership Collaboration
<p>Citizens/Consumers Questionnaire Discussion meeting</p>	<ul style="list-style-type: none"> <li>• Communication on product packaging</li> <li>• Communication media, including social networks and dedicated country-specific websites</li> <li>• Social networks and websites: <a href="http://www.developpementdurable.bonduelle.com">www.developpementdurable.bonduelle.com</a> or <a href="http://www.sustainability.bonduelle.com">www.sustainability.bonduelle.com</a></li> <li>• Brochures and reports</li> <li>• Specific events</li> <li>• Communication campaigns organized by trade associations of which Bonduelle is a member</li> </ul>	<ul style="list-style-type: none"> <li>• Dedicated Consumer Relations Department in all countries</li> <li>• Consultation with consumer panels - on average, one study is carried out in the group every month</li> <li>• Awareness-raising initiatives by the Louis Bonduelle Foundation</li> </ul>	
<p>Farmers under contract with Bonduelle Questionnaire</p>	<ul style="list-style-type: none"> <li>• Brochures and reports</li> <li>• Specific events, such as plant visits</li> <li>• Social networks and websites: <a href="http://www.developpementdurable.bonduelle.com">www.developpementdurable.bonduelle.com</a> or <a href="http://www.sustainability.bonduelle.com">www.sustainability.bonduelle.com</a></li> </ul>	<ul style="list-style-type: none"> <li>• Daily consultation during harvest periods between farmers and Bonduelle experts</li> <li>• Plenary meetings and individual exchanges outside harvest periods</li> </ul>	<ul style="list-style-type: none"> <li>• Agronomic sourcing charter</li> <li>• Shared preparation and presence on the Bonduelle stand at the <i>Salon international de l'agriculture</i> (International Agricultural Fair) in Paris - once a year</li> </ul>
<p>Suppliers Questionnaire Discussion meeting</p>	<ul style="list-style-type: none"> <li>• Brochures and reports</li> <li>• Social networks and websites: <a href="http://www.developpementdurable.bonduelle.com">www.developpementdurable.bonduelle.com</a> or <a href="http://www.sustainability.bonduelle.com">www.sustainability.bonduelle.com</a></li> </ul>	<ul style="list-style-type: none"> <li>• Evaluation and quality audit on suppliers of finished products and ingredients</li> <li>• CSR support and external evaluation by EcoVadis (global responsible purchasing)</li> </ul>	
<b>FINANCIAL SPHERE</b>			
<p>Ratings agencies Questionnaire Discussion meeting</p>	<ul style="list-style-type: none"> <li>• Social networks and websites: <a href="http://www.developpementdurable.bonduelle.com">www.developpementdurable.bonduelle.com</a> or <a href="http://www.sustainability.bonduelle.com">www.sustainability.bonduelle.com</a></li> <li>• Corporate social responsibility report in the universal registration document</li> <li>• Specific questionnaires</li> </ul>	<ul style="list-style-type: none"> <li>• Responses to questionnaires/<i>ad hoc</i> queries - once a year</li> </ul>	<p>The Bonduelle Group has been listed on the Gaïa index, a listing of the best midcaps in terms of sustainable development, since 2009</p>
<p>Investors Questionnaire Discussion meeting</p>	<ul style="list-style-type: none"> <li>• Quarterly financial information</li> <li>• Annual and interim financial results</li> <li>• Corporate social responsibility annual report included in the universal registration document</li> <li>• Shareholder newsletter - once a year</li> </ul>	<ul style="list-style-type: none"> <li>• Financial events/analyst meetings/investor meetings - at least twice a year</li> <li>• Specific meetings (Socially Responsible Investment funds) - at least twice a year and individual meetings upon request</li> <li>• Specific events, including the Shareholders' Meeting and plant visits</li> </ul>	

(1) AIM: Association des industries de marque (European Brands Association).  
Legend: Text in green: means of contributing to the Bonduelle materiality matrix.

## 2 CORPORATE SOCIAL RESPONSIBILITY

The Bonduelle Group and Corporate social responsibility

Stakeholders	Information Communication	Dialog Consultation	Agreement - Partnership Collaboration
<b>SOCIETAL SPHERE</b>			
National, European and international regulatory bodies and agencies <i>Questionnaire</i> <i>Discussion meeting</i>	<ul style="list-style-type: none"> <li>Social networks and websites: <a href="http://www.developpementdurable.bonduelle.com">www.developpementdurable.bonduelle.com</a> or <a href="http://www.sustainability.bonduelle.com">www.sustainability.bonduelle.com</a></li> <li>CSR report containing the non-financial performance statement in the universal registration document</li> </ul>	<ul style="list-style-type: none"> <li>Specific meetings and individual interviews on request</li> <li>This report has been prepared in accordance with the GRI Standards: Core option (see Section 2.11 - Cross-reference table of the Corporate social responsibility report with Global Reporting Initiative (GRI) Standards Content Index)</li> </ul>	<ul style="list-style-type: none"> <li>Bonduelle is classed as GC Advanced level by the UN Global Compact</li> </ul>
NGOs <i>Questionnaire</i> <i>Discussion meeting</i>	<ul style="list-style-type: none"> <li>Social networks and websites: <a href="http://www.developpementdurable.bonduelle.com">www.developpementdurable.bonduelle.com</a> or <a href="http://www.sustainability.bonduelle.com">www.sustainability.bonduelle.com</a></li> <li>CSR report containing the non-financial performance statement in the universal registration document</li> </ul>	<ul style="list-style-type: none"> <li>Replies to questions</li> <li>Participation by environmental and community associations in stakeholder sessions - once a year</li> </ul>	
Local communities	<ul style="list-style-type: none"> <li>Brochures and reports</li> <li>Specific events</li> <li>Dedicated country-specific websites and social networks</li> </ul>	<ul style="list-style-type: none"> <li>Dialog with local communities - upon request</li> </ul>	<ul style="list-style-type: none"> <li>Calls to international projects conducted by the Louis Bonduelle Foundation - once a year</li> <li>Participation by Bonduelle in the local life of its sites</li> </ul>
Media <i>Questionnaire</i> <i>Discussion meeting</i>	<ul style="list-style-type: none"> <li>Press releases and/or files - at least once a year</li> <li>Social networks and websites: <a href="http://www.developpementdurable.bonduelle.com">www.developpementdurable.bonduelle.com</a> or <a href="http://www.sustainability.bonduelle.com">www.sustainability.bonduelle.com</a></li> <li>Specific events</li> </ul>	<ul style="list-style-type: none"> <li>Invitation to the local press to visit one of Bonduelle's sites around the world - once a year on average</li> </ul>	
Trade federations <i>Questionnaire</i> <i>Discussion meeting</i>	<ul style="list-style-type: none"> <li>Several Bonduelle employees participate in the work of professional bodies (list at 2.2.2.2 Participation in industry think tanks) as members of commissions, directors or chairing them - meetings at least twice a year</li> </ul>		<ul style="list-style-type: none"> <li>Bonduelle is a signatory to the European Brands Association (AIM<sup>(1)</sup>) charter on "Brands for health and well-being")</li> </ul>

(1) AIM: Association des industries de marque (European Brands Association).

Legend: Text in green: means of contributing to the Bonduelle materiality matrix.





Stakeholders	Information Communication	Dialog Consultation	Agreement - Partnership Collaboration
<b>Education and research</b> <i>Questionnaire</i> <i>Discussion meeting</i>	<ul style="list-style-type: none"> <li>Initiatives in schools close to headquarters, subsidiaries and sites</li> <li>Social networks and websites: <a href="http://www.developpementdurable.bonduelle.com">www.developpementdurable.bonduelle.com</a> or <a href="http://www.sustainability.bonduelle.com">www.sustainability.bonduelle.com</a></li> </ul>	<ul style="list-style-type: none"> <li>Trainee and apprenticeship programs</li> <li>Partnerships and studies</li> </ul>	<ul style="list-style-type: none"> <li>Louis Bonduelle international research prize - once a year</li> </ul>
<b>CSR Experts</b> <i>Questionnaire</i> <i>Discussion meeting</i>	<ul style="list-style-type: none"> <li>Social networks and websites: <a href="http://www.developpementdurable.bonduelle.com">www.developpementdurable.bonduelle.com</a> or <a href="http://www.sustainability.bonduelle.com">www.sustainability.bonduelle.com</a></li> <li>Corporate social responsibility report included in the universal registration document</li> </ul>	<ul style="list-style-type: none"> <li>Responses to questionnaires - once a year</li> <li>Presentations and discussions at events such as the World Forum for a Responsible Economy - once a year</li> </ul>	

(1) AIM: Association des industries de marque (European Brands Association).  
 Legend: Text in green: means of contributing to the Bonduelle materiality matrix.

## 2.2.2 General guidelines - GRI 103-2, 103-3

### 2.2.2.1 CSR governance - GRI 103-3

The Head of CSR sits on the Group Management Committee (GMC)<sup>(1)</sup>, to which it presents the CSR strategy each year for validation, on the proposal of the CSR Steering Committee.

The composition and operation of the Bonduelle CSR Steering Committee meet the needs of the Company. In 2018-2019, it concentrated on six priority themes directly connected to the group's five CSR objectives: packaging, climate change, accessibility to food and sustainable food, employees, relations with farmer partners and B Corp certification. The CSR Committee concentrated on defining ambitious, measurable targets by 2025 for each pillar. In drafting this roadmap, the Bonduelle Group's ambition is to maximize its medium and long-term positive impact. In 2019-2020, there will be a focus on drawing up detailed action plans and the corresponding monitoring mechanisms.

The composition of the Group Management Committee is presented in Chapter 3 of the 2018-2019 universal registration document.

### 2.2.2.2 Participation in industry think tanks - GRI 102-13, 102-42, 103-2

As a key player in its field, Bonduelle plays an active role within professional bodies so that it can contribute its business and

industrial expertise and assert its interests and those of its counterparts, by providing a link between trade associations and federations and the government bodies of the countries in which the group operates.

The 100 group employees involved in the professional bodies have continued their commitments in both technical and political areas to defend their interests and those of consumers, customers, suppliers and farmer partners. Bonduelle employees also answer industry representatives' questions, with the aim of ensuring that regulations are applied in fields such as sourcing of agricultural raw materials, industrial production and consumer protection.

The Bonduelle Group does not seek the support of external professionals to represent its interests and did not fund any political party in 2018-2019.

In 2018-2019, the Bonduelle Group was a member of around 80 professional bodies worldwide and company representatives held roles as Chairman, Vice Chairman or director, in the following organizations:

- in France: FIAC (French federation of canned food industries), CTCPA (Technical agro-food center), UNILET (National interprofessional processed vegetables union), ANIA (National association of food industries), ADEPALE (Association of prepared food product companies), ANIFELT (National interprofessional processed fruit and vegetables association), SYNAFAP (Trade union of manufacturers of fresh ready-to-eat prepared products);
- in Spain: PROMARCA (association combining most large-brand manufacturers of food products, beverages, pharmacies and perfumeries);

(1) The Group Management Committee is presented in part 3.1.4 of the universal registration document.

- in Poland: *Krajowe Stowarzyszenie Przetwórców Owoców i Warzyw* (National association for the fruit and vegetable industry);
- in Europe: PROFEL: (European association of fruit and vegetable processing industries);
- in Italy: AIIPA - *Gruppo "Prodotti Ortofrutticoli di IV Gamma"* - (Italian Food Products Industry Association - Italy - specifically the group of fresh, washed, packaged and ready-to-eat fruit and vegetable companies within the Association);
- in Hungary: Association of food canning companies;
- in Canada: FBC (Food & Beverage Canada), CTAQ (Quebec food processing council), AFFI (American Frozen Food Institute);
- in the United States: United Fresh (United Fresh Produce Association).

### 2.2.2.3 Transparency requirements – GRI 101-3

In line with its commitments and to ensure that its CSR information is accessible to all of its stakeholders, Bonduelle is making its CSR report, taken from chapter 2 of the universal registration document, available on several web platforms ([bonduelle.com](http://bonduelle.com), [unglobalcompact.org](http://unglobalcompact.org) and [corporateregister.com](http://corporateregister.com)) and reports back to stakeholders on its work (see 2.2.1.6 Procedures for dialog with stakeholders) at specific meetings.

The Bonduelle CSR report for the 2017-2018 fiscal year, which took the place of a "Communication on progress" (COP)

required of the group under its commitment to the United Nations Global Compact, won an award in the Global Compact Advanced category in June 2019 (see page 24).

Bonduelle's CSR reporting was also nominated for the "European Business Awards for the Environment". Rewarded, initially in 2017 at the *Grand Prix du reporting environnemental* organized by the French Ministry for the Environmental Transition, the group's CSR report has this time been nominated for the European Commission award.

For internal stakeholders, the annual collection of CSR data at group level is a way of identifying areas for improvement. Reporting of this data can be accessed by all the group's sites. This makes it possible to share data and monitor performance.

Bonduelle also shares its CSR information with various renowned expert bodies. Since 2012, the Bonduelle Group has submitted certain of its CSR reporting indicators for auditing by an independent third party, in this instance, Deloitte. Furthermore, in 2012, Bonduelle also attained application level B+ from the Global Reporting Initiative (GRI). This report has been prepared in accordance with the GRI standards: Core option (see Section 2.11 - Cross-reference table of the Corporate social responsibility report with Global Reporting Initiative (GRI) Standards Content Index (GRI 101-3, 102-54). Bonduelle has also been part of the Gaïa index, a sustainable development ranking of French midcaps, since 2009. The Company scored an overall rating of 77% and was ranked in 32<sup>nd</sup> place out of the 85 companies with revenue in excess of 500 million euros (results published in October 2018). Finally, for its commitment to the United Nations Global Compact, Bonduelle achieved GC Advanced level from the UN Global Compact.



## 2.3 Non-financial performance statement (NFPS)

### Table cross-referencing NFPS items

The group's business model is presented in Sections 1.3 To be "the world reference in 'well-living' through plant-based food", 1.4.3 Bonduelle: the only pure player in the plant-based food market, 1.5 Group organization structure as of July 1, 2019 and 1.6 Bonduelle worldwide as of July 1, 2019.

The main social and environmental risks associated with the Company's business, as well as the method used to identify and prioritize such risks, are presented in Section 4.2 Risk factors.

Main CSR risks	Bonduelle macro-objectives, policies, due diligences and performance indicators	Section
Accidents at work	Bonduelle macro-objective: 4. Ensuring the "well-living" of employees and local communities	2.7.1
	Policies and due diligences: Workplace safety and working conditions Indicators: Human Resources • Frequency of work-related accidents • Work-related accident severity rate	2.7.3.1 2.9.7.5
Soil not being suitable for agricultural purposes	Bonduelle macro-objective: 1. Caring, with our farmer partners, for cultivated land	2.4
	Policies and due diligences: Bonduelle's strategy for agro-ecological transition Indicators: Agronomy • Penetration rate of mechanical weeding • Penetration rate of restricted use of fertilization (monitoring of nitrogen residues) • Penetration rate of irrigation management (water balance or sensors) • Penetration rate of plant cover (before vegetables) • Penetration rate of soil conservation techniques Monitoring indicators for the penetration rate of other alternative cultivation techniques and the consolidated indicator for monitoring the target macro-objective are under construction.	2.4.1 2.9.7.1
Climate variability	Bonduelle macro-objective: 2. Reducing environmental impacts from field to plate	2.5
	Policies and due diligences: Bonduelle's strategy for agro-ecological transition Strategy "Zero loss" by 2025 Indicators: Natural Resources • Global greenhouse gas emissions • Energy and water consumed per tonne of manufactured product • Number of ISO 50001 certified sites across Europe • Share of alternative energy in Bonduelle's energy mix • Amounts spent to prevent the impact of activities on the environment (air and energy)	2.4.1 2.5.1 2.9.7.2 2.9.7.2
Product shortages	Bonduelle macro-objective: 3. Encouraging people to eat healthy and sustainable food	2.6.
	Policies and due diligences: Quality and traceability Indicators: Quality • Number of food safety tests on canned goods, frozen, fresh or ready-to-eat prepared vegetables • Percentage of Bonduelle sites with at least one certification, including percentage of sites certified to produce organic products • Number of audit days completed by external bodies in Bonduelle plants • Percentage of industrial partners supplying finished products audited for their performance and delivery on product quality commitments	2.6.2.1 2.9.7.4





### Non-financial performance statement (NFPS)

Main CSR risks	Bonduelle macro-objectives, policies, due diligences and performance indicators	Section
Conviction for anti-competitive practices	<p>Policies and due diligences: the risk of conviction for anti-competitive practices is dealt with under the group's ethical approach. Policy and due diligences are presented in Section 2.8 Ethics and Vigilance.</p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>Number of employees trained in the main principles of the Duty of vigilance law.</li> </ul>	2.8.1 2.8.1.3

Tax evasion has not been identified as a major risk for the Bonduelle Group.

CSR approach macro-objective: 5. Its aim is to enable all employees to play a role in Bonduelle's transformation into a more responsible company. The policies and due diligences put in place within the context of this macro-objective help to manage CSR risks identified by the NFPS.



## 2.4 Caring, with our farmer partners, for cultivated land

### 2.4.1 Bonduelle’s strategy for agro-ecological transition - GRI 102-9, 103-2

As a major operator in first-stage agro-industrial vegetable processing, Bonduelle plays a key role within the sector:

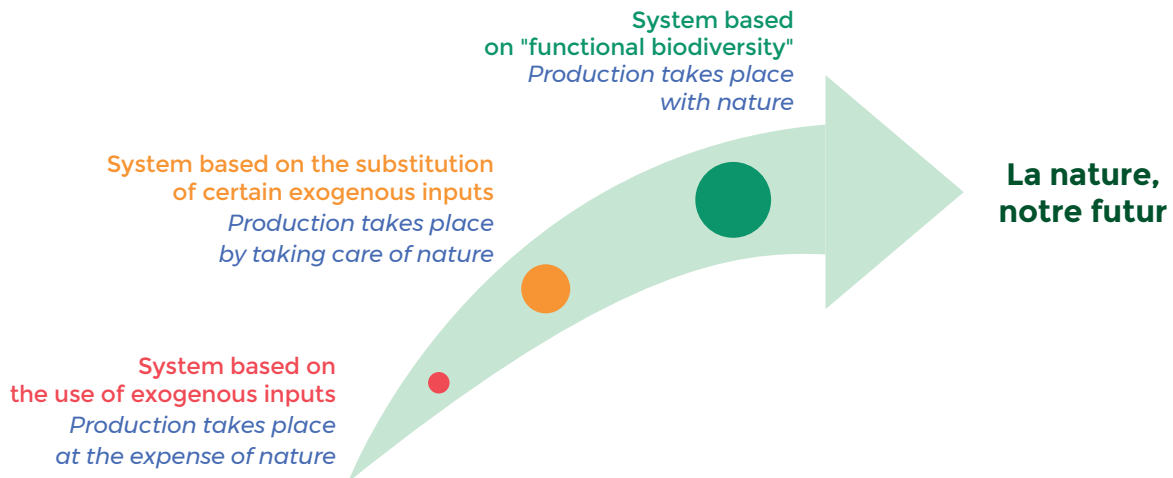
- by partnering with farmers and drivers of innovation for upstream agricultural activities;
- by bringing frozen, canned, fresh-cut ready-to-use and processed fresh vegetables to market, it enables farmers to diversify their crops and extend rotations. It thus contributes to reducing the exposure of farmers to technical and agronomic risks on one hand (due to the extension of rotations), and economic risks (volatility of the agricultural commodity markets) on the other hand.

The Bonduelle Group has developed a clear vision of how it intends to assume this role. It wishes to be actively involved in agro-ecological transition (see below) to increase crop resilience and maintain productivity within the context of climate change and to offer healthier vegetables and protect biodiversity. It intends to play a part in developing the future of agriculture, making it possible to feed nine billion people by 2050.

Bonduelle’s commitment to agro-ecological transition is one of the mainstays of the strategic shift that the group has made towards becoming an industrial player that has a positive impact on its ecosystem. Its tagline *La nature, notre futur* makes its goal of protecting nature a key element of its policy. Its commitment to B Corp certification will mobilize the resources needed to make the agro-ecological transition a success. In turn, said transition, which was launched group-wide several years ago, is a major contributor to the LEAF certification initiatives and plays a key role in meeting the requirements of the B Corp standard.

### Bonduelle’s strategy for agro-ecological transition

Our ambition: to lead the agro-ecological transition

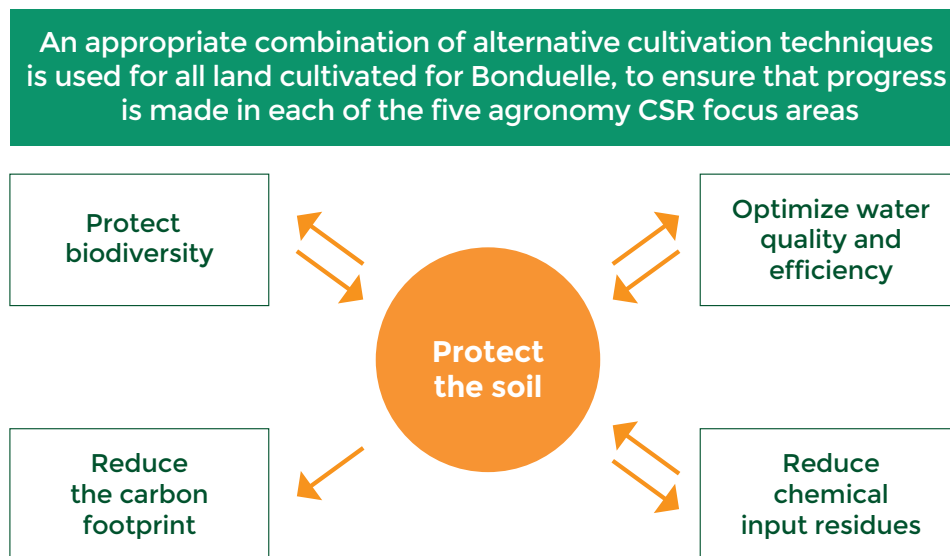


Caring, with our farmer partners, for cultivated land

Bonduelle defined the CSR component of its agronomy strategy on the basis of five priorities:

- protect the soil;
- increase biodiversity;
- reduce the carbon footprint;
- optimize water quality and efficiency;
- reduce chemical input residues.

An overall target of resources for upstream agricultural activities was agreed for 2025: **100% of cultivated land using an appropriate combination of alternative cultivation techniques to ensure progress in each of the five agronomy CSR strands.**



Details of the group's progress in relation to this objective is shown in Section 2.4.2.1 The development and deployment of alternative cultivation techniques.

### 2.4.1.1 The Bonduelle Group's vegetable sourcing model – GRI 203-2

Bonduelle cultivates almost 500 varieties of over 30 different vegetables.

In order to produce high-quality vegetables that are affordable for all, Bonduelle devised a sourcing model that prioritizes producer groupings (76% of the group's total cultivated surface areas). This predominant sourcing model is based on entering into contracts with farmers on an annual basis, making it possible to:

- ensure plot rotation, vital for preventing soil depletion;
- produce as leanly as possible, in line with sales forecasts, to minimize waste;
- plan seed planting and harvesting to optimize the industrial yield and quality.

This model also has a number of benefits for farmers who are members of groupings:

- **independence:** generally speaking, Bonduelle does not account for more than 20% of their revenue;
- prices guaranteed several months in advance and not subject to global raw materials price fluctuations offer **safeguards for their businesses;**
- **fair pay** between farmers, corrected for variations in climate and yield in a given production area, which are inevitable due to the length of time between sowing and harvest to enable linear sourcing by factories and optimal use of their capacity;
- **access to the expertise** of Bonduelle's 295 agronomy professionals (BFA business unit included): engineers and technicians (field and cultivation supervisors) who share their expertise and know-how with farmers.

The group completes its procurement policy by adapting to the local situation. Where producers are not organized

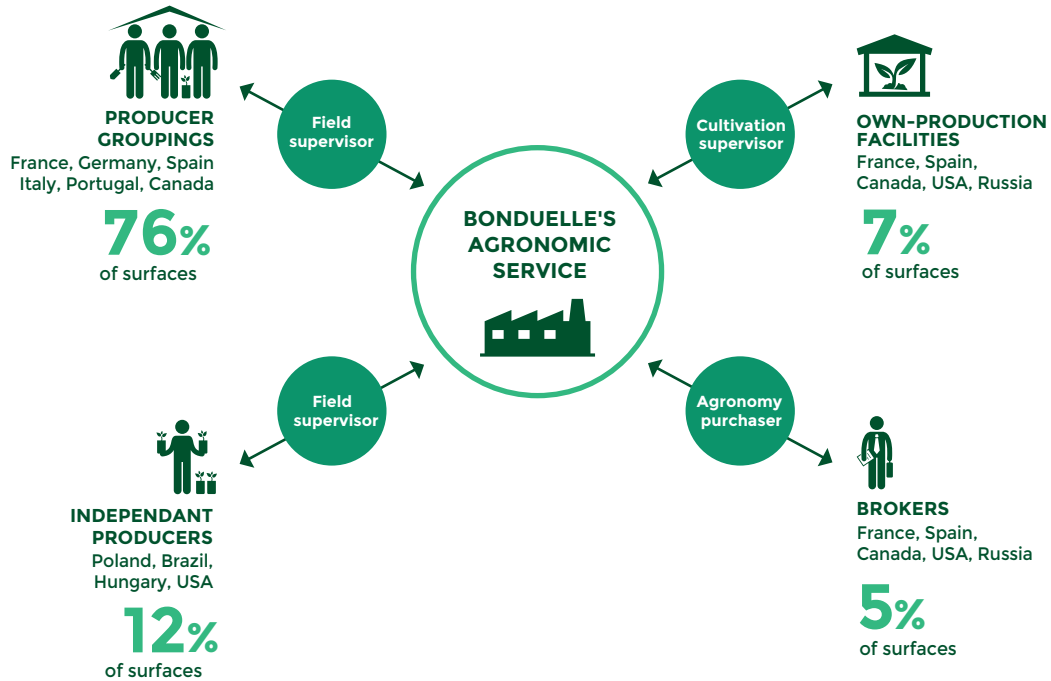


Caring, with our farmer partners, for cultivated land

into groupings, Bonduelle may enter into contracts with independent producers (12% of surface areas), particularly in countries where operations extend over very large areas (Brazil, United States, Hungary, Poland), or may buy through brokers who act as intermediaries (5% of surface areas). Lastly,

in countries where the level of know-how does not meet its quality requirements, or where continuity of supply risks exist, Bonduelle operates its production sites itself (7% of surface areas), taking the opportunity to increase its agronomic know-how and develop alternative growing techniques.

### The Bonduelle Group’s vegetable sourcing model



This approach allows Bonduelle to concentrate on its core business of vegetable preparation whilst at the same time developing its agronomic know-how. The group also works with service providers able to take care of transportation, planting, harvesting and other cultivation activities (video-assisted hoeing, crop protection treatment, etc.). This avoids producers having to invest heavily in special equipment and optimizes operational efficiency.

The Company maintains close relationships with its farmer partners (see 2.2.1.6 Procedure for dialog with stakeholders).

### 2.4.1.2 Group policy and methods used

To meet the needs and challenges of our countries and markets, the group’s agronomy organization is broken down by business unit, each being responsible for its own agricultural policy within the framework of the group’s agronomy strategy, which defines common progress objectives, whilst taking into consideration the specific nature of each business unit. Agronomic policy is shared across Bonduelle’s network of 295 agronomy professionals (engineers and technicians, field and cultivation supervisors - BFA business unit included) who meet once a year on *Journées Techniques Agronomiques* (Agronomy Technique Days) and, for the rest of the year, interact via fortnightly videoconferences. In May 2019, this network was expanded to include an agricultural trials manager within the BEAM business unit. This role will make it possible to improve the group’s expertise in assessing the impacts of alternative cultivation techniques. An employee



Caring, with our farmer partners, for cultivated land

responsible for coordinating agricultural initiatives for the BFA business unit also started work in May 2019.

The sales forecasts determine the scope of their Agronomy Departments for each zone. The Agronomy Departments are the link between Bonduelle and its producer partners, from the time contracts are entered into with farmers until the vegetables are delivered to the plant.

In the field of agriculture, the Bonduelle Prospective & Development division supports the business units not only in the short term with certain specific operational issues but, above all, in the medium and long term, by coordinating an agronomic innovation program.

For several years now, the Agronomy Research and Development Department, in close collaboration with the business units, has identified new technologies, tested them and incorporated them into innovative cultivation practices. These activities are carried out on the basis of partnership agreements with various types of third party organization (start-ups, established technology companies, research institutions, etc.). The best agricultural practices developed are then shared and implemented with all the business units.

### 2.4.1.3 Bonduelle's agronomic sourcing charter

To guarantee product quality, food safety and sound risk management, the group devised a global agronomic sourcing charter in 1996.

This charter sets the rules with which all partner producers must comply. It is an exclusive contractual commitment covering the process from choosing which variety to cultivate through to harvest to ensure that Bonduelle's specifications are strictly adhered to and covering different areas from selection of plots of land and variety selection to cultivation methods. 92% of Bonduelle's partner producers have a contractual obligation to comply with the agronomic sourcing charter. This agronomic sourcing charter is available to download from the Bonduelle website: <https://www.bonduelle.com/en/sustainable-development/documents.html>.

The agronomic sourcing charter is key to the extremely close relationship that Bonduelle has with its farmer partners.

The group is working to design innovative partnerships with producers and wants to involve them in a co-construction process. This project will lead the Bonduelle Group to revisit its agronomic sourcing charter.

### 2.4.1.4 Certifications

Under a protocol spearheaded by Bonduelle 12 or so years ago, **100% of the vegetables produced for Bonduelle Fresh Europe are Global Gap certified**. This protocol combines best agricultural practice guidelines outlining the global requirements that agricultural and horticultural companies must meet in terms of food safety, sustainability and quality.

In addition, **50% of the vegetables produced for Bonduelle Fresh Europe come from farms that are LEAF-certified** (Linking Environment and Agriculture for the Future) international certification managed by the British organization of the same name. This benchmark includes 83 critical monitoring issues and 21 recommendations covering areas as diverse as soil management and provision of nutrients to crops, crop protection, combating pollution and waste management, energy efficiency and water management.

The BFE business unit is gradually helping all its lettuce producer partners to obtain this certification with a target of achieving LEAF certification for 100% of lettuce volumes in 2025. As the agronomic CSR strategy is in line with the objectives of the guidelines, the main challenge in achieving this objective lies in product traceability.

## 2.4.2 Bonduelle's agro-ecological transition with its partners - GRI 103-2

Bonduelle is committed to the agro-ecological transition of its supply chain. This approach involves reducing the use of chemical phytosanitary products and minimizing the impact on biodiversity and the environment in order to meet society's expectations and increase resilience to climate change in the 21<sup>st</sup> century.

In order to do this, the group monitors the land through the crops in the fields and supports its producer partners in a preventative approach, by selecting the plots of land best suited to different types of vegetables, requiring long crop rotations so as to minimize the risk of soil diseases and to avoid depleting resources (nutrients, organic matter), while promoting biodiversity and optimizing yields. Bonduelle is also committed to producing no pesticides residue vegetables (see 2.4.2.1 The development of alternative cultivation techniques), which can only be developed by implementing alternative crop routing. A key example of Bonduelle's involvement is the central role of field supervisors who support farmer partners through their presence on the land at all stages of cultivation: from sowing, to harvesting through crop monitoring.





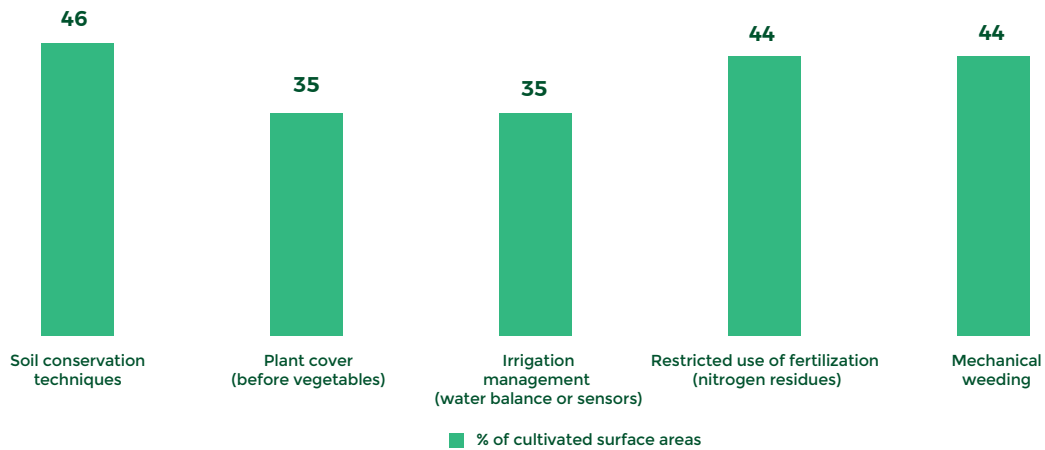
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### 2.4.2.1 The development of alternative cultivation techniques

Bonduelle has set itself the target of “using an appropriate combination of alternative cultivation techniques for all surface areas cultivated for Bonduelle, to ensure progress

in each of the five agronomy CSR strands”. To reach this target, the Bonduelle Group is testing and developing a range of alternative cultivation techniques and is assessing their impacts in relation to the five CSR focuses of the group’s agronomic strategy.

### Penetration rate of alternative cultivation techniques



- Soil conservation techniques are calculated by adding together the following surface areas: direct seed planting, strip-till, simplified cultivation techniques (no-till and shallow till) and, for BFE only, occasional and no-till.
- The penetration rate for sustainable fertilization is calculated for 49% of cultivated surface areas, the indicator not yet covering the scope of the entire group (see 2.9.4.1).
- The penetration rate of irrigation management is calculated for all irrigated surface areas. For information purposes, these currently account for 59% of the group’s total cultivated surface areas (see 2.9.4.1).

Examples of the development and deployment of alternative cultivation techniques are shown below.

In Russia, Bonduelle Group farms (more than 10,000 hectares) offer ideal conditions for implementing **innovative growing techniques, particularly those that aim to protect the soil such as strip-till, which is being developed.** Adopted in 2014 over 500 hectares, this practice covered 3,290 hectares in 2019 and represented 75% of the area of sweet corn produced by these farms. Strip-till, performed using preparatory equipment for the specific seeding line and tractors guided by GPS, limits soil disturbance and ensures greater protection against erosion by covering the majority of the soil with the residues of the previous crop and/or an intermediate crop (intercropping with plant cover). Strip-till encourages

the development of biodiversity in all its forms (superior organisms and microorganisms), on the surface of the soil and beneath. A drastic reduction in fuel consumption (-50%) was also observed as well as a drop in the use of mineral fertilizer. This practice is in the process of being assessed or in the initial phase of deployment in other production areas. Once its performance has been confirmed in a sufficient number of harvests and in different soil and weather conditions and for other crops, it may be extended to other agricultural areas and types of vegetables.

**Intercropping with plant cover** has been the subject of studies carried out by Bonduelle (see also the paragraph below on the VEGESOL experimental platform). This practice involves sowing one, or generally several complementary species between two crops (or potentially during cultivation). The plant cover is not harvested but destroyed and its residues are left on the plot to protect the soil and enrich it with organic matter and nutrients. This cover also partly allows the growth of weeds to be controlled and the composition of weed flora (weed species) to be managed. Bonduelle actively encourages the adoption of plant cover. In 2019, large-scale trials were organized in Hungary to raise producers’ awareness of plant cover and initiate its adoption in said country, as part of the drive to reduce chemical input residues.

**Reducing chemical inputs.** Levels of residue in vegetables when they are harvested are analyzed across all business





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units, especially at Bonduelle Europe Long Life (BELL) and Bonduelle Fresh Europe (BFE), so as to identify trace products. Biological control reduces the need for insecticides and chemical fungicides (and, potentially, chemical herbicides). Combinations of these products are the basis for alternative crop protection programs currently being rolled out, or under development, in the BELL, BFE and BALL business units. These innovative programs also include other alternative technologies (insect nets, video-assisted precision hoeing machines for mechanical weeding). Weeding robots are also being trialed. Two programs specifically developed by BFE are helping with the reduction of residues from chemical phytosanitary products: the “Neutral” program whose objective is to eliminate the use of agents that are authorized but have potentially large impacts on human health and the environment, and the “Clear” program aimed at enabling the total traceability of residues from phytosanitary products.

In 2019, efforts to reduce the use of phytosanitary products bore fruit with the launch of a new range of ready-to-use no pesticides residue salads: lamb’s lettuce, baby spinach and iceberg lettuce and canned sweet corn. From 2020 onwards, other Bonduelle branded products will be added, including fresh-cut ready-to-use lettuce and canned and frozen vegetables and, by 2025, Bonduelle will offer a wide range of residue-free branded products.

Within the context of its efforts to develop alternative **natural methods** (replacing the use of chemical phytosanitary products) to combat diseases and pests affecting certain vegetables, Bonduelle and the French Institute for Agronomy Research (*Institut national de la recherche agronomique*, INRA) are conducting a joint project on pea black leg (a soil-borne disease compound). This work is the subject of an ongoing doctoral thesis whose objectives are, firstly, to improve diagnostic tools at plot level and, secondly, to improve the knowledge of the pathogens involved and to identify avenues for developing bio-control tools.

### 2.4.2.2 Collaboration with pilot farms to experiment with cultivation techniques

The Bonduelle Group has three pilot farms: the “La Woestyne” farm in France, a pilot farm on two sites in Russia and the farm in Murcia in Spain.

The **VEGESOL experimental platform**, set up on the “La Woestyne” farm (Renescure, France) is the result of a partnership between Bonduelle, Syngenta and the University of Picardie Jules Verne (Amiens, France). It was created in order to compare, in the long rotations that are typical of Northern France and over a period of time, the effects of different soil management systems (bare soil tilling, tilling

with plant cover intercropping, no-till bare soil, no-till with plant cover intercropping) on plants, soil, water and the environment.

This first eight-year phase showed the benefit of plant cover in long rotations and the possibility of maintaining productivity whilst abandoning tilling and significantly reducing nitrogen-based fertilization.

The second phase of this long-term project focused on agro-ecological drivers of increases in pea crop resilience with regard to soil-borne diseases and abiotic stresses such as periods of extreme heat and drought.

VEGESOL has both a scientific aim and works to transfer technology to farmers, by generating best scientific practices (three doctoral theses and nine scientific publications to date) that demonstrate the soundness of agro-ecology practices, as well as practical lessons enabling their adoption and deployment by farmers.

Bonduelle contributed to the creation of the **Innova Terre network** in 2016, in the Nord-Picardie area. This group currently comprises 60 or so innovative farmers who want to develop practices aimed at protecting and restoring soils, in order to maintain their biological fertility and productive potential in a sustainable way. Innova Terre network activities focus on three main areas: reduced tilling, maximum soil protection and crop rotation.

The Innova Terre network also aims to facilitate discussions between producers. It enables encouragement, stimulation and support to be provided to innovative producers who, on the basis of promising experimental results, are taking part in the large-scale deployment of agro-ecology practices in typical major rotations (including beetroot and potatoes).

The momentum generated by the innovative producers within the Innova Terre network should eventually produce a significant multiplier effect which will enable the rapid and wide-scale adoption of agro-ecology in vegetable production.

Emblematic of this approach, one of the members of the Innova Terre network, Guillaume Tupigny, has introduced an agro-ecology development platform on his farm, known as “Sols Verts”, which is partly financed by public institutions (ADEME and *Agence de l’eau*). Benefiting from the recruitment of a dedicated technician, experienced in agro-ecology, it aims to compare the agronomic performance of two systems: conventional agriculture and no-till with plant cover over a six-year rotation (typical of Northern France) including beetroot, potatoes and vegetables.

The **pilot farm in Spain** (Torre-Pacheco, in Murcia) enables numerous technological innovations to be tested: an insect monitoring network comprising connected traps, anti-insect netting, connected capacitance sensors for precision irrigation, video-assisted precision hoeing, weeding robots and spatial





crop monitoring using drones, etc. The objective is to adapt crop routing to advance agro-ecology, while maintaining the productivity and competitiveness of market garden crops (salads). The farm is very involved in environmental protection and active with ANSE, a local NGO. The Cartagena area where the site is located, and where horticultural production is very intensive, is facing water pollution problems. The pilot farm is also involved in organizing conferences in order to share solutions.

### 2.4.2.3 Harnessing technology for the benefit of agro-ecology

AgTech digital equipment used by farms enables them to manage constantly changing cultivation practices.

In Russia, the farms operated by Bonduelle use digital equipment, including the decision-making tool, Cropio, which is used to optimize fertilization and irrigation, and thus reduce the amount of fertilizer and water used. Cropio, combining weather information and satellite data, also makes it possible to monitor crops and yield forecasts.

In North America, Bonduelle's sites use AgPOD (Agricultural Portal for Online Data), an online program developed specifically for Bonduelle and its farmer partners to share actual agronomy data recorded in the field.

In 2018-2019, a tool for managing harvesting machines was prepared in conjunction with partner agricultural and transport companies in the Nord Picardie region and one start-up in Lille. This tool, trialed in 2019 on peas, was rolled out this same year for green beans.

The emergence of AgTech solutions based on using connected objects which generate a significant amount of new data, makes it necessary today to develop a central digital platform enabling the collection and analysis of all data related to agricultural production and to convey relevant information for decision-making. Within the context of its digital transition, the Bonduelle Group is developing an online portal open to partner farmers from the BFE and BELL business units. This tool, which is being trialed by producers will, in particular, enable individual farmers to monitor their contractual and agronomic relationship with the group and will provide information on crop management (operations, inputs) by individual farmer, based on the current North-American AgPOD model.

Certain production areas use predictive disease progression models to optimize fungal treatment (minimum quantity and maximum efficiency) and/or to assess the risk of crop failure and waste of raw materials (seeds, fertilizer, water, etc.). This is the case for the risk of aphanomyces (main pathogenic fungus responsible for soil-borne pea diseases), for example.

Similarly, and with the same aim of predicting biological pest outbreaks and reducing phytosanitary treatments, surveillance networks detecting pest infestations on the plains have been set up in several production areas. These trapping networks are installed by Bonduelle or through industry association technical departments and/or technical and academic institutions (Arvalis, Unilet in France, etc.).

### 2.4.2.4 R&D partnerships in the AgTech sector

Bonduelle is forging numerous partnerships with various research and development actors in the AgTech sector. These include public research and development institutes, agribusiness companies, established technology companies and AgTech start-ups, particularly in France, Canada, the United States, Spain and Russia. The partners are chosen according to how relevant their programs are for the agronomic priorities set by Bonduelle. The group is keen to channel its efforts and investments into unique and innovative forms of vegetable production that will provide a significant boost to agro-ecology.

Bonduelle has therefore established partnerships targeting the following areas:

- automation, at this stage focused on weeding;
- efficiency and accuracy of crop monitoring;
- harvest prediction (quantity and quality);
- harvest management;
- weather forecasts;
- irrigation management.

### 2.4.2.5 The selection of seed varieties is key to the agronomic strategy and CSR challenges

The Bonduelle Group is committed to ensuring that its products are free from genetically modified organisms (GMOs). Consequently, Bonduelle ensures that its partner producers use no genetically modified seed varieties. The Bonduelle Group therefore requires that its seed suppliers take extreme care to avoid any unintended presence of genetically modified organisms.

The Bonduelle Group has developed industry-leading capabilities in the assessment of new vegetable varieties, enabling it to forge close relationships with its strategic seed partners. New varieties are trialed to see how well they adapt to different regions and how they grow under local conditions. Bonduelle trials the new varieties under the soil and climate

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conditions of each target area. A variety is finally selected once its technological performance has been tested in-plant.

The choice of vegetable varieties is also of crucial importance because it influences many factors that make the agro-ecology transition possible. In effect, the variety affects the farmer's ability to:

- maintain crop productivity and quality whilst reducing the use of chemical inputs;
- improve water and soil nutrient use;
- protect biodiversity.

Making this varietal choice central to its policy, the group works with its national and international seed suppliers using conventional selection methods to develop varieties that

are most resistant to the diseases, pests and abiotic stresses caused primarily by climate variations (particularly water stress and heat). Bonduelle therefore works with selectors and guides their priorities by establishing objectives in terms of agronomic characteristics and technological and organoleptic qualities. Through its choices, Bonduelle is aiming to promote innovation, enabling productivity to be maintained whilst minimizing the environmental impact. Recently, Bonduelle has wanted to extend its partnerships with seed suppliers to the production of pulses. By encouraging seed suppliers' research and production activities in this area, Bonduelle intends to help its partner farmers to extend the percentage of agricultural land given over to pulses, in response to consumers' demand for no pesticides residue locally-produced pulses, etc.

## 2.5 Reducing environmental impacts from field to plate

### 2.5.1 Strategy of “zero loss” by 2025 - GRI 102-9 and 103-2

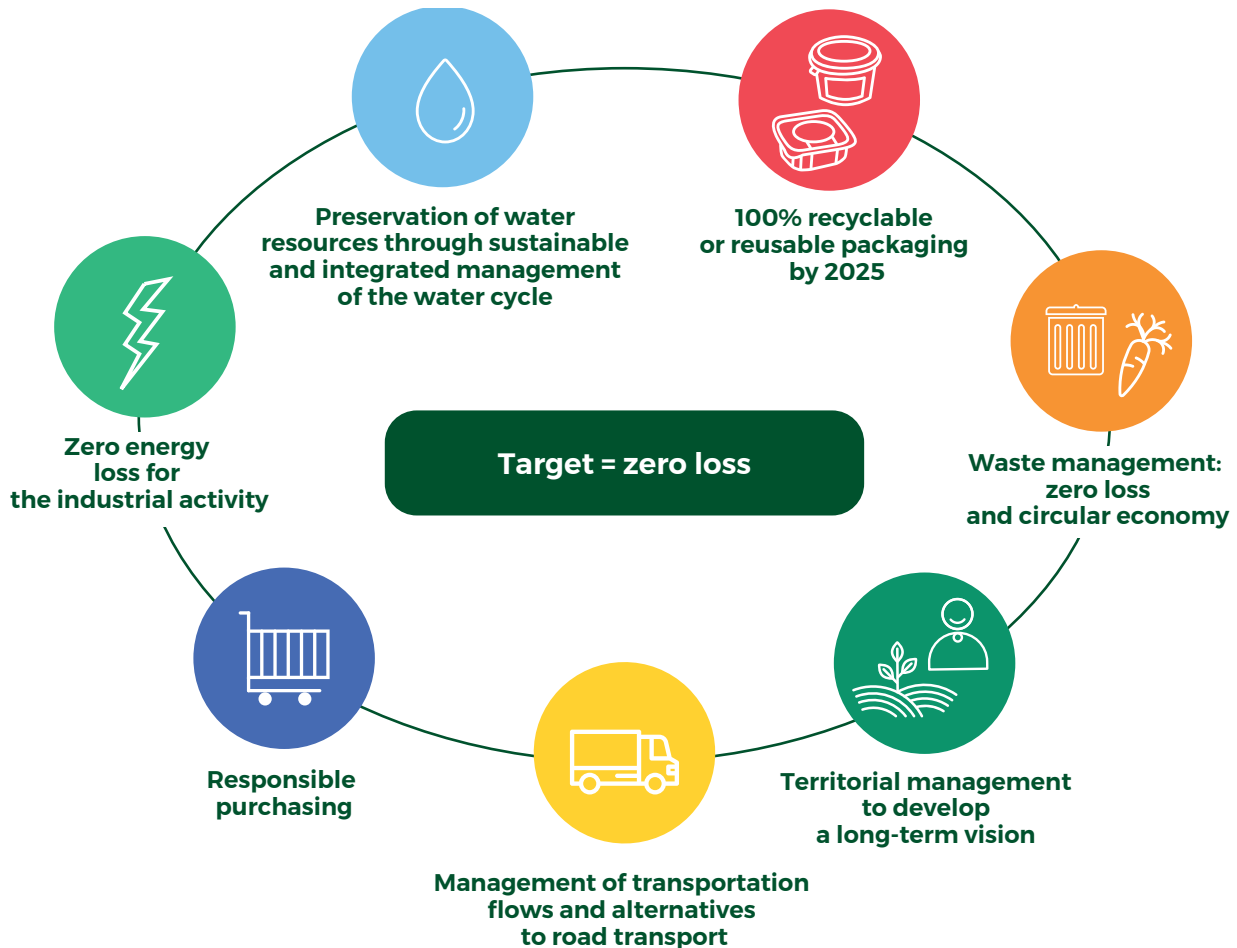
In accordance with its size, Bonduelle is addressing the twin challenges of climate change and resources depletion. The group is committed to and is innovating to find new ways of reducing the environmental impacts from field to plate. This is one of the five CSR macro-objectives it has set itself, with the overarching environmental aim of “zero loss” by 2025. In 2018-2019, Bonduelle also introduced two new targets:

- 20% reduction in greenhouse gas emissions from Bonduelle's operations by 2035 (base 2018-2019);

- 100% recyclable or reusable packaging by 2025.

Bonduelle's circular approach is based on seven themes: controlling energy consumption, conserving water resources, optimizing inputs and outputs and managing waste, responsible land management, designing sustainable products and packaging, managing transport flows and alternatives to road transportation, implementing the group's responsible purchasing policy.

### Seven themes to reduce environmental impacts and contribute to the 20% reduction in Bonduelle's greenhouse gas emissions by 2035



### Network of natural resources expertise

The network of expertise in natural resources consists of three bodies: the energy and water network, the environment network and the packaging network. These work on implementing Bonduelle’s environmental policy and promoting best practice in each area. They share tools, resources, results and key topics: benchmark technologies, optimized investments, harmonized practices, projects and improvement plans, monitoring common indicators, etc.

#### The CSR Capex Award recognizes and showcases innovative projects that have a positive impact

In order to promote innovative projects for the group’s CSR strategy and objectives, Bonduelle has devised the internal CSR Capex Award. In 2018, the winners were the photovoltaics project at the Santarém site (Portugal) and the scheme for recycling water in agricultural irrigation in Bordères (France). The winners are chosen on the basis of three criteria:

1. Current return on investment (ROI);
2. Future ROI, based on estimates of future energy costs; and
3. The “non-economic value” of the project, *i.e.* its positive impacts on society, the environment and the Company’s reputation. The non-economic value also includes the exemplary nature of the project for other Bonduelle sites.

### 2.5.2 Target: 20% reduction in greenhouse gas emissions - GRI 103-2

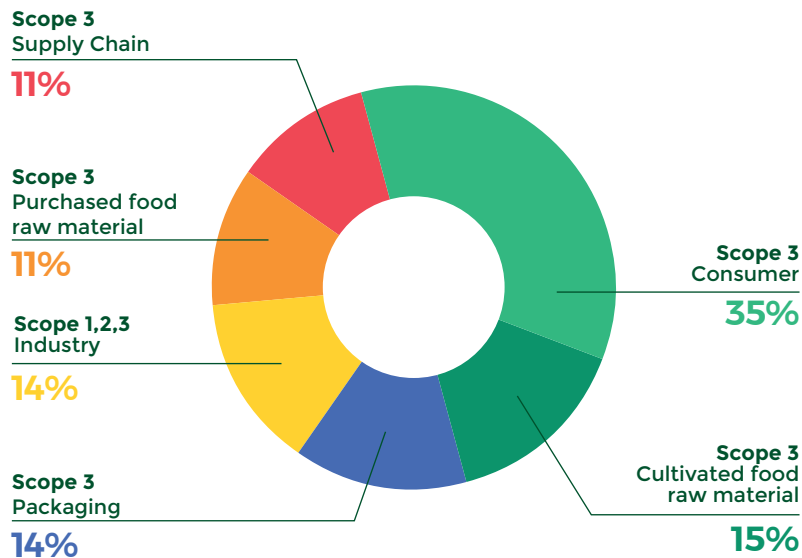
Bonduelle has set itself a new target: a 20% reduction in greenhouse gas emissions from its operations by 2035 (base 2018-2019) on scopes 1, 2 and 3. The details are still being decided and will be set out in an action plan in 2019-2020.

#### 2.5.2.1 The Bonduelle Group’s greenhouse gas emissions assessment: a key baseline

Since 2003, Bonduelle has been developing in-house expertise in assessing the carbon footprint of its business and products. In 2016-2017, the regulatory requirement for French companies to disclose significant items of direct and indirect greenhouse gas emissions generated by their business activities (Article 173-IV of the French Law on the Energy Transition for Green Growth of August 17, 2015, defined by the Decree of August 21, 2016 and amending Article L. 225-102-1 of the French Commercial Code) gave Bonduelle the opportunity to develop a comprehensive metering system and to organize annual reporting on its greenhouse gas (GHG) emissions with the support of external consultants. The greenhouse gas emissions assessment is based on the GHG Protocol. The majority of the emission factors are based on the ADEME carbon database.

Overall emissions in 2018-2019 came to around 2,000,000 tCO<sub>2</sub>e. The largest sources of emissions are covered by scope 3, *i.e.* consumers (35%) and packaging (14%).

### Breakdown of Bonduelle’s greenhouse gas emissions





The above diagram is organized as follows:

- **supply chain:** transportation between sites and downstream transportation of finished products. Mostly included in scope 3 of the GHG Protocol. NB: Bonduelle has a CSR policy dedicated to transportation. The indicators defined to monitor the associated developments differ from the Bonduelle Group's carbon footprint assessment. The scope and method defined for the CSR policy on transportation are described in Section 2.9.4.4 Additional information on transport indicators and Figure 2.5.7 Management of transportation flows and alternatives to road transport. The indicators are presented in Section 2.9.7 Results of all indicators;
- **purchased food raw material:** purchases of vegetables and ingredients necessary for the manufacture of products (including transportation). Included in scope 3 of the GHG Protocol;
- **industry:** energy purchasing, refilling of refrigerants and treatment of waste from product manufacturing sites. Included in scopes 1, 2 and 3 of the GHG Protocol;
- **packaging:** purchase of packaging and transportation to the production facility where the final product is manufactured. Included in scope 3 of the GHG Protocol;
- **consumer:** storage at retailers, usage by consumers and end-of-life of products sold. Included in scope 3 of the GHG Protocol;
- **cultivated food raw material:** vegetables grown by Bonduelle or its partner farmers necessary to manufacture the products (including transportation). Mostly included in scope 3 of the GHG Protocol.

Bonduelle improved its carbon metering in 2018-2019 by working on its methodology and emission factors<sup>(1)</sup>.

NB: Employee travel represents an insignificant share of emissions and is not shown in the diagram.

### 2.5.2.2 Bonduelle's actions to facilitate an energy transition for green growth

Bonduelle has a proactive energy transition policy focused on three key areas:

1. Replacing the most polluting energy sources in its energy mix in terms of greenhouse gas emissions: heavy fuel oil

has not been used in the Company since 2013-2014. In 2018-2019, the proportion of thermal energy from liquid fossil fuels (domestic fuel oil) was less than 1% of the group's thermal energy mix (compared with 12% in 2010-2011);

2. Alternative energy use: Bonduelle wants to achieve 20% of its energy mix from renewables by 2025, *i.e.* double the amount in 2015-2016. In 2018-2019, alternative energies <sup>(2)</sup> represented 9.8% of Bonduelle's energy mix;
3. Co-development of alternative energy use with local partners since 2011-2012:
  - Estrées-Mons (France): 76% of the site's steam requirements are covered by the plant which generates steam from biomass, saving more than 18,000 tonnes of CO<sub>2</sub> a year. 21.3% of vegetable waste is converted into methane in the Vol-V Vermandois 18 Gwh biogas plant,
  - Renescure (France): 96.8% of the vegetable waste deposit is methanized in the Flandres Énergie agricultural plant,
  - Békéscsaba, Nagykörös and Nyiregyhaza (Hungary): on average, 88% of the biogas produced from effluent in internal biogas plants is used in boilers,
  - Labenne (France): 77.4% of vegetable waste is converted into methane at the Fonroche BioGasconha plant, which uses agricultural products such as corn and agro-industrial and municipal by-products.



#### Alternative energy: Santarém (Portugal) introduces photovoltaics

Santarém has installed 3,030 solar panels (5,000 m<sup>2</sup>) on rooftops and car park shades, generating sufficient energy for 7% to 8% of the plant's needs and reducing its CO<sub>2</sub> emissions by 570 tonnes per year. This project will also demonstrate its replicability for developing solar power within the group. The first solar kilowatt-hours will be generated at the end of 2019.

(1) The methodology for measuring emissions from farming, traditionally based on Ademe guidelines, has now been replaced by 2006 IPCC guidelines for Tier 1. This change will help track the impact of changing agricultural practices on greenhouse gas emissions.

Emission factors have been updated to best reflect developments in international reference databases (e.g. packaging materials, electricity by geographical area, etc.). Emission factors related to the processing and use of products placed on the market have been re-evaluated by our third-party expert partner. As a result of the alignment of this year's emission factors with 2017-2018 activity, historical emissions are recalculated as follows: 1,696,215 tCO<sub>2</sub>e (excluding BFA).

(2) Biogas, biomass and steam from biomass.



### 2.5.2.3 Zero energy loss for the industrial activity – GRI 103-2, 302-4

Whether electric or thermal, energy is essential for the production process. Electricity is used for the storage of frozen foods, the refrigeration of workshops, the production of compressed air, some machinery (motors and conveyors) and forklifts, the production of chilled water, lighting and air conditioning. Thermal energy is used to generate steam and hot water. It is also used in heat recovery ventilation and power handling equipment.

Bonduelle is targeting “zero energy loss” by rationalizing consumption to minimize energy loss and eliminate waste. The target is for 100% of sites to implement the means and

actions identified using the group’s energy performance evaluation grid by 2025.

Supported by the environment and energy network, the action plan mainly consists of auditing on-site consumption, ongoing efforts to obtain ISO 50001 certification for energy management, and the group’s involvement in mandatory European energy-saving mechanisms. Other measures are also put in place, such as the roll-out of metering and management tools, the installation of heat recovery systems, optimization of lighting energy consumption (using LED lighting), and the introduction of systems to prevent energy waste (Start and Stop).

The “zero energy loss” approach, applied to electricity, gas and steam consumption, achieved the following results – GRI 302-4:

	Total energy Ratio kWh/TMP	Electricity Ratio kWh/TMP	Thermal (fossil + renewable) Ratio kWh/TMP
2018-2019 scope (including BFA)	799	337	462
2018-2019 scope (excluding BFA)	869	339	530
2017-2018 scope (excluding BFA)	880	340	540
Change in ratios 2018-2019 (including BFA) versus 2017-2018 (excluding BFA)	(9.2%)	0%	(14.4%)
Change in ratios 2018-2019 (excluding BFA) versus 2017-2018 (excluding BFA)	(1.2%)	0%	(1.8%)

The change of scope in 2018-2019 with the new entity BFA involved a readjustment of the group’s ratios. At constant scope, the improvement in plant performance would have been -1.2% compared with 2017-2018, mainly due to optimized electricity consumption.

#### Consumption audit

The year 2018-2019 focused on introducing routine audits of site energy consumption, based on the group’s performance evaluation grid. 100% of the sites of the BELL, BALL, BEAM and BFE business units were audited by energy experts. The audit findings will enable each site to identify the energy efficiency means and actions to be put in place. These routine audits will be carried out at BFA sites from next year.



### The Irwindale plant in California (United States) reduces its carbon footprint

To reduce its energy consumption and greenhouse gas emissions, the Irwindale site is installing an energy-efficient cogeneration system. By the end of 2019, it will simultaneously supply electricity to the plant while using the waste heat to supply chilled water via an absorption cooler.

#### ISO 50001 certification

Thirteen of Bonduelle’s sites now have ISO 50001 certification for the development of an energy management system aimed at continual improvement of performance: Estrées-Mons conserve (canned), Estrées-Mons surgelé (frozen), Bordères, Genas, Labenne, La Tourte, Renescure, Reutlingen, Rosporden, Saint-Benoist-sur-Vanne, Saint-Mihiel, Straelen and Vaulx-Vraucourt.

#### Mandatory European energy saving mechanisms

Bonduelle is also involved in the mandatory European energy saving mechanisms. The group’s agro-industrial sites have therefore made their technological and organizational





improvement actions part of the subsidized energy saving plans. The value of energy savings certificates (ESCs) obtained or being obtained for work carried out in fiscal year 2018-2019 on energy efficient systems and technology, is equivalent to almost 387,234,100 kWh cumac (1). Bonduelle has conducted numerous projects focusing on heat recovery, regulation to improve refrigeration units and boiler optimization.

### 2.5.3 Preservation of water resources through sustainable and integrated management of the water cycle - GRI 103-2

#### 2.5.3.1 Sustainable water management

At Bonduelle, water is used in the plants as an ingredient in the finished product (liquid, sauce) and in the manufacturing process as a way of transporting and transferring heat or cold. It is also used to wash vegetables and to clean production lines. The relative proportion of these uses depends on the industrial activity in question, and differs at each site. On the

upstream side, water used for crop irrigation is a key factor in industrial performance and the control of vegetable quality.

Bonduelle has a large-scale map of its water use at each stage of the agro-industrial process and for its entire scope of consolidation.

The network of environment experts co-developed the Bonduelle water management tool. Designed in the form of an assessment grid, it applies to industrial processes and prioritizes actions for achieving the environmental target of "zero water loss", as set out in the 2025 Roadmap.

In 2018-2019, Bonduelle continued its assessments and action plans at the plants. Of the 40 group sites concerned (including BFA), 33 have already completed their self-assessments and 20 have drawn up specific action plans, including, for example: the consumption flow-sheet, water loss management plan, installation of water control and regulation equipment, monitoring and sharing of performance indicators, team management, etc.

Total water consumption was 13,609,215 m<sup>3</sup> in 2018-2019, of which 62.1% was from borehole water, 34.7% water from urban distribution networks and 3.2% from surface water. In terms of tonnes of manufactured product, consumption amounted to 11.1 m<sup>3</sup>/TMP, down 7.3% on the 2017-2018 ratio. At constant scope, the group's consumption remained stable compared to the 2017-2018 fiscal year.

	Water Ratio m <sup>3</sup> /TMP
2018-2019 scope (including BFA)	11.1
2018-2019 scope (excluding BFA)	11.9
2017-2018 scope (excluding BFA)	11.9
Change in ratios 2018-2019 (including BFA) versus 2017-2018 (excluding BFA)	(7.3)%



#### Water: Saint-Césaire (Canada) reuses water for cooling canned products

Cooling canned products is the most water-intensive stage of the transformation process. In Saint-Césaire, the addition of cooling water recirculation loops reduced consumption by 12%, equivalent to 30 million liters of water.

#### 2.5.3.2 Wastewater treatment and management of treatment plants

The Group's Environment Department rigorously controls and monitors the quality of plant effluent before it is discharged into the natural environment.

In 2018-2019, industrial effluent contained an organic load of 40,752 tonnes of Chemical Oxygen Demand (COD). This breaks down as follows:

- 70.9% of this load was treated by Bonduelle in independent aerobic biological treatment plants;
- 20.9% in agricultural spreading;
- 4.8% in external treatment plants;
- 3.4% was discharged into the natural environment in compliance with regulations.

(1) The kWh cumac is the unit of measurement of French energy savings certificates. It corresponds to the cumulative final energy consumption in kWh discounted over the life of the product (kWh of cumulative discounted final energy) and represents the amount of energy saved by the actions implemented.



**Water: Bordères (France) recycles 100% of its water to irrigate local farms**

To address water shortages faced by local farmers during the summer months, the Bordères site recycles 100% of treated water in agricultural irrigation. Previously this water would have been discharged into the river. Replicable internally, this project - which creates circularity and is beneficial for river biodiversity - won the 2018 Bonduelle CSR Capex Award.

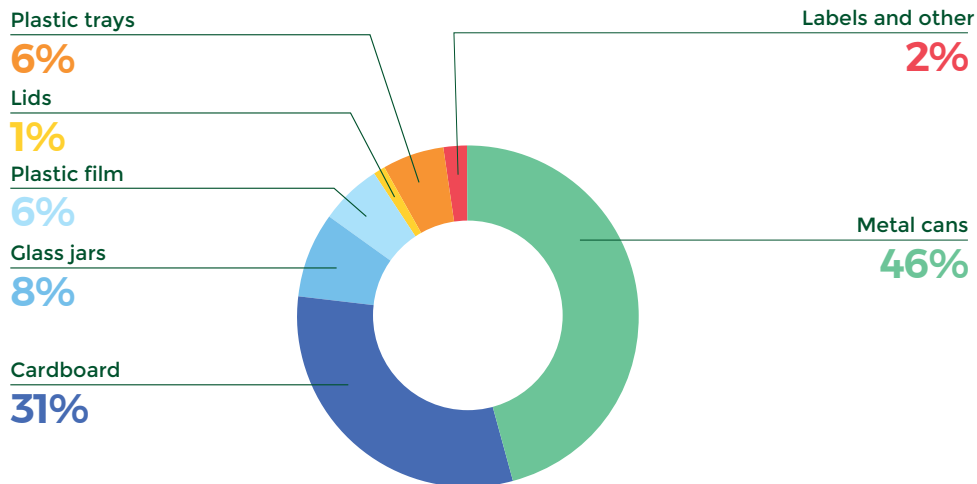
**2.5.4 Responsible product and packaging design and the fight against food waste - GRI 103-2**

Bonduelle uses various types of packaging to ensure the best possible quality and experience for its customers:

- steel and aluminum for metal cans;
- glass for jars;
- flexible plastic for bags of frozen and fresh vegetables;
- rigid plastic for trays of ready-to-eat prepared products;
- cardboard for some frozen packaging and all bulk and transport packaging.

These materials are chosen according to processes, preservation requirements, market convention and their robustness in relation to the product and their use.

**Breakdown of Bonduelle’s packaging materials**



**2.5.4.1 Environmental responsibility in products and packaging**

**Product and packaging life cycle assessment**

In 2018-2019, Bonduelle conducted a life cycle assessment (LCA) so that it could fully understand the environmental impacts of its products.

The Company has entered into a four-year partnership with the ELSA-PACT Chair, an industrial chair on the evaluation of life cycle sustainability. The aim is to define an LCA framework applicable to the entire group and relevant in view of the actual environmental impacts.

In parallel with this research, Bonduelle carried out the first LCAs on its packaging.





### 2.5.4.2 Eco-design of packaging

To limit the environmental impact of its packaging, Bonduelle is committed to reducing the use of materials, particularly virgin fossil materials. In 2018-2019, the group also set itself the target of 100% recyclable or reusable packaging by 2025.

In view of these goals, Bonduelle has extended its policy and stepped up its packaging efforts. It now bases its approach on an action plan targeting three areas of improvement:

- minimizing the quantities of materials used for packaging;
- choosing recycled and environmentally-friendly materials;
- achieving 100% recyclable or reusable packaging by 2025.

#### Minimizing the quantities of materials used in packaging

Taking into account the technological developments introduced by its suppliers, Bonduelle performs an annual audit of all its packaging to optimize the quantities of materials used. This has been carried out at group level and applies to all packaging (metal, cardboard, plastic, glass, etc.).

For each product, Bonduelle draws up a plan for reducing packaging thickness with its suppliers. Each optimization process can last two to three years, which is how long it takes to design and produce packaging that uses materials economically without compromising on performance, while taking into account the specific constraints of the various industrial procedures and tools. This approach, already in place for metal, is set to be rolled out to other materials.

- Used for canned products, metal (steel, aluminum) is Bonduelle's primary packaging material. Between 2016-2017 and 2018-2019, the group achieved its target of saving 1,500 tonnes of metal over three years at constant scope.
- Since the acquisition of Ready Pac Food, whose fresh ready-to-eat products are packed in plastic packaging, Bonduelle has stepped up its efforts to optimize the quantities of plastic used. The group has already begun mapping its plastic packaging.
- This will be extended to include cardboard and glass from next year.

#### Choosing recycled and environmentally-friendly materials – GRI 301-2

Bonduelle has decided to significantly increase the proportion of recycled material in its packaging wherever possible. In 2018-2019, this reached 50.2% in Europe. This year, for example, the packaging of ready-to-eat prepared vegetables

was redesigned to increase the proportion of recycled PET (rPet) in materials used from 12% to 50%.

Bonduelle is also studying the possibility of replacing its packaging materials of virgin fossil origin with materials of renewable origin: cardboard or bioplastics, for example.

The Company is also working with the packaging suppliers nearest to its manufacturing plants and is promoting alternatives to road transport to optimize its transport-related carbon footprint.

Lastly, the Purchasing and Research & Development Departments actively monitor environmentally-friendly packaging by identifying market opportunities and evaluating their technical and economic potential.

#### Achieving 100% recyclable or reusable packaging by 2025

Today, the majority of packaging used by Bonduelle is recyclable<sup>(1)</sup> or reusable. Bonduelle is determined that this will be 100% by 2025.

In proportional terms, the quantities involved are relatively small. However, this is still a major challenge owing to the technical and operational difficulty of replacing the remaining non-recyclable packaging. Bonduelle is currently working on an action plan to achieve its target.

At present, it envisages replacing all non-recyclable multilayer film, particularly in its frozen range.

Lastly, Bonduelle is monitoring how the packaging it places on the market is actually recycled. This involves ensuring that recycling channels exist in countries prior to introducing products with a new packaging material. In 2018-2019, more than 78% of cans and more than 74% of glass jars were recycled in Europe (Source: Eurostat, Europe 2016 data).



#### Plastic packaging: reduction of packaging and increase in recycled plastic content

The BFE and BFA business units have expedited the eco-design of polyethylene (PET) packaging in their ready-to-eat prepared vegetables lines by increasing the rPet (recycled PET) content and dispensing with non-essential lids.

At BFE, for example, the percentage of rPet in some packaging has increased from 12% to 50%. Non-essential plastic lids have been scrapped. This has saved 32 tonnes of plastic in one year.

(1) A packaging or a packaging component is recyclable if post-consumer collection, sorting, and recycling is proven to work in practice and at scale. A package can be considered recyclable if its main packaging components, together representing more than 95% of the entire packaging weight, are recyclable according to the above definition, and if the remaining components do not hinder the recyclability of the main components Source: <http://www.wrap.org.uk/sites/files/wrap/Polymer-Choice-and-Recyclability-Guidance.pdf>

### 2.5.4.3 Fight against food waste

In addition to its internal “zero-loss” policy in plants (see Section 2.5.5 Waste management: zero loss and circular economy), Bonduelle is committed to the fight against food waste.

According to the UN Food and Agriculture Organization (FAO), 30% of global food production is thrown away without being consumed. Instead of destroying products that do not meet Bonduelle’s specifications in full, but are perfectly edible, the group donates several tonnes of vegetables each year to charities, which redistribute them locally. The amount totaled 3,986 tonnes in 2018-2019, covering Canada, the United States, France, Italy, Poland and Hungary, for canned, frozen, fresh-cut ready-to-use salad and ready-to-eat prepared vegetables.



#### **Food waste: 250 tonnes of goods per year donated to food banks in Russia**

Several Russian sites (Novotitarovskaya, Timashevsk, Moscow) have set up schemes to donate end-of-life and damaged products to food banks, provided the products are safe and labeled for consumer use.

Bonduelle also endeavors to raise awareness of food waste among consumers. The group offers different kinds of packaging (shelf life, portion size) and specifies the size of the portion so that consumers can make appropriate choices depending on their type of household and consumption. In addition, Bonduelle’s websites and social networks provide practical information such as help understanding use-by dates.

### 2.5.5 Waste management: zero loss and circular economy - GRI 103-2

To help achieve the environmental target of “zero loss” by 2025, Bonduelle optimizes resources throughout the product life cycle, starting with responsible product and packaging design (see Section 2.5.4), and promotes the circular economy.

### 2.5.5.1 Reduction at source of vegetable waste

In 2018-2019, 593,883 gross tonnes of vegetable waste were generated at Bonduelle’s sites. This corresponds to 485 kg of vegetable waste per tonne of manufactured product (TMP). This ratio represents a 3.4% improvement on the previous year, as a result of the different types of vegetables processed.

During this fiscal year, 90.7% of vegetable waste was recycled commercially, used as animal feed, converted into methane or used as compost.

### 2.5.5.2 Industrial waste management

Thanks to the efforts of all its plants, the group’s overall performance in terms of energy recovery or recycling was 70% in 2018-2019, compared with 90.6% in 2017-2018. This difference is due to the change in scope. At constant scope (excluding BFA), the group’s performance would have been 89%.

Hazardous industrial waste represented 276 tonnes in 2018-2019, *i.e.* a ratio of 0.23 kg per tonne of manufactured product.



#### **Waste: the Rosporden plant (France) gives used pallets a second life**

In Rosporden, used pallets are no longer treated as waste. Repaired, resold or used to generate heating, a new use has been found for more than 8,000 pallets.

### 2.5.6 Territorial management to develop a long-term vision

For Bonduelle, the territorial management angle in the “zero loss” macro-objective complements its operational environmental policy. It offers a different framework for steering four local environmental challenges - all of which are interdependent and require a long-term approach - around its sites:

- protection of biodiversity and the adequacy of ecosystem services rendered;
- quality of available water resources;
- absence of disturbance and acceptance by local residents;
- adaptation to climate change and the energy transition.



In line with the road map, each agro-industrial entity constructs and implements its action plan to preserve the value of the local land.

In 2018-2019, 49% of sites developed projects in tandem with their local communities (see 2.7.6.1 Participating in local community life and rallying employees).



### The BFE business unit unveils its new HQE (High environmental quality) headquarters.

Co-designed with employees and certified according to the French HQE standard, the new headquarters offer various eco-friendly facilities. In addition, the socially responsible concierge service makes it easier for employees to organize their day-to-day lives and enables people in difficulty to return to work.

#### 2.5.6.1 Preserving biodiversity on land used

Bonduelle’s agri-food operations cover vast tracts of land and require a significant amount of natural resources such as crops, water and energy. The Bonduelle biodiversity road map anticipates the creation of a three-pronged action plan by 2025:

- 1. Acquire knowledge of the specific challenges faced by sites and call on recognized circles of expertise.

Bonduelle is a member of OREE, a multi-stakeholder association for integrated regional environmental management. It is also a member of the French Foundation

for Biodiversity Research (FRB), a platform for different scientific and societal actors on biodiversity.

In 2018-2019, Bonduelle commissioned experts to carry out a biodiversity assessment of a pilot farm. A four-season pollen analysis was used to assess the development of bee colonies, plant diversity and pollution (pesticides and heavy metals). The study - which will be extended to two other sites next year - resulted in practical measures being proposed for the farm;

- 2. Raise awareness among production facilities about new regulatory constraints and local biodiversity issues.

Bonduelle has created an awareness-raising indicator for “local conditions”. The group is field-testing the indicator, with 10 out of 37 sites identifying an area of “outstanding flora or fauna” on the land they occupy;

- 3. Design appropriate management tools allowing Bonduelle to identify good practices and weaknesses, lay down structural improvement plans and quantify progress.

Bonduelle is continuing to study the specifications to be used as a framework for the challenges and methodological tests, and in 2017-2018 focused on upstream agricultural activities (see Section 2.4 Caring, with our farmer partners, for cultivated land). Depending on the crop, the tool is either currently being tested or rolled out.

#### 2.5.6.2 Local acceptance monitoring

For the past two years, Bonduelle’s plant complaint index has monitored the degree of local acceptance according to the frequency and nature of complaints.

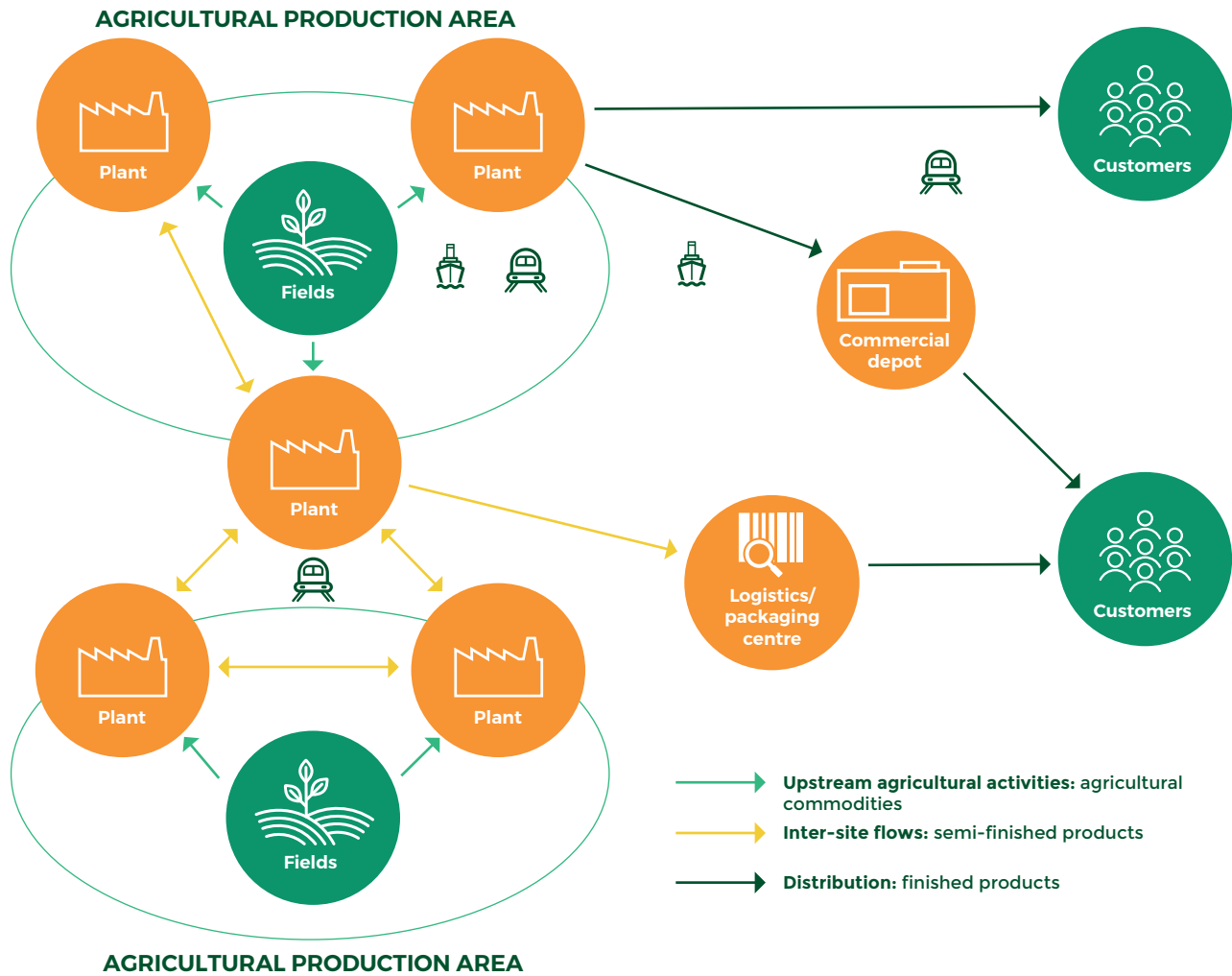




### 2.5.7 Management of transportation flows and alternatives to road transport

The Bonduelle Group’s transportation flows fall into three categories: upstream agricultural, inter-site and transportation of finished products to distributors.

#### Product transportation flows and alternatives to road haulage



The Transport and CSR Monitoring Committee is made up of representatives of the logistics entities at agro-industrial sites and members of the Supply Chain, Purchasing and CSR Departments. It monitors developments in the sector and researches long-term solutions to minimize the environmental impact of transport flows.

Bonduelle’s transport policy contributes to the 2025 “zero loss” environmental target and covers all flows: upstream agricultural, inter-site and distribution. The policy is covered by our guidelines. The group has committed, firstly, to identifying and measuring transportation-related CO<sub>2</sub>

emissions and, secondly, to maximizing the use of alternative means of transportation or solutions that emit less CO<sub>2</sub>.

In 2018-2019, the group’s transport-related emissions generated 230,910 tonnes of CO<sub>2</sub> (excluding the BFA business unit and Brazil).

In terms of optimizing flows and reducing the environmental impacts of transporting vegetables to agro-industrial sites and finished products to retailers, the group has continued its initiatives:

- **combined rail-road transportation** avoided the emission of 7,826 tonnes of CO<sub>2</sub> in 2018-2019, compared with the exclusive use of road haulage. This means of transportation





has been promoted on several flows with the Nord-Picardie production area (France), southwest France, Hungary, Italy, Russia and packaging returns;

- **natural gas, a way to reduce our environmental footprint:** in liaison with one of its transportation partners in South-West France, Bonduelle favors NGVs (natural gas vehicles) using natural gas in liquefied or compressed form. This option generates CO<sub>2</sub> emission savings compared with traditional fuels and reduces emissions of nitrogen oxides and particulates;
- Bonduelle has set up **new requests for proposals for future transport partners which include environmental selection criteria.** Launched in France last year, this approach was implemented in all countries of the BELL business unit (excluding Germany) in 2018-2019. It will be adopted in Germany next year.

## 2.5.8 Responsible purchasing – GRI 102-9, 102-10, 308-1, 103-2, 408-1, 409-1, 412-3, 407-1

For Bonduelle, implementing a responsible purchasing policy involves adopting recognized purchasing model guidelines inspired by nature's cycles and creating shared value for the Bonduelle ecosystem.

With this new perspective, the group is continuing to develop its responsible purchasing and supplier awareness policy, while continuing to focus on food safety and quality, as well as factoring in environmental and social criteria. This policy is being implemented gradually.

### 2.5.8.1 Engaging fruit and vegetable suppliers and manufacturers of finished products – GRI 308-1

Bonduelle sources the majority of its fruit and vegetables from its farmer partners (see Section 2.4 Caring, with our farmer partners, for cultivated land). Independent and cooperative producers account for 88% of the land under cultivation. As early as 1996, the group established an agronomy sourcing charter to guarantee product quality, compliance with the cultivation requirements of each vegetable type, food safety and effective risk management. Fully 92% of the group's producers have signed up to the charter.

Although the group's policy is to source supplies as close as possible to the end consumer, some types of produce may have to be grown in countries further afield, particularly in Africa. Where this is the case, Bonduelle chooses reputable, quality-certified partners who work with small producers on a long-term basis. This guarantees an additional revenue stream for producers, many of whom grow subsistence crops.

It also ensures that the necessary crop treatments are kept to a minimum and are properly managed. These partnerships offer Bonduelle the assurance that it effectively contributes to local economic development. For example, one of its partners offers its small producers micro-credit solutions to finance their leasing and labor costs, as well as health care for plant employees. To ensure compliance with the production criteria specified by Bonduelle and to support its partners as part of a continuous improvement process, the group ensures a permanent or periodic presence by its own employees.

For fruit and vegetables purchased from other producers or brokers, which account for 5% of the land under cultivation, Bonduelle has a simplified sourcing charter (extracted from the agronomic sourcing charter). Backed up by audits, it focuses on product safety, financial risks, technical constraints and the risk of fraud. Suppliers may also be audited to check their performance and adherence to their product quality commitments. Bonduelle also implements specific surveillance plans according to the types of products and the potential risks. These plans notably take the form of tests on samples of phytosanitary waste and trace metal elements by independent laboratories.

### 2.5.8.2 Engaging, evaluating and supporting suppliers in other categories (ingredients, packaging, finished products, energy, industrial procurement and service provision, etc.) – GRI 407-1

The group has set itself the objective of evaluating its main suppliers (by purchasing volume) and those suppliers that have a significant CSR risk rating. This policy was initially put in place in the BELL, BFE and BEAM business units and will be rolled out to BALL and BFA within three years.

To select and evaluate suppliers at risk (on a scale of 1 to 6), Bonduelle has produced a map based on the criteria set out in the vigilance plan (see Section 2.8.2.2 Mapping of vigilance risks). – GRI 308-1.

Bonduelle also works with the EcoVadis platform to evaluate high-risk suppliers (levels 5 or 6) and/or suppliers with significant purchasing volumes via an online CSR questionnaire and expert analysis. Using this recognized collaborative platform ensures consistency and transparency in monitoring suppliers' environmental and social commitment. This evaluation also identifies opportunities for innovation and partnerships.

The EcoVadis methodology is based on international CSR standards, including the Global Reporting Initiative (GRI), United Nations Global Compact, and ISO 26000. The

### Reducing environmental impacts from field to plate

evaluation is performed using 21 key CSR indicators covering four different areas:

- environment: energy consumption, water, biodiversity, pollution, materials and waste, emissions, greenhouse gases, product use and end of life, consumer health and safety;
- social: health and safety, working conditions, labor relations, career management, forced and child labor, freedom of association, non-discrimination, fundamental human rights;
- ethics: anti-corruption, anti-competitive practices, fair trade;
- purchasing: environment, working conditions and human rights.

Lastly, suppliers are also asked about any environmental and social disputes in which they have been involved and which received media coverage.



#### Supplier CSR evaluation results – GRI 308-1

In 2017-2018, Bonduelle introduced EcoVadis evaluations for its key suppliers by purchasing volume and risk level. At the end of 2018-2019, **137 suppliers had been evaluated by EcoVadis, representing 43% of the group's purchasing expenditure.**

Having analyzed its EcoVadis assessments, and in order to help its suppliers make progress on CSR issues, Bonduelle requests an action plan from suppliers who do not fulfill certain criteria. These suppliers will be reassessed in order to ensure that they are improving.

#### 2.5.8.3 Animal welfare

A minority of Bonduelle's products contain meat and eggs. The group ensures that ingredients of animal origin are sourced from higher-welfare farms. This policy is applied in product development and communicated to Bonduelle's suppliers.

#### – Cruelty-free products

The Bonduelle Group does not carry out or endorse animal testing.

#### – Free-range poultry without animal meal or growth hormones (Europe)

In Europe, ready-to-eat prepared salads contain free-range poultry reared in environmentally-friendly conditions. Animal meal in poultry feed is prohibited and no growth hormones are used.

In France, for example, the chicken used in fresh products is 100% French in origin and is certified according to the *Volaille française* standard. In addition to provenance, farmers are committed to continually improving the living conditions of their livestock (thermal comfort, air quality, freedom of movement, natural light, etc.). The health of the animals is ensured using alternatives to antibiotics. The animals are fed on a high-quality diet.

#### – Towards a "cage-free" egg guarantee (Europe)

Eggs and egg products account for a tiny percentage of the ingredients purchased in Europe. Bonduelle is committed to gradually increasing its purchases of eggs produced under alternative conditions, so that by 2025, all eggs and egg products contained in its products can be certified as "cage-free".

#### – Animal welfare clauses (United States and Canada)

In the United States and Canada, Bonduelle stipulates in its supplier agreements and Code of Conduct that the group is committed to the respectful treatment of animals and expects its suppliers to adopt animal welfare practices. This clause includes the provision of an environment free from distress, cruelty, abuse and neglect.

Mindful of the expectations of its stakeholders, Bonduelle is open and transparent on the animal welfare practices of its suppliers. Through ongoing dialog with consumers online and with the input of various NGOs, including L214 and PETA, Bonduelle can identify expectations and respond to the need for reassurance.





## 2.6 Encouraging people to eat healthy and sustainable food

### 2.6.1 A strategy for the enjoyment of affordable plant-based food – GRI 103-2, 417-1

Encouraging people to eat healthy and sustainable food: this is Bonduelle's story in a nutshell. Bonduelle wants healthy and sustainable eating to be enjoyable. It wants to pique people's interest in their food, by telling them more about the products on their plate, and through new ideas, and to constantly encourage people to enjoy tasting and sharing good food. Bonduelle also stands out for its pricing, practicality, diversity, and innovation. At Bonduelle, in addition to policies linked to the quality of products, we have made a commitment as a company to use our expertise to serve the public interest. Through all of these policies the group is able to guard against the risk of product shortages in particular.

In 2018-2019, Bonduelle set two new strategic objectives:

- 100% of group brands to have a positive impact. Whether brands have a positive impact will be determined by the voluntary (non-regulatory) addition to the product of a social and/or environmental benefit. A new monitoring indicator for this objective will help to flesh out the definition;
- spreading the word about the work of the Louis Bonduelle Foundation in the countries in which Bonduelle operates.

To give more support to its plan for healthy and sustainable food, Bonduelle is promoting its commitment and encouraging unity in two innovative areas:

- 1. Food for Good:** Bonduelle is keen to promote plant-based food as being tasty and enjoyable, forging links with today's consumers as well as those of tomorrow, who are increasingly connected and well-informed about environmental challenges, and building consumer confidence when it comes to the quality, traceability, and naturalness of its products.
- 2. Plant-based food for as many people as possible:** the Bonduelle Group wants to engage with consumers and, through support for and deployment of local actions, give

them a better understanding of the universe of vegetables and plant-based food so they can learn to enjoy them<sup>(1)</sup>.

This macro-objective, deployed using an action plan and tracked by indicators, is also Bonduelle's opportunity to share the wonderful history of vegetables in a world where plant-based food is really gaining ground. And that is one of the talents of the Louis Bonduelle Foundation.

### 2.6.2 Food for Good

#### 2.6.2.1 Quality and traceability – GRI 417-1, 416-1

##### Product safety, traceability, and testing

To make sure **food is safe**, an annual risk analysis is conducted methodically. It is used to identify risks, assess them, and take appropriate measures to control them. As part of this continued vigilance plan, 43,502 food safety tests were carried out on canned goods, and 22,142 tests on frozen, fresh, or ready-to-eat prepared vegetables in 2018-2019.

The policy implemented by Bonduelle to provide **maximum product quality** is based on a process and management system under the control of a Quality Director in each business unit. Working in a network, Quality Control Departments report to a general coordinator and meet once a year.

Each business unit has a quality plan tailored to its specific technological needs (canned, frozen or fresh food, etc.) as well as the (regulatory) context specific to the different Quality plans are implemented in all of the group's production facilities, based on three main aspects:

1. Quality checks on incoming raw "plant" materials and all other supplies;
2. Quality controls on the production lines; and
3. Final checks on products before shipping.

In 2018-2019, 43 (15%) of our industrial partners supplying finished products were audited for their performance and delivery on product quality commitments; 630 tests on

(1) It is well known that, together with fish, vegetables are the least favorite food category among children. It is also widely accepted that a low intake of fruit and vegetables is a factor in early mortality (Binh Nguyen et al., *Int J Behav Nutr Phys Act.* 2016; 13: 9). Having an understanding of food comes from learning about it at an early age. Studies show that the sooner children are exposed to a wide variety of foods; the more likely they are to enjoy a variety of foods in adulthood. Studies also show that it is possible to boost the enjoyment and consumption of vegetables through a process of familiarization, for example by presenting new vegetables in multiple ways, developing an understanding of the plant, and taking part in cookery workshops (*Sensitive periods and factors in the early formation of food preferences*, S. Issanchou, S. Nicklaus, ebook.ecog-obesity.eu).

### Encouraging people to eat healthy and sustainable food

phytosanitary residues and trace metal elements were carried out by an independent laboratory, and 100% had a compliant result.

The results of these control plans lead to continuous improvement actions. In particular, the quality plans of production facilities are accompanied by a policy of investing in and upgrading industrial facilities, certification processes and analysis of the risks of fraud and malfeasance.

Bonduelle has a **certification policy for its production sites**, developed in line with industry standards, and specifically taking into account its locations, or client requests. This policy was initially based on ISO 9001. Quality management systems have now reached maturity, so Bonduelle is gradually discontinuing ISO 9001 certification renewal and refocusing its certification policy on other benchmarks, including Global Food Safety Initiative-recognized standards such as IFS and BRC.

The majority of our quality-certified agro-industrial production facilities are certified by several bodies:

#### 100% of Bonduelle production sites have at least one type of quality certification;

23 IFS and/or BRC sites	<i>IFS: Private international food standard, owned by the French Food Retail and Wholesale Federation (Fédération des entreprises du commerce et de la distribution, FCD) and its German counterpart. The IFS evaluates food product suppliers focusing on product quality and safety. The current version is IFS V6. BRC: British Retail Consortium: a private standard owned by the British Retail Consortium and very similar to the IFS. The current version is BRC V6.</i>
5 FSSC 22000 certified facilities 8 American SQF certified facilities	<i>SQF: Safety Quality Food – Private international standard owned by the Foundation for Food Safety Certification, based on ISO 22000 and PAS 220 for food producers.</i>
3 ISO 22000 certified facilities.	<i>This standard specifies the requirements for food safety management systems and aims to improve customer satisfaction by effectively controlling food safety hazards.</i>
2 ISO 9001 certified facilities.	<i>International quality management certification standard delivered by an accredited external body. It sets out the requirements for an effective quality management system ensuring that products comply with the requirements of customers and applicable regulations. The most recent version is ISO 9001 V 2008.</i>
21 organic farming facilities	<i>According to current laws and regulations, production facilities are certified for the production of organic products.</i>

### Natural manufacturing processes

Bonduelle has designed its manufacturing processes so that when plant-based food reach the consumer's plate, they are as close as possible to the food they would eat in the field. To preserve their nutritional and taste qualities, only a **few hours** elapse **between harvesting vegetables and processing them in the plant**. Next, the process of transforming raw materials preserves their natural characteristics as much as possible:

- **natural sorting, washing, and peeling:** the vegetables are sorted, washed, and peeled mechanically or using steam. For frozen and canned foods, the vegetables are then water- or steam-blanching to preserve their qualities: **taste, color, and texture;**
- **preserving vegetables using temperature:** frozen vegetables are preserved by cold at -30°C, then stored at -18°C; bagged salads and salads in trays are prepared and stored at +1 to +4°C; canned vegetables are preserved solely by heating for just a few minutes at above 130°C in sealed packaging, then stored at room temperature.

Bonduelle ensures its products are **quality-controlled** and **traceable**. These practices enable a quick response whenever a quality issue is detected.

- **Dozens of quality control** inspections are carried out from harvest to storage of the products, including on temperature, bacteriology and weight.
- From harvest to storage, all information can be found using the **code on the packaging:** field and growing conditions, harvest date, preparation conditions in the plant, and storage conditions.

In each country where Bonduelle operates, there is a department dedicated to consumer satisfaction. Each product bears the contact details customers can use to contact the Customer Services Department at any time, either to ask questions or to make a complaint.





### First range with no pesticides residue

In order to meet consumer expectations in terms of the quality of food products, Bonduelle launched in early 2019 a range with no pesticides residue<sup>(1)</sup>:

- three bagged salad products with no pesticides residue, no GMOs<sup>(2)</sup> and no preservatives<sup>(3)</sup>: lamb's lettuce, baby spinach and iceberg lettuce;
- a canned sweet corn product with no pesticides residue, no GMOs<sup>(2)</sup>, no preservatives<sup>(3)</sup> and no added sugar.

In committing to achieving results rather than just the means, Bonduelle has opted for a rigorous process with an impact across its value chain and confirmed by systematic tests. This commitment requires joined-up working with its farmer partners and controls throughout the manufacturing process to guarantee quality and traceability. It is based on several pillars:

- an agricultural model based on the selection of varieties, the adaptation of cultivation methods and treatment: crop treatment decisions are made on the basis of observations and factual conclusions and use of active chemical substances is limited to that which is strictly necessary;
- tests by an independent accredited laboratory on 100% of the plots for the range with no pesticides residue: products must show a concentration of pesticides residue beneath the limits quantifiable by the testing methods (0.01 mg/kg). In total, tests are carried out for all molecules liable to be found in residues, a total of 300 for ready-to-use salads and over 500 for canned sweetcorn;
- the adaptation of plant processes.

### 2.6.2.2 Nutritional quality – GRI 417-1, 416-1, 103-2

#### Nutritional quality of the products

For Bonduelle, the nutritional quality of products is essential. *Visa Santé*, a continuous improvement initiative, is built around reviewing and optimizing our products and is based on four essential points:

1. Classification of products into three “nutrition” groups, according to their levels of certain nutrients:
  - “raw products that have undergone minimum processing”,
  - “lightly-cooked plant-based food”,
  - “prepared and gourmet products”.
2. The development by the Group's Nutrition Department of a reference framework of nutritional values related to quantity and quality recommendations on the salt, sugar and fat content in food.
  - Over the past 10 years, Bonduelle has gradually reduced the salt in its recipes.
  - Bonduelle only adds sugar to recipes that traditionally use it (steamed peas and carrots) to sweeten the natural bitterness of the vegetable (endive, Brussels sprouts) or the acidity of an ingredient (vinegar, etc.).

1,158 products from all segments were tested from January 2008 to December 2015 to determine if they were in line with the recommended nutritional values.
3. Recipe compliance: between 2009 and 2017, 258 recipes that did not meet the nutritional criteria were revised by the business units.
4. All new plant-based products must meet a number of minimum criteria defined by *Visa Santé* and be positioned in one of the three “nutrition” groups.

The program's objectives also include the development of well-thought out, simple, transparent and objective nutritional information. The group makes no nutritional claims on the packaging of its “prepared and gourmet products”.

“*Visa Santé*” was launched by Executive Management and, in addition to the Nutrition Department, now involves engineers in the Quality, Innovation and Development and Marketing Departments of the various business units.

100% of Bonduelle branded products are evaluated by *Visa Santé*. (GRI 416-1)

(1) Within the limit of quantification (< 0.01 ppm) for over 500 molecules tested (corn) 300 molecules tested (salad).

(2) In accordance with current laws and regulations.

(3) Genetically modified organisms.







### Product innovations: more vegetables, pulses and organic products

In Canada, individual fresh salads were launched thanks to the pooling of production and innovation capacities of the BFA business unit, and the network and Canadian customer knowledge of the BALL business unit team. Moreover, the “Heat & Eat” range offers ready-to-heat meal bowls with fresh vegetables, meats and grains.

Bonduelle has launched a number of pulse-based innovations in the form of meal-sized portions in the Netherlands and organic pulse sachets in Sweden. In France, Bonduelle Food Service has launched the collection B’Creative: *les pépites!* This range offers a unique 100% plant-based blend of vegetables and pulses. It is currently being rolled out in Poland, Italy, Germany and Spain.

In the organic segment, Bonduelle has created a 100% French organic canned and frozen vegetable range. The frozen range’s plant-based packaging contains 45% biosourced material made from sugar cane. In Italy, Bonduelle has brought to market a new range of frozen products, Be!Bio.

### Consumer information and satisfaction

On the Bonduelle.com website, the group explains the process of growing and processing plant-based food, from harvest to shipping.

In France, and, since 2018-2019, in Belgium and Spain, Bonduelle has added Nutri-Score nutrition labels to its products (GRI 416-1):

- fresh and ready-to-eat prepared vegetables: 100% of Bonduelle products have an A score;
- canned and frozen: 96% of Bonduelle products have an A or B score;
- specialty: 99% of Bonduelle products have an A or B score.

Designed by the French national public health agency (*Santé Publique France*), this optional logo provides consumers with the product’s full nutritional quality at a glance.



### Prizes and awards

Bonduelle was awarded the *Innovation Grande Entreprise* prize for its InFlavor process at the 28th Innovation Awards by the *Association pour le développement de la recherche et de l’innovation du Québec* (ADRIQ). This process of controlled dehydration reduces the water content of vegetables prior to freezing in order to preserve their organoleptic properties.

Bonduelle Food Service was awarded an Innovation Award at SIRHA 2019 (world hospitality and food service event) for its Red lentil and carrot nuggets range, a fiber and protein rich plant-based blend.

The BFA business unit was named “Refrigerated Foods Processor of the Year, 2019” for the quality of its refrigerated foods by the magazine Refrigerated & Frozen Foods.

## 2.6.3 Plant-based food for as many people as possible

Food is a public health issue: according to the World Health Organization (WHO), a diet low in fruit and vegetable is one of the top 10 risk factors for mortality worldwide. Because children are tomorrow’s consumers, and because, along with fish, vegetables are the food category they reject most, Bonduelle has come up with a whole world of plant-based food that kids crave. Based on the conviction that eating well is something that is learned, Bonduelle is taking steps to familiarize children with a wide variety of vegetables to encourage them to choose vegetables.

As part of the fight against waste (2.5.5 Waste management: zero loss and circular economy) and Bonduelle employees’ involvement in local life (2.7.6.1 Participation in the life of local communities and mobilization of employees), Bonduelle is carrying out numerous solidarity actions to raise awareness about balanced nutrition and donations of vegetables.

In addition, Bonduelle is investing in research to understand children’s relationship to food, particularly vegetables, and is supporting actions on the ground through the Louis Bonduelle Foundation.





### 2.6.3.1 Healthy and sustainable food information and awareness-raising actions – GRI 103-2, 413-1

#### The Louis Bonduelle Foundation is spreading knowledge and supporting projects worldwide

In October 2004, the group set up the Louis Bonduelle Foundation which works to bring about a lasting change in eating habits. It is now active in France, Italy, Belgium, the Netherlands, Canada, Spain and Russia. It is managed by a Board of Directors made up of volunteers, including independent experts.

Its three areas of activity are interconnected:

- informing and awareness-raising by making information on plant-based food available to all;
- supporting research;
- implementing actions on the ground.

The Louis Bonduelle Foundation makes all of its information and research on plant-based and sustainable food available to all. Its website has over a million views each year ([www.fondation-louisbonduelle.org/](http://www.fondation-louisbonduelle.org/)).



#### Forward-looking digital comic, *Manger vers le futur* (Feed-Forward).

Since 2016, the Louis Bonduelle Foundation has been a member of the ANCA Chair, hosted by the AgroParisTech Foundation, which develops innovative educational tools to raise awareness of balanced nutrition. In 2018, this partnership led to the creation of a forward-looking digital comic *Manger vers le futur* (Feed-Forward) (<https://mangerverslefutur.org/>). Jointly developed by experts on the basis of a scenario in the future, each episode is intended to promote awareness and offers a library of scientific documents. The first half of 2019 was dedicated to circulating this resource. By June 2019, it had been viewed a total of 300,000 times, had been shared by over 30 media outlets, and had a community of 3,000 followers on Instagram.

In partnership with the European Childhood Obesity Group (ECOG), the Foundation funds and contributes to the free international reference e-book for childhood obesity practitioners and researchers, available on the ECOG site: <http://ebook.ecog-obesity.eu/>.

Consulted more than 700,000 times since its publication in 2015, the document is available in English, Spanish, Portuguese, Polish, Italian and French. The only one of its kind in the world, this e-book has been endorsed by the World Obesity Federation (WOF), the global network offering the only recognized accreditation on the treatment of obesity in

the form of an e-learning course, the SCOPE program. The contents of the e-book will make up the six modules on child obesity. Developed in 2019, they will be online on the WOF platform in January 2020.

Finally, every year, the Company's Louis Bonduelle Foundation launches a call for projects to support local initiatives whose aim is to improve eating habits. Since 2007, through these international calls for projects some 207 projects have already been supported, benefiting almost 500,000 people. (GRI 413-1)



#### Louis Bonduelle Foundation in Russia: a healthy eating e-course

Since 2017, the Louis Bonduelle Foundation in Russia has been supporting the awareness-raising program, "Nutrition ABC" which aims to teach children the basics of balanced food choices.

In 2018, the program entered a new phase in its development: in partnership with Danone, ANCO "National Open School" (Rybakov Foundation) and experts in education, nutrition and pedagogy, Bonduelle launched an e-course on healthy eating with five lessons aimed at 7 to 10 year-olds. Its main objectives: offering children and teachers educational resources and involving parents in the process through activities. Children learned to recognize and eat healthy food, visited local farmers, grew vegetables, etc. The course was rolled out to 60 schools in six regions in Russia.

#### Bonduelle is continuing its hands-on work with individuals and professionals

In order to promote the extraordinary creativity of vegetables, Bonduelle has launched the first webzine dedicated to vegetable-growing: *Légumiz*. Published on Facebook and Instagram in France and in Germany, it is to be rolled out to all European countries where the Bonduelle brand is present.

Bonduelle has become involved with the huge citizens' consultation on better eating habits, *Mieux Manger* (Eat Better), launched by the platform Make.org. Thousands of citizens have answered the question, "What can be done to improve everyone's eating habits?" offering their solutions and voting for those they want to see implemented at national level. Bonduelle has encouraged all of its employees to take part and suggest ideas.

Finally, Bonduelle has created Greenologie, a comprehensive service to help professionals in the food sector, whether independent businesses, chains or catering, put plant-based foods at the heart of their menus. This online turnkey solution presents: the basics of plant-based foods, video tutorials, veggie trends and easy-to-follow gourmet recipes. Those professionals who wish can follow up with a face-to-face meeting by making a personalized appointment with Bonduelle's culinary advisers.



Encouraging people to eat healthy and sustainable food

### 2.6.3.2 Research on food and eating habits

Building on the success of the first strand delivered last year in France in partnership with Epicurium, a museum dedicated to the discovery of fruit and vegetables, the Louis Bonduelle Foundation has rolled its EPICALIM research program out in Canada. In 2018-2019, the research project conducted with the ITHQ (*Institut de tourisme et d'hôtellerie du Québec*) studied the impact actions on the ground have on the capacity of children to change their eating habits in relation to a number of foods. The results were shared in a scientific paper displayed and circulated as part of the *Journées Francophones de Nutrition* (Francophone Nutrition Days). This educational resource illustrates how taking part in a cooking workshop influences a child's ability to cook in the short and medium term.

The Louis Bonduelle Foundation has published a monograph<sup>(1)</sup>, available for download on its website, to support early years professionals and non-profit organizations in improving the impact of actions aimed at increasing children's appreciation, knowledge and consumption of vegetables. This literature review is based on 17 international scientific studies. It offers ideas for actions and tips on optimizing outcomes as well as identifying criteria for success and improving children's eating habits. The main conclusion of this guide is the following: the most effective long-term actions are those that combine a number of practices, that are both sensory (gardening, cooking, tasting) and cognitive (nutritional education, games, reading, etc.).

Finally, the Louis Bonduelle Research Award is aimed at researchers under the age of 35 enrolled with a university or higher education institution. Every year, it rewards food research, irrespective of the discipline: medicine, physiology, sociology, agronomy, etc. There have been 16 winners since 2006.

In 2019, the Bonduelle Group funded the first joint award for a thesis, "The bioeconomy and 3<sup>rd</sup> industrial revolution", organized by Mission Rev3. This collective initiative, led by the CCI (Chamber of Commerce and Industry) and the Hauts-de-France Regional Council, aims to boost the third industrial revolution in the region.



### The challenge put to students: increase consumption of plant-based proteins

In partnership with Village by CA Nord de France, Bonduelle joined the student challenge "increase consumption of plant-based proteins on our plates". The challenge? Innovate to feed nine billion human beings in 2050 whilst keeping the impact of the production of food proteins on the climate and biodiversity under control. Almost 300 students considered this challenge. The challenge was won by four students who devised a high-protein plant-based snack that boosts strength and well-being among dependent elderly people.

(1) *How to get children to eat more vegetables? The keys to the best ways of achieving this* The Louis Bonduelle Foundation, 2018.



## 2.7 Ensuring the “well-living” of employees and local communities

### 2.7.1 Bonduelle’s “well-living” strategy - GRI 103-2

One of the five objectives that make up its CSR strategy for 2025 (see 2.2.1.2. An approach that focuses on five macro-objectives), the Bonduelle Group has made it its ambition to ensure the “well-living” of employees and local communities.

At Bonduelle, “well-living” is defined as follows: “A state of mind that seeks to balance employees’ skills, needs and expectations with the constraints and opportunities linked to the work environment.” It is therefore about ensuring that employees are able to flourish, and contributing to the “well-living” of the communities around its sites. These ambitions reflect the core values held by the Company since it was established: people-minded, integrity, confidence, excellence, fairness, openness and simplicity.

This “well-living” strategy is divided into three pillars: Responsibility, Meaning and Development, themselves divided into sub-strands. Work toward living well by combining corporate **responsibility**, employees’ motivation to reach their **full potential** and the collective pursuit of **meaning** in the **initiatives** we enter into. For years, basics such as human rights and safety have been the cornerstone of this ambition.

### 2.7.2 Human resources policies and means implemented - GRI 103-2

Employee development covers safety, working conditions, social dialog and skills development. These four concerns are central to the Bonduelle Group’s human resources policy, which is based on the Company’s values. The policy revolves around three strategic priorities:

- **the creation of economic value**, through hiring high-potential employees, knowledge and skills transfer and the management of value-creation with quantified targets;
- **the international growth model**, integrating skills development, increasing the internationalization of management and anticipating needs;
- **the development of human capital**, including talent development, cohesion and a shared corporate culture, and embracing Bonduelle’s corporate goals. Through innovation in all its forms (managerial, product, etc.).

#### 2.7.2.1 Organization

The Bonduelle Group Chief Human Resources Officer (CHRO) relies upon the Human Resources Directors of the business units and a corporate team to implement the human resources policy effectively.

The group CHRO participates in and contributes to all of the group’s strategic decisions:

- defining group-wide policies and processes for Personnel development, Compensation and Benefits;
- designing and implementing international communication initiatives, in response to the challenges facing the group and which are designed to promote sharing and networking.

Coordination meetings between the Human Resources teams of the business units and the group so that priorities, current projects and the rollout of the various programs can be discussed. The policy is then approved by the group’s Executive Management and applied in each business unit, where the human resources contact leads a network of dedicated staff.

Discussions take place between the group and Human Resources Directors of each business unit to monitor the progress and implementation of the strategies. Each process is designed jointly with the business units before it is launched.

The Human Resources teams from the five business units and the group meet at an international seminar held every two years. Bonduelle’s overall human resources strategy is presented to a wider audience at these seminars, with a discussion of the future challenges and sharing of best practices. The human resources function seeks to act as a genuine Business Partner.

#### 2.7.2.2 Staff profile and employment policy

##### Bonduelle Group’s staff profile

The Bonduelle Group has a workforce of 10,655 (present at June 30, 2019) and 14,589 full-time equivalent employees (permanent, non-permanent, seasonal and others).

Average years of service among permanent employees is 10. In 2018-2019, BFA business unit data were consolidated.

Ensuring the “well-living” of employees and local communities

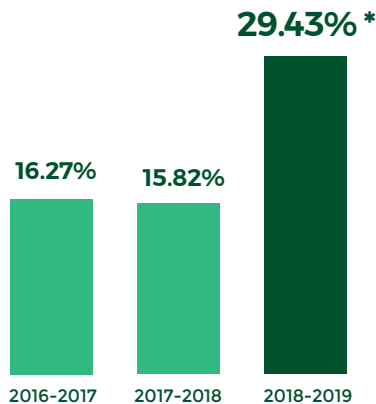
**Geographic breakdown of Bonduelle Group full-time equivalent employees - at June 30, 2019 \***



**Non-Europe:** Argentina, Brazil, Canada, United States  
**Europe excl. France:** Germany, Austria, Belgium, Croatia, Denmark, Spain, Hungary, Italy, Latvia, Lithuania, Netherlands, Poland, Portugal, Czech Republic, Romania, Russia, Slovakia and Ukraine

\* 124 employees did not wish to state their gender on hiring.

**Total Bonduelle turnover <sup>(1)</sup>**



\* In 2018-2019, BFA business unit data were consolidated.

**Employment policy, local employment, seasonal employment**

The stability of the number of permanent employees reflects the group’s consistent approach to organizing its operations.

The very nature of its business and the rhythm dictated by the harvests mean that the Bonduelle Group employs a large number of seasonal workers. Seasonal employment accounts for 12% of all Bonduelle Group’s contracts (full-time equivalents). The Bonduelle Group is committed to all of its workers, and as such is developing responsible initiatives to provide them all with a good working environment (see 2.7.3.1 Safety and working conditions).

The Bonduelle Group utilizes a range of strategies to secure the loyalty of its seasonal employees. In the United States, the group provides specific English language training sessions (via video) to seasonal workers whose first language is not English. In Italy, special programs are also in place for temporary workers without a good grasp of the local language. Loyalty is also earned by compensation policies (competitive overtime pay, bonuses paid at the start and end of the season in Hungary, etc.) and employment contracts which make

(1) Scope: departures at the request of the employee, due to death, retirement or agreed departure.





## Ensuring the “well-living” of employees and local communities

working for Bonduelle compatible with other seasonal jobs. For example, through these measures, a retention rate of 60 to 80% depending on the plant has been achieved in France.

At some sites, Bonduelle works with employer groupings to pool skills and provide regular seasonal work. As information on these contracts is difficult to track globally for each individual, the renewal rate is monitored by site.

The group also strives to transform its recruitment needs into opportunities for local jobseekers. Every year the Labenne (France) plant recruits almost 300 people for the production season (end June to end October). Having experienced recruitment difficulties over the last two years, in April 2018 the plant organized a “Bonduelle Internal Forum” where the employees themselves presented their jobs to candidates on-site.

Depending on the employment areas in which its sites are located, Bonduelle focuses on local recruitment or opportunities for people from areas with few economic prospects.

### 2.7.2.3 Organization of work

At all of its locations, the Bonduelle Group complies with local regulations on working hours.

In agro-industrial facilities the operational rhythm is dictated by the harvest or selling seasons.

- For products with a long shelf-life (canned and frozen), facilities operate mainly during harvests. For example, in the BELL business unit in France a 2x8, 3x8, or 4x8 shift pattern may be implemented in season.
- In the case of fresh produce (bagged and ready-to-eat prepared salads), facilities operate all year round and experience fluctuations in activity related to sales. In the BFE business unit in France, work is divided among teams (2x8), with seasonal reinforcements to cover a six-day working week.

## 2.7.3 The basics

### 2.7.3.1 Safety and working conditions – GRI 103-2, 403-4, 403-2

The nature of risks and accidents at work is described in Section 4.2 Risk factors.

Work safety is a priority, which is why Bonduelle has a target of zero accidents with lost time by 2025.

Each and every person working for or with the group has the right to a healthy and safe working environment, ensuring

their physical and mental well-being, notably through actions to prevent occupational diseases. The Company is committed to maintaining excellent working conditions by developing prevention policies to ensure the highest standards of health and the best working conditions.

The Bonduelle Group’s safety policy was laid down in 2012 and revised in 2015. It highlights three fundamental principles that guide the group’s approach:

- all accidents are preventable, the achievement of “zero accidents” is therefore a choice;
- accountability, notably through training, is the basis of a safety approach;
- Bonduelle guarantees safe working conditions. Productivity must not come at the expense of safety.

In particular, Bonduelle has adopted the STOP method – Safety Training Observation Program – to achieve its objective of zero accidents. This method, developed by Dupont de Nemours, is based on preventive observation of behaviors. It enables employees to integrate the safest behaviors into their work culture, to optimize safety performance and to reduce and/or eliminate workplace injuries and illnesses. Participants are trained in methods that give them the knowledge and tools to work safely. Employees trained in this approach can then pass their knowledge on to their colleagues and staff, so that everyone can play a role in everyday safety.

No plant employees, even seasonal workers, can take up their position until they have been trained in safety on the site and on their specific job. They are issued with all general and job-specific safety instructions, and can also take additional training modules – in ergonomics for instance.

Safety is also a mandatory point on the agenda for the Executive Committee, weekly plant Management Committee meetings, monthly meetings between the Industrial Directors of each business unit and Plant Directors, and quarterly meetings between the General Management of business units and Country Managers. Representatives from the business units also attend meetings of a Group Health and Safety Steering Committee.

To mobilize employees on this issue, business units have the choice of factoring safety into the variable compensation granted to operational staff, in accordance with a recommendation issued by the group. This recommendation is changing in line with the new, more stringent standards: the bonus calculation is at least 10% based on safety, with a recommended level of 20%. The criteria for awarding the bonus vary depending on each site. Originally based on performance indicators such as frequency rate, they will gradually move towards more proactive prevention indicators such as the number of STOP observations per thousand hours worked.

Ensuring the “well-living” of employees and local communities

The existence of a safety Google community with 315 members in 2019 allows discussions to take place on best practices, priority measures and investments. Monthly reporting takes place at the group level. This allows the Executive Management to monitor key indicators such as frequency and severity rate over a rolling 12-month period, as well as the list of sites that have been accident-free for 12 months. The results are presented in the paragraph below.

### Production facility mobilization in 2018-2019

Bonduelle is aware that safety is a question of culture and time and is striving to strengthen the basics in order to improve the situation. With this in mind business units and facilities have stepped up measures to promote safety at work.



### The B!Safe challenge

Launched group-wide in 2018, the B!Safe challenge has enabled each business unit to feed back and circulate ideas for actions or good practices associated with plant safety. As such, over 100 initiatives have been shared and each business unit was given the opportunity to present a flagship project to the Group Management Committee in January 2019:

- BFA: “Safety in motion” project for the prevention of sprains, strains and musculoskeletal disorders;
- BELL: non-slip flooring. A non-slip floor has been created for use during handling. It is fitted by hand to protect against products and prevent falls;
- BEAM: common rules agreed for lorry drivers on site;
- BALL: orange zone: The orange zone is a project by the Brockport plant (United States). It comprises a zone with a ban on forklift trucks in the packing department. In this zone, pallets of products are transported by hand-operated trucks rather than electrical trucks with the aim of reducing the risk of collision between People and machines. The reduction in the proportion of employees who were given a review is related to the consolidation of data from the BFA business unit;
- BFE: promoting autonomy and taking responsibility (see below).

In 2018-2019, the **BFA business unit** rolled out the B!Safe challenge and focused its efforts on developing the “Safety in motion” project.

The **BEAM business unit** has rolled out the group’s safety policy, specifying the commitments to be upheld both at business unit and team level. These commitments may be subject to change each year in order to reduce short and medium-term risks. BEAM has also put in place systematic information-sharing on safety matters prior to each meeting. The aim of the routine is to make safety a key priority for all. Following the awareness-raising campaign on road accidents in 2017-2018, BEAM began to monitor road accident rates in January 2019. The Novotitarovskaya plant celebrated five

years without an accident at work in September 2018, the result of a strategy initiated some five years previously. With 110 permanent and 100 seasonal staff (full-time equivalent), a total of 320,000 hours are worked at the Novotitarovskaya plant in Russia over a rolling 12-month period. In 2014: creation of a Safety Committee and circulation of the “Golden Rules” of safety. In 2016, a real culture of safety was introduced: indicators, tools for communicating and sharing situations and good practice. 2017 and 2018, awareness-raising around appropriate behaviors and launch of safety observations. In 2018-2019, various investments were made to improve safety on-site: improving the ventilation of the sweet corn processing chain to reduce risks of exposure to high temperatures, protective equipment for the pedestrian routes in the depot, protective equipment for the area between the presses to improve safety when cleaning the conveyor, securing the maintenance platform for auxiliary equipment at height, securing the palletization zone.

The **BFE business unit** has opted to ask its employees to suggest the improvements they want to see in their workplace. This increases the autonomy of teams and provides novel solutions for reducing uncomfortable conditions at work: robotization reduces the discomfort of packaging stations in most ready-to-use product plants and ergonomic adaptations have been made at workstations in plants where ready-to-eat prepared vegetables are processed.

The **BALL business unit** has continued to implement its Dupont STOP prevention program centered on changing the working habits of employees in the industrial setting. This program teaches Managers, supervisors and team leaders how to observe their employees at their workstations and how to interact with them in order to acknowledge safety measures and correct hazardous situations and behaviors. Eight of the 12 plants have been running for over a year without any accidents with lost time. The Oakfield and Ingersol plants celebrated seven and six consecutive years respectively without accidents with lost time. The business unit is also continuing to implement the FFAST project (Focused Accountable Small Safety Team). A project to boost plant safety. Launched in 2015, it brings together employees from different departments to resolve common safety problems, bringing in employees from different locations with wide-ranging expertise. Good practice is shared with all Plant Directors. The BALL teams in North America have already successfully brought 15 projects to fruition.

The **BELL business unit** is securing full buy-in by line management and is rolling out its five golden rules:

- I wear my personal protective equipment (PPE);
- I pay attention to traffic routes;
- I hold the handrail on stairs;
- I tidy and clean my workstation;
- I make sure I’m safe before taking action.

A multi-site training program was launched in Nord-Picardie (France) in 2018-2019. An initial pilot group took a 12-day training course including one day dedicated to safety. Three new groups are already scheduled to take part in 2019-2020.





Ensuring the “well-living” of employees and local communities

Other actions were carried out by the BELL business unit such as, for example:

- the creation of a Director for Continuous Improvement and Safety Europe position;
- defining and rolling out an approach, methodology and tools to conduct systematic analysis of accidents with or without lost time as well as near-accidents, with analysis in most cases carried out by the local Manager;
- the development of Management Committees dedicated to safety at facilities;
- safety Steering Committees by sector in plants, currently established at 50% of facilities;

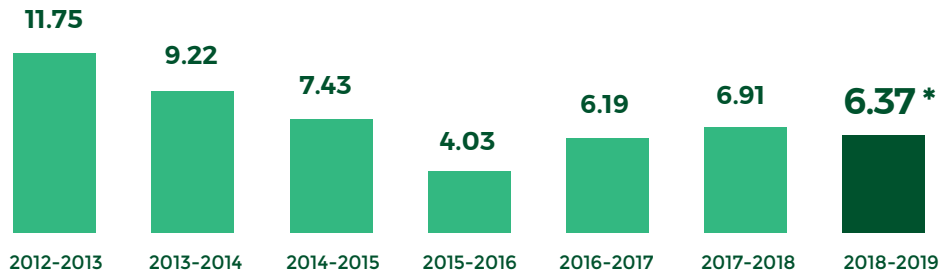
– continuing to implement the Stop Dupont observations, with a particular focus on the quality of observations so that they can be made with a constructive frame of mind.

Results

Together, these measures enabled the group to make significant progress between 2012 and 2018, with the frequency rate of workplace accidents with lost time falling from 11.75 to 6.37. These results reflect the close care and attention by Bonduelle to safety issues at all sites around the world. Following a significant, continuous drop in the last six years, the indicator for accidents at work with lost time has leveled off, with a frequency rate of 6.37 at the end of June.

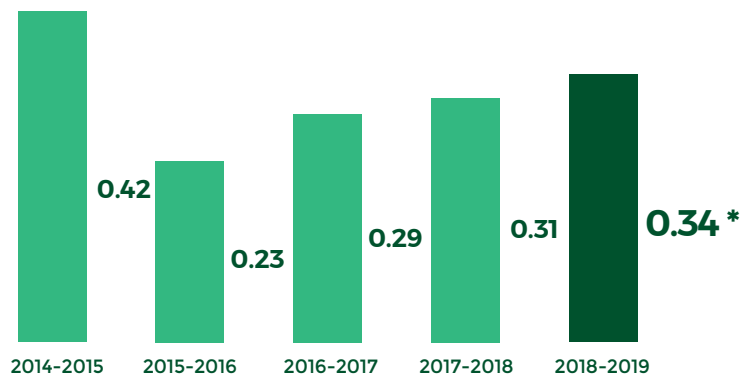


Changes in the frequency rate of workplace accidents for all employees at June 30



\* In 2018-2019, BFA business unit data were consolidated.

Changes in the severity rate of workplace accidents for all employees at June 30



\* In 2018-2019, BFA business unit data were consolidated.



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### Changes in the absenteeism rate at June 30

	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Absenteeism rate	3.43%	3.53%	3.72%	4.06%	4.38%	4.61%*

\* In 2018-2019, BFA business unit data were consolidated.

#### 2.7.3.2 Human rights – GRI 102-12, 103-2, 407-1, 408-1, 409-1, 412-3

Bonduelle complies with international labor laws. It is committed to respecting the European charter of fundamental rights in its organization. The group has also undertaken to comply with and promote the fundamental conventions of the International Labour Organization (ILO) and Convention No. 135 concerning workers’ representatives. Most of the countries in which Bonduelle operates as an employer are signatories to these conventions, meaning that 53.4% of employees are covered. Bonduelle’s internal commitments ensure compliance with these conventions, over and above countries’ commitments. The countries that are not signatories are:

- fundamental convention No. 29 on forced labor: United States;
- fundamental convention No. 87 on freedom of association and protection of the right to organize: Brazil, United States;
- fundamental convention No. 98 on the right to organize and collective bargaining: United States;
- fundamental convention No. 100 on equal remuneration: United States;
- fundamental convention No. 111 on discrimination in employment and occupation: United States;
- fundamental convention No. 138 on minimum age: United States;
- convention No. 135 on workers’ representatives: Belgium, Canada, United States.

All countries in which Bonduelle employs people have ratified the following conventions:

- fundamental convention No. 105 on the abolition of forced labor;
- fundamental convention No. 182 on the worst forms of child labor.

The Bonduelle Group has been a member of the United Nations Global Compact since 2003. Launched in 2000, the Global Compact aims to encourage companies to adopt fundamental values according to 10 universal principles derived from the Universal Declaration of Human Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on the Environment and Development, and the United Nations Convention Against Corruption.

#### 2.7.3.3 Wage policy and employee recognition – GRI 203-2

In all countries where Bonduelle has a presence, the group’s wage policy goes above and beyond the current minimum wage. The group offers wages in line with those in its sector. The rules applicable in each country reflect local realities, in compliance with the principle of fairness.

Following the Climate survey conducted in 2017-2018, the BELL business unit implemented an agreement to improve the career development of workers, employees, technicians and supervisors (OETAM) and make compensation more transparent. This agreement provides for the definition of key roles and structuring job descriptions, mapping of the career paths that provide visibility to employees, the introduction of a classification specific to Bonduelle ensuring fair compensation, the setting of a harmonized compensation policy.

In France, the Bonduelle Group has chosen to grasp the opportunity provided by the “Bill on emergency economic and social measures”, adopted by the parliament on December 21, which enabled employers to pay their employees who earn less than three times the minimum wage (SMIC), a premium of up to 1,000 euros, which is exempt from income tax, social security contributions from the employer or employee and social levies (CSG/CRDS). 89% of employees in France were eligible, and Bonduelle paid out a total of almost 1 million euros.

### 2.7.4 Responsibility

The Bonduelle Group has chosen to work on four focus areas within the Responsibility pillar: employability of its staff, employee health, diversity and transparency.

#### 2.7.4.1 Employability: Talent development and training – GRI 103-2, GRI 404-3

The Management Bonduelle Academy (MBA) provides the group’s Managers with a diversified learning environment to support them in their managerial development as part of the VegeGo! ambition. The MBA programs offer varied, surprising and innovative learning, in which participants play an active role.







Ensuring the “well-living” of employees and local communities

All new group Managers are invited to take part in three essential MBA programs. The programs enable them to learn about the group, its history, values and the VegeGo! vision, but also to understand their role as Managers:

- “Discovery” promotes specific exchanges and experiences, through diversified workshops, based on inspiration and collaboration. In 2018-2019, 90 Managers from different business lines and countries were able to take part in this seminar;
- “Finance For Growth” continues to be delivered to Managers and more widely to local Managers. Since it was launched in 2015, over 900 participants have followed this program. It enables each one to identify their own drivers of financial value creation, understand the value creation chain and the cause and effect relationship in the ROCE (return on capital employed) tree;

- “ManageGo!” is a two-day seminar to discover, share and experience the Bonduelle management model and identify individual managerial development paths. It brings together Managers and encourages them to find the right balance between setting high standards and compassion, in line with the Company’s values and ambitions.

The contribution by Managers as internal facilitators is one of the MBA’s main assets. Over 50 Managers from all countries have already had the opportunity to lead ManageGo! or Finance for Growth sessions. In 2018-2019, a training session on facilitation for new Managers was held to ensure that the MBA’s programs continue to be rolled out.

All group employees have an annual performance review, irrespective of their job. It is an opportunity for everyone to assess their performance and discuss their training needs and goals with their Manager.

### Change in the percentage of employees receiving regular performance and career development reviews at June 30 - [1] [2] GRI 404-3

	2016-2017	2017-2018	2018-2019*
Percentage of employees with permanent employment contracts	81%	72%	55%

\* In 2018-2019, BFA business unit data were consolidated. The reduction in the proportion of employees who were given a review is related to the consolidation of data from the BFA business unit.

#### 2.7.4.2 Benefits and healthcare

The Bonduelle Group has set the goal of giving all permanent employees access to a social welfare system by 2025. The audit undertaken in early 2017 continued in all countries in 2018, with a view to deepening the knowledge of market practices and drawing up recommendations for the Bonduelle Group. The next step for the Company is to establish its program on group-wide key benefits by 2025.

#### 2.7.4.3 Diversity - GRI 103-2, 405-1

The Bonduelle Group firmly believes that diversity in the workplace is a form of wealth to be explored and shared.

It is committed to eliminating all forms of discrimination in the workplace and in employee relations, both direct and indirect. This principle of non-discrimination applies not only to hiring, but also throughout all stages of employment and during the various HR processes (training, assessment, compensation). It is underpinned by programs to promote diversity.

#### Gender diversity

**French agreement on professional equality and quality of life at work** of February 12, 2018. This agreement reaffirms the group’s commitment to promoting gender equality, with diversity regarded as a key factor in the group’s performance and in the personal fulfillment of its employees. The aim is not only to recruit, develop and retain employees with diverse personal characteristics (age, culture, origin, gender, disability, etc.), but more importantly, to capitalize on differences, ensuring that everyone can help achieve the group’s goals by reaching their full potential.

In France, “the gender equality index” was launched by the government in November 2018 to look at pay gaps within companies. Bonduelle began to calculate its workplace equality score across France. For the BELL business unit, where most French employees work, the index calculated for the 2017-2018 fiscal year was 84 points out of 100. The group intends to publish its indices for Bonduelle S.A. and the BFE business unit at end-2019, ahead of the legal deadline.

In Canada, the BALL business unit participated, via representation of the Canadian Association of Companies in the Food and Beverages Sector, in the conference held on May 9-10, 2019 by the French Ministry of Employment, Workforce Development and Work. The aim of this conference



Ensuring the “well-living” of employees and local communities

was to pool exemplary tools and practices useful to employers in promoting female progress in the labor market and bring about change in the world of work in Canada.

### Inter-generational diversity

Two agreements signed in 2018 underscore the Bonduelle Group’s commitment to diversity:

**French agreement on intergenerational workforce planning** of December 1, 2017. This agreement reflects a desire to predict and accommodate the transformation of the business, anticipate the skills that the Company will need in future in a timely manner, manage and plan for the wave of retirements that the group faces because of its age pyramid, recommend actions to promote the sustainable inclusion and retention of young people and “senior” workers, and facilitate the necessary skills renewal by encouraging schemes to transfer employee knowledge and skills, key elements of the Company’s wealth.

The BELL business unit in France held a recruitment day for young engineers, during which five teams of two recruited an incubator of 10 young engineers out of the 120 applications received in response to a posting. They will take up their posts at three French plants in early September 2019.

To ensure the transfer of certain technical roles, all plants in the BELL business unit introduced a mentoring program in 2016. Around 50 mentors will share their knowledge of technical roles such as crimper, sterilizer, etc.

### Inclusion and retention of employees with disabilities

Through its HANDIPOL disability mission, Bonduelle has had a proactive policy for the inclusion and retention of employees with disabilities in France since 2006.

Jointly managed, the disability mission is responsible for coordinating and harmonizing internal and external actions in the area of disability policy. Since its creation, there have been

four agreements on the inclusion and retention of employees with disabilities. The employment rate for employees with disabilities was 1.8% at the end of June 2019.

Since this agreement expired in December 2017, a fifth agreement was signed on February 12, 2018 for a four-year period. Through this fifth agreement on inclusion and retention, the Bonduelle Group reaffirms its commitment to:

- embedding the existing diversity schemes in place for the past few years in the group’s culture, with new corporate awareness actions and the involvement of all employees;
- achieving a 6% employment rate for employees with disabilities across the group;
- adapting the targets and resources available to each site to improve or maintain their employment rates;
- addressing any skills gaps to facilitate retention;
- tackling the issues raised by an aging population at the various group sites.

To achieve these objectives, the Bonduelle Group Executive Management in France has identified five priorities:

- recruitment;
- retention;
- inclusion and training;
- relationships with the sheltered employment sector;
- management and coordination.

In France, a disability awareness breakfast was organized with the *La Vie Active* ESAT for all employees at the head office in Villeneuve d’Ascq (France). The year’s successes (employment rate, partnerships, adjustments to workstations) were discussed within the four buildings to raise awareness as much as possible. During the day, activities took place so that 50 employees were able to put themselves in a disability situation.

### Number of employees with disabilities at June 30 – GRI 405-1

	2016-2017	2017-2018	2018-2019*
Workers with a disability (full-time equivalents (FTE))	281 FTE	237 FTE	255 FTE

\* In 2018-2019, BFA business unit data were consolidated.





## 2.7.4.4 Transparency: Social dialog – GRI 102-41, 103-2, 203-2, 403-4, 407-1

### Forums for dialog and agreements signed in 2018-2019

In accordance with its ethics charter, which has been introduced in every country where the group operates (see Section 2.8.1 Ethical business practices) and is available on <https://www.bonduelle.com/en/sustainable-development/documents.html>, Bonduelle encourages openness and dialog in its internal relations. The group respects the right of its employees to form or join the representative organization of their choice, including trade unions and workers' organizations, and to be able to participate in collective bargaining negotiations. Bonduelle respects the role and responsibilities of the social partners and is committed to negotiating issues of collective interest with them.

At June 30, 2019, 61% of the group's employees were covered by a collective agreement. – GRI 102-41

In accordance with the law, each of the French entities set up a Social and Economic Committee in March 2019, six months ahead of the requirement. These committees replace the works councils, employee representation committees and the health, safety and working conditions committees. Further, the group has provided all these sites with a health and safety at work committee, even at sites with a smaller workforce than the legal threshold for the law's application. Delegation hours have been allocated to each member of the health and safety at work committee.

The European Works Council (EWC) is a forum for cross-border information, consultation, exchange of views and social dialog. The EWC provides regular updates on Bonduelle's situation and development, organizes social dialog, and presents the group's social policy, particularly on employment, training, safety and working conditions, and CSR. It meets at least once a year to present the group's strategic direction and report on the fiscal year just ended in Europe.

The French group Works Council is the representative body for Bonduelle's activities in France (canned, frozen and fresh products and ready-to-eat prepared vegetables). This Committee provides French employee representative bodies with additional information, above and beyond its legal obligations, on Bonduelle's activities in Europe and outside of Europe.

In accordance with the agreement establishing the EWC, renewed by unanimous decision in March 2017, CSR (including workplace safety) subjects feature on the agenda of each annual ordinary meeting (GRI 403-4). In March 2019, the following topics were covered: replacement of the Bonduelle European Works Council secretary, welcome of new members, approval of the minutes of the last plenary meeting, 2017-2018 results, overview of 2018-2019 activity, CSR, forward-looking jobs and skills management, APONH and focus on IR Share subscription.

### “Climate” survey

In order to support the ongoing momentum of the VegeGo! program, in 2014-2015 the group introduced a “Climate” survey for all employees every two years. Its aim is to establish their motivations and level of engagement and to implement the measures needed to meet their expectations. The third edition of this survey, conducted in October and November 2018, had a participation rate of 87% of employees across almost 20 countries. The inclusion of the BFA teams represents an additional 3,081 employees, giving a total of 11,214 respondents.

The data was analyzed by an external organization, guaranteeing the confidentiality of the responses. The results for each entity were compared internally with those belonging to the same controlling area, and with the results of the previous survey. The group's results were also compared with those of other companies. Managers from each entity were informed of their own results and were assisted in sharing these results within their teams, as well as in devising and implementing improvement plans.



### Office Vibe: measures real-time team engagement and satisfaction

At BALL, employees were invited to test a fully digital survey tool for more regular and targeted monitoring of Managers with their teams. Office Vibe complements the Climate survey; it is a fun way to quickly measure the real-time commitment and satisfaction of the teams. The pilot phase begun in May 2018 with 80 employees was conclusive and the roll out of the solution for the entire business unit is underway.



### Specific actions to learn from the Climate survey

Following the results of the training and personal development category, the BEAM teams implemented two programs.

A communication on career development, with:

- a Career guide with the key evolution factors for employees to build their own careers;
- the sharing of real-life success stories based on the actual experiences of employees who have evolved in their roles or even changed job or location;
- a Careers day which presents the factors that influence a long-term career evolution. A test is also offered to participants to identify their own motivations;
- discussions with members of management: advice on the books to read, the questions to ask yourself, key stages and things to consider.

A three-facet recognition program:

- years of service: a gift at each major anniversary: 5, 10, 15, 20 years at the group;
- innovation: an annual prize for the most innovative employee ideas to develop the group;
- Likes Awards: a peer-recognition vote which takes place twice a year.

### Cessation of business

The Bonduelle Group has no official policy that it systematically applies in this field, since shutdowns have rarely happened in its history. Support measures in the event of departures are taken on a case by case basis taking into account the specific situation of the site concerned, local regulations and the characteristics of the jobseekers.

### Change in training resources (non-BFA) – GRI 404-1

	2016-2017	2017-2018	2018-2019
Average training duration per individual (in hours)	31	34	14*

\* In 2018-2019, BFA business unit data were not consolidated. From 2018-2019, the average number of training hours per individual was calculated for all full-time equivalent employees, rather than just for employees following training.

## 2.7.6 Meaning

The Bonduelle Group wants to offer its employees more than just a job, so it has designed its corporate culture to be meaningful. This consists of responding to its employees' search for more meaning.

## 2.7.5 Fulfillment

Fulfillment is a powerful lever for employee engagement. Actions around employee development, quality of life at work and improvements in working conditions and environments are put in place so that everyone can get a sense of fulfillment from working for Bonduelle.

Sites are encouraged to take ownership of the process by developing their own action plan in response to their specific challenges. Various initiatives have emerged across the group, some of which are described here.

**At the Reutlingen and Straelen plants (FRESH and BELL)** (Germany): to raise awareness of the impact of stress on health in the workplace on a daily basis, employees were offered initiatives to inspire them to take care of their physical, mental and nutritional health. Set up in conjunction with our Louis Bonduelle Foundation, the project includes physical activity, awareness-raising and mindfulness training workshops.

**The BFE business unit** offers a site-based “well-being and safety” program which takes various forms with, for example, on-site yoga sessions and visits from physiotherapists/osteopaths tasked with promoting preventive measures or offering training on how to reduce stress in the workplace.

**The BALL business unit** has built its employee well-being program “B!Well” on the basis of an analysis of employee health data (report on medicines reimbursed via group insurance, use of the employee aid program, statistics on disability claims, etc.). The Well-Being Committee put together three challenges with the aim of mobilizing and motivating employees to take care of their health: “Eat well”, “Take exercise”, “Sleep well”. Individually, or in groups, employees rose to the challenge of making some related lifestyle changes. The objective being that, after one month, employees would incorporate these healthy-living habits into their daily routines.

### 2.7.6.1 Participating in local community life and rallying employees – GRI 103-2, 203-2, 413-1

Bonduelle has prioritized participation in local communities. The VegeGo! project aims to galvanize employees and help





Ensuring the "well-living" of employees and local communities

make local communities a better place to live, in line with the group's values. Depending on its specific characteristics, each production facility plans to develop at least one project in partnership with local stakeholders. In 2018-2019, 49% of Bonduelle sites launched or continued initiatives. These included the following:

Employees from 28 sites in France, the Netherlands, Spain, Poland, Italy, Russia, Canada and the United States took part in World Cleanup Day in mid-September 2018: an international initiative during which they cleaned up areas near their homes and places of work.

In Russia, the BEAM business unit worked hard on different themes to serve its local communities in 2018-2019: 152 people provided long-term support to two retirement homes in Russia (visiting residents), 104 people donated blood primarily intended for children suffering from progressive diseases, 150 people helped plant trees in the district of Timashevsk and 20 people helped clean up the Krasnodar forest.

As it does every year, the Sainte Marine plant in Canada (BALL) rallied its employees to collect school supplies for the most disadvantaged children. Employees tick a list

tailored to the needs of a child that they would like to help by providing exercise books, pens, set squares, etc. They then either buy these goods or raid their own home supplies for the equipment. 15 children received backpacks filled with the school supplies needed for their primary or secondary education.

The Strathroy facility (BALL) (Canada) supplies vegetables, on an ongoing basis, to a women's refuge, the Womens Rural Resource Centre, which offers shelter to women who have had to leave their homes and supports them in their transition to a new home.

As a result of donations from employees at the Villeneuve d'Ascq (France) headquarters and customers of the Bonduelle Bienvenue store, 394 kilos of foodstuffs were collected for Restos du Cœur.

In Warsaw, Poland (BELL), office workers and sales teams organize collections several times a year to help families experiencing financial hardship. Mostly at Easter and Christmas, employees are invited to donate food, household products and toiletries, as well as cinema and toy shop vouchers.

Site participation in local community life – GRI 413-1

	2016-2017	2017-2018	2018-2019*
Number of headquarters or agro-industrial sites to have initiated or renewed a joint project with their local communities during the year	33 or 47% of sites	24 or 35% of sites	36 or 49% of sites

\* In 2018-2019, BFA business unit data were consolidated.

2.7.6.2 Promoting the employer brand in a meaningful way

APONH, a flagship project reflecting Bonduelle's commitment to communities

APONH is a development aid project launched in 2012 and currently taking place in Cameroon. The aim is to help local communities live sustainably by supporting farmers and entrepreneurs with the development of their crop-growing industry. APONH also supports the Moineaux school, which provides around 200 children, including disadvantaged children and orphans, with an education. Working alongside its project partner, the European Institute for Cooperation and Development (IECD), APONH is led by a team of employee volunteers from all business segments. Bonduelle's employees take part in a joint project linked to the Company's businesses and know-how. The project has the support of the Bonduelle family, who were keen to join the initiative.

Each year, the group's employees rally behind the project. For example, in 2018-2019:

- 230 "back to school" kits were funded by donations from Bonduelle employees, enabling children attending the Moineaux school to receive an exercise book, a pencil, a bar of soap and a uniform at the start of the school year;
- four employees from Canada and France volunteered in Cameroon to support the beneficiaries of the project to expand their activities, offering advice on agricultural and management issues and market research;
- greetings cards featuring drawings done by children at the Moineaux school were sold in aid of APONH, helping to finance a new fence around the school.

In February 2019, Capital magazine ranked Bonduelle in 3<sup>rd</sup> place in terms of top employers in the agri-food sector in France. The group has moved up 24 places since 2016.





## 2.8 Ethics and vigilance

### 2.8.1 Ethical business practices – GRI 102-12, 102-16, 103-2

The Bonduelle Group reviews and improves, on an ongoing basis, the programs and systems that it puts in place to promote ethical business practices both within entities that it controls and within partner organizations. In 2017-2018, the group was particularly keen to improve their clarity and performance as part of the enactment of laws such as Law No. 2016-1991 of December 9, 2016, on transparency, anti-corruption and the modernization of economic life (referred to as the “Sapin II law”) and Law No. 2017-399 of March 27, 2017, on the duty of vigilance of parent and instructing companies (referred to as the “Duty of vigilance law”). Bonduelle’s ambition to obtain B Corp certification (see 1.1 Interview with Guillaume Debrosse, Chief Executive Officer of the Bonduelle Group) reinforces the role of ethics within the group.

#### 2.8.1.1 The Bonduelle Group commitments

##### United Nations Global Compact

As a signatory to the United Nations Global Compact since 2003, Bonduelle is committed to respecting and promoting the 10 basic principles in the areas of human rights, labor standards, the environment and fighting corruption.

##### Bonduelle’s values

The Bonduelle Group’s commitment to ethical business practices also takes the form of a determination to comply with laws and regulations, the definition of strong values, an unequivocal commitment on the part of the Executive Management (see <https://www.bonduelle.com/en/group/values.html>) and the provision of tools to assist decision-making.

##### The Bonduelle Group ethics charter

A cornerstone of the Bonduelle Group’s ethical policy since 2012, its ethics charter is an internal and external manifestation of its commitments.

Through this charter, Bonduelle is establishing its credentials as a responsible corporate citizen, a people-minded and trustworthy company. In doing so, as part of a process of improvement, Bonduelle intends to defend and promote its values: People-minded, Confidence, Openness, Simplicity, Integrity, Fairness and Excellence. This charter adds to the legal and regulatory framework with which the group must

comply with the aims of the majority family Shareholder and its seven values.

The Bonduelle Group ethics charter presents the ideal that the group would like to achieve to inspire all employees as well as stakeholders with whom they are in contact. The ethics charter should offer the opportunity to challenge practices whilst also providing a decision-making tool.

The full text of the Bonduelle Group ethics charter is available at the group’s website [www.bonduelle.com](http://www.bonduelle.com)<sup>(1)</sup>: <https://www.bonduelle.com/en/sustainable-development/documents.html>.

##### Commitment from Executive Management

In December 2018, the Bonduelle Group’s Executive Management broadcast a video message from Guillaume Debrosse to all employees, stressing the group’s anti-corruption and duty of vigilance commitments. In this message, the Chief Executive Officer reminded viewers of the existence of the ethics charter, the Code of Conduct for ethical business practices and whistleblowing procedures. A dedicated “Bonduelle and ethics” page was created on the B&Co intranet and made available to employees. This page provides access to ethical principles and reminds all employees of their importance for the group. It helps individual employees to understand the role that certain tools can play in introducing ethics into their everyday activities and contains a space for documents containing all the codes, charters and procedures that constitute the corpus of rules and principles to be assimilated and applied, together with related explanations. The page also contains a reminder of the ethics procedures to be followed: monitoring and assessment, audits, continuous improvement. By disseminating these educational tools, Bonduelle aims to support employees to apply ethics on a daily basis.

#### 2.8.1.2 The Bonduelle Group’s Ethics Committee

The role of the Ethics Committee is to support the Company on ethical issues, and to issue opinions in an advisory capacity.

It is made up of four members from both inside and outside the business, chosen based on their experience, profile and expertise. The Ethics Committee reserves the right to invite outside experts or submissions from employees on specific subjects. It meets at least twice a year. Its composition is detailed in chapter 3 of the 2018-2019 universal registration document.

(1) The information appearing on the Company website ([www.bonduelle.com](http://www.bonduelle.com)) is not part of this universal registration document.



The Ethics Committee may be consulted to give insight into situations in the general interest in cases where the group's hierarchy and internal experts are unable to provide answers. Cases may also be referred to it when the whistleblowing system breaks down. In this case, the Ethics Committee does not have the remit to receive all of the details of the case, nor to handle it, but to ensure the case is handled by the responsible persons.

Moreover, Bonduelle's stakeholders may also contact the Ethics Committee for any questions relating to the application of the charter.

An overview of the whistleblowing procedure was presented to the Ethics Committee during its meetings in 2018-2019. The Group's Ethics Committee was also involved in monitoring the proper implementation of the vigilance plan and the anti-corruption program, particularly in the form of recommendations.

### 2.8.1.3 Code of Conduct for ethical business practices

The Bonduelle Group has a Code of Conduct for ethical business practices which incorporates the "Executive Management statement on the principles of ethical business practices" signed by the Executive Management. It deals not only with corruption and influence peddling, but also with other topics relating to ethical business practices. Designed as a practical tool, it defines the situations and sets out the basic rules to be followed by every employee in each situation. It describes the behaviors to be prohibited, the basic rules on fighting corruption and influence peddling (in particular, it describes the basic rules on gifts, facilitation payments, patronage, sponsorship), conflicts of interest, anti-competitive practices, discrimination, confidentiality and insider trading, as well as other risk prevention obligations.

All employees became bound by the Code of Conduct in 2018 and, where necessary, representative staff bodies were consulted in accordance with the relevant regulations.

This Code of Conduct is just one of the tools made available to all employees on its "Bonduelle and ethics" intranet page. It can also be accessed by external stakeholders on the group's website, [Bonduelle.com](http://Bonduelle.com)<sup>(1)</sup>.

### 2.8.1.4 Whistleblowing procedure

The whistleblowing procedure available to group employees is described in the vigilance plan in Section 2.8.2.5 Whistleblowing procedure.

### 2.8.1.5 Anti-corruption program – GRI 205-2, 103-3

As a continuation of its CSR commitments and its membership of the United Nations Global Compact, Bonduelle has an anti-corruption program to prevent and detect any corruption or influence peddling in France or overseas, in accordance with Article 17 of the Sapin II Law. This program applies to all companies within the Bonduelle Group.

The anti-corruption program has eight elements as required under Article 17 of the Sapin II Law:

- **a Code of Conduct**, incorporated in the Code of Conduct for ethical business practices, setting out and illustrating the different types of behavior to be prohibited as liable to be characteristic of corruption or influence peddling (see 2.8.1.3 Code of Conduct for ethical business practices);
- **disciplinary measures** to sanction any failure on the part of employees to follow the rules set out in the Code of Conduct for ethical business practices;
- **an internal whistleblowing procedure** to receive reports from employees and outside suppliers working on Bonduelle sites of any conduct or situations that are contrary to the Code of Conduct (see 2.8.2.5 Whistleblowing procedure). This procedure is common with the one meeting the requirements of Article 8 of the Sapin II Law and Article L. 225-102-4 I 4° of the French Commercial Code;
- **group risk mapping** was conducted by the Group Audit Department, in consultation with all group departments (support, purchasing, sales, general management functions);
- **the principles of procedures** for evaluating the position of clients, leading suppliers and intermediaries based on the risk mapping were set out in the Code of Conduct for ethical business practices. Assessment of third parties' integrity and CSR performance was also added to all contract templates. Thus, on the basis of risk mapping, Bonduelle may send its third parties a due diligence questionnaire, and may request any relevant information or documents required to evaluate, in particular, the integrity of its co-contractors. Bonduelle may also evaluate co-contractors' CSR performances, particularly in terms of ethical business practices, using the EcoVadis questionnaire. Field and desk audits are also a contractual obligation as well as the implementation of action plans in the event of failings (see 2.5.8.2 Engaging, evaluating and supporting suppliers in other categories);
- **internal and external accounting control procedures** aimed at ensuring that the books, records and accounts are not used to conceal corruption or influence peddling;

(1) Please note that information appearing on the Company website is not part of this universal registration document.



- **training** for Managers and staff who are most at risk of corruption and influence peddling;
- **a monitoring and assessment system.** Each year a review of the implementation of the anti-corruption program is presented to the Group Management Committee, the Ethics Committee and Supervisory Board by the Legal, Audit and CSR Departments. In terms of subsidiaries, evaluation is through existing reporting tools.

Since the last registration document, 18 Management Committees, including business unit and country Management Committees and the Purchasing Department and seven plant management companies have been trained in ethics, anti-corruption and duty of vigilance. This training aims to help these committees to assimilate the group's commitments, Bonduelle's corpus of ethics-related documents and its whistleblowing procedure. It raises management committee members' awareness of Bonduelle's ethics approach, the eight points of the anti-corruption program and the five points of the Duty of vigilance law. They are trained in the rules of confidentiality that apply when dealing with whistleblowing reports.

In accordance with the principles set out in the Code of Conduct for ethical business practices, gifting policies were formalized. In application of the principle of subsidiarity advocated by Bonduelle, each business unit is invited to specify and report, depending on its culture and organization, on the practical aspects of the policy to be applied (threshold, validation rules).

Lastly, a prevention of conflicts of interest questionnaire has been distributed to Managers so that the group can introduce measures to prevent, or resolve, conflicts of interest.

#### 2.8.1.6 Fair competition training program

In 2016-2017 the Bonduelle Group launched an e-learning exercise on the broad principles of competition law, aimed at employees with access to strategic information, in order to build on their knowledge, increase their vigilance and give them sufficient whistleblowing capacity. Over 800 employees in Bonduelle countries took part in this training program which was continued in 2019 and will be attended by new employees. To date, over 90% of the target population has received training.

### 2.8.2 Vigilance plan

Through its ambition to be "the world reference in 'well-living' through plant-based food", Bonduelle is fully committed to its societal responsibility. First stage agricultural processing is closely associated with the ability to protect soil and

biodiversity, the quality of plant-based production and of the processed products.

Bonduelle fosters a risk-aware culture, including the risks of failing to observe human rights and fundamental freedoms, the risks of serious harm to the health and safety of people and the risk of environmental damage, in accordance with French law No. 2017-399 of March 27, 2017 on the duty of vigilance for parent companies and contracting companies.

This vigilance approach is based on the core values and documents that form the framework of the group's activities: the Shareholder objectives, Values, 10 policies, but also the ethics charter, the Code of Conduct for ethical business practices, membership of the United Nations Global Compact, the CSR policy in five macro-objectives, the agronomy sourcing charter and finally the procedure for evaluating the CSR performance of its suppliers with EcoVadis.

In accordance with the legal requirements, Bonduelle has implemented a vigilance plan. This meets the requirements of the French Duty of vigilance law and involves all employees in a drive for continuous improvement. The vigilance plan formalizes the methods adopted by the Bonduelle Group, as well as setting out reasonable vigilance measures to identify risks and prevent serious violations of human rights and fundamental freedoms on the health and safety of individuals and on the environment. In compliance with Article L. 225-102-4 of the French Commercial Code, the presentation of the vigilance plan is followed by the annual report on its implementation.

#### 2.8.2.1 Governance – GRI 419-1, 307-1

The vigilance plan was produced and implemented by the CSR Department with the support of the Legal Department and Internal Audit Department. It was developed in association with various group employees, Executive Management and the Ethics Committee.

The Supervisory Board and the Audit Committee at Bonduelle SCA ensure that the Company's activities take into consideration the social and environmental issues at stake. These bodies have the task of examining the relevance of the vigilance plan and assessing whether it has been properly implemented. The Ethics Committee, on the other hand, makes recommendations. The Board of Directors of Bonduelle SA is also informed once a year of the vigilance plan and its implementation.

In addition, a Compliance Steering Committee is involved in monitoring the implementation of the vigilance plan and prioritizing the actions to be taken. The Committee is headed by the Deputy CEO Finance & Development, who thus acts as a liaison with the Executive Management, the Chief Executive Board and the Group Management Committee.



A Vigilance Monitoring Committee composed of members of the CSR, Legal, Audit and HR Departments provides a follow-up on the duty of vigilance plan and the effectiveness of the measures implemented.

### Amounts of fines and significant convictions in social, economic and environmental areas – GRI 419-1, 307-1

When they are likely to have an impact on its share price, any convictions imposed upon Bonduelle are disclosed in the regulated information. In 2018-2019, no major convictions for social, economic or environmental infringements that might affect the share price were imposed upon any companies in the Bonduelle Group.

#### 2.8.2.2 Mapping of vigilance risks

Bonduelle is faced with a series of risks. Bonduelle's major risk factors, some of which touch upon its duty of vigilance, are described in Section 4.2 Risk factors. In addition, some vigilance risks are included in the description of non-financial risks (see Section 2.3 Non-financial performance statement).

The group has therefore specifically mapped the risks for both Bonduelle and its stakeholders, as required under the Duty of vigilance law. First, Bonduelle mapped the CSR risks of its own activities. It then mapped the risks faced by its suppliers and subcontractors. The maps were harmonized with the map produced to identify major CSR risks in the context of the non-financial performance statement.

### Methodology

To create the vigilance risks map, the group studied the risks intrinsic to the countries where Bonduelle operates, the risks of the group's activities in those countries, and supplier risk.

#### Analysis of the intrinsic risks of the countries where Bonduelle operates

For each country where Bonduelle operates, the volume of activity was recorded and cross-referenced against the evaluation of the country according to the following three indicators:

- the Environmental Performance Index (EPI), produced jointly by the Universities of Yale and Columbia in collaboration with the World Economic Forum<sup>(1)</sup>, assesses the ability of countries to implement effective environmental policies;
- the Human Development Index, produced by the United Nations Development Program (UNDP) assesses the rate of human development in countries;
- the Kids Rights Index<sup>(2)</sup>, produced by the KidsRights Foundation in cooperation with Erasmus University Rotterdam, ranks countries based on their child protection measures.

#### Risk assessment of Bonduelle's activities in these countries

The CSR risks associated with the group's three main activities (Agriculture, Agro-Industry, Transportation) were identified using reference sources such as EcoVadis, the World Economic Forum, the World Bank and UNICEF. They were then selected on the basis of the following criteria: potential risk to Bonduelle, link between the risk and the activity.

	Bonduelle activity	Analysis of societal risks	Country
<b>Selection criteria</b>	<b>3 principal activities</b>	<b>Potential risk to Bonduelle</b>	<b>Volume of activity (euros)</b>
Results	<ul style="list-style-type: none"> <li>• Agriculture</li> <li>• Transportation</li> <li>• Agro-industrial</li> </ul>	Environment: <ul style="list-style-type: none"> <li>• risks associated with biodiversity</li> <li>• climate change adaptability</li> <li>• man-made disasters</li> <li>• materials, chemical products, waste</li> <li>• water shortages</li> <li>• extreme climate conditions</li> <li>• instability of energy prices</li> </ul> Human rights and fundamental freedoms: <ul style="list-style-type: none"> <li>• geopolitical conflicts</li> <li>• product shortages</li> <li>• poverty</li> <li>• social instability</li> <li>• child labor</li> </ul> Health and safety: <ul style="list-style-type: none"> <li>• health and safety at work</li> <li>• working conditions</li> </ul>	Russia Brazil Hungary Poland Spain Canada United States France Germany Italy

(1) Source: <https://epi.envirocenter.yale.edu/about-epi>

(2) Source: <https://kidsrightsindex.org>

### Analysis of risks of the Bonduelle Group's suppliers (see 2.5.8 Responsible purchasing)

Produced in partnership with EcoVadis, this mapping exercise involved five steps:

- **producing a list of 82 purchasing sub-categories** from a list of 190 categories supplied by Bonduelle representing all of its purchasing activities. Producing a list of around 13,000 suppliers corresponding to these 82 purchasing sub-categories. The purchasing volume is also recorded for each purchasing sub-category;
- **assessing the CSR risk of each purchasing sub-category** using the EcoVadis questionnaire, based on 21 criteria covering four themes: environment, social, ethics, purchasing;
- **incorporating “observed risk”**: observed risks recorded in the EcoVadis databases;
- **incorporating country risk**. In order to evaluate country risk, EcoVadis draws on the following sources: UNICEF, UNDP, World Bank, WHO, FAO, IEA, universities (e.g. Yale), NGOs (e.g. Transparency International);
- **incorporating “sourcing risk”**, associated with Bonduelle's specific issues, based on three criteria: purchasing volumes, criticality, brand exposure.

The group has set itself the objective of evaluating its main suppliers (by purchasing volume) and those suppliers that have a significant CSR risk rating. This policy was initially put in place in the BELL, BFE and BEAM business units and will be rolled out to BALL and BFA within three years.

Based on this risk analysis, the most at-risk suppliers are identified for an evaluation of their CSR performance (see paragraph “Procedure for evaluating subcontractors and suppliers” below).

### Mapping updates

Risk mapping will be updated every two to three years in conjunction with the CSR, Legal and Internal Audit Departments. This update will coincide with the update of the risks identified for the non-financial performance statement and Section 4.2 Risk factors of the universal registration document. In 2019, a review was carried out to ensure that the mapping of vigilance risks was consistent with these new elements.

### 2.8.2.3 Procedures for evaluating subcontractors, suppliers and subsidiaries

#### Procedure for evaluating subcontractors and suppliers

In accordance with the Code of Conduct for ethical business practices, and depending on the level of importance and

risk of tier 1 subcontractors and suppliers, the employees concerned evaluate the position of subcontractors, suppliers, intermediaries and service providers with which the group has an established business relationship. They thus ensure that these stakeholders adopt equivalent principles to those of the group's ethics charter and the United Nations Global Compact, and that they take the necessary steps to identify and prevent the risks of violations of human rights, fundamental freedoms and health and safety rights, as well as the risk of environmental damage within their organization.

Relations with farmer partners (upstream agricultural suppliers) come under the framework of the agronomy sourcing charter and contracts that are renewed on an annual basis (see Section 2.4 Caring, with our farmer partners, for cultivated land). This in-depth contractual relationship and partnership, overseen by Bonduelle's agronomy teams, is the process put in place by the group to evaluate this strategic category of suppliers. It is also the tool used to implement the appropriate measures to mitigate risk and prevent serious harm.

With respect to other suppliers and subcontractors, since 2016-2017, Bonduelle has begun to roll out a plan for the evaluation by EcoVadis of their CSR processes and performances. This plan is described in Section 2.5.8 Responsible purchasing and applies to tier 1 suppliers. The evaluation relates first and foremost to suppliers who have been identified as at-risk in the mapping exercise. Since 2017-2018, clauses have been added to contracts with subcontractors and suppliers stating that their CSR performance may be evaluated by Bonduelle and/or by EcoVadis.

In 2018-2019, Bonduelle prepared a due diligence questionnaire for its business partners to gain a better understanding of the measures they take to prevent vigilance risks. In 2019, the due diligence questionnaire is intended, based on risk mapping, for new business partners and those whose contracts are being renewed. Ultimately, the aim is to extend it to suppliers that the group already has dealings with.

#### Procedure for evaluating subsidiaries

Bonduelle Group subsidiaries are included within the scope of the EcoVadis implementation plan for the assessment of their suppliers. They are gradually implementing the responsible purchasing and monitoring policies and are assessed on the basis of their CSR performance as part of the group's reporting.



The table below summarizes the procedures for evaluating subsidiaries, subcontractors and suppliers and any future actions:

Scope of the evaluation	Human rights and fundamental freedoms	Environment	Health and safety of people
Subsidiaries	CSR reporting Internal audit of production sites		
Subcontractors and suppliers	<ul style="list-style-type: none"> <li>Assessing suppliers using the EcoVadis platform (Europe and International sourcing)</li> <li>Mapping supplier risks (Europe and International sourcing)</li> <li>Ingredient quality analysis</li> </ul>		
Farmers	<ul style="list-style-type: none"> <li>Agronomy sourcing charter (see 2.4) signed by farmer partners</li> <li>Oversight by the field supervisor of compliance with the agronomy sourcing charter and regulations by farmer partners</li> <li>Quality control of vegetables entering industrial plants</li> </ul>		

### 2.8.2.4 Targeted risk mitigation and prevention measures

The table below summarizes the targeted risk mitigation and prevention measures implemented by Bonduelle as well as any future measures:

Scope of actions	Human rights and fundamental freedoms	Environment	Health and safety of people
Subsidiaries	Human resources policy (see 2.7) Update on data protection	Environmental policy (see 2.5)	Zero workplace accidents policy (see 2.7) Product quality and nutrition policy (see 2.6) Louis Bonduelle Foundation (see 2.6)
	Ethics charter (see 2.8.1.1) Code of Conduct for ethical business practices (see 2.8.1.3), part 3 of which describes the obligations to prevent vigilance risks. Continuous improvement of our CSR reporting with external audits (see 2.9.6) Raising awareness among employees of the duty of vigilance and CSR with the "All actors" approach (see 2.2.1.2) Raising awareness among Management Committees of the fight against corruption, duty of vigilance and whistleblowing procedure (see 2.8.1.5) B!GREEN Community (see 2.9.2.4) Commitments to local communities (see 2.7.6.1)		
Subcontractors and suppliers	Responsible purchasing policy (see 2.5.8)		
Farmers	See CSR strands of the agronomy strategy (see 2.4)		

### 2.8.2.5 Whistleblowing procedure

The Bonduelle Group has a whistleblowing procedure which meets its various obligations under Articles 8 and 17 of the Sapin II law and the Duty of vigilance law. The whistleblowing procedure is open to group employees and outside suppliers working on Bonduelle sites. The procedure put in place gives employees several options for reporting any concerns they may have: traditional, management and HR channels, as well as a website maintained and hosted by an external service

provider which gives access to an online form. The website is available to the whole group, except for the BFA business unit, which has a special helpline for historical reasons. Whatever channel is used, whistleblowers are guaranteed protection (including confidentiality) and follow-up on their report.

In 2019, as part of the update of the BRC Global Standard for Food Safety, Bonduelle began encouraging use of the whistleblowing procedure to report any issues linked to the safety, quality and legality of the products manufactured and distributed by the group.



### 2.8.2.6 Monitoring procedure

The table below presents the procedure for monitoring actions that have already been implemented as well as any future actions:

Scope of monitoring procedure	Human rights and basic freedoms	Environment	Health and safety of people
Subsidiaries	Social dialog (2.7.4.4) and human rights policies (see 2.7.3.2)	Proportion of sites having carried out self-assessment using the water and energy management matrix Monitoring the carbon impact of Bonduelle activities Proportion of recycled waste (green waste/non-hazardous waste/hazardous waste) Proportion of sites having identified areas of "outstanding flora or fauna" on their land (see 2.6.5.1)	Frequency of work-related accidents (see 2.7.3.1)
	Evaluation of progress towards CSR objectives by the Group Management Committee Monitoring the number of employees trained in the Duty of vigilance law Monitoring the implementation of HR procedures and proper communication of ethical principles to employees Testing the technical functionality of the whistleblowing website Auditing staff compliance with third-party evaluation procedures		
Subcontractors and suppliers	Monitoring indicators, 2018-2019 results: <ul style="list-style-type: none"> <li>• number of suppliers at risk: 103 suppliers identified as at-risk in the mapping exercise</li> <li>• number of suppliers evaluated by the EcoVadis platform: 137 suppliers, or 43% of the group's purchasing expenditure</li> </ul>		
Farmers	Proportion of farmers having signed the agronomy sourcing charter (see 2.4)		

### 2.8.2.7 Report on the implementation of the vigilance plan in 2018-2019

#### Procedures for the regular evaluation of subsidiaries

As part of the B Corp certification that Bonduelle hopes to obtain, an evaluation was carried out of the group and its subsidiaries according to B Corp's B Impact Assessment (BIA) framework. An action plan was drawn up subsequently and will be implemented to obtain the certification.

#### Procedures for evaluating subcontractors or suppliers

At the end of 2018-2019, 137 suppliers had been evaluated by EcoVadis, representing 43% of the group's purchasing expenditure.

#### Targeted actions to mitigate risks or prevent serious harm

The contractual clauses are inserted in contracts to express Bonduelle's commitments and require equivalent commitments from its partners and suppliers.

Members of the Management Committees of the business units, as well as the Managers and staff who are the most exposed, have been made aware of the five points of the vigilance plan. As of the date of this universal registration document, 387 people had been trained in the Duty of vigilance law, including members of the Management Committees of the business units and countries, as well as buyers.

In addition, as part of the program set up by Bonduelle under the General Data Protection Regulation (GDPR), 512 people in Europe - including 252 since the last report published in the 2017-2018 registration document - have been trained in preventing breaches of the fundamental right to data protection.





### Whistleblowing procedure

During the 2018-2019 fiscal year, 17 reports were recorded at group level. These were all handled according to the whistleblowing procedure.

### Procedure for monitoring and evaluating the effectiveness of the measures implemented

Meetings were held during the 2018-2019 fiscal year to monitor and evaluate the measures implemented. In this respect, a meeting was held with the Executive Management, two presentations were given to the Supervisory Board, and two presentations were made before the Ethics Committee. The Compliance Steering Committee met three times, mainly to discuss the application of measures under the

vigilance plan. The Board of Directors was also informed of the implementation of the vigilance plan by the Deputy CEO Finance & Development.

The monitoring actions focused on four key points:

- follow-up of training;
- follow-up of communication actions, particularly on the intranet, to ensure that the Code of Conduct for ethical business practices and whistleblowing procedure had been properly disseminated to new and existing employees throughout the group, whether connected or otherwise;
- third-party evaluation;
- whistleblowing.



## 2.9 Note on the CSR reporting methodology

### 2.9.1 Context and objectives - *GRI 102-50, 102-48, 102-54*

The analysis of the group's CSR performance is reported annually in this universal registration document.

Bonduelle increased its commitment to progress in sustainable development and CSR in 2002-2003, using a traditional phase-based project management methodology:

- phase 1: set and validate objectives and communicate these throughout the organization;
- phase 2: implement progress plans to achieve these objectives;
- phase 3: measure and monitor the results.

Bonduelle's CSR reporting indicators have been drawn up by experts in the field in association with their exchange networks and approved by the operational teams. The indicators were chosen based on a combination of Bonduelle's CSR commitments and Global Reporting Initiative (GRI) Standards: Core option guidelines, as well as the expectations of stakeholders and the regulations set by the Grenelle environment act (France), culminating in the drafting of Bonduelle's own reporting guidelines.

This report was prepared in accordance with decree no. 2017-1265 of August 9, 2017, implementing ordinance no. 2017-1180 of July 19, 2017 on the publication of non-financial information by certain large companies and certain corporate groups. This report has also been prepared in accordance with the GRI Standards: Core option (see Section 2.11 - Cross-reference table of the Corporate social responsibility report with Global Reporting Initiative (GRI) Standards Content Index). The components were reviewed in 2016-2017 according to the requirements of the GRI Standards: Core option and the priorities defined by the materiality initiative.

This document contains the Bonduelle Group's vigilance plan and the report on its actual implementation, pursuant to French law No. 2017-399 of March 27, 2017 on the monitoring duties of parent companies and contracting companies.

Reporting has taken place every year since 2002-2003. This year the fiscal reporting period is from July 1, 2018 to June 30, 2019. The indicators published in the universal registration document include the results of the past year and those from the previous four years to allow changes in indicators to be monitored. The reporting period may be adjusted or delayed by a few days depending on data availability.

The primary aim of reporting is to enable the group to enhance its sustainability management. The findings are analyzed by the CSR Steering Committee and the Bonduelle Group Management Committee to determine the objectives for the following year. The production facilities also have direct access to their indicators so that they can monitor and analyze their performance.

Pursuant to Article L. 225-102-1 of the French Commercial Code, Deloitte, Co-Statutory Auditor, audited the information in the information in the non-financial performance statement published in Section 2 of the universal registration document.

This report contains neither modifications nor removals of material items of information provided in previous reports, except for the changes set out under Section 2.2.1.5.

### 2.9.2 Procedure - *GRI 102-48*

The group's CSR and Corporate Communication Director is responsible for overseeing reporting, in addition to the Managers of the areas concerned - human resources, agronomy, natural resources, quality and nutrition, transportation and purchasing - and by the CSR and Louis Bonduelle Foundation teams.

The data is collected annually by the correspondents on the sites and in the business units. The group's Management Consolidation Department checks and consolidates this data.

Covering the entire Bonduelle Group and most aspects of CSR, the Metrio® tool is used to input the data needed to calculate the indicators. Each user has their own personal access, depending on the plant and his or her area of responsibility in the report. Indicator definitions (scope, data requested, units and examples) can be accessed from the data entry interface. The results of the indicators are directly accessible to the report's contributors using tables and graphs. The group's production facilities can also compare their results with each other to encourage the exchange of best practice. The contributors to the reporting are trained in Metrio® and given assistance throughout the reporting process.

Human resources reporting (uses the COGNOS RH database tool) and calculations of CO<sub>2</sub> emissions from transport are not yet calculated using the Metrio® reporting tool. The results are imported into Metrio® to consolidate the CSR indicators within the same tool.



### 2.9.2.1 Control and validation

An automatic consistency check is carried out for all areas: if the value recorded deviates significantly from the previous year, this triggers an alert. The member of staff concerned can then modify or confirm the value by adding a note.

Approval is required for each value entered. Plant Managers are responsible for validating their site's Natural Resources and Quality data. Agricultural Managers validate the upstream agriculture data sheets, while country Purchasing Managers validate the purchasing sheets.

For human resources, the data are reported and validated by the Human Resources Officers in each country. They are then consolidated by the Human Resources Manager. Internal audits were conducted by HR teams for data control purposes and to improve the reliability of the process.

Supply chain services are responsible for reporting data on transport and CO<sub>2</sub> emissions. Each business unit checks its indicators prior to group consolidation.

### 2.9.2.2 Data consolidation

Consolidation of indicators takes place at business unit and group level using data from the Metrio® tool. A group consistency review is carried out by the CSR Department, experts in the field and management control.

### 2.9.2.3 Human resources reporting tools

The group has set up a computer system that allows it to gather human resources data, mainly using automatic configuration, with some manual entry in COGNOS. This setup applies to the group scope, excluding Canada and the United States, which have their own data collection system.

### 2.9.2.4 Coordination of reporting

CSR reporting involves approximately 220 correspondents in various roles across the Bonduelle Group's production facilities. The BIGREEN digital community encourages continued discussion about CSR among employees.

## 2.9.3 Scope – GRI 103-1, 102-49, 102-45

CSR reporting extends to all Bonduelle Group sites and business units (Group organization – Section 1.5). The reporting scope is determined based on the scope of consolidation (5.5 Notes to the consolidated financial statements – Note 10.4 –

List of group companies) and in accordance with the following rules:

- new sites and business units acquired by the Bonduelle Group during the fiscal year ended will be included within the scope for the following year. BFA will continue to be included in reporting in 2019-2020 in the outstanding areas described in Section 2.9.3.2 Inclusion of the BFA business unit;
- sites and business units either disposed of or no longer in operation during the year ended are excluded from the scope for the entire period, to enable comparability of results;
- equity affiliates are excluded from the scope. Their activities are considered as external purchases. Exceptions are made for transportation and purchasing. OP OASI (Italy), an equity affiliate supplying solely to Bonduelle, is included in the purchasing scope;
- logistic centers are also excluded from the reporting scope, with the exception of transport and human resources. The Brockport (BALL) (USA) platform is included in the natural resources reporting perimeter;
- the headquarters of fully consolidated companies are excluded from the scope, with the exception of human resources;
- SAS Euromycel, a fully consolidated company, is excluded from the scope for all areas, with the exception of human resources. The numbers reported are not significant;
- the San Paolo d'Argon site (Italy) is included in the scope of the quality indicators.

### 2.9.3.1 Scope – Change in scope during fiscal year 2018-2019 – GRI 102-49

No changes in reporting scope in 2018-2019. During this fiscal year, two new production facilities were acquired. They will be included in the 2019-2020 reporting.

### 2.9.3.2 Inclusion of the BFA business unit

In 2017-2018, the CSR Department in charge of reporting contacted teams at BFA (Bonduelle Fresh Americas, business unit resulting from the consolidation of Ready Pac Foods) with a view to including the new subsidiary. Working together, they selected the natural resource and human resource indicators that they deemed to be material and that could be reported by the BFA sites. The individuals in charge of reporting were identified and trained in reporting and using Metrio® software. The controls and validations of BFA data followed the same process as the other business units.

Note on the CSR reporting methodology

In 2018-2019, work on including the data from the BFA business unit continued in most areas. Only agronomy, transport and purchasing are not published. Moreover, indicators for Human Resources relating to training are not published. In the case of natural resources, biosolids are not published and the indicator for Chemical Oxygen Demand (DCO) is based on an estimate.

**2.9.3.3 Upstream agricultural activities**

Reporting is by agricultural production area and by segment: France Nord-Picardie; France South-West; Fresh Europe; Hungary; Poland; Russia; Portugal; Quebec, Ontario and Alberta (Canada); United States excluding BFA.

**2.9.3.4 Transport**

Transport has been included in Bonduelle’s CSR strategy since 2007-2008. In 2018-2019, the operating scope of transport reporting is defined thus: it does not include BFA but does include the BALL business unit (excluding Brazil):

	Frozen vegetables	Canned vegetables	Mushroom	Fresh	Ready-to-eat prepared vegetables
<b>Upstream agricultural activities</b>	Canada United States France Nord-Picardie France South-West Poland Portugal	Canada United States Hungary France Nord-Picardie France South-West Africa Poland Russia	Mushroom picking in Saumur (France)	France Italy Germany	France
<b>Inter-site</b>	Canada United States France Poland Portugal Spain Russia	Canada United States Hungary France Nord-Picardie France South-West Poland Russia	France Poland	France Italy	France
<b>Distribution</b>	Canada United States Bermuda Jamaica France Spain Italy Benelux Germany/Austria Export Andorra Poland Portugal Czech Republic Slovakia Russia	Canada United States United Kingdom Jamaica Trinidad and Tobago Barbados Kuwait St. Vincent and the Grenadines France Europe Russia Export Kazakhstan	Poland France Belgium Spain Italy Germany	France Italy Germany	France

**Transport-related CO<sub>2</sub> emissions** are calculated based on kilometers traveled and tonnes transported, now monitored automatically and reported in real time. The group calculates CO<sub>2</sub> emissions from transportation using the guidelines produced by the ADEME (French Environment and Energy Management Agency) in Europe, and the GHG Protocol for the BALL business unit (excluding transport of agricultural commodities, which is calculated using the ADEME protocol). The transport flows considered for upstream agricultural

activities represent only transportation of vegetable harvests from field to plant, and exclude transportation of vegetables purchased from suppliers.

**2.9.3.5 Purchases**

The responsible purchasing reporting scope is defined as: purchases made by Bonduelle, including metal cans,





cardboard boxes and packing wrap, vegetables and ingredients used in its recipes and not grown or produced by the group, energy and animal products. The BFA business unit is not included in the scope in 2018-2019.

This scope varies by country:

- France: including seeds Europe;
- Italy: only packaging and indirect plant;
- Russia: only cardboard, packaging wrap, vegetables and ingredients;
- BALL business unit: only packaging, pulses and frozen;
- Portugal: only energy, indirect plant, packaging and ingredients.

Additional information on assessing suppliers: this indicator is reported based on the calendar year, with the exception of the BALL business unit which reports the data for the fiscal year.

## 2.9.4 Indicators - GRI 102-48

All quantitative reporting indicators can be found in the appendices, in a cross-reference table that also lists the GRI indicators and their correlation to the Grenelle initiatives. Section 2.7.6 of the Deloitte reports lists the indicators selected for verification work.

### 2.9.4.1 Additional information on an agronomy indicator

Bonduelle's upstream agricultural activities are mainly located in the Northern hemisphere and the growing seasons (sowing to harvesting) are typically in the period from Spring to Autumn. As such they cover two fiscal years. Consequently, in the majority of cases, in order to report actual data (crops actually harvested), Bonduelle uses the agricultural data from harvests during the calendar year prior to the reporting year.

Alternative cultivation techniques - mechanical weeding, sustainable fertilization (monitoring residual nitrogen), irrigation management (water balance or sensors), plant cover (before vegetables) and soil preservation techniques - do not apply to the Mushroom segment in Poland (hydroponic cultivation of button mushrooms). As such this segment has been excluded from the scope of reporting on alternative cultivation techniques.

The penetration rates for mechanical weeding, plant cover (before vegetables) and soil preservation techniques are calculated on the basis of all cultivated surface areas (excluding the Mushrooms in Poland segment).

The penetration rate for sustainable fertilization (monitoring residual nitrogen) is calculated on the basis of all cultivated surface areas excluding BALL in the United States and Canada and BELL in the South-West of France (and excluding the Mushrooms in Poland segment).

The penetration rate for irrigation management (water balance or sensors) is calculated on the basis of irrigated surface areas (and excluding the Mushrooms in Poland segment).

Surveillance network: Bonduelle Fresh Europe data are published separately from data from the group's other production and activity areas and cannot be consolidated because they represent two different units:

- a number of farmers benefiting from the surveillance networks operating across the Bonduelle Fresh Europe scope;
- a number of surveillance networks operated by farmers in the rest of the group.

### 2.9.4.2 Additional information on a human resources indicator

Strike hours: strike hours taken into account relate to internal Bonduelle Group reasons and do not include national calls to strike from outside the Company.

Individual interviews: the number of theoretical interviews is equal to the number of employees at June 30 of the prior year and the number of interviews completed is the number of interviews completed during the fiscal year.

### 2.9.4.3 Additional information for natural resource indicators

- The hazardous waste production indicator is limited in scope: seven sites (Ruchocice, Reutlingen, Straelen, Cristalina, Ingersoll, Ste Martine and Strathroy) do not report the quantities of special industrial waste (SIW - hazardous waste) generated or special industrial waste for which return has been negotiated with suppliers. These sites account for 12% of the group's annual production.
- NO<sub>x</sub>, SO<sub>x</sub> and particulate emissions, mainly resulting from the operation of boilers, are monitored internally.
- T COD treated in an external treatment plant and T COD released into the natural environment in accordance with regulations: the quantities released and following treatment in lagoons in Canada are accounted for in full under "quantities discharged into the natural environment in accordance with regulations".
- tCO<sub>2</sub>e from direct and indirect greenhouse gas emissions: greenhouse gas emissions related to the consumption of biogas on site are taken to be zero; emissions related to the combustion of biomass have, on the other hand, been reported since 2017-2018.
- Indicator of the type of packaging material: use of adhesive tape and the tracking of wooden pallets is not included in the packaging consumption indicator.

### 2.9.4.4 Additional information on transport indicators

The methods for calculating CO<sub>2</sub> emissions for Bonduelle's freight transport were devised by supply chain teams working closely with the ADEME (French Environment and Energy Management Agency) in 2009.

Following the enactment of Decree No. 2011-1336 on October 24, 2011, which establishes the calculation principles common to all modes of transport, and following the publication of the new European standard for the calculation and declaration of energy and greenhouse gas emissions from transport services (NF EN 16 258), Bonduelle has sought to comply with these principles and has revised the methods used for calculating emissions.

The calculation covers the carriage of goods (fuel consumption, which is higher in temperature-controlled vehicles due to the refrigeration unit) by road (trucks), rail or maritime freight. Truck manufacture and depreciation is not taken into account. Used only marginally by the group, air transport is not taken into consideration.

The assumptions used are:

- road transportation: the maximum truck payload is taken to be 25 tonnes for a 40-tonne road tractor and for a 44-tonne tractor, with the following two exceptions:
  - for upstream agricultural activities, the maximum payload was considered equal to the maximum vegetable tonnage that can be transported, according to the density and crush resistance of the produce,
  - for temperature controlled trucks (+4°), the maximum payload was considered equal to 24 tonnes;
- emissions generated by road transportation for the Fresh and Ready-to-eat prepared vegetables businesses are calculated according to the messaging model recommended in the ADEME guidelines, in three segments: collection, traction and distribution, taking into account the unladen distance in each of the collection and distribution segments. This model may be adjusted according to the actual logistics flows to optimize data monitoring. For fiscal year 2015-2016, the second segment includes the unladen distance for two-segment journeys in France and Italy, unlike for Germany. The supply chain teams work closely with the ADEME to devise a method common to each entity;
- for distribution, unladen return journeys were taken to be equal to 21%, in accordance with ADEME guidelines.

Unladen return journeys were also taken to be 21% for picking when the actual distance was not known;

- for the Canned and Frozen businesses, the gross weight transported (including the weight of additional packaging) is included in the emissions calculation, whereas the net product weight is used for the Fresh and Ready-to-eat prepared vegetables businesses, since there is no method for obtaining reliable data on the gross weight;
- for maritime transport to Cameroon, an average container vessel of 1,900-3,849 TEU was considered, unless otherwise specified. For transport to Kenya and intercontinental transport, a container vessel of over 7,500 TEU is used;
- rail transportation: for countries in Europe (France, Germany, Belgium, Spain, Italy, Luxembourg, the Netherlands, Portugal, the United Kingdom), it is assumed that rail transportation is powered by electricity. For other countries, it is assumed that trains mainly run on diesel.

Some marginal flows are not taken into account:

- returns and sample orders;
- customer orders dispatched by external suppliers;
- purchasing of ingredients and raw materials and/or packaging;
- credits due to returned goods;
- intra-site orders that are not transported;
- sales to brokers, donations, sales to employees, sales to colleagues;
- other sales: disposal of end-of-line products or products that have reached the end of their minimum storage life.

The transportation of fresh products is handled in a specific way. When occasional troubleshooting is required (for example, due to a strike at the storage depot), the standard logistics model is used.

The method used by the BALL business unit is based on the GHG Protocol.

The following indicator is calculated at August 31, 2018: kg CO<sub>2</sub> emitted per tonne transported.

### 2.9.4.5 Additional information for quality indicators

Number of tests conducted on fresh, ready-to-eat prepared and frozen vegetable product categories: product testing for listeria monocytogenes.





## 2.9.5 2019-2020 Reporting schedule - GRI 102-50, 102-51, 102-52, 102-53

Date	Action	Department
January	Update of the reporting matrix incorporating the requirements of GRI and Article 225 of the Grenelle law	Experts in the field & reporting coordinator
February	Update of definition guidelines	Experts in the field & reporting coordinator
April	Translation of guidelines	Reporting coordinator
June	Training of representatives in the reporting tools and methods	Reporting coordinator and representatives
July	Gathering of information	Subsidiary sites/areas to the subsidiary coordinator
August	Data validation	Persons responsible for approval in the reporting tool
August	Consolidation at group level by area and validation of consolidation	Group management control and experts in the field
September	Reporting audits at the production facilities	Production facilities audited
September	Audit of the group consolidation	Group management control
September	Audit of the CSR policy	Experts in the field
September	Review of the universal registration document for regulatory compliance with the Grenelle law	Group Communication
September	Validation of the universal registration document and detailed management charts	Experts in the field, group communication and group management control

The previous CSR report is included in the Bonduelle Group's registration document, available on [www.bonduelle.com](http://www.bonduelle.com) as of October 2018.

Any questions about the content of this report may also be sent using the contact form at [www.bonduelle.com](http://www.bonduelle.com).





### 2.9.6 Assurance report - GRI 102-8, 102-56

**Report of one of the Statutory Auditors, appointed as independent third party, on the consolidated non financial statement published in the group management report**

*This is a free English translation of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.*

**For the year ended June 30, 2019**

To the Shareholders,

In our capacity as Statutory Auditor of Bonduelle SCA, appointed as independent third party and accredited by COFRAC under number 3-1048 (scope of accreditation available at [www.cofrac.fr](http://www.cofrac.fr)), we hereby report to you on the consolidated non financial statement for the year ended June 30, 2019 (hereinafter the "Statement"), presented in the group management report pursuant to the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (Code de commerce).

#### Company's responsibility

The Board of Directors is responsible for preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main extra-financial risks, a presentation of the policies implemented with respect to these risks as well as the results of these policies, including key performance indicators. The Statement was prepared by applying the company's procedures (hereinafter the "Guidelines"), summarized in the Statement and available on the company's website or on request from its headquarters.

#### Independence and quality control

Our independence is defined by Article L. 822-11-3 of the French Commercial Code and the French Code of Ethics for Statutory Auditors (Code de déontologie). In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, French professional standards and applicable legal and regulatory requirements.

#### Responsibility of the statutory auditor appointed as independent third party

Based on our work, our responsibility is to express a limited assurance conclusion on:

- the compliance of the Statement with Article R. 225-105 of the French Commercial Code;

- the fairness of the information provided pursuant to part 3 of sections I and II of Article R. 225 105 of the French Commercial Code, i.e. the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the "Information."

However, it is not our responsibility to provide any conclusion on:

- the company's compliance with other applicable legal and regulatory provisions, particularly with regard to the duty of vigilance, anti-corruption and taxation;
- the compliance of products and services with the applicable regulations.

#### Nature and scope of procedures

We performed our work in accordance with Articles A. 225-1 et seq. of the French Commercial Code defining the conditions under which the independent third party performs its engagement and the professional guidance issued by the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes) relating to this engagement and with ISAE 3000 (Assurance engagements other than audits or reviews of historical financial information).

We conducted procedures in order to assess the Statement's compliance with regulatory provisions, and the fairness of the Information:

- We familiarized ourselves with the Group's business activity, the report on the main social and environmental risks relating to this activity and the impacts thereof with regard to the respect for human rights and the fight against corruption and tax evasion, together with the subsequent policies and their results.
- We assessed the suitability of the Guidelines in terms of their relevance, completeness, reliability, neutrality and clarity, taking into account, where appropriate, best practices within the sector.
- We verified that the Statement covers each category of information stipulated in section III of Article L. 225-102-1 governing social and environmental affairs, the respect for human rights and the fight against corruption and tax evasion.
- We verified that the Statement includes an explanation justifying the absence of information required by paragraph 2 of section III of Article L. 225-102-1.
- We verified that the Statement presents the business model and the main risks relating to the Group's business activity, including, where relevant and proportionate, the risks generated by its business relations, products or services as well as policies, measures and outcomes, including key performance indicators.
- We verified that, when relevant to the main risks or policies presented, the Statement presents the information stipulated in section II of Article R. 225-105.



- We assessed the process of selecting and validating the main risks.
- We inquired as to the existence of internal control and risk management procedures set up by the company.
- We assessed the consistency of the results and key performance indicators used with regard to the main risks and policies presented.
- We verified that the Statement includes a clear and reasoned explanation justifying the absence of policy regarding one or more of these risks.
- We verified that the Statement covers the consolidated scope, i.e. all companies within the consolidation scope in accordance with Article L. 233-16, with the limits specified in the Statement.
- We assessed the collection process set up by the entity to ensure the completeness and fairness of the Information.
- For the key performance indicators and other quantitative<sup>(1)</sup> outcomes that in our judgment were of most significance, we carried out:
  - analytical procedures that consisted in verifying the correct consolidation of collected data as well as the consistency of changes thereto,
  - substantive tests, on a sampling basis, that consisted in verifying the proper application of definitions and procedures and reconciling data with supporting documents. These procedures were conducted for a selection of contributing entities<sup>(2)</sup> and covered between 16% and 43% of the consolidated data for the key performance indicators and outcomes selected for these tests;
- We consulted documentary sources and conducted interviews to corroborate the qualitative information (measures and outcomes) that in our judgment were of most significance<sup>(3)</sup>;

- We assessed the overall consistency of the Statement in relation to our knowledge of the company.

We believe that the procedures we have performed, based on our professional judgment, are sufficient to provide a basis for a limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

## Means and resources

Our work engaged the skills of six people between April and September 2019.

To assist us in conducting our work, we referred to our corporate social responsibility and sustainable development experts. We conducted around ten interviews with people responsible for preparing the Statement.

## Conclusion

The new indicators for monitoring the company's 2025 macro-objective for the agro-ecological transition are under development and two of the five published agronomy indicators were established late and therefore could not be verified by us. Regarding the three indicators that we verified, related to the deployment of alternative cultivation techniques, numerous corrections have been made and their reporting system remains to be strengthened.

Based on our work, except for the matter described above, nothing has come to our attention that cause us to believe that the non financial statement does not comply with the applicable regulatory provisions and that the Information, taken as a whole, is not fairly presented in accordance with the Guidelines.

Paris-La Défense, September 30<sup>th</sup>, 2019

French original signed by the Statutory Auditor

**Deloitte & Associés**

Pierre-Marie Martin

Associé

- 
- 1 Human resources indicators: Full-time equivalent employees; Average training duration per individual; Frequency rate and Severity rate of work-related accidents.  
Natural resources indicators: Water consumption; Energy consumption; Production of green waste and breakdown by type of valuation; Packaging consumption and breakdown by type of material; Greenhouse gas emissions scope 1 and scope 2.  
Agronomy indicators: Penetration rate of mechanical weeding; Penetration rate of restricted use of fertilization; Penetration rate of irrigation management.  
Purchasing indicators: Percentage of suppliers audited; Percentage of suppliers evaluated.
  - 2 Entities and sites selected: Bedford (Human resources, Natural resources), Florence (Human resources, Natural resources), Estrées conserves et surgelés (Human resources, Natural resources), Krasnodar (Human Resources, Green waste, Packaging), BFE (Agronomy), BELL Sud-Ouest (Agronomy), Fairwater (Agronomy), BALL (Purchasing).
  - 3 Qualitative information: Approach of eco-design of packaging; Carbon footprint reduction approach; Commitment to the agro-ecological transition; Plan for healthy and sustainable food; Responsible purchasing approach and evaluation of suppliers' CSR performance; Measures to fight against anticompetitive practices.

Note on the CSR reporting methodology

## 2.9.7 Results of all indicators – GRI 102-7, 102-8, 102-48

	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Revenue of the Bonduelle Group (in millions of euros)						
GRI 102-7	1,921	1,982	1,968	2,288	2,777	2,777

### 2.9.7.1 Agronomy

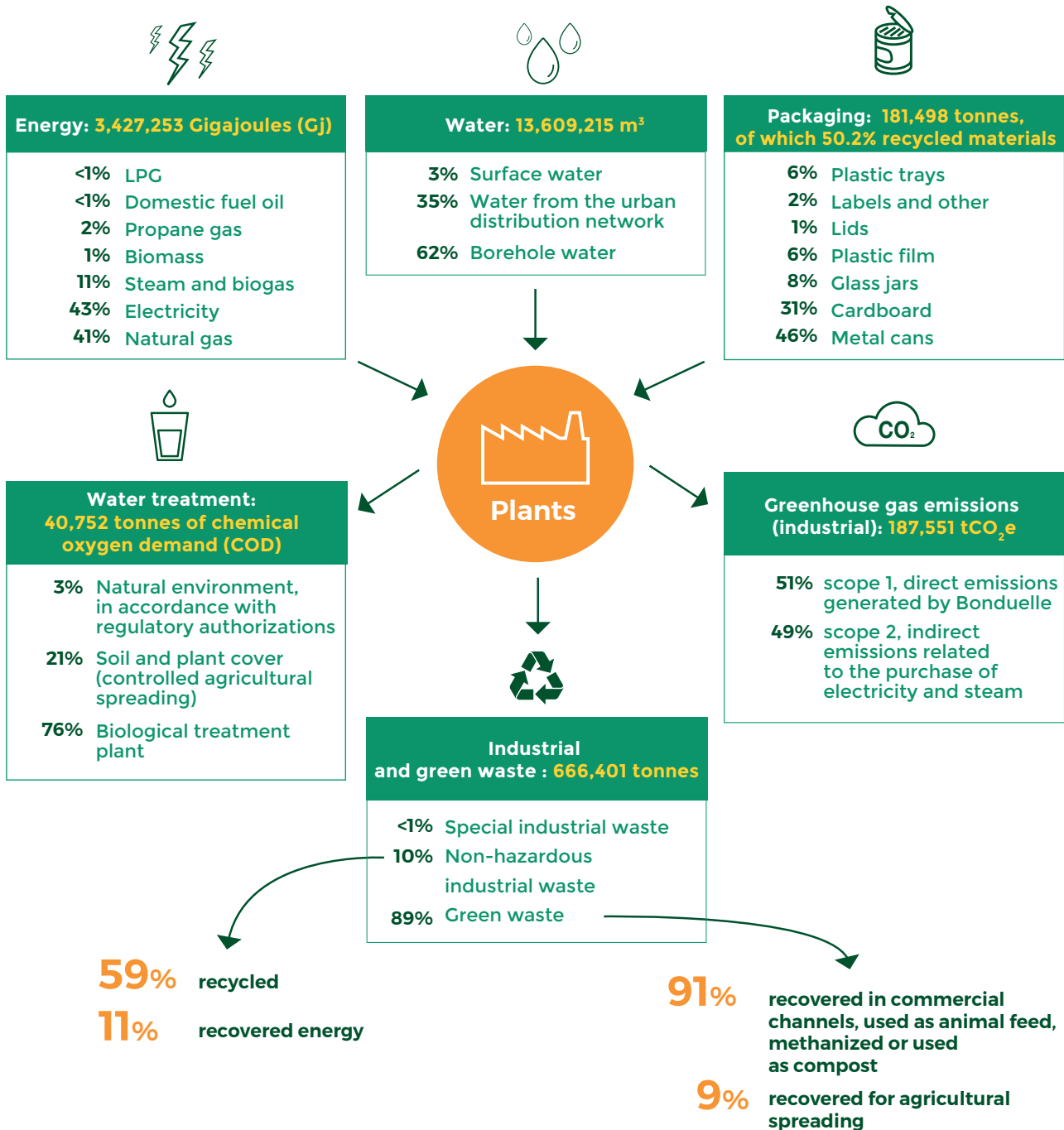
Indicators (excluding BFA)	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
<b>Varietal diversity</b>						
Number of varieties tested across all regions where the group operates (2014-2015 data not comparable due to change in methodology).		3,835	1,330	1,013	1,299	1,077
<b>Agricultural headcount</b>						
Number of people (full-time equivalent Agronomy Department employees, including administrative staff, seasonal employees, trainees and those on permanent and non-permanent contracts).	246	252	258	261	264	269
<b>Sourcing charter</b>						
Percentage of farmers having signed it (either directly or included in contracts). GRI 308-1	93%	99%	95%	96%	96%	92%
<b>Farmer assessed</b>						
Percentage of farmers assessed by an initiative with the aim of compiling an annual budget.	74%	87%	84%	88%	79%	96%
<b>Security network</b>						
Number of Bonduelle Group trapping networks – excluding Fresh Europe*.				59*	54	54
<b>Security network</b>						
Number of farmers benefitting from trapping networks in the Fresh Europe business unit*.				130	132	87
<b>Farmer loyalty</b>						
Percentage of farmers who renewed their contracts versus the previous year.				91%	93%	91%

\* Different calculation method.

## 2.9.7.2 Natural resources

### Consumption, discharges and recovery at Bonduelle's production facilities

The following diagram presents consumption of natural resources, recycling and discharges into the natural environment generated by all Bonduelle Group production facilities.



### Note on the CSR reporting methodology

Indicators	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
<b>Tonnes of manufactured products (TMP)</b> <i>GRI 102-7</i> (Inclusion of data from the BFA business unit from 2017-2018)	1,094,504 TMP	1,060,882 TMP	1,054,278 TMP	1,218,180 TMP	1,223,529 TMP
<b>Water consumption - GRI 303-1</b>					
Number of m <sup>3</sup> consumed (Inclusion of data from the BFA business unit from 2017-2018)	11,475,372 m <sup>3</sup>	11,660,490 m <sup>3</sup>	12,424,679 m <sup>3</sup>	14,632,188 m <sup>3</sup>	13,609,215 m <sup>3</sup>
Number of m <sup>3</sup> consumed per tonne of manufactured product (TMP) (Inclusion of data from the BFA business unit from 2017-2018)	10.5 m <sup>3</sup> /TMP	11.0 m <sup>3</sup> /TMP	11.8 m <sup>3</sup> /TMP	12 m <sup>3</sup> /TMP	11.1 m <sup>3</sup> /TMP
<b>Water sourcing - GRI 303-1</b>					
Borehole water	8,544,956 m <sup>3</sup>	8,291,365 m <sup>3</sup>	8,876,085 m <sup>3</sup>	8,866,962 m <sup>3</sup>	8,457,145 m <sup>3</sup>
Urban water (Inclusion of data from the BFA business unit from 2017-2018)	2,566,504 m <sup>3</sup>	2,979,323 m <sup>3</sup>	3,055,151 m <sup>3</sup>	5,187,131 m <sup>3</sup>	4,721,018 m <sup>3</sup>
Surface water	363,912 m <sup>3</sup>	389,803 m <sup>3</sup>	493,443 m <sup>3</sup>	578,095 m <sup>3</sup>	431,052 m <sup>3</sup>
<b>Energy consumption - GRI 302-1</b>					
Total consumption in GJ (gigajoules)	3,153,521 GJ	3,069,997 GJ	3,131,844 GJ	3,544,729 GJ	3,427,253 GJ
of which Electricity: (Inclusion of data from the BFA business unit from 2017-2018)	1,253,145 GJ	1,268,663 GJ	1,290,175 GJ	1,532,557 GJ	1,486,579 GJ
of which Natural gas: (Inclusion of data from the BFA business unit from 2017-2018)	1,567,567 GJ	1,291,732 GJ	1,343,891 GJ	1,446,750 GJ	1,406,897 GJ
of which Propane:	64,437 GJ	64,535 GJ	40,928 GJ	81,168 GJ	81,126 GJ
of which LPG:	3,349 GJ	2,648 GJ	1,975 GJ	3,312 GJ	5,491 GJ
of which Domestic fuel oil:	33,683 GJ	39,165 GJ	27,965 GJ	29,475 GJ	28,694 GJ
of which Biomass:	62,484 GJ	81,322 GJ	68,783 GJ	80,549 GJ	31,229 GJ
of which Purchase of Steam:	141,037 GJ	316,662 GJ	352,694 GJ	368,206 GJ	383,528 GJ
of which Biogas:	27,819 GJ	5,271 GJ	5,434 GJ	2,711 GJ	3,708 GJ
<b>Breakdown of Electricity by country:</b>					
France	49%	47%	46.1%	38%	39%
Canada	23%	26%	25.7%	22%	23%
United States	13%	13%	13.6%	28%	25%
Portugal	4%	4%	4.5%	4%	4%
Poland	4%	3%	3.4%	3%	3%
Hungary	3%	3%	2.9%	3%	3%
Germany	1%	2%	1.5%	1%	1%
Russia	2%	2%	1.5%	1%	1%
Brazil	1%	0.6%	0.7%	0.5%	0.3%
<b>Production of ordinary waste (non-hazardous waste) - GRI 306-2</b>					
Tonnes	76,402 t <sup>(1)</sup>	43,077 t	48,876 t	48,930 t	72,242 t
kg per tonne of manufactured product	69.8 kg/TMP	40.6 kg/TMP	46.4 kg/TMP	45.8 kg/TMP	59.0 kg/TMP





Note on the CSR reporting methodology

Indicators	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
<b>Treatment</b>					
Industrial landfill center:	18%	17%	11.6%	9.4%	30%
Energy recovery:	3%	3%	7.6%	10.7%	10.7%
Recycling:	79%	80%	80.9%	79.9%	59.3%
<b>Production of special waste (hazardous waste) - GRI 306-2</b>					
Tonnes	284 t	167 t	206 t	188 t	276 t
kg per tonne of manufactured product	0.26 kg/TMP	0.16 kg/TMP	0.20 kg/TMP	0.18 kg/TMP	0.23 kg/TMP
<b>Production of green waste - GRI 306-2</b>					
Tonnes (Inclusion of data from the BFA business unit from 2017-2018)	550,643 t	592,689 t	552,068 t	569,917 t	593,883 t
kg per tonne of manufactured product	503 kg/TMP	559 kg/TMP	524 kg/TMP	468 kg/TMP	485 kg/TMP
<b>Valuation</b>					
Agricultural spreading:	8%	8%	8%	3.9%	9%
Animal feed:	72%	63%	59.8%	59.7%	48%
Energy recovery:	2%	2%	2.8%	6.6%	9%
Marketable product:	17%	19%	19.8%	18.8%	17%
Other (compost):	1%	8%	9.6%	11.1%	17%
<b>Pollution discharge</b>					
<b>Breakdown by treatment channel in m<sup>3</sup> - GRI 306-1 - GRI 303-1</b>					
Percentage (by m <sup>3</sup> ) discharged to treatment plant	84%	84%	84%	85%	87%
Percentage (by m <sup>3</sup> ) discharged for spreading after pretreatment	11%	10%	11%	10%	9%
Percentage (by m <sup>3</sup> ) discharged directly for spreading on crops	5%	6%	5%	5%	4%
<b>Discharge of pollutants and proportion treated<sup>(2)</sup> - GRI 306-1 - GRI 303-1</b>					
Number of tonnes of COD (Chemical Oxygen Demand) produced at production facilities	44,206 TCOD	41,090 TCOD	40,447 TCOD	37,343 TCOD	40,752 TCOD
Percentage of COD treated at Bonduelle treatment plants	78%	73%	75%	90.1%	71%
Percentage of COD treated by the soil and plant cover (controlled agricultural spreading)	17.5%	21%	19.8%	1.7%	21%
Percentage of COD treated at external treatment plants	2%	3%	2.6%	3.5%	5%
Percentage of COD discharged into the natural environment in compliance with regulations	2.5%	3%	2.6%	4.7%	3.4%
<b>Biosolids (excluding BFA)</b>					
Tonnes of dry biological sludge	1,899 t	2,358 t	3,065 t	3,228 t	2,987 t
Nm <sup>3</sup> of biogas	1,677,528 Nm <sup>3</sup>	1,318,384 Nm <sup>3</sup>	1,201,007 Nm <sup>3</sup>	885,304 Nm <sup>3</sup>	1,422,050 Nm <sup>3</sup>
<b>Packaging</b>					
Number of tonnes	160,549 t	149,196 t	144,992 t	149,886 t	181,498 t





### Note on the CSR reporting methodology

Indicators	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
<b>Breakdown by type of material</b>					
Metal cans:	56.3%	55.6%	55.1%	56.5%	46%
Cardboard:	20.7%	23.1%	23.6%	22.7%	31%
Class jars:	11.2%	10.5%	9.9%	10.0%	8%
Plastic film:	4.8%	5.7%	6%	5.6%	6%
Lids:	2.6%	1.8%	1.6%	1.6%	2%
Plastic trays:	1.6%	1.5%	1.6%	1.5%	6%
Labels and other:	2.8%	1.7%	2.1%	2.1%	2%
<b>Recycled materials</b>					
Percentage of recycled materials in packaging (Europe) – GRI 301-2			48%	46%	50.2%
<b>Biodiversity</b>					
Number of production facilities an area of outstanding fauna or flora			6	6	10
<b>Expenditure, in euros, for minimizing the impact of activities on the environment</b>					
Water and sludge from treatment station:	€1,692,572	€1,181,274	€1,111,173	€2,378,665	€3,545,992
Industrial and green waste:	€49,949	€131,716	€360,437	€203,407	€669,223
Air and energy:	€2,915,092	€1,355,453	€1,441,496	€4,030,771	€3,726,407
<b>Greenhouse gas emissions</b>					
* Scope 1: Tonnes of CO <sub>2</sub> equivalent direct emissions (fossil fuels purchased and refrigerant fluid leaks for agro-industrial sites, excluding tertiary sites) GRI 305-1	109,514 tCO <sub>2e</sub>	95,558 tCO <sub>2e</sub>	89,823 tCO <sub>2e</sub>	110,779 tCO <sub>2e</sub>	96,440 tCO <sub>2e</sub>
* Scope 2: Tonnes of CO <sub>2</sub> equivalent indirect emissions (electricity and steam purchased for industrial facilities, excluding tertiary sites) GRI 305-2	76,384 tCO <sub>2e</sub>	74,637 tCO <sub>2e</sub>	70,533 tCO <sub>2e</sub>	84,674 tCO <sub>2e</sub>	91,111 tCO <sub>2e</sub>
Scope 3 upstream and downstream: Tonnes of CO <sub>2</sub> equivalent indirect emissions			2,038,388 tCO <sub>2e</sub>	2,089,269 tCO <sub>2e</sub>	1,781,749 tCO <sub>2e</sub>
<b>Emissions of ozone depleting gas</b> Tonnes of CO <sub>2</sub> equivalent for R22, R134A, R404A, R422A	3,484 tCO <sub>2e</sub>	2,600 tCO <sub>2e</sub>	2,009 tCO <sub>2e</sub>	3,379 tCO <sub>2e</sub>	8,403 tCO <sub>2e</sub>

(1) Of which 33,892 tonnes generated by the Tecumseh (Canada) plant, where there was a fire in July 2014.

(2) Biosolids are not published for the BFA business unit and the indicator for Chemical Oxygen Demand (DCO) is based on an estimate.

\* Emissions related to energy consumption at headquarters and tertiary sites were estimated and recognized under scopes 1 and 2 as presented in the overall assessment of GHG emissions in Section 2.4.3.



## Note on the CSR reporting methodology

Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading within the European Community applies to the Bonduelle Group for its European sites equipped with a boiler with a capacity of more than 20 MW. The Emission Trading Scheme (ETS) for the period 2013-2020 involves two Bonduelle sites: Estrées-Mons, Resecure (France), excluding the Vaulx-Vraucourt (France) site in 2015 following technical modifications.

For 2016, the allocation of free quotas equates to 19,352 tCO<sub>2</sub>e. Certified and transferred emissions totaled 16,207 tCO<sub>2</sub>e. The use of biomass steam in 2015 at the Estrées-Mons (France) site made it possible to halve the group's greenhouse gas emissions that are subject to the Emission trading scheme (ETS). Through energy savings made at its sites since 2008, Bonduelle has surplus allowances available in its account; as such it has not had to make purchases on the carbon allowance market since 2016.

### 2.9.7.3 Transport (excluding BFA and Brazil)

Indicators	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
<b>CO<sub>2</sub> emissions (tonnes of CO<sub>2</sub>)</b>					
Upstream agricultural activities	18,085 t CO <sub>2</sub>	18,620 t CO <sub>2</sub>	22,485 t CO <sub>2</sub>	22,758 t CO <sub>2</sub>	39,590 t CO <sub>2</sub>
Inter-site	13,510 t CO <sub>2</sub>	14,499 t CO <sub>2</sub>	14,498 t CO <sub>2</sub>	14,347 t CO <sub>2</sub>	59,565 tCO <sub>2</sub>
Distribution	73,854 t CO <sub>2</sub>	69,994 t CO <sub>2</sub>	67,111 t CO <sub>2</sub>	66,854 t CO <sub>2</sub>	131,755 tCO <sub>2</sub>
<b>TOTAL (EXCLUDING BFA AND BRAZIL)<sup>(1)</sup></b>	<b>105,449 T CO<sub>2</sub></b>	<b>103,113 T CO<sub>2</sub></b>	<b>104,094 T CO<sub>2</sub></b>	<b>242,189 T CO<sub>2</sub></b>	<b>230,910 T CO<sub>2</sub></b>
<b>Ratio of kg CO<sub>2</sub> emitted per tonne transported (Excluding BFA and Brazil)</b>					
Upstream agricultural activities	19 kg CO <sub>2</sub> /t	21 kg CO <sub>2</sub> /t	26 kg CO <sub>2</sub> /t	25 kg CO <sub>2</sub> /t	26 kg CO <sub>2</sub> /t
Inter-site	17 kg CO <sub>2</sub> /t	19 kg CO <sub>2</sub> /t	19 kg CO <sub>2</sub> /t	20 kg CO <sub>2</sub> /t	36 kg CO <sub>2</sub> /t
Distribution	71 kg CO <sub>2</sub> /t	70 kg CO <sub>2</sub> /t	68 kg CO <sub>2</sub> /t	68 kg CO <sub>2</sub> /t	95 kg CO <sub>2</sub> /t

(1) In 2017-2018, BALL data were only included in the total; in 2018-2019, BALL data were included in all results.



Note on the CSR reporting methodology

### 2.9.7.4 Quality

Indicators	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
<b>Safety testing - GRI 416-1</b>					
Number of tests conducted on fresh, ready-to-eat prepared and frozen product categories	19,000	20,537	19,985	20,237	22,142
Number of tests conducted on the canned products category	44,600	43,788	43,900	44,451	43,502
<b>certified facilities</b>					
Number of ISO 9001 certified facilities	13	12	11	9	2
Number of ISO 22000 certified facilities	3	3	3	3	3
Number of IFS certified facilities	20	20	19	19	19
Number of FSSC 22000 certified facilities	4	4	4	5	5
Number of BRC certified facilities	15	16	15	15	15
Number of SQF certified facilities	3	3	3	4	8
Number of facilities certified "organic"	17	17	14	16	21
Number of days of system or product audits carried out by certification bodies, authorities or customers			291	282	367
Number of hours raising employees' awareness of food quality, food safety, food defense, etc.			16,409	16,869	22,917
Customer services	1 Customer Services Department operates in each country				
<b>Purchases of processed fruit and vegetables (excluding BFA)</b>					
Number of suppliers (excluding partner vegetable producers) who have signed the Simplified agronomic charter	106	105	96	104	105
Percentage of suppliers (excluding partner vegetable producers) who have signed the Simplified agronomic charter	35%	42%	38%	40%	37%
Number of tests conducted on phytosanitary waste and trace metal elements (TME)	411	465	564	619	630
Percentage of compliant results obtained from tests on phytosanitary waste and trace metal elements (TME)	97%	95%	98%	99%	100%
Percentage of suppliers audited	15%	16%	19%	7%	15%
Percentage of suppliers evaluated	56%	79%	82%	80%	66%
Percentage of suppliers audited - Canada and the United States			18%	20%	
Percentage of suppliers evaluated - Canada and the United States			96%	99%	



## 2.9.7.5 Human Resources – GRI 102-8

Indicator	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Number of permanent employees at June 30 of the reporting year (Inclusion of data from the BFA business unit from 2017-2018)	6,974	7,100	7,330	10,957	10,655
Number of full-time equivalent permanent, non-permanent and seasonal employees and employees on other contracts over the reporting period N/P	9,755	9,961	10,220	10,519	14,589

### Total employees by type of employment contract and geographical area (full-time equivalents in 2018-2019)

	France	Europe excl. France	Non-Europe	Total
Open-ended contracts	3,221	1,624	5,843	10,688
Non-Permanent	274	190	61	525
Seasonal	566	540	703	1,809
Other	542	167	858	1,567
<b>TOTAL</b>	<b>4,604</b>	<b>2,521</b>	<b>7,464</b>	<b>14,589</b>

### Total workforce by gender, status, age and geographical area (permanent employees as at June 30, 2019)

GRI 405-1	France	Europe excl. France	Non-Europe	Total
Women	1,305	731	2,514	4,550
Men	1,939	974	3,192	6,105
Managers	775	339	573	1,687
Non-Managers	2,469	1,366	5,133	8,968
Permanent employees aged under 26	117	44	402	563
Permanent employees aged 26-35	683	348	1,143	2,174
Permanent employees aged 36-45	929	534	1,238	2,701
Permanent employees aged 46-49	445	237	523	1,205
Permanent employees aged 50-55	552	267	956	1,775
Permanent employees aged over 55	518	275	1,444	2,237

### Women as a proportion of permanent employees as at June 30 – GRI 405-1

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Percentage of women who are Managers	-	17%	18%	19%	15%
Percentage of women who are non-Managers	-	83%	82%	81%	85%
Percentage of total employees who are women	40%	40%	40%	40%	43%

Note on the CSR reporting methodology

### Seniority and hires

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
<b>Seniority (permanent staff)</b>					
0 to 3 years	1,892	1,988	2,099	2,194	3,825
4 to 9 years	1,519	1,545	1,616	1,652	2,388
+ 9 years	3,563	3,567	3,615	3,596	4,442
Average seniority	12.82	13.00	12.27	12.00	10.44
<b>New hires, in number of contracts - GRI 401-1</b>					
Open-ended contracts	641	549	654	701	1,275
Non-Permanent	942	683	896	829	1,030
Seasonal	4,791	4,515	5,103	5,037	5,167
<b>Disability - GRI 405-1</b>					
Workers with a disability (full-time equivalents (FTE))	264 ETP	281 ETP	281 ETP	237 ETP	255 ETP

### Departures by status in 2018-2019 (number of people - all contract types)

	France	Europe excl. France	Non-Europe	Total
<b>Managers</b>				
Due to layoff	9	6	17	32
Due to a death, retirement or agreed departure	37	3	9	49
Due to the employee (resignation, end of probationary period)	39	22	56	117
Due to transfer	60	2	24	86
<b>Non-Managers</b>				
Due to layoff	75	37	1,333	1,445
Due to a death, retirement or agreed departure	97	126	76	299
Due to the employee (resignation, end of probationary period)	269	209	3,350	3,828
Due to transfer	39	1	28	68

### Turnover - GRI 401-1

Turnover total group (Scope: departures at the request of the employee, due to death, retirement or agreed departure)	13.23%	14.82%	16.27%	15.82%	29.43%
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**Turnover by gender\* in 2018-2019 (full-time equivalent) – GRI 401-1**

	France	Europe excl. France	Non-Europe	Total
Turnover – Women	10.3%	15.2%	37.3%	25.10%
Turnover – Men	9.1%	13.6%	43.6%	27.18%
Departures of Women	196	161	1,184	1,541
Departures of Men	246	199	1,818	2,263
Unspecified Departures	0	0	489	489

\* Scope: departures at the request of the employee, due to death, retirement or agreed departure.

**Turnover by age\* in 2018-2019 (full-time equivalent) – GRI 401-1**

	France	Europe excl. France	Non-Europe	Total
Turnover of employees aged under 26	2.7%	3.6%	6.2%	4.65%
Turnover of employees aged 26-35	2.4%	3.4%	29.0%	16.18%
Turnover of employees aged 36-45	1.5%	3.8%	4.2%	3.31%
Turnover of employees aged 46-49	0.4%	0.7%	1.4%	0.96%
Turnover of employees aged 50-55	0.5%	1.0%	2.1%	1.42%
Turnover of employees aged 55+	2.2%	1.8%	3.1%	2.60%
Unspecified turnover	0.0%	0.0%	0.3%	0.31%
Departures of employees aged under 26	122	90	466	678
Departures of employees aged 26-35	109	85	2,166	2,360
Departures of employees aged 36-45	71	97	315	483
Departures of employees aged 46-49	17	18	105	140
Departures of employees aged 50-55	23	24	160	207
Departures of employees aged 55+	100	46	234	380
Unspecified turnover	0	0	45	45

\* Scope: departures at the request of the employee, due to death, retirement or agreed departure.



Note on the CSR reporting methodology

### Training (excluding BFA) - Permanent, non-permanent and seasonal employees

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Training as a percentage of payroll	1.44%	1.44%	1.4%	1.26%	1.04%
Total number of training hours:	172,776	177,979	174,102	185,938	187,702
Average training duration per individual - GRI 404-1	28 hours	29 hours	31 hours	34 hours	14 hours
Breakdown of training hours by gender - GRI 404-1	36.15% women 63.85% men	32.82% women 67.18% men	35.62% women 64.38% men	30.80% women 69.20% men	36.09% women 63.91% men
Breakdown of training hours by status - GRI 404-1			18.66% Managers 81.34% non- Managers	15.46% Managers 84.54% non- Managers	18.32% Managers and 81.68% non- Managers
Work-related accidents (all contract types) - GRI 403-2					
Frequency of work-related accidents	7.43	4.03	6.19	6.91	6.37
Work-related accident severity rate	0.42	0.23	0.29	0.31	0.34
Severity rate of occupational diseases for France	0.96	1.08	0.96	0.97	0.97

### Breakdown of work-related accidents, frequency rate, severity rate and occupational diseases in 2018 2019 (all contract types) - GRI 403-4

	France	Europe excl. France	Non-Europe	Total
Women - Frequency rate	10.87	4.97	2.95	5.43
Men - Frequency rate	15.15	8.14	2.93	7.14
Frequency rate	13.41	6.85	2.88	6.37
Women - Number of work-related accidents with lost time	30	8	17	55
Men - Number of work-related accidents with lost time	61	19	24	104
Number of work-related accidents with lost time	91	27	41	159
Women - Severity rate	1.08	0.19	0.17	0.42
Men - Severity rate	0.73	0.18	0.10	0.29
Severity rate	0.87	0.19	0.12	0.34
Women - Number of lost days due to work-related accidents	2,977	311	969	4,257
Men - Number of lost days due to work-related accidents	2,943	421	803	4,167
Lost days due to work-related accidents	5,920	732	1,772	8,424

	France	Europe excl. France	Non-Europe	Total
Women - Occupational disease severity rate	1.45	0.00	0.00	1.45
Men - Occupational disease severity rate	0.64	0.00	0.00	0.64
Occupational disease severity rate	0.97	0.00	0.00	0.97
Women - Number of lost days for work-related accidents and occupational diseases	3,988	N/A	N/A	3,988
Men - Number of lost days for work-related accidents and occupational diseases	2,571	N/A	N/A	2,571
Number of lost days for work-related accidents and occupational disease	6,559	N/A	N/A	6,559

N/A: Data not available.





Note on the CSR reporting methodology

**Change in the number of safety training hours at June 30 – GRI 403-2**

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Number of safety training hours	24,602	45,467	48,359	30,570	47,915

**Change in safety training expenditure as a percentage of total training expenditure – GRI 403-2**

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Safety expenditure	11.38%	23.27%	18.85%	18.0%	18.0%

**Remuneration and development (All contract types)**

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Staff affected by industrial restructuring plans who have received outplacement support	4	62	0	17	59
Number of hours worked	16,556,775	16,889,400	17,125,082	17,368,538	24,970,070
Absenteeism rate	3.53%	3.72%	4.06%	4.38%	4.61%
Amount of compensation (permanent, non-permanent and seasonal employees)	€252,912,461	€259,398,219	€266,972,624	€288,609,131	€409,745,598
Percentage of employees receiving regular performance and career development reviews – GRI 404-3	78.16%	79.42%	80.61%	72.14%	54.93%
Breakdown by gender of employees receiving regular performance and career development reviews – GRI 404-3	79.44% women 77.28% men	80.94% women 78.45% men	81.88% women 79.76% men	72.86% women 71.68% men	54.59% women 55.16% men
Breakdown by status of employees receiving regular performance and career development reviews – GRI 404-3			92.52% Managers	77.14% Managers	80.79% Managers
			78.62% non- Managers	71.19% non- Managers	51.19% non- Managers

**Breakdown of absenteeism rate and hours worked in 2018-2019 (All contract types)**

	France	Europe excl. France	Non-Europe	Total
Women - Absenteeism rate	5.8%	7.4%	4.9%	5.58%
Men - Absenteeism rate	4.1%	4.2%	3.8%	3.98%
Absenteeism rate	4.8%	5.6%	4.2%	4.61%
Women - Hours worked	2,759,492	1,609,168	5,765,359	10,134,020
Men - Hours worked	4,026,425	2,333,990	8,202,197	14,562,612
Hours worked	6,785,918	3,943,158	14,240,995	24,970,070

## 2.10 Appendices

### 2.10.1 Ethics Committee

An Ethics Committee was officially created to support the group’s efforts in this area and to act in an advisory capacity. Its composition is described in 3.1.4.

### 2.10.2 The Bonduelle Group’s ethics charter - GRI 102-16

The Bonduelle Group’s ethics charter is published in French and English at Bonduelle.com, under “sustainable development”, documents:

<https://www.bonduelle.com/fr/developpement-durable/espace-documentaire.html>

### 2.10.3 Materiality matrix - GRI 102-46

The Corporate Social Responsibility (CSR) challenges cover many areas. Not all of them have the same impact depending on the organizations and their stakeholders. The materiality analysis enables us to identify the economic, environmental, social and societal repercussions specific to an organization, and those that have a major influence on their stakeholders.

In 2014-2015, Bonduelle initiated a materiality analysis approach in partnership with its stakeholders. In the first instance, a materiality matrix was created for the entire Bonduelle Group. Its methodology is used in all the countries

where Bonduelle operates. In 2015-2016, the matrix was completed in Canada and started in Italy. Russia devised its materiality matrix in 2016-2017.

The lessons learned from various dialogs with stakeholders in 2016-2017 supported the results of the matrix (see matrix in 1.3.2 Risks and challenges).

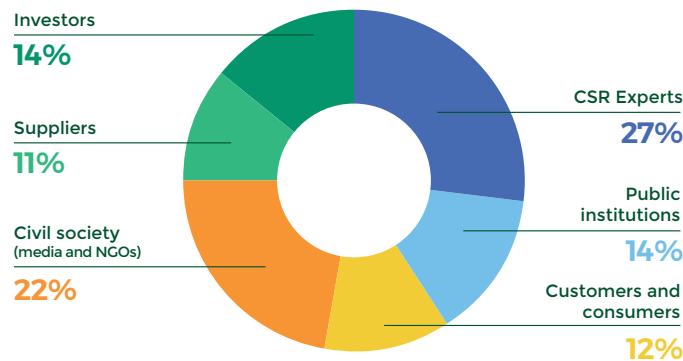
### 2.10.3.1 Identifying Bonduelle’s CSR challenges

A complete list of Bonduelle’s CSR challenges across its whole value chain was drawn up based on various existing guidelines (UN Global Compact, segment GRI, ISO 26000, Article 225 of the French Grenelle law), themes identified by other operators in the sector, topics dealt with during dialog with stakeholders in France and the materiality matrix produced in North America. This list of 51 challenges covers the different links in Bonduelle’s value chain, from the agricultural upstream to consumers and civil society. The value chain is represented in the challenges and targets tables outlined in 2.2.1, 2.3.1, 2.4.1 and 2.5.1.

### 2.10.3.2 Consultation with stakeholders

External contacts involved in drawing up the “Importance for external stakeholders” item in Bonduelle’s materiality matrix were identified so as to represent Bonduelle’s various direct and indirect stakeholder categories. Among these categories, the most representative and relevant organizations, as well as renowned experts on matters relating to the Bonduelle Group’s operations, were selected.

#### 64 organizations or independent experts contributed to the materiality matrix





Bonduelle's internal stakeholders involved in producing the "Current or potential impact for Bonduelle" item were selected to reflect the group's overall strategic vision and its CSR vision. All members of the Executive Committee and the CSR Steering Committee answered the online questionnaire.

### 2.10.3.3 Prioritizing challenges

An online questionnaire enabled stakeholders to rate the 51 challenges on 6 different levels, give their opinions and indicate any other issues they considered relevant. None of the stakeholders added any challenges to the list, and all the challenges were considered important as they appear on the matrix between levels 4 and 6.

The final score for each challenge corresponds to an average calculated based on one vote allocated to each stakeholder category, without any weighting. This first score was complemented by:

- cross-referencing with the Bonduelle Group's risk mapping, to ensure consistency of the results with the Company's key risks. (risk management procedure outlined in Section 3.5);
- inclusion of the results of surveys conducted on Bonduelle's suppliers and consumers. For example, the participation of Bonduelle's farmer suppliers was completed based on an IPSOS survey in 2014 of all of the group's partner producers;
- the annual dialog session organized in France by Bonduelle. A group of some 30 key stakeholders was asked for their responses to the initial results of the matrix. The discussions dealt with the subjects already identified by Bonduelle, such as food waste and climate change. Additional points also came out of this dialog, such as crop diversity and promoting balanced food choices at work.

For each challenge, the Bonduelle CSR Steering Committee analyzes the results for each year *via* materiality matrices produced in the countries where Bonduelle operates.

### 2.10.3.4 Materiality matrix – GRI 103-1

The materiality analysis (see matrix in 2.2.1.5 Materiality matrix) identified, from among Bonduelle's 51 CSR challenges, 17 major challenges shared by the group and its stakeholders. They include the commitments of the Company's CSR strategy and will help to enrich it. They are also in step with the sustainable development goals (see 2.2.1.4). Material challenges apply to the entire Bonduelle Group, which collaborates with its ecosystem to address these challenges, and particularly with its farmer partners:

- product quality and safety (detailed in Sections 2.6.2.1 and 2.6.2.2);
- food traceability (detailed in Section 2.6.2.1);
- workplace health and safety (detailed in Section 2.7.3.1);
- ethical business practice (detailed in Section 2.8.1);
- food safety (detailed in Section 2.6.2.1);
- compliance with international labor commitments (detailed in Sections 2.7.3.2 and 2.7.4.4);
- relations with producers (detailed in Sections 2.4 and 2.5);
- soil preservation (detailed in Section 2.4);
- water preservation (detailed in Section 2.5.5);
- responsible packaging (detailed in Section 2.5.4);
- water pollution (detailed in Section 2.5.5);
- use of agricultural inputs (detailed in Section 2.4.2);
- legal compliance (detailed in Section 2.8.1);
- compliance of teams with the group's CSR commitments (detailed in Section 2.1.1.2);
- integration of CSR challenges in relations with customers (detailed in Section 2.6.3.2);
- nutritional composition of products (detailed in Section 2.6.3);
- energy saving (detailed in Section 2.5.2).

Cross-reference table of the Corporate social responsibility report with Global Reporting Initiative (GRI) Standards Content Index - GRI 102-55

## 2.11 Cross-reference table of the Corporate social responsibility report with Global Reporting Initiative (GRI) Standards Content Index - GRI 102-55



For the GRI Content Index Service, GRI Services reviewed that the GRI content index is clearly presented and the references for all disclosures included align with the appropriate sections in the body of the report.

This service was performed on the French version of the report (English GRI Standard titles)

GRI Standards	Disclosure	GRI Standards Content Index reference in the universal registration document	External verification	Page no.
GRI 101 - Foundation 2016	Principles for defining report content	2.2.1.6 Procedures for dialog with stakeholders		28
		1.4 Bonduelle in its ecosystem		11
		1.3.1 Bonduelle's value creation model		8-9
		2.2.1.5 Materiality matrix		27
		2.9.1 Context and objectives		80
	Principles for defining report quality	2.9.3 Scope		81
		2.9.2 Procedures	2.9.6	80
	Utilization of GRI standards for sustainable development reporting	2.9.3 Scope	Assurance report	81
		2.9.1 Context and objectives		80
		2.9.2 Procedures		80
Statements related to utilization of the GRI standards	2.9.3 Scope		81	
	2.2.2.3 Transparency requirements		31-32	
GRI 102: General Disclosures 2016	102-1: Name of the organization	7.6 General information regarding the Company - Legal name		259
	102-2: Activities, brands, products, and services	1.3.1 Bonduelle's value creation model		8
		1.4.3 Bonduelle is the only pure player in the plant-based food market		15
		1.6 Bonduelle worldwide as of 2019/07/01		18
	102-3: Location of headquarters	7.6 General information regarding the Company - Registered office		259
	102-4: Location of operations	1.6 Bonduelle worldwide as of 2019/07/01		18
		1.5 Group organization structure as of 2019/07/01		15-16
	102-5: Ownership and legal form	7.2 Shareholder structure		252
		7.6 General information regarding the Company - Legal form		259
	102-6: Markets served	1.3.1 Bonduelle's value creation model		8
		1.6 Bonduelle worldwide as of 2019/07/01		18
	102-7: Scale of the organization	1.2 Bonduelle Group key figures		6
		1.5 Group organization structure as of 2019/07/01		16
2.9.7 Results of all indicators			88	
2.9.7 Results of all indicators - B. Natural resources			90	
102-8: Information on employees and other workers	2.9.7 Results of all indicators - E. Human resources	2.9.6 Assurance report	95	
102-9: Supply chain	2.5.8 Responsible purchasing		53	
102-10: Significant changes to the organization and its supply chain	1.1 Interview with Guillaume Debrosse, Bonduelle Group Chief Executive Officer		4	
	1.5 Group organization structure as of 2019/07/01		16	
	2.2.1.1 Editorial		23	
102-11: Precautionary Principle or approach	4.4 Internal control and risk management procedures		157	
	4.2 Risk factors		141	
102-12: External initiatives	2.8.1 Ethical business practices		72	
102-13: Membership of associations	2.2.2.2 Involvement in industry think tanks		31	





Cross-reference table of the Corporate social responsibility report  
with Global Reporting Initiative (GRI) Standards Content Index - GRI 102-55

GRI Standards	Disclosure	GRI Standards Content Index reference in the universal registration document	External verification	Page no.
GRI 102: General Disclosures 2016	<b>Strategy</b>			
	102-14: Statement from senior decision-maker	1.1 Interview with Guillaume Debrosse, 2.2.1.2 An approach that focuses on five macro-objectives		4 23
	<b>Ethics</b>			
	102-16: Values, principles, standards and norms of behavior	2.8.1 Ethical business practices		72
	<b>Governance</b>			
	102-18: Governance structure	3.1 Information on the organization, the group's legal structures, Shareholder structure, presentation of Bonduelle SCA and Bonduelle SA		112
	<b>Stakeholder engagement</b>			
	102-40: List of stakeholder groups	2.2.1.6 Procedures for dialog with stakeholders		28
	102-41: Collective bargaining agreements	2.7.4.4 Transparency: Social dialog		69
	102-42: Identifying and selecting stakeholders	2.2.1.5 Materiality matrix		27
		2.2.2.2 Involvement in industry think tanks		31
		2.2.1.6 Procedures for dialog with stakeholders		28
	102-43: Approach to stakeholder engagement	2.2.1.6 Procedures for dialog with stakeholders		28
	102-44: Key topics and concerns raised	2.2.1.6 Procedures for dialog with stakeholders		28
	<b>Scope of the report</b>			
	102-45: Entities included in the consolidated financial statements	1.5 Group organization structure as of 2019/07/01		16
		5.5 Notes to the annual consolidated financial statements - Note 10.4 List of group companies		212
		2.9.3 Scope		81
	102-46: Defining report content and topic Boundaries	2.2.1.2 An approach that focuses on five macro-objectives		23
		2.2.1.4 Dashboard of the Bonduelle Group's CSR approach		26
		2.2.1.5 Materiality matrix		27
	102-47: List of material topics	2.2.1.4 Dashboard of the Bonduelle Group's CSR approach		26
		2.2.1.5 Materiality matrix		27
102-48: Restatements of information	2.2.1.4 Dashboard of the Bonduelle Group's CSR approach		26	
	2.9.7 Results of all indicators			
	2.9.2 Procedures		88	
	2.9.4 Indicators		80 83	
102-49: Changes in reporting	2.9.3.1 Change in scope during fiscal 2018-2019		81	
102-50: Reporting period	2.9.1 Context and objectives		80	
	2.9.5 2019-2020 reporting schedule		85	
102-51: Date of most recent report	2.9.5 2019-2020 reporting schedule		85	
102-52: Reporting cycle	2.9.5 2019-2020 reporting schedule		85	
102-53: Contact point for questions regarding the report	2.9.5 2019-2020 reporting schedule		85	
102-54: Claims of reporting in accordance with the GRI Standards	2.2.2.3 GRI transparency requirements		32	
	2.9.1 Context and objectives		804	
102-55: GRI content index	2.11 Cross-reference table of the Corporate social responsibility report with Global Reporting Initiative (GRI) Standards Content Index		102-108	
102-56: External assurance	2.9.6 Assurance report		85	
<b>Specific information: Economic category, indirect economic impacts</b>		<b>Correspondence with Bonduelle's material issues: Relation with producers</b>		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary	2.2.1.2 An approach that focuses on five macro-objectives		23
		2.2.1.5 Materiality matrix		27
		2.9.3 Scope		81
	103-2: The management approach and its components	2.8.1 Ethical business practices		72
2.2.1.4 Dashboard of the Bonduelle Group's CSR approach			26	
103-3: Evaluation of the management approach	2.2.2.1 CSR governance		31	
	2.8.1.5 Anti-corruption program		73	
GRI 203: Indirect Economic Impacts 2016	203-2: Significant indirect economic impacts	2.4.1.1 The Bonduelle Group's vegetable sourcing model		36
		2.7.3.3 Wage policy and employee recognition		
		2.7.4.4 Transparency: Social dialog		66
		2.7.6.1 Participation in the life of local communities and mobilization of employees		69 70





Cross-reference table of the Corporate social responsibility report with Global Reporting Initiative (GRI) Standards Content Index - GRI 102-55

GRI Standards	Disclosure	GRI Standards Content Index reference in the universal registration document	External verification	Page no.
		<b>Specific information: Societal category, anti-corruption aspect</b>		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary	2.2.1.2 An approach that focuses on five macro-objectives 2.2.1.5 Materiality matrix 2.9.3 Scope		23 27 81
	103-2: The management approach and its components	2.8.1 Ethical business practices 2.2.1.4 Dashboard of the Bonduelle Group's CSR approach		72 26
	103-3: Evaluation of the management approach	2.2.2.1 CSR governance 2.8.1.5 Anti-corruption program		31 73
GRI 205: Anti-corruption 2016	205-2: Communication and training about anti-corruption policies and procedures	2.8.1.5 Anti-corruption program		73
		<b>Specific information: Environmental category: raw materials aspect</b>		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary	2.2.1.2 An approach that focuses on five macro-objectives 2.2.1.5 Materiality matrix 2.9.3 Scope		23 27 81
	103-2: The management approach and its components	2.2.1.4 Dashboard of the Bonduelle Group's CSR approach 2.5.4 Responsible product and packaging design and the fight against food waste		26 48
	103-3: Evaluation of the management approach	2.2.2.1 CSR governance		31
GRI 301: Materials 2016	301-2: Recycled input materials used	2.5.4.2 Eco-design of packaging	2.9.6 Assurance report	49
		<b>Specific information: Environmental category, energy aspect</b>		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary	2.2.1.2 An approach that focuses on five macro-objectives 2.2.1.5 Materiality matrix 2.9.3 Scope		23 27 81
	103-2: The management approach and its components	2.2.1.4 Dashboard of the Bonduelle Group's CSR approach 2.5.2.3 Zero energy loss for the industrial activity		26 46
	103-3: Evaluation of the management approach	2.2.2.1 CSR governance		31
GRI 302: Energy 2016	302-1: Energy consumption within the organization	2.9.7.2 Natural resources	2.9.6 Assurance report	90
	302-4: Reduction of energy consumption	2.5.2.3 Zero energy loss for the industrial activity		46
		<b>Specific information: Environmental category, water aspect</b>		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary	2.2.1.2 An approach that focuses on five macro-objectives 2.2.1.5 Materiality matrix 2.9.3 Scope		23 27 81
	103-2: The management approach and its components	2.2.1.4 Dashboard of the Bonduelle Group's CSR approach 2.5.3 Preservation of water resources through sustainable and integrated management of the water cycle	2.9.6 Assurance report	26 47
	103-3: Evaluation of the management approach	2.2.2.1 CSR governance		31
GRI 303: Water 2016	303-1: Water withdrawal by source	2.9.7.2 Natural resources	2.9.6 Assurance report	90-91
		<b>Specific information: Environmental category, emissions aspect</b>		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary	2.2.1.2 An approach that focuses on five macro-objectives 2.2.1.5 Materiality matrix 2.9.3 Scope		23 27 81
	103-2: The management approach and its components	2.2.1.4 Dashboard of the Bonduelle Group's CSR approach 2.5.2 Target: 20% reduction in greenhouse gas emissions		26 44
	103-3: Evaluation of the management approach	2.2.2.1 CSR governance		31
GRI 305: Emissions 2016	305-1: Direct (Scope 1) GHG emissions	2.9.7.2 Natural resources	2.9.6 Assurance report	92
	305-2: Energy indirect (Scope 2) GHG emissions	2.9.7.2 Natural resources	2.9.6 Assurance report	92





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GRI Standards	Disclosure	GRI Standards Content Index reference in the universal registration document	External verification	Page no.
	<b>Specific information: Environmental category: effluents and waste aspect</b>	Correspondence with Bonduelle's material challenges: Water pollution; Water conservation - Upstream agricultural activities		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary	2.2.1.2 An approach that focuses on five macro-objectives 2.2.1.5 Materiality matrix 2.9.3 Scope		23 27 81
	103-2: The management approach and its components	2.2.1.4 Dashboard of the Bonduelle Group's CSR approach 2.5.3 Preservation of water resources through sustainable and integrated management of the water cycle 2.5.5 Waste management: zero loss and circular economy		26 47 50
	103-3: Evaluation of the management approach	2.2.2.1 CSR governance		31
GRI 306: Effluents and waste 2016	306-1: Water discharge by quality and destination	2.9.7.2 Natural resources	2.9.6 Assurance report	91
	306-2: Waste by type and disposal method	2.9.7.2 Natural resources	2.9.6 Assurance report	90-91
	<b>Specific information: Environmental compliance aspect</b>	Correspondence with Bonduelle's material challenges: Legal compliance		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary	2.2.1.2 An approach that focuses on five macro-objectives 2.2.1.5 Materiality matrix 2.9.3 Scope		23 27 81
	103-2: The management approach and its components	2.2.1.4 Dashboard of the Bonduelle Group's CSR approach 2.8.1 Ethical business practices		26 72
	103-3: Evaluation of the management approach	2.2.2.1 CSR governance		31
GRI 307: Environmental Compliance 2016	307-1: Non-compliance with environmental laws and regulations	2.8.2.1 Governance		74-75
	<b>Specific information: Environmental category, supplier evaluation aspect</b>	Correspondence with Bonduelle's material issues: Relation with producers		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary	2.2.1.2 An approach that focuses on five macro-objectives 2.2.1.5 Materiality matrix 2.9.3 Scope		23 27 81
	103-2: The management approach and its components	2.2.1.4 Dashboard of the Bonduelle Group's CSR approach 2.5.8 Responsible purchasing		26 53
	103-3: Evaluation of the management approach	2.2.2.1 CSR governance		31
GRI 308: Supplier Environmental Assessment 2016	308-1: New suppliers that were screened using environmental criteria	2.5.8 Responsible purchasing 2.5.8.2 Supplier engagement, evaluation and support in other categories		26 53
		<b>Specific information: Social category, employment aspect</b>		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary	2.2.1.2 An approach that focuses on five macro-objectives 2.2.1.5 Materiality matrix 2.9.3 Scope		23 27 81
	103-2: The management approach and its components	2.2.1.4 Dashboard of the Bonduelle Group's CSR approach 2.7.2 Human resources policies and means implemented 2.7.4.4 Transparency: Social dialog		26 61 69
	103-3: Evaluation of the management approach	2.2.2.1 CSR governance		31
GRI 401: Employment 2016	401-1: New employee hires and employee turnover	2.9.7.5 Human Resources	2.9.6 Assurance report	96-97



Cross-reference table of the Corporate social responsibility report with Global Reporting Initiative (GRI) Standards Content Index - GRI 102-55

GRI Standards	Disclosure	GRI Standards Content Index reference in the universal registration document	External verification	Page no.	
<b>Specific information: Social category, health and safety at work aspect</b>					
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary	2.2.1.2 An approach that focuses on five macro-objectives 2.2.1.5 Materiality matrix 2.9.3 Scope		23 27 81	
	103-2: The management approach and its components	2.2.1.4 Dashboard of the Bonduelle Group's CSR approach 2.7.2 Human resources policies and means implemented		26 61	
		2.7.3.1 Workplace safety and working conditions		63	
	103-3: Evaluation of the management approach	2.2.2.1 CSR governance		31	
	403-2: Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	2.9.7.5 Human Resources 2.7.3.1 Workplace safety and working conditions	2.9.6 Assurance report	98-99 63	
GRI 403: Occupational Health and Safety 2016	403-4: Health and safety topics covered in formal agreements with trade unions	2.7.4.4 Transparency: Social dialog 2.7.3.1 Workplace safety and working conditions 2.9.7.5 Human Resources		69 63 98	
	<b>Specific information: Social category, education and training aspect</b>				
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary	2.2.1.2 An approach that focuses on five macro-objectives 2.2.1.5 Materiality matrix 2.9.3 Scope		23 27 81	
	103-2: The management approach and its components	2.2.1.4 Dashboard of the Bonduelle Group's CSR approach 2.7.2 Human resources policies and means implemented 2.7.4.1 Employability: Development and training for women and men		26 61 66-67	
	103-3: Evaluation of the management approach	2.2.2.1 CSR governance		31	
	GRI 404: Training and Education 2016	404-1: Average hours of training per year per employee	2.9.7.5 Human Resources	2.9.6 Assurance report	98
		404-3: Percentage of employees receiving regular performance and career development reviews	2.9.7.5 Human Resources 2.7.4.1 Employability: Development and training for women and men		99 66-67
<b>Specific information: Social category, diversity and equal opportunities aspect</b>					
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary	2.2.1.2 An approach that focuses on five macro-objectives 2.2.1.5 Materiality matrix 2.9.3 Scope		23 27 81	
	103-2: The management approach and its components	2.2.1.4 Dashboard of the Bonduelle Group's CSR approach 2.7.2 Human resources policies and means implemented 2.7.4.3 Diversity		26 61 67	
	103-3: Evaluation of the management approach	2.2.2.1 CSR governance		31	
	GRI 405: Diversity and Equal Opportunity 2016	405-1: Diversity of governance bodies and employees	2.9.7.5 Human Resources 3.1.4 Bonduelle SA 3.1.3 Bonduelle SCA 2.7.4.3 Diversity		95 115 113 67
		<b>Specific information: Human rights category, freedom of association aspect</b>			
GRI 103: Management Approach 2016		103-1: Explanation of the material topic and its Boundary	2.2.1.2 An approach that focuses on five macro-objectives 2.2.1.5 Materiality matrix 2.9.3 Scope		23 27 81
	103-2: The management approach and its components	2.2.1.4 Dashboard of the Bonduelle Group's CSR approach 2.7.2 Human resources policies and means implemented 2.7.3.2 Human Rights 2.8.1 Ethical business practices		26 61 66 72	
	103-3: Evaluation of the management approach	2.2.2.1 CSR governance		31	
	GRI 407: Freedom of Association and Collective Bargaining 2016	407-1: Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	2.7.3.2 Human Rights 2.7.4.4 Transparency: Social dialog 2.5.8.2 Supplier engagement, evaluation and support in other categories		66 69 53





Cross-reference table of the Corporate social responsibility report with Global Reporting Initiative (GRI) Standards Content Index - GRI 102-55

GRI Standards	Disclosure	GRI Standards Content Index reference in the universal registration document	External verification	Page no.
<b>Specific information: Human rights category, child labor aspect</b>				
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary	2.2.1.2 An approach that focuses on five macro-objectives 2.2.1.5 Materiality matrix 2.9.3 Scope		23 27 81
	103-2: The management approach and its components	2.2.1.4 Dashboard of the Bonduelle Group's CSR approach 2.7.2 Human resources policies and means implemented 2.7.3.2 Human Rights 2.8.1 Ethical business practices		26 61 66 72
	103-3: Evaluation of the management approach	2.2.2.1 CSR governance		31
	408-1: Operations and suppliers at significant risk for incidents of child labor	2.7.3.2 Human Rights		66
		2.5.8 Responsible purchasing		53
	<b>Specific information: Human rights category, forced labor aspect</b>			
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary	2.2.1.2 An approach that focuses on five macro-objectives 2.2.1.5 Materiality matrix 2.9.3 Scope		23 27 81
	103-2: The management approach and its components	2.2.1.4 Dashboard of the Bonduelle Group's CSR approach 2.7.2 Human resources policies and means implemented 2.7.3.2 Human Rights 2.8.1 Ethical business practices		26 61 66 72
	103-3: Evaluation of the management approach	2.2.2.1 CSR governance		31
	409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labor	2.7.3.2 Human Rights		66
		2.5.8 Responsible purchasing		53
	<b>Specific information: Human rights category, investment aspect</b>			
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary	2.2.1.2 An approach that focuses on five macro-objectives 2.2.1.5 Materiality matrix 2.9.3 Scope		23 27 81
	103-2: The management approach and its components	2.2.1.4 Dashboard of the Bonduelle Group's CSR approach 2.7.2 Human resources policies and means implemented 2.7.3.2 Human Rights 2.5.8 Responsible purchasing		26 61 66 53
	103-3: Evaluation of the management approach	2.2.2.1 CSR governance		31
	412-3: Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	2.7.3.2 Human Rights		66
		2.5.8 Responsible purchasing		53
	<b>Specific information Societal category, local communities aspect</b>			
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary	2.2.1.2 An approach that focuses on five macro-objectives 2.2.1.5 Materiality matrix 2.9.3 Scope		23 27 81
	103-2: The management approach and its components	2.2.1.4 Dashboard of the Bonduelle Group's CSR approach 2.7.6.1 Participation in the life of local communities and mobilization of employees		26 70
	103-3: Evaluation of the management approach	2.2.2.1 CSR governance		31
	413-1: Operations with local community engagement, impact assessments, and development programs	2.6.3.1 Healthy and sustainable food information and awareness-raising actions		59
		2.7.6.1 Participation in the life of local communities and mobilization of employees		70-71
	GRI 413: Local communities 2016			



Cross-reference table of the Corporate social responsibility report  
with Global Reporting Initiative (GRI) Standards Content Index - GRI 102-55

GRI Standards	Disclosure	GRI Standards Content Index reference in the universal registration document	External verification	Page no.
	<b>Specific information Products category, consumer health and safety aspect</b>	Correspondence with Bonduelle's material challenges: Product quality and safety; Nutritional composition of products		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary	2.2.1.2 An approach that focuses on five macro-objectives 2.2.1.5 Materiality matrix 2.9.3 Scope		23 27 81
	103-2: The management approach and its components	2.2.1.4 Dashboard of the Bonduelle Group's CSR approach 2.6.2.2 Nutritional quality		26 57
	103-3: Evaluation of the management approach	2.2.2.1 CSR governance		31
GRI 416: Customer Health and Safety 2016	416-1: Assessment of the health and safety impacts of product and service categories	2.6.2.2 Nutritional quality		57
		2.9.7.4 Quality 2.6.2.1 Quality and traceability		94 55
	<b>Specific information Product category, product and*service labeling aspect</b>	Correspondence with Bonduelle's material challenges: Product quality and safety; Nutritional composition of products		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary	2.2.1.2 An approach that focuses on five macro-objectives 2.2.1.5 Materiality matrix 2.9.3 Scope		23 27 81
	103-2: The management approach and its components	2.2.1.4 Dashboard of the Bonduelle Group's CSR approach 2.6.1 A strategy for the enjoyment of affordable plant-based food		26 55
	103-3: Evaluation of the management approach	2.2.2.1 CSR governance		31
GRI 417: Marketing and Labeling 2016	417-1: Requirements for product and service information and labeling	2.6.2.1 Quality and traceability		55
		2.6.2.2 Nutritional quality		57
	<b>Specific information: Socio-economic compliance aspect</b>	Correspondence with Bonduelle's material challenges: Legal compliance		
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary	2.2.1.2 An approach that focuses on five macro-objectives 2.2.1.5 Materiality matrix 2.9.3 Scope		23 27 81
	103-2: The management approach and its components	2.2.1.4 Dashboard of the Bonduelle Group's CSR approach 2.8.1 Ethical business practices		26 72
	103-3: Evaluation of the management approach	2.2.2.1 CSR governance		31
GRI 419: Socio-economic Compliance 2016	419.1: Non-compliance with laws and regulations in the social and economic area	2.8.2.1 Governance		74-75





THE BONDUELLE  
GROUP

CORPORATE  
SOCIAL  
RESPONSIBILITY

CORPORATE  
GOVERNANCE  
REPORT

REPORT OF  
THE GENERAL  
MANAGEMENT

CONSOLIDATED  
FINANCIAL  
STATEMENTS

PARENT COMPANY  
FINANCIAL  
STATEMENTS

INFORMATION ON  
THE COMPANY AND  
THE SHARE CAPITAL

ADDITIONAL  
INFORMATION

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# Corporate governance report



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Items of the Annual Financial Report are identified in the contents using the  symbol



FOR MORE INFORMATION,  
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[BONDUELLE.COM](http://BONDUELLE.COM)

Information on the organization, legal structures, shareholding structure and presentation of Bonduelle SCA and Bonduelle SA

Pursuant to Article L. 226-10-1 of the French Commercial Code, the Supervisory Board has prepared this corporate governance report which aims to report on the governance structure and the conditions under which the work of the Board is prepared and organized. It also includes the annual report referred to in Article L. 226-9 of the French Commercial Code.

This report was prepared on the basis of work carried out by the Financial Services Department including, in particular, the Legal, Financial Control, Internal Audit and Human Resources Departments.

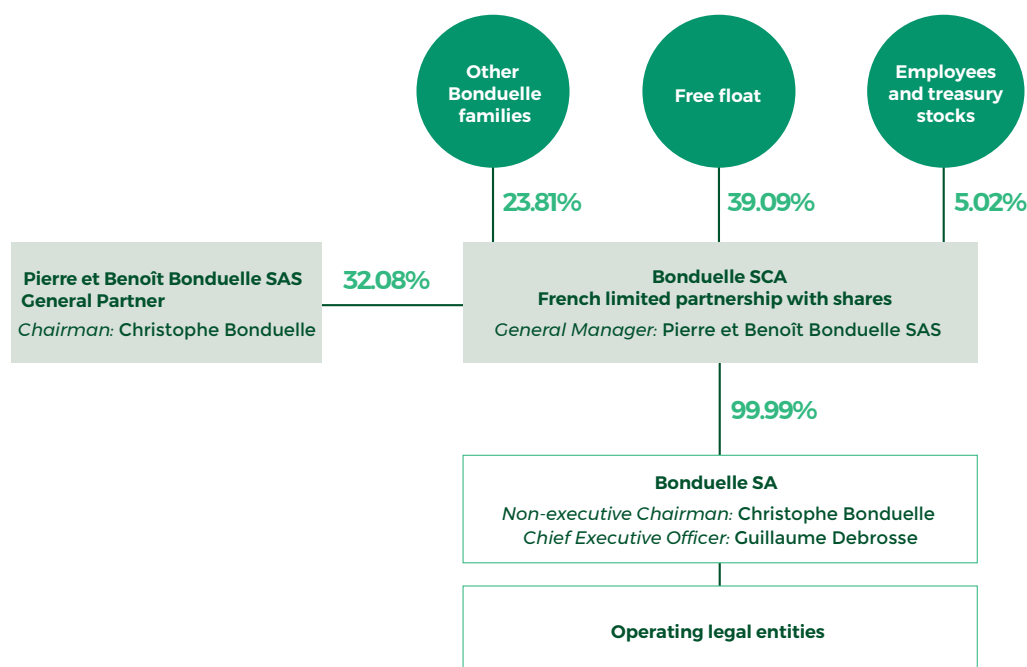
The preparation of this report also benefited from the input of members of the Supervisory Board, the Chief Executive Officer of Bonduelle SA, as well as the Deputy CEO Finance & Development.

This report was approved by the Supervisory Board at its meeting on September 27, 2019.

## 3.1 Information on the organization, legal structures, shareholding structure and presentation of Bonduelle SCA and Bonduelle SA - GRI 102-18

### 3.1.1 Group organization, legal structures and shareholding structure (at July 1, 2019)

Bonduelle's predominantly family-based shareholding structure provides the group with stability and continuity.

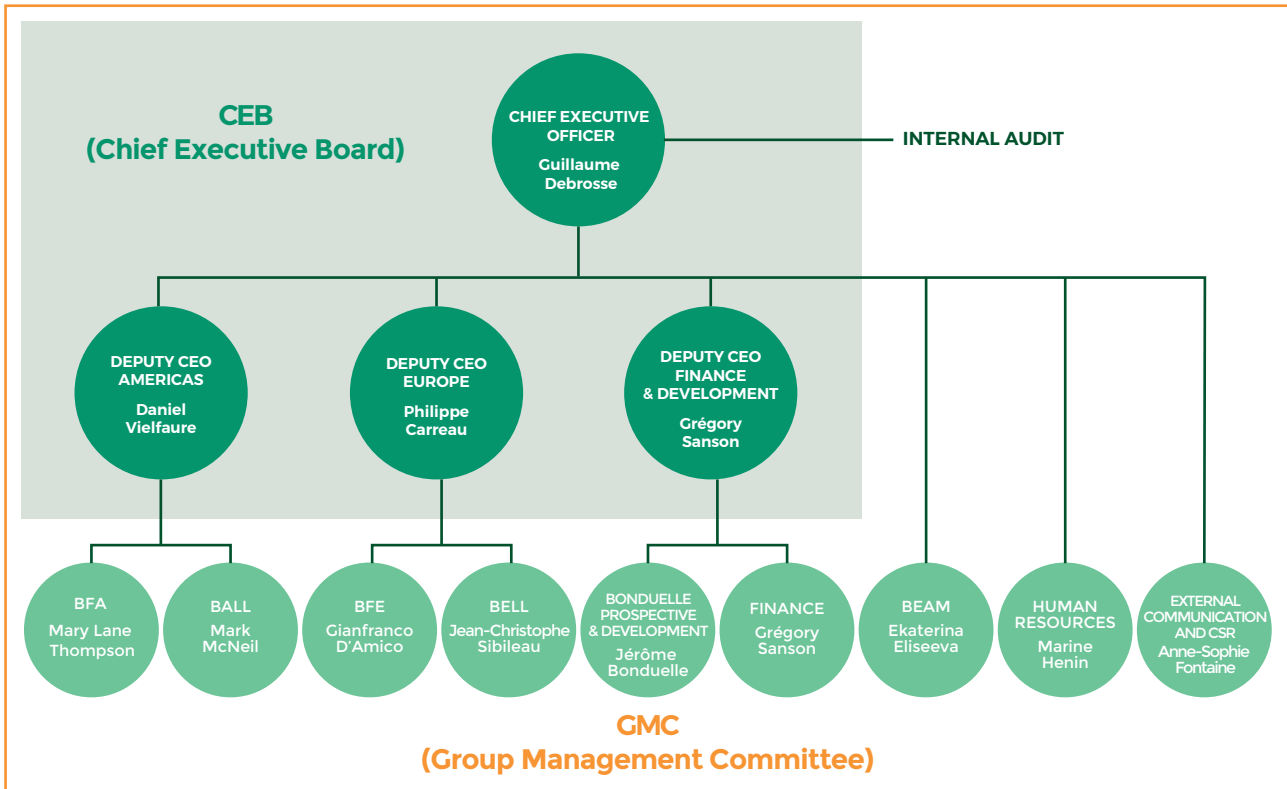


The way in which operating legal entities are organized does not reflect the Company's production, sales and marketing structures. Operations are organized around Europe and Non-Europe Zones through business units.



Information on the organization, legal structures, shareholding structure and presentation of Bonduelle SCA and Bonduelle SA

### 3.1.2 The group’s managerial organization (at July 1, 2019)



### 3.1.3 Bonduelle SCA - GRI 405-1

#### The limited partnership with shares comprises two types of partners

- Pierre et Benoît Bonduelle SAS is the General Partner and has joint and several unlimited liability for the Company's obligations. Elected from among the Company's members, the Board of Directors has seven members who decide the General Partner's position on the strategic proposals submitted to the Board of Directors of Bonduelle SA. Its decisions influence the positions of the latter through the

representatives of Pierre et Benoît Bonduelle SAS who are also members of the Board of Directors of Bonduelle SA.

- The Limited Partners (other family members, free float and employees) are in a similar position to the Shareholders of a public limited company, their liability is limited to their investment.

#### General Management

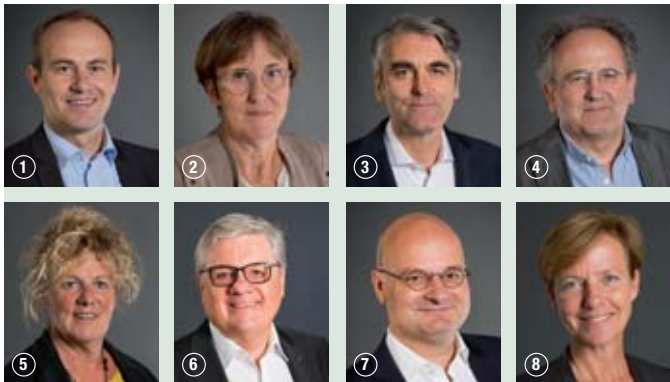
Pierre et Benoît Bonduelle SAS is responsible for General Management and is represented by its permanent representative, Guillaume Debrosse.



## The Supervisory Board

It is responsible for monitoring the management of the Company on an ongoing basis (reviewing the financial statements, assessing the conduct of Company business) on behalf of the limited partners. The composition of

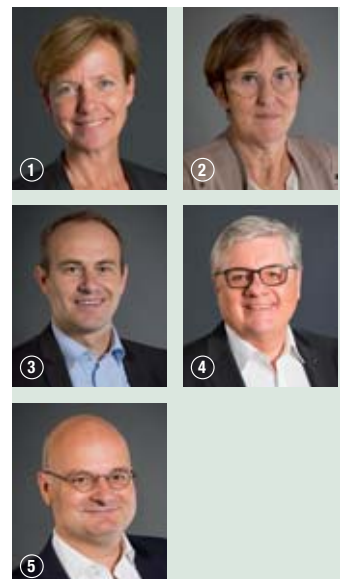
the Supervisory Board (seven of its eight members are independent) ensures that it has the expertise, independence and availability to accomplish its duties and represent the interests of limited partners.



- ① **Martin Ducroquet**  
*Chairman*
- ② **Isabelle Danjou**  
*Vice Chairwoman*
- ③ **Laurent Bonduelle**
- ④ **Matthieu Duriez**
- ⑤ **Élisabeth Minard**
- ⑥ **Jean-Michel Thierry**  
from February 28, 2019
- ⑦ **Jean-Pierre Vannier**
- ⑧ **Marie-Ange Verdickt**

## The Audit Committee

Set up by the Supervisory Board, this Committee is, in particular, responsible for monitoring the process of preparing financial information, examining the financial statements closely, evaluating internal control and risk management systems and assessing the annual audit programs of the Statutory Auditors.



- ① **Marie-Ange Verdickt**  
*Chairwoman*
- ② **Isabelle Danjou**
- ③ **Martin Ducroquet**
- ④ **Jean-Michel Thierry**  
from February 28, 2019
- ⑤ **Jean-Pierre Vannier**

Audit Committee members' skills are set out in Section 3.2.3.



Information on the organization, legal structures, shareholding structure and presentation of Bonduelle SCA and Bonduelle SA

### 3.1.4 Bonduelle SA - GRI 405-1

Bonduelle SA, the group's operational holding company, is run by Guillaume Debrosse, Chief Executive Officer, who is also the permanent representative of the General Manager of Bonduelle SCA. Christophe Bonduelle, after having been Chairman - Chief Executive Officer, will now serve as non-executive Chairman of the Board of Directors of Bonduelle SA.



#### The Board of Directors

The Board of Directors encompasses members of whom some belong to the Bonduelle family, and one of whom represents the employees. Members' independence is assessed according to criteria similar to those used for members

of Bonduelle SCA's Supervisory Board and in accordance with Bonduelle SA's rules of procedure<sup>(1)</sup>. It is responsible for defining the Company's strategy and investment policy, within the framework set by the General Partner.



① Christophe Bonduelle  
Chairman

**Directors**

- ② Benoît Bonduelle
- ③ François Bonduelle
- ④ Jean-Bernard Bonduelle
- ⑤ Jérôme Bonduelle
- ⑥ Marc Bonduelle
- ⑦ Marion Carrette
- ⑧ Pierre Deloffre
- ⑨ Miriam Fedida
- ⑩ Antoine Fiévet
- ⑪ Pierre Pâris
- ⑫ Martine Pélier

**Employee representative**

- ⑬ Armand Biau

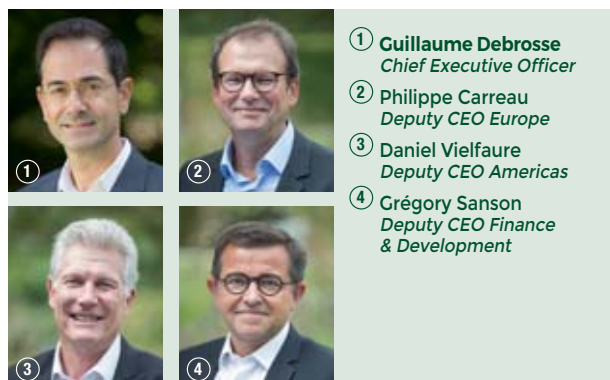
(1) The following are considered to be independent members in accordance with Bonduelle SA's rules of procedure: Marion Carrette, Miriam Fedida, Antoine Fiévet, Pierre Pâris and Martine Pélier.



Information on the organization, legal structures, shareholding structure and presentation of Bonduelle SCA and Bonduelle SA

## The Chief Executive Board

Guillaume Debrosse was appointed Chief Executive Officer by the Board of Directors of Bonduelle SA on July 6, 2018. The Chief Executive Officer is supported in his role by three Deputy CEOs in charge, respectively, of the Americas (Daniel Vielfaure), Europe (Philippe Carreau) and Finance and Development (Grégory Sanson). Together, they form the Chief Executive Board, responsible for implementing the strategy set by the Board of Directors of Bonduelle SA.



## The Group Management Committee

The Group Management Committee (GMC) comprises members of the Chief Executive Board, the Chief Executive Officers of the business units, the Bonduelle Prospective & Development Division Director, the Human Resources Director and the CSR and External Communication Director. The GMC is responsible for cross business units coordination

within the group when implementing operational decisions adopted by the CEB.

The composition of the GMC reflects the group's commitment to diversity in its governance bodies as well as its international dimension.





Information on the organization, legal structures, shareholding structure and presentation of Bonduelle SCA and Bonduelle SA










- ① **Pierre Deloffre**  
*Chairman of the Committee, former Chief Executive Officer of Bonduelle Group*
- ② **Antoine Fiévet**  
*Chairman of the Executive Board of Unibel*
- ③ **Kalya Tea**  
*Senior Customer Partner of Korn Ferry International*
- ④ **Harry Touret**  
*Senior Executive Vice-President, Human Resources of Groupe SEB*

### The Compensation Committee

The Compensation Committee, set up by the Board of Directors of Bonduelle SA, mainly comprising independent members from outside the Company, makes proposals to the Board of Directors regarding compensation for the group's management bodies as well as for salaried members of the Bonduelle family and also advises on compensation policy for senior directors and officers. Its meetings are held independently of the listed Company's corporate governance activities.

### The Ethics Committee

The Ethics Committee has an advisory role in the application of Bonduelle's ethics charter (presented in Section 2.8.1.1 The Bonduelle Group commitments). It meets twice a year and reports on its activities to the Chairman of the Bonduelle Group.

- ① **Philippe Vasseur**  
*Chairman  
Former minister  
Former Chairman of Réseau Alliances and the World Forum Lille*
- ② **Jean-Bernard Bonduelle**  
*In charge of External Relations for the Bonduelle Group*
- ③ **Isabelle Danjou<sup>(1)</sup>**  
*Member of the Supervisory Board of Bonduelle SCA*
- ④ **Arno Van Dongen**  
*General Manager Bonduelle Northern Europe*

(1) Isabelle Danjou replaced Marie-France Tisseau from May 21, 2019.



Information on Bonduelle SCA Corporate Officers as well as on the composition, functioning and powers of the Supervisory Board

## 3.2 Information on Bonduelle SCA Corporate Officers as well as on the composition, functioning and powers of the Supervisory Board

### 3.2.1 Information on the permanent representative of Bonduelle SCA's General Manager

**Guillaume Debrosse**

Nationality: French

Domiciled at the Company's registered office for the purposes of his office.

Number of shares held<sup>(1)</sup>: 3,408

#### Positions held in 2018-2019

Within companies consolidated by Bonduelle SCA:

- Chief Executive Officer of Bonduelle SA
- Chairman of the Board of Directors of Bonduelle Northern Europe
- Chairman and director of Bonduelle Canada
- Chairman of the Board of Directors of Bonduelle Italia
- Director of Bonduelle Kuban
- Chairman of Bonduelle US Holding
- Chairman of Bonduelle USA, Inc
- Chairman and Member of the Supervisory Board of Bonduelle Central Europe
- Chairman of the Supervisory Board of Bonduelle Polska
- Director of Bonduelle Nordic
- Director of Bonduelle Nederland BV

#### Non-group positions held in 2018-2019

- No positions held in other companies

#### Positions ended in the last five years

- Chief Executive Officer of Bonduelle EurAsia Markets
- Chief Executive Officer of Bonduelle-Kuban LLC
- Chief Executive Officer of Bonduelle Kazakhstan LLC
- Chief Executive Officer of Coubanskies Conservi LLC
- Member of the Board of Directors of Bonduelle SA

*(1) To the best of the Company's knowledge, shares held personally at August 31, 2019, not including holdings through companies, in accordance with the provisions of the Afep-Medef Code.*

### 3.2.2 Information on the composition of the Supervisory Board

The Supervisory Board of Bonduelle SCA has eight members. Its Chairman, Martin Ducroquet, has also been responsible for Shareholder dialog since September 28, 2018.

At the meeting on February 28, 2019, Marie-France Tisseau, who had been in office since 2011, expressed her wish to step down for personal reasons. The Chairman accepted and endorsed her resignation and thanked her warmly, on behalf of the entire Board, for her great commitment and input throughout her term of office. The co-optation of Jean-Michel Thierry, as a member of the Supervisory Board and member of the Audit Committee, was proposed to the Board which voted unanimously in favor of said co-optation, with effect from the end of said meeting and for the remainder of Marie-France Tisseau's term of office, *i.e.* for a one-year period, expiring at the end of the 2020 Shareholders' Meeting

called on to approve the financial statements for the previous fiscal year.

At its meeting on September 27, 2019, the Supervisory Board noted that seven of its eight members were independent under the independence criteria set by the Supervisory Board's rules of procedure drawn from the Afep-Medef Code. Isabelle Danjou, having served for 12 successive years on December 6, 2018, lost her independent status on this criterion alone.

The Shareholders' Meeting will be asked to ratify the provisional appointment of Jean-Michel Thierry as a member of the Supervisory Board. Jean-Michel Thierry is a Certified Accountant and Statutory Auditor, as well as being a partner at FIDUS and RSM Paris. His expertise is described in greater detail in point 3.2.3 of this universal registration document.





Information on Bonduelle SCA Corporate Officers as well as on the composition, functioning and powers of the Supervisory Board

The Shareholders' Meeting will also be asked to rule on the replacement of Marie-Ange Verdickt. At the meeting of September 27, 2019, Marie-Ange Verdickt informed the Chairman of the Supervisory Board of her wish to step down from her office with effect from the end of the next Shareholders' Meeting. The Chairman accepted and endorsed her resignation and thanked her warmly, on behalf of the entire Board, for her great commitment and input throughout her term of office.

The Shareholders' Meeting will be asked to appoint Cécile Girerd-Jorry to replace Marie-Ange Verdickt, for the remainder of her term of office, *i.e.* for a two-year period, expiring at the end of the 2021 Shareholders' Meeting called on to approve the financial statements for the previous fiscal year. Cécile Girerd-Jorry is a graduate of AgroParisTech (1992) and the HEC Executive CESA Corporate Finance (2015). She began her professional career in strategy and information systems consulting and has spent the last 20 years in retail, firstly from 2004 to 2015 at Castorama and Brico-Dépôt, part of the KingFisher Group, where she was management Auditor then Financial controller. After having been Chief Financial Officer of Sephora France, she joined Kookai in late 2017, as Chief Operating Officer to complete the carve out with the Vivarté Group. She is now an entrepreneur and the creator of a plant-based products brand and will, in particular, bring her financial expertise to the Supervisory Board.

Lastly, the Shareholders' Meeting will rule on the reappointment of two independent members of the Supervisory Board, Laurent Bonduelle and Jean-Pierre Vannier, as well as on the appointment of Corinne Wallaert to replace Elisabeth Minard whose term of office is due to expire.

Corinne Wallaert is a graduate of the Skema Business School (1990) and holds a French Institute of Directors (IFA) Corporate Director Certificate from Sciences Po Paris (2017). She began her career in Paris as product development Manager at the Institute for International Research (US company, then world leader in the organization of conferences and seminars for executive staff) where she progressed to the position of Director of Conferences and Seminars. In 2000, she joined EDF/GDF as head of the sales and marketing training division within the Professional Development Department then, in 2004, she joined ENGIE as Chief of Staff for the Nord-Pas de Calais Regional Delegate. Since 2008, Corinne Wallaert has been Communications, Training and Foreign Affairs Director at the Lesaffre Group, a leading global player in the field of yeasts and fermentation. She will, in particular, bring the Supervisory Board her expertise in corporate communications and CSR.

Subject to the adoption of the resolutions proposed at the Shareholders' Meeting, the Board will comprise three women and five men, thereby complying with the law of January 27, 2011 on the balanced representation of women and men on Boards of Directors and Supervisory Boards, equality at work, and with the Afep-Medef Corporate Governance Code.

### 3.2.3 Information on members of the Supervisory Board

#### Martin Ducroquet

Chairman of the Supervisory Board of Bonduelle SCA  
Member of the Audit Committee since 2015/12/03  
Independent member  
Nationality: French  
Domiciled at the Company's registered office for the purposes of her office.  
First appointed: 2012/12/06  
Last reappointed: 2018/12/06  
Term of office expires: Shareholders' Meeting 2021  
Number of shares held<sup>(1)</sup>: 2,000  
Board attendance rate: 100%

#### Career

Martin Ducroquet has performed roles at Siparex Private Equity for almost ten years, notably acting as Director of Investment. In this respect, he was permanent representative on various Boards of Directors and Supervisory Boards of unlisted companies. He is currently Chief Executive Officer of Sencrop SAS and General Manager of Tactus SARL.

#### Non-group positions held in 2018-2019

- Chief Executive Officer of Sencrop SAS
- General Manager of Tactus SARL

#### Positions ended in the last five years

- No positions ended in the last five years

(1) To the best of the Company's knowledge, shares held personally at August 31, 2019, not including holdings through companies, in accordance with the provisions of the Afep-Medef Code.

Information on Bonduelle SCA Corporate Officers as well as on the composition, functioning and powers of the Supervisory Board

## Isabelle Danjou

Vice Chairwoman of the Bonduelle SCA Supervisory Board since 2015/12/03

Chairwoman of the Bonduelle SCA Supervisory Board from 2013 to 2015

Member of the Audit Committee since 2012/12/06

Member of the Ethics Committee since 2019/05/21

Nationality: French

Domiciled at the Company's registered office for the purposes of her office.

First appointed: 2006/12/07

Last reappointed: 2018/12/06

Term of office expires: Shareholders' Meeting 2021

Number of shares held<sup>(1)</sup>: 69,020

Board attendance rate: 85.71%

### Career

Isabelle Danjou is a Doctor in Management Sciences, and served as Project Manager at the Regional Development Agency from 1986 to 1997 and then as Research Director at SKEMA Lille from 1988 to 2006. She published: *Entreprendre, la passion d'accomplir ensemble* (Entrepreneurship: the passion for succeeding together) with Harmattan. Having worked as a consultant and trainer in human relations until 2017, she is now retired.

### Non-group positions held in 2018-2019

- No positions held in other companies

### Positions ended in the last five years

- No positions ended in the last five years

(1) To the best of the Company's knowledge, shares held personally at August 31, 2019, not including holdings through companies, in accordance with the provisions of the Afep-Medef Code.

## Laurent Bonduelle

Member of the Supervisory Board of Bonduelle SCA

Independent member

Nationality: French

Domiciled at the Company's registered office for the purposes of his office.

First appointed: 2013/12/05

Last reappointed: 2016/12/01

Term of office expires: Shareholders' Meeting 2019

Number of shares held<sup>(1)</sup>: 14,924

Board attendance rate: 85.71%

### Career

As a graduate of the Institut Supérieur de Gestion and holding an Executive MBA from HEC, Laurent Bonduelle spent 18 years in the Export Department at Papeteries Dalle & Lecomte/Sibille and then in R&D at Ahlstrom: external growth (sourcing international partnerships) and internal growth (evaluating new technologies). In 2004 he founded Résolution, an innovative company, then in 2011, the limited company, Aubepure, now a *leader* in its sector that designs, manufactures and sells water treatment system solutions (plant protection product effluent, etc.). He is currently General Manager of Aubepure SARL.

### Non-group positions held in 2018-2019

- General Manager of Aubepure SARL

### Positions ended in the last five years

- General Manager of Résolution SARL

(1) To the best of the Company's knowledge, shares held personally at August 31, 2019, not including holdings through companies, in accordance with the provisions of the Afep-Medef Code.



Information on Bonduelle SCA Corporate Officers as well as on the composition, functioning and powers of the Supervisory Board

### Matthieu Duriez

Member of the Supervisory Board of Bonduelle SCA

Independent member

Nationality: French

Domiciled at the Company's registered office for the purposes of his office.

First appointed: 2011/12/08

Last reappointed: 2017/12/07

Term of office expires: Shareholders' Meeting 2020

Number of shares held<sup>(1)</sup>: 4,179

Board attendance rate: 100%

#### Career

Architect, Matthieu Duriez worked in this capacity for 15 years. He has been a property developer and project management assistant since 2002. In 2009, he formed Amo Développement, in 2012, "Les Serenies" SAS, serviced retirement homes and, in 2013, the Dklic Immo real estate agency serving first-time home buyers ("ça y est j'achète"). In his role as a Property Developer, Matthieu Duriez is currently the General Manager of some 20 Construction-Sale companies (SCCV).

#### Non-group positions held in 2018-2019

- General Manager of Duriez Amo SARL
  - Chairman of Duriez Invest SAS
  - Chairman of Amo Développement SAS
  - General Manager of le clos des pommiers SCCV
  - General Manager of le clos saint Firmin SCCV
  - General Manager of le parc du château SCCV
  - General Manager of le clos Ernest Cauvin SCCV
  - General Manager of Bobillofts SCCV
  - General Manager of le chêne Houplines Tourcoing SCCV
  - General Manager of LOOS GAMBETTA SCCV
  - General Manager of le Louis SCCV
  - General Manager of La squadra SCCV
  - General Manager of ALTER EGO Herrengrie SCCV
  - General Manager of LE CEYLAN COURCHEVEL SCCV
  - General Manager of le Chalet LA TANIA SCCV
  - General Manager of COCOON saint André SCCV
  - General Manager of LA NAVE Béthune SCI
  - General Manager of MGD l'Épinnoy SCI
  - General Manager of PANEM SARL
- #### Positions ended in the last five years
- Member of the Supervisory Board of Modul SAS

(1) To the best of the Company's knowledge, shares held personally at August 31, 2019, not including holdings through companies, in accordance with the provisions of the Afep-Medef Code.

### Elisabeth Minard

Member of the Supervisory Board of Bonduelle SCA

Independent member

Nationality: French

Domiciled at the Company's registered office for the purposes of her office.

First appointed: 2010/12/02

Last reappointed: 2016/12/01

Term of office expires: Shareholders' Meeting 2019

Number of shares held<sup>(1)</sup>: 52,583

Board attendance rate: 85.71%

#### Career

Elisabeth Minard was head of a textile company from 1975 to 2008. Since then, she has devoted herself to painting. She is a member of the Maison des Artistes and exhibits her work in a number of galleries.

#### Non-group positions held in 2018-2019

- No positions held in other companies
- #### Positions ended in the last five years
- No positions ended in the last five years

(1) To the best of the Company's knowledge, shares held personally at August 31, 2019, not including holdings through companies, in accordance with the provisions of the Afep-Medef Code.



Information on Bonduelle SCA Corporate Officers as well as on the composition, functioning and powers of the Supervisory Board

## Jean-Michel Thierry

Member of the Bonduelle SCA Supervisory Board by co-optation on 2019/02/28

Member of the Audit Committee since 2019/02/28

Independent member

Nationality: French

Domiciled at the Company's registered office for the purposes of his office.

First appointed: 2019/02/28

Term of office expires: Shareholders' Meeting 2020, subject to ratification by the Shareholders' Meeting of December 5, 2019

Number of shares held<sup>(1)</sup>: 800

Board attendance rate: 100%

### Career

Jean-Michel Thierry has both accounting and legal training. After gaining some initial experience in a non-specialist firm (SOCOGERE), he went on to specialize in audit at FIDUS where he has been a partner for over 20 years. In 2017, he joined RSM, the 7th largest international audit and consultancy network. He worked in various business segments (industry, hotel and catering, services) before specializing in banking and finance. He is a member of the bank commission of the National Auditing Body (Compagnie Nationale des Commissaires aux Comptes) and the "specific controller" (Covered-bonds) sub-working group of this same company. He is currently a Certified Accountant and Statutory Auditor, and a partner at FIDUS and RSM Paris.

### Non-group positions held in 2018-2019

- General Manager MITRIBELLE SCI
- Chairman of JM THIERRY Audit & Conseil SAS

### Positions ended in the last five years

- Director FIDUS SA

(1) To the best of the Company's knowledge, shares held personally at August 31, 2019, not including holdings through companies, in accordance with the provisions of the Afep-Medef Code.

## Marie-France Tisseau

Member of the Supervisory Board of Bonduelle SCA from 2011/12/08 to 2019/02/28

Member of the Bonduelle SA Ethics Committee until May 21, 2019

Independent member

Nationality: French

Domiciled at the Company's registered office for the purposes of her office.

First appointed: 2011/12/08

Last reappointed: 2017/12/07

Term of office expires: resignation on February 28, 2019

Number of shares held<sup>(1)</sup>: 31,176

Board attendance rate: 80%

### Career

As a Law graduate, specializing in Business Law, Marie-France Tisseau worked in Paris from 1970 to 2008 as Legal Advisor, then Legal Counsel, specializing in Corporate Law and Tax Law for family-owned companies and French subsidiaries of foreign companies. She retired on April 1, 2008.

### Non-group positions held in 2018-2019

- No positions held in other companies

### Positions ended in the last five years

- No positions ended in the last five years

(1) To the best of the Company's knowledge, shares held personally at August 31, 2019, not including holdings through companies, in accordance with the provisions of the Afep-Medef Code.





Information on Bonduelle SCA Corporate Officers as well as on the composition, functioning and powers of the Supervisory Board

### Jean-Pierre Vannier

Member of the Supervisory Board of Bonduelle SCA

Member of the Audit Committee

Independent member

Nationality: French

Domiciled at the Company's registered office for the purposes of his office.

First appointed: 2018/05/29

Term of office expires: Shareholders' Meeting 2019

Number of shares held<sup>(1)</sup>: 500

Board attendance rate: 100%

#### Career

A graduate of the Institut catholique des arts et métiers (1994) and holding an Executive MBA from the EDHEC Business School (2011), Jean-Pierre Vannier was technical Manager and industrial project Manager at Roquette, the world leader in food ingredients and pharmaceutical *excipients*. He was industrial Manager at Reverdia, a French/Dutch biotechnology start-up, developing innovative solutions for biopolymers. As a member of the Investment Committee at the Roquette Group, since 2016, he has been responsible for managing *Large Capital Projects*.

#### Non-group positions held in 2018-2019

- No positions held in other companies

#### Positions ended in the last five years

- No positions ended in the last five years

(1) To the best of the Company's knowledge, shares held personally at August 31, 2019, not including holdings through companies, in accordance with the provisions of the *Afep-Medef Code*.

### Marie-Ange Verdickt

Member of the Supervisory Board of Bonduelle SCA

Chairwoman of the Audit Committee since 2018/05/29

Independent member

Nationality: French

Domiciled at the Company's registered office for the purposes of her office.

First appointed: 2015/12/03

Term of office expires: Shareholders' Meeting 2021. Marie-Ange Verdickt tendered her resignation with effect from the close of the Shareholders' Meeting of December 5, 2019

Number of shares held<sup>(1)</sup>: 3,607

Board attendance rate: 100%

#### Career

A graduate of the Bordeaux Business School, KEDGE, (1984) and a member of the French Association of Financial Analysts (SFAF), Marie-Ange Verdickt started her working life as an Auditor at Deloitte and a management controller for Wang, then moved to Euronext as a financial analyst, later heading the financial analysis office. From 1998 to 2012, she was equity fund Manager at Financière de l'Échiquier, an independent assets management company. She also developed socially-responsible investment practices. Currently, Marie-Ange Verdickt serves as a director and member of corporate Supervisory Boards.

#### Non-group positions held in 2018-2019

- Member of the Supervisory Board of Wavestone (Euronext-listed company)
- Director of ABC Arbitrage (Euronext-listed company)
- Member of the Supervisory Board of CapHorn Invest
- Director of Interparfums (Euronext-listed company)

#### Positions ended in the last five years

- No positions ended in the last five years

(1) To the best of the Company's knowledge, shares held personally at August 31, 2019, not including holdings through companies, in accordance with the provisions of the *Afep-Medef Code*.

Information on Bonduelle SCA Corporate Officers as well as on the composition, functioning and powers of the Supervisory Board

## Summary table of the composition of the Board and the committees at June 30, 2019

Supervisory Board											
Personal details				Experience			Position on the Board				
Age	Gender	Nationality	Number of shares held at August 31, 2019	Number of positions held in listed companies	Independence	Initial appointment	Term of office expires	Length of time on the Board	Participation in the Audit Committee		
Members of the Supervisory Board appointed by the Ordinary Shareholders' Meeting for a three-year term <sup>(1)</sup>											
Martin Ducroquet	46	M	French	2,000	None	yes	2012/12/06	Shareholders' Meeting 2021	6 years	Member	
Isabelle Danjou	64	F	French	69,020	None	No	2006/12/07	Shareholders' Meeting 2021	12 years	Member	
Laurent Bonduelle	62	M	French	14,924	None	yes	2013/12/05	Shareholders' Meeting 2019	5 years	None	
Matthieu Duriez	60	M	French	4,179	None	yes	2011/12/08	Shareholders' Meeting 2020	7 years	None	
Elisabeth Minard	64	F	French	52,583	None	yes	2010/12/02	Shareholders' Meeting 2019	8 years	None	
Jean-Michel Thierry	64	M	French	800	None	yes	2019/02/28 <sup>(2)</sup>	Shareholders' Meeting 2020	4 months	Member	
Jean-Pierre Vannier	48	M	French	500	None	yes	2018/05/29	Shareholders' Meeting 2019	1 year	Member	
Marie-Ange Verdickt	56	F	French	3,607	3	yes	2015/12/03	Shareholders' Meeting 2021	3 years	Chairwoman since 2018/05/29	

(1) A third of Supervisory Board members are re-appointed every three years at an annual Ordinary Shareholders' Meeting to ensure that terms of office are staggered.

(2) The co-optation of Jean-Michel Thierry, to replace Marie-France Tisseau, will be subject to ratification at the Shareholders' Meeting on December 5, 2019.

## Change in the composition of the Supervisory Board over the fiscal year (at June 30, 2019)

Members of the Board	Date	Left	Appointment/ Reappointment	Term of office ends	Nationality/ Other
Marie-France Tisseau	2019/02/28	Resignation			
Jean-Michel Thierry	2019/02/28		Provisional appointment at the Supervisory Board meeting on February 28, 2019	Shareholders' Meeting 2020	Independence Specific skills

## Change in the composition of the Audit Committee during the fiscal year (at June 30, 2019)

Committee members	Date	Left	Appointment/ Reappointment	Term of office ends	Nationality/ Other
Jean-Michel Thierry	2019/02/28		Co-opted to replace Marie-France Tisseau as a member of the Supervisory Board and to sit on the Audit Committee.	Shareholders' Meeting 2020	Independence Specific skills





Information on Bonduelle SCA Corporate Officers as well as on the composition, functioning and powers of the Supervisory Board

### Summary table of Board members' status in relation to the independence criteria listed by the Afep-Medef Code

Independent members of the Board	Martin Ducroquet	Isabelle Danjou	Laurent Bonduelle	Matthieu Duriez	Élisabeth Minard	Jean-Michel Thierry	Marie-France Tisseau	Jean-Pierre Vannier	Marie-Ange Verdictt
Status	Independent	Non-independent	Independent	Independent	Independent	Independent	Independent	Independent	Independent
Not be an employee of the Company or of a company consolidated by it, or of the parent company or a company consolidated by said parent company, and not have been one in the last five years	✓	✓	✓	✓	✓	✓	✓	✓	✓
Not be an executive Corporate Officer of the Company or a Corporate Officer of a group company and not have been one in the last five years	✓	✓	✓	✓	✓	✓	✓	✓	✓
Not be an executive Corporate Officer of a company in which the Company is directly, or indirectly, a Board Member or in which an employee designated as such, or an executive Corporate Officer of the Company (currently or who has held such an office in the last five years) is a Board Member	✓	✓	✓	✓	✓	✓	✓	✓	✓
Not be a major customer, supplier, corporate banker, investment banker, consultant (or be related to such persons): • of the Company or its group • or one for which the Company or its group represents a significant portion of its business	✓	✓	✓	✓	✓	✓	✓	✓	✓
Not to have close family ties with a Corporate Officer <sup>(1)</sup>	✓	✓	✓	✓	✓	✓	✓	✓	✓
Not be or have been a Statutory Auditor of the Company in the last five years	✓	✓	✓	✓	✓	✓	✓	✓	✓
Not be a member of the Board of the Company for more than 12 years <sup>(2)</sup>	✓	✗	✓	✓	✓	✓	✓	✓	✓
Not be a Shareholder with a measure of control over the Company or its parent company (threshold of 10% of equity or voting rights) <sup>(2)</sup>	✓	✓	✓	✓	✓	✓	✓	✓	✓

In this table, ✓ means that an independence criterion has been met and ✗ means that an independence criterion has not been met.

(1) There are no family ties among Corporate Officers within two degrees of lineal kinship or three degrees of collateral kinship.

(2) In accordance with the Company's legal structure as a limited partnership with shares, control is exercised by the General Partner.

Information on Bonduelle SCA Corporate Officers as well as on the composition, functioning and powers of the Supervisory Board

## 3.2.4 Special information regarding the Corporate Officers of the Company

To the best of the Company's knowledge, pursuant to the statements received from interested parties, on the date this document was drawn up, in the past five years none of the directors or officers:

- have been convicted of fraud;
- have been involved in a bankruptcy, receivership, liquidation or judicial administration and having served as a member of an administrative, management or supervisory body;
- have been subject to a third party claim or to an official public sanction handed down by a statutory or regulatory authority (such as the *Autorité des marchés financiers*) including designated trade associations;
- have been prevented by a court from serving as a member of an administrative, management or supervisory body, or from being involved in the management or oversight of a company's business dealings.

## 3.2.5 Conflicts of interest involving the General Management and the Supervisory Board

To the best of the Company's knowledge, pursuant to the statements received from interested parties, on the date this document was drawn up:

- no conflict of interest has been identified between the corporate duties of the General Partner, the General

Management and the Supervisory Board and their private interests or other duties;

- no arrangements have been made, or agreements reached, with the main Shareholders, customers, suppliers or others, under which the General Partner, the General Management or one of the members of the Supervisory Board has been selected to serve as a member of an administrative, management or supervisory body or as a member of the Executive Management;
- the General Partner, members of the General Management or the Supervisory Board have not agreed to any restrictions regarding the sale, within a certain period of time, of their securities in the issuer, other than those described in Section 7.2.3.

## 3.2.6 Related party transactions

- Compensation for Corporate Officers: See Note 16 of the notes to the annual parent company financial statements.
- Compensation for directors and officers: See Note 10.2 of the notes to the annual consolidated financial statements.

## 3.2.7 Service agreements

On the date this document was drawn up, there are no significant service agreements linking the members of the Company's administrative, management or supervisory bodies to the issuer or any one of its subsidiaries and providing for the granting of benefits upon fulfillment of any such agreement.



## 3.3 Information on the functioning of the Supervisory Board

The Supervisory Board presents below the items of its report referred to in Article L. 226-9 of the French Commercial Code.

At its meetings, the Supervisory Board was kept up-to-date by General Management, on a regular basis, of changes in Bonduelle Group activities.

The General Management provided the Supervisory Board with all the documents required to evaluate the performance of its obligations and to review the parent company and consolidated financial statements. It also provided the Supervisory Board with all the information regarding the financial statements, financial commitments and risks associated with the group's activities.

The report of the General Management presents the group's activity report and results for the 2018-2019 fiscal year. The consolidated financial statements show revenue of 2,777.1 million euros, compared with 2,776.6 million euros the previous year, current operating income of 123.7 million euros, compared with 123.6 million euros, and net income group share of 72.6 million euros, compared with 72.4 million euros in 2017-2018.

The Supervisory Board highlights the stability of revenues and current operating profitability despite a fragile and volatile consumer environment and particularly difficult harvests.

The Supervisory Board supports the General Management's proposal to pay a gross dividend of 0.50 euro per share.

In conclusion, there are no observations to make regarding the financial statements presented and the resolutions proposed do not require any comments from the Supervisory Board. A proposal is made to the Shareholders' Meeting to renew the expiring authorizations and delegations granted to the General Management by previous Shareholders' Meetings.

### 3.3.1 Corporate Governance Code

At its December 4, 2008 meeting, the Supervisory Board of the Bonduelle Group adopted the principles of the Afep-Medef Corporate Governance Code.

It was observed that some provisions do not apply to French limited partnerships with shares (particularly point 3 of the Afep-Medef Code, on the different ways in which governance can be organized), due, in particular, to the role of the Supervisory Board in the decision-making process (particularly, point 1.2 of the Afep-Medef Code, on Boards of Directors of public limited companies). The Code's provisions in relation to the Nomination and Compensation Committee are no longer

applicable as this Committee was set up at Bonduelle SA. Guillaume Debrosse, the permanent representative of the General Manager, Pierre et Benoît Bonduelle SAS, does not receive any compensation for this role, only for his role as Chief Executive Officer of Bonduelle SA. Lastly, because Bonduelle SCA does not have any employees and because of Bonduelle SA's role in the group's decision-making process, a decision was taken, prior to the last revision of the Afep-Medef Code, and the law on business growth and transformation (known as the "Pacte" law), to appoint an employee director to serve on the Board of Directors of Bonduelle SA. Bonduelle SCA will comply with the provisions of the Pacte law on this point by the legal deadlines and will appoint an employee to serve on the Supervisory Board.

### 3.3.2 Composition of and conditions for preparing and organizing the work of the Supervisory Board

#### Composition of the Supervisory Board

In accordance with the law and the provisions of the Articles of association, the Supervisory Board is composed of between 3 and 18 members selected from among the Shareholders who do not qualify as General Partners and are neither the legal representative of the General Partner nor the Manager of Pierre et Benoît Bonduelle SAS. Supervisory Board members are appointed by an Ordinary Shareholders' Meeting for a period of three years.

Its current composition is described in 3.2.2.

#### Duties of the Supervisory Board

The Supervisory Board is responsible for the permanent control of the management of the Company. These duties cover the following areas:

- reviewing the preparation and control of accounting and financial information;
- reviewing the Company's financial position, cash position and commitments (whilst reviewing the annual and interim financial statements or as often as is needed);
- reviewing the annual and interim financial statements closed by the General Management;

## Information on the functioning of the Supervisory Board

- assessing the correctness and appropriateness of the Company's management;
- assessing the means employed by the Company to measure and monitor its exposure to risks (particularly as part of its risk mapping);
- assessing compliance with Shareholder rights. The Supervisory Board must be assured of the relevance, balance, comparability, reliability, clarity and instructional nature of the information provided to Shareholders and to the financial markets, particularly with regard to strategy, growth model, how the Company deals with material non-financial issues as well as its long-term outlook, in accordance with current accounting standards;
- issuing an annual report in which it reports, in particular, on any irregularities and inaccuracies noted in the parent company financial statements and consolidated financial statements;
- issuing a corporate governance report.

## Functioning of the Supervisory Board

The Articles of association stipulate that the Supervisory Board shall meet as often as required in the interests of the Company, and the rules of procedure set the minimum number of meetings at four.

The Supervisory Board may, at its discretion, request the participation of General Management, the group's Executive Management, the Chief Executive Officers of the business units, the Statutory Auditors, the group Chief Financial Officer, the Internal Audit Director, the group Legal Director or any other employee in such meetings, to consolidate its reflections and ensure its mission.

It may also call upon outside experts or consultants of its choosing, with the related expense to be borne by the Company.

To detail the conditions under which the Supervisory Board prepares and organizes its work, the Board has drafted rules of procedure that also describe the rights and obligations of its members. These rules of procedure were updated at its meeting on December 7, 2017.

## Specialized committees

The Supervisory Board may set up one or more committees from amongst its members charged with looking into important issues that require careful consideration. It may decide to bring in non-members of the Supervisory Board to serve on these committees, apart from the Audit Committee.

The Board decided to create an Audit Committee, comprised of at least three, and no more than five, Supervisory Board members, for which the competence criteria are defined by law and are set out in the rules of procedure of the Supervisory Board and the rules under which the Audit Committee operates.

This Committee is charged of preparing the meetings of the Supervisory Board, notably with respect to the following points:

- oversight of the preparation of financial disclosures by making recommendations, where appropriate, to ensure their completeness;
- monitoring the efficiency of internal control and risk management systems and, where applicable, internal audit systems, regarding the procedures for the preparation and processing of accounting and financial reporting, without affecting its independence;
- making a recommendation regarding the Statutory Auditors proposed for appointment by the Shareholders' Meeting;
- monitoring the performance of the Statutory Auditors in their duties, in consideration, where applicable, of the observations and conclusions of France's supervisory body for Auditors, the *Haut Conseil du Commissariat aux Comptes*;
- approving the Statutory Auditors' provision of non-audit services;
- the independence of the Statutory Auditors and, in particular, compliance with rules governing the appointment of Statutory Auditors and their terms of office.

When performing its duties, the Audit Committee draws on the recommendations of the Poupart Lafarge report of July 22, 2010, published under the auspices of the *Autorité des marchés financiers* (French financial markets authority - AMF).

## Conflicts of interest

The Supervisory Board's rules of procedure set out procedures for managing conflicts of interest within the Board.

In a situation suggesting, or that might suggest, a direct or indirect conflict between the Company's interest and the member's personal interest or the interest of the Shareholder or the group of Shareholders that the member represents, the Supervisory Board member in question must:

- inform the Supervisory Board as soon as the conflict of interest is known;
- draw any conclusions as to the performance of duties. Depending on the circumstances, the member must:
  - either abstain from voting on the corresponding resolution,
  - or stop attending Supervisory Board meetings during the period in which the member has a conflict of interest,
  - or resign from the role of member of the Supervisory Board.

Should these abstention or withdrawal rules not be respected, the member of the Board may be held liable.

In addition, the Chairman of the Supervisory Board shall not be obliged to send information or documents appertaining to the contentious issue to the member(s) of the Supervisory Board if







he has serious grounds for believing that he/she/they have a conflict of interest, and shall inform the Supervisory Board that such information or documents have not been sent.

At its meeting of September 27, 2019, the Board confirmed that none of its members had any conflicts of interest with regard to the exercise of their functions during the 2018-2019 fiscal year.

## Activities of the Supervisory Board during the year

### Work of the Supervisory Board

During the year, the Board held seven meetings, each lasting an average of four hours.

The Supervisory Board met in Lyon in June 2019. This enabled it to visit the Bonduelle Fresh Europe business unit production facilities in Genas (France) and to hold discussions with local teams.

At its September 28, 2018 and February 28, 2019 meetings, the Supervisory Board reviewed the annual and interim financial statements prepared by the General Management, and was informed of items of financial communication, on which it offered an opinion.

At its meeting on April 23, 2019, the Board reviewed a related-party agreement concerning a surety issued to Bonduelle SA within the context of a bond subscription.

At its meeting of September 27, 2019, the Board reviewed the agreements concluded in prior fiscal years whose implementation continued during the fiscal year. The Board noted that the economic conditions of these agreements had not changed.

The Supervisory Board also benefited from the specific presentations made by the General Management on the conduct of business, monitoring of group activities and group strategic orientations. Please note that meetings are primarily held without the General Manager being in attendance.

A presentation was also made to the Board by the General Management on the Bonduelle Group's financial communication and investor relations, its organization and CSR policy and, in particular, the Manifesto, studies and discussions on changes to Bonduelle Group information systems and compliance-related arrangements and governance (Sapin II Law, the Law on the duty of vigilance, and European Data Protection and Competition Regulations).

The attendance rate at these meetings was 92.85% as shown in the table below.

The Supervisory Board benefited from high-quality information and presentations. It appreciated the comprehensive nature of the information and reports presented to it, and the quality of its discussions with the General Management.

The Board reviewed its operation in 2018-2019 and considered that it was able to exercise its control functions in a constructive manner and was assured that all members made an effective contribution.

### Work of the Audit Committee

For the 2018-2019 fiscal year the Audit Committee was composed of four, then five members.

Marie-Ange Verdickt served as Chairwoman, and the other members were Isabelle Danjou, Martin Ducroquet, Jean-Pierre Vannier and Jean-Michel Thierry.

Please note that Jean-Michel Thierry, Certified Accountant and Statutory Auditor, joined the Audit Committee on February 28, 2019, after having been co-opted onto the Supervisory Board to replace Marie-France Tisseau, who resigned.

The members of the Audit Committee are independent, apart from Isabelle Danjou, who lost this status on December 6, 2018, and have accounting, legal and financial, or statutory auditing expertise, characterized by training and/or career experience (see Section 3.2).

The Audit Committee met four times during the fiscal year. The attendance rate was 100%.

The Audit Committee performed the following tasks:

- in-depth review of the interim and annual financial statements;
- review of the internal audit reports;
- review of the independence of the Statutory Auditors;
- monitoring of the "risk mapping" procedure, and action plans undertaken concerning principal identified risks;
- approval of non-audit services.

In addition, the Audit Committee was presented with the group's cash flow and hedging policy and was given a progress report on the various compliance programs.

The Committee also defined, in liaison with the group's Executive Management, the assignments and tasks of the Internal Audit Department.

At its meetings, the Audit Committee heard presentations from the group's Deputy CEO Finance & Development, the heads of the group's Financial Services and Internal Audit Departments and the Statutory Auditors.

The Audit Committee is pleased to note that, when providing their report, the Statutory Auditors once again praised the quality of the closing process of the accounts, the information made available and the explanations provided by the local Finance Departments and the Bonduelle Group Finance Department.

In addition to providing the Supervisory Board with regular summaries of each meeting, at its meeting on June 28, 2019, the Chairwoman presented the Board with an annual report on the committee's work.



Information on compensation

**Board and Committee members' attendance table**

	<b>Board</b>	<b>Audit Committee</b>
<b>Number of meetings in 2018-2019</b>	<b>7</b>	<b>4</b>
<b>Members' attendance:</b>		
Martin Ducroquet	7 meetings/100%	4 meetings/100%
Isabelle Danjou	6 meetings/85.71%	4 meetings/100%
Laurent Bonduelle	6 meetings/85.71%	
Matthieu Duriez	7 meetings/100%	
Elisabeth Minard	6 meetings/85.71%	
Jean-Michel Thierry	2 meetings/100% <sup>(2)</sup>	1 meeting/100% <sup>(2)</sup>
Marie-France Tisseau	4 meetings/80% <sup>(1)</sup>	
Jean-Pierre Vannier	7 meetings/100%	4 meetings/100%
Marie-Ange Verdickt	7 meetings/100%	4 meetings/100%
<b>Overall attendance rate</b>	<b>92.85%</b>	<b>100%</b>

(1) Resigned during the fiscal year.

(2) Co-optation to replace Marie-France Tisseau and appointment to the Audit Committee.

## 3.4 Information on compensation

Compensation for Corporate Officers and directors is set out, respectively, in Note 16 to the annual parent company financial statements and Note 10.2 to the annual consolidated financial statements.



## 3.5 Information on items that may have an impact in the event of a public takeover offer

- Details of the structure of the Company's share capital are given in Sections 7.1.2 and 7.2.
- No restrictions on the exercise of voting rights and transfers of shares provided for in the Company's Articles of association or contractual clauses were brought to the attention of the Company pursuant to Article L. 233-11.
- Direct or indirect capital interests in the Company of which it is aware by virtue of Articles L. 233-7 and L. 233-12, are set out in Section 7.2 "Shareholder structure".
- No-one owns securities conferring special rights of control.
- Systems of control provided for by any employee share scheme where the control rights are not exercised by the employees are set out in Section 7.6 "General information regarding the Company".
- Details of agreements between Shareholders of which the Company is aware and which may give rise to restrictions on share transfers and voting rights are set out in Section 7.2.3. "Shareholder agreements".
- Rules governing the appointment and replacement of General Management and the amendment of the Company's Articles of association, are listed in Section 7.6 "General information regarding the Company".
- The powers of the General Management, in particular with regard to the issue or buyback of shares are set out in Sections 7.1.3 "Delegations and authorizations granted to the General Management for share capital increases" and 7.5 "Description of the share repurchase program".
- No agreements concluded by the Company would be amended or would cease to apply in the event of a change in the ownership of the Company.
- No agreements provide for the payment of indemnities to General Management or employees in the event of resignation, or of dismissal without just cause, or of termination of employment as a consequence of a public takeover or exchange offer.



# Report of the General Management



<b>4.1</b>	<b>Activity and performance</b> <small>AFR</small>	<b>134</b>
4.1.1	Revenue	134
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Items of the Annual Financial Report are identified in the contents using the AFR symbol

The report of the General Management also incorporates the Non-financial performance statement provided for by Article L. 225-102-1 of the French Commercial Code presented in Section 2.3 of the universal registration document.



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## Introduction

Bonduelle Group 2018-2019 revenue stood at 2,777.1 million euros, stable compared with the previous fiscal year, the consumer environment proving to be fragile in a number of regions.

Current operating income was also almost unchanged at 123.7 million euros, despite a challenging 2018 harvest.

The acquisition of the Del Monte brand, which contributed both to revenue and profitability over the period, and the acquisition of frozen food processing and packaging facilities in the USA and Russia, reflect the group's capacity to selectively seize the opportunities offered by this demanding economic climate.

In a consumer environment that was still volatile and quite sluggish in some regions, and against the backdrop of unfavorable weather conditions, the Bonduelle Group once again proved its resilience and the agility of its teams.

## 4.1 Activity and performance

### 4.1.1 Revenue

Group revenue stood at 2,777.1 million euros at the end of the 2018-2019 fiscal year (July 1, 2018 - June 30, 2019), stable compared with the previous year based on reported figures. This change includes the contribution made by the Del Monte business acquired early on in the fiscal year (+1.2%) and the net foreign currency impact (+0.3%). Negative growth on a like-for-like basis<sup>(1)</sup> (-1.5%) was entirely due to the trend in the fresh vegetables segment in the United States, the group's other businesses recording growth of +2.8% at constant scope and exchange rates.

#### Europe Zone

The Europe Zone, accounting for 47% of the group's revenue, recorded annual growth of +0.5% based on reported figures, and +0.7% on a like-for-like basis<sup>(1)</sup>.

Bonduelle and Cassegrain brand business continued to grow by volume and revenue in the different segments - canned, frozen, ready-to-use and ready-to-eat fresh vegetables - on

relatively sluggish markets. The group increased its market share as a result of numerous innovations - pan-European launches and rollouts - in the plant-based food world, combining vegetables, grains and pulses in different forms and designed to meet different consumption opportunities.

#### Non-Europe Zone

The Non-Europe Zone, accounting for 53% of the group's revenue, recorded a drop of -0.4% based on reported figures and -3.4% on a like-for-like basis<sup>(1)</sup> in 2018-2019.

This trend in the fresh vegetables segment in North America was due to the fact that a major client diversified its sourcing from the 2nd quarter of the year and the streamlining of the product portfolio (production of sliced fruit halted and production of bagged salads). At the same time, this same region's canned and frozen vegetable segments saw robust growth, fueled both by internal growth and by the acquisition of the Del Monte brand in Canada, which is performing as expected. Additional frozen vegetable packaging capacities were incorporated via the acquisition of the Lebanon site (Pennsylvania-USA).

(1) On a like-for-like basis, i.e. at a constant currency exchange rate and scope of consolidation basis. The revenues in foreign currency over the given period are translated into the rate of exchange for the comparable period. The impact of business acquisitions (or gain of control) and divestments is restated as follows:

- for businesses acquired (or gain of control) during the current period, revenue generated since the acquisition date is excluded from the organic growth calculation;
- for businesses acquired (or gain of control) during the prior fiscal year, revenue generated during the current period up until the first anniversary date of the acquisition is excluded;
- for businesses divested (or loss of control) during the prior fiscal year, revenue generated in the comparative period of the prior fiscal year until the divestment date is excluded;
- for businesses divested (or loss of control) during the current fiscal year, revenue generated in the period commencing 12 months before the divestment date up to the end of the comparative period of the prior fiscal year is excluded.



The Eurasia region was extremely buoyant during the period due to the success of new product ranges such as baby sweet corn, jars of precooked vegetables (with investment in a jar line) and canned olives. This momentum will be bolstered next year by the frozen vegetables segment, produced locally following the acquisition of the Belgorod plant (Russia).

## 4.1.2 Operating income

In 2018-2019, the Bonduelle Group's current operating profitability stood at 123.7 million euros, up from 123.6 million euros the previous year, stable based on reported figures, and maintaining its current operating margin at 4.5%.

In Europe, the drop in current operating profitability was limited, despite the unfavorable impact of harvests, recording a full-year current operating margin of 4.2%, compared with 4.4% the previous year. In a challenging consumer environment, the group continued its accretive innovation policy as well as its marketing investment.

In the Non-Europe Zone, the robust performance of the long-life segments in North America (canned and frozen) and in the Eurasia zone (Russia and other CIS countries), the resilience of Bonduelle Fresh Americas' profitability, as well as the accretive acquisition of Del Monte, pushed the current operating margin up 20 bps to 4.7%, despite the impact of harvests in Russia and Canada.

Non-recurring items stood at -7.9 million euros over the fiscal year. In addition to costs associated with the discontinuation of non-contributory activities at Bonduelle Fresh Americas, these included costs and net operating losses for compensation relating to a public health warning impacting the group in the United States and Canada, resulting in a 4.5 million euro expense. Although it did not concern products sold by Bonduelle, this warning from the US and Canadian authorities resulted in loss of revenue and additional costs which were, in part, compensated for by the group's insurance company under its contamination policy.

After taking these non-recurring items into consideration, the Bonduelle Group's operating income stood at 115.8 million euros, compared with 119.0 million euros the previous year, stable after restatement for the impact of the public health crisis mentioned above.

## 4.1.3 Net income

The financial result stood at -22.6 million euros, compared with -25.3 million euros the previous year, or a 2.7 million euro decrease in financial expenses linked to a break-even currency result and competitive refinancing via a 140 million euro USPP put in place over the fiscal year.

Income tax expense was stable at 20.6 million euros, corresponding to an effective tax rate of 22.1% (down from 22.8% the previous year).

After taking income tax expense and financial result into consideration, the Bonduelle Group's net income for 2018-2019 stood at 72.6 million euros, compared with 72.3 million euros the previous year.

## 4.1.4 Capital expenditure and research and development

Research and development expenditures amounted to nearly 1% of total revenue, and continued to focus on new production processes, packaging and energy savings. Total capital expenditure for the fiscal year amounted to 104.3 million euros.

## 4.1.5 Change in capital employed and working capital requirement

Optimizing Bonduelle Group capital employed is a priority; a number of tools have been used to raise each employee's awareness of this, including the Finance for Growth initiative. By defining performance measurement indicators for the main financial aggregates and sharing them internally, on a regular basis, and by training employees and talking to them about the challenges faced, the Bonduelle Group effectively manages its working capital requirement, and its investments in general.

Despite the fact that the Bonduelle Group finalized three acquisitions over the fiscal year, the capital employed (total Shareholders' equity and net financial debt) recorded a moderate year-on-year increase, reaching 1,379.7 million euros.

At June 30, 2019, the ratio of return on capital employed (ROCE<sup>(1)</sup>) stood at 9.0%, down 80 bps on the previous fiscal year.

(1) Current operating income before tax/capital employed.



## 4.1.6 Financial debt and leverage ratio

In a context of multiple acquisitions in 2018-2019, the group's net financial debt was up slightly at June 30, 2019, at 654.7 million euros, from 617.4 million euros the previous year.

Reflecting the sound financial structure, gearing improved again, standing at 90.3%, compared with 95.4% at June 30, 2018, whilst the leverage ratio (net debt/recurring EBITDA)

stood at 3.07 compared with 2.91 in 2017-2018. The widespread low interest rate environment enabled the group to refinance the EuroPP maturing in March 2019 under particularly attractive terms. The average cost of debt continued to fall and now stands at 2.41% compared with 2.65% in 2018-2019.

The group holds 444,544 treasury shares, giving an equivalent value based on the share price on June 30, 2019, *i.e.* 28.80 euros, of 12.8 million euros, and this amount of treasury shares has therefore been deducted from equity, in accordance with IFRS.

### Net debt

<i>(in millions of euros)</i>	At 2017/06/30	At 2018/06/30	At 2019/06/30
Net debt	661.6	617.4	654.7
Shareholders' equity	606.5	646.8	725.0
Net debt/equity	109.1%	95.4%	90.3%
Net debt/REBITDA	3.53	2.91	3.07

## 4.1.7 Highlights

### Communication related to the September 27, 2019 European Commission decision

On September 27, 2019, the European Commission adopted its decision on sanctions against various players of certain market segments of canned vegetables in Europe.

As part of the Commission's investigations into this 2000s market practices, and as mentioned in its registration documents since the 2013-2014 fiscal year, the Bonduelle Group applied to the Commission for immunity from fines and obtained, on September 24, 2013, conditional immunity under this procedure. The decision of the Commission confirms financial penalties exemption for the group.

As a reminder, in 2013, Bonduelle adopted, in all its business segments, an antitrust training program onboarding its employees, completed by a whistleblowing system. These principles, assembled in a Charter of Ethics, are a day-to-day guide for all the teams and a benchmark for the Ethics Committee.

### Acquisition of a frozen food plant in Russia

On June 3, 2019, the Bonduelle Group announced that it had acquired the industrial assets of the frozen vegetable producer, LLC SHOCK, in the region of Belgorod (Russia).

Located in an agricultural region that is renowned for its temperate climate and particularly fertile soil (blackcentral soil), this industrial site will accelerate the expansion of Bonduelle's frozen vegetable business in these same markets, through high-quality production.

This production site, with an initial acquisition cost of around 7 million euros and a limited investment requirement, will make it possible to process between 6,000 and 10,000 tonnes of frozen vegetables a year. About 50 permanent employees will work at the site and in partnership with the local agricultural community, developing its know-how in terms of environmentally-friendly agricultural practices.

### Bonduelle successfully issued a new private bond on the US market (USPP)

Looking for additional maturity for its financing and for the refinancing of the EuroPP maturing on March 11, 2019, on May 2, 2019, Bonduelle issued a new 140 million euro private placement in the United States (USPP) with a 10-year maturity. This took the average maturity of the group's overall debt to over four years.

Operating on the USPP market since 2000, Bonduelle issued this private placement under particularly attractive terms to a pool of existing investors who confirmed their confidence in the group. Largely oversubscribed, this transaction enabled the group to significantly reduce the cost of its debt.

Bonduelle was advised by Natixis, acting as agent, and by Willkie Farr & Gallagher, acting as legal adviser.





## Bonduelle continues to expand its frozen food business in the United States with the acquisition of the Lebanon plant

On February 12, 2019, the Bonduelle Group announced that it had reached a definitive agreement with the US company Seneca Foods Corporation (NASDAQ: SENE, SENE) to acquire its Lebanon plant (Pennsylvania, USA).

This plant, which is used for packaging frozen products, was built in 2008 and acquired by Seneca in 2010. It has a capacity of 45,000 tonnes on seven packaging lines which are all in perfect working order. It has a large storage capacity and has 140 permanent employees.

The Bonduelle Americas Long Life (BALL) business unit which, until recently, had a limited capacity for expansion, has thus increased its frozen food production facilities in North America, now with four industrial units on the East coast of the United States and six in Canada. As well as the additional packaging capacity generating revenue, this acquisition will allow both industrial and logistical synergies with existing facilities and will improve the quality of the service offered to BALL business unit customers.

This acquisition, including industrial assets, inventories of frozen products and Lebanon industrial site personnel, effective February 11, 2019, will, given the seasonality of the business, be accretive from the 2019-2020 financial year.

## Co-optation of a member of the Supervisory Board

At the Supervisory Board meeting of February 28, 2019, Marie-France Tisseau announced that she wished to step down from her role as a member of the Board for personal reasons. At this same meeting, the Board co-opted Jean-Michel Thierry, a certified accountant and Statutory Auditor, to sit on the Board and the Audit Committee.

This co-optation will be subject to ratification, at the latest, at the Shareholders' Meeting on December 5, 2019.

## Institutional communications

By 2050, there will be nine billion people to be fed. This timing means that the plant-based food revolution is now unavoidable, and justifies the Bonduelle Group's ambition, driven by its transformation plan, VegeGo!, to be, by 2025: "the world reference in 'well-living' through plant-based food".

At the halfway mark on this plan's road map, the group wants its public to know about its ambition to work together to make a better future through plant-based food and, as a result, is keen to develop its institutional communications, in particular, via its signature tagline: *La nature, notre futur*.

Crucial when it comes to consolidating its reputation, enhancing its image and unifying its stakeholders around a common vision, this signature tagline also rises to the challenge of reassuring its public and pursuing its three goals: to inform, to improve understanding of the meaning of its actions and to develop attachment to the Company and its commitments.

## Corporate Social Responsibility (CSR)

Through its business, directly linked with the agriculture sector, through its products, a natural basis for nutrition, and through its ethics, built over generations on a foundation of essential values, the Bonduelle Group has always placed particular importance on what has come to be called sustainable development.

Firmly anchored in the group's strategy and practices, in 2018-2019, Bonduelle's CSR policies underpinned its forward-thinking ethos and its international reach. In line with the UN's sustainable development goals (SDGs) and the group's expansion, the scope of CSR issues has broadened.

In 2018-2019, Bonduelle renewed its commitment to the SDGs, which aim to eradicate hunger and poverty by 2030, whilst acknowledging the equal importance of human development and saving our planet. Building on the outlook and ambition defined within the framework of its VegeGo! project, these global objectives offer Bonduelle's CSR initiative a new perspective: more than half of the group's material issues are included in these global objectives (see Section 2.2.1.4 Dashboard of the Bonduelle Group's CSR approach).

On June 25, 2019, Bonduelle's Communication on CSR Progress was recognized in the GC Advanced category by the Global Compact France. The jury commended the informative nature and the clarity and transparency of the group's CSR report. It assessed the use of environmental criteria in investment decisions, the agronomic sourcing charter and information on the deployment of an ethics culture.

## Transparency and recognition

As part of our commitment to progress in terms of Corporate Social Responsibility (CSR), in 2012, the group obtained Global Reporting Initiative (GRI) application level B+ for its CSR report. Since 2015 this report has been prepared in accordance with the GRI standards: Core option. Deloitte, Co-Statutory Auditor, performed work to verify the social, environmental and societal information presented in this document.

Bonduelle has been part of the Gaïa index, a listing of the best mid-caps in terms of sustainable development, since 2009, and maintained a favorable overall rating, at 77% and ranked in 32<sup>nd</sup> place out of the 85 companies with revenue in excess of 500 million euros (results published in October 2018). The Bonduelle Group is also listed on the Euronext IAS index (employee share ownership index).

In 2018, Bonduelle was short-listed for an award for its CSR reporting, along with four other finalists, at the European Business Awards for the environment. This award, organized by the European Commission, celebrates companies at the forefront of eco-innovation or that have positioned respect for the environment at the very core of their business principles.

### Co-construction with stakeholders

Bonduelle has been committed to a proactive policy of reducing its environmental footprint caused by its production sites, packaging and transport of its products since 2003. Proper water management, as well as saving energy and reducing greenhouse gas emissions are priorities for the Company. These historical strategic focus areas were confirmed in a materiality matrix drawn up with its stakeholders (see Section 2.2.1.5 Materiality matrix). The matrix is a tool that identifies the group's CSR priority areas for improvement.

The group's desire is to encourage high-quality dialog with all stakeholders. This human dimension has always motivated Bonduelle, a family company that respects communication and honesty, values upon which the Company's reputation was built (see Section 2.2.1.6 Procedure for dialog with stakeholders).

### Dialog with the general public

Since its creation, Bonduelle has been a partner of the World Forum for a responsible economy. The event is held every October in France. The theme of the 2019 World Forum is *Ego imperium, I have the power to change the world*". This is Bonduelle's opportunity to showcase its commitments and encourage its employees to follow all Forum events.

In addition, for its fourth participation in France's largest agriculture trade fair, the *Salon international de l'agriculture* (International Agricultural Fair) in Paris, Bonduelle's goal was to present its manifesto and its responsible commitments, the high point being the launch of its first no pesticides residue products. The trade fair was an important opportunity for Bonduelle, farmer partners and consumers to share views. Each day, Bonduelle's farmer partners were there to talk to the general public about their profession, and to explain the production process used for vegetables, open field lettuce or mushrooms.

### Corporate commitment to local communities

Bonduelle has prioritized participation in local communities where its plants operate. The objective is to galvanize employees and help make local communities a better place to live. Depending on its specific characteristics, each production facility plans to develop at least one project in partnership with local stakeholders (see 2.7.6.1 Participating in local community life and rallying employees).

As for the Louis Bonduelle Foundation, this was established in 2004 as a result of the group's desire to contribute to public

health challenges relating to nutrition. Its aim is to foster a permanent change in eating habits in all the countries where Bonduelle operates. Through its company foundation, the group is launching a call for projects to support local initiatives whose aim is to improve eating habits (see 2.6.3.1 Healthy and sustainable food information and awareness-raising actions).

### Promotion of diversity

Employee diversity is important for Bonduelle. It is committed to eliminating all forms of discrimination in the workplace and in employee relations, both direct and indirect. This antidiscrimination policy applies to all stages of employment, from hiring through an entire career. It is accompanied by measures intended to promote diversity (see 2.7.4.3 Diversity) and is reflected in changes to the group's Executive Management and governance bodies.

### Sustainable use of resources

In 2014-2015, the Bonduelle Group conducted large-scale mapping of its water use at all stages of its agro-industrial process and across its entire scope of consolidation. The aim was to define a sustainable, integrated water management policy in line with a long-term vision of water availability, covering both quantitative and qualitative factors.

For production facilities, water is an energy in the same way as steam, electricity or compressed air. Its management is included in international standard ISO 50001 on energy management. Developments in industrial supervision also involve water management. Bonduelle also controls the amount of effluent produced by its industrial operations, where necessary, by purifying the wastewater discharged from its waste treatment plants or from agricultural spreading (see 2.5.3 Preservation of water resources through sustainable and integrated management of the water cycle).

Bonduelle has a proactive carbon footprint reduction policy for its use of other types of energy (see 2.5.2.1 The Bonduelle Group's greenhouse gas emissions assessment: a key baseline). The first initiative involves replacing the most polluting forms of energy in terms of greenhouse gas emissions. Heavy fuel oil has not, therefore, been used in the Company since 2013-2014. The second priority involves the use of local alternative energies such as biomass and biogas. The group's objective is to support innovative projects in order to promote the use of local alternative energy. For example, 93% of green waste at the Bonduelle site in Renescure (France) is methanized in a neighboring agricultural plant, in line with a circular economy model: the agricultural plant produces heat, which is then sold to another local agri-food company. Other examples are investment in cogeneration in the United States or photovoltaics in Portugal.

### Waste prevention and management

Details of the reduction in the amount of waste discharged by Bonduelle's industrial activities are given in Section 2.5.5 Waste management: zero loss and circular economy.



Raising consumer awareness is another lever for tackling the waste of resources. Product packaging includes information on the sorting and recycling systems of the country of sale. As regards food waste, the group offers different kinds of packaging (shelf life, size) so that consumers can make choices depending on their type of household and consumption. Products also specify portion size. Lastly, Bonduelle's websites and social networks provide practical information such as help understanding use-by dates.

## Subsequent events

### Change to Soléal's Shareholder structure (France)

In July 2019, Bonduelle, a 48% Shareholder in Soléal, acquired most of the interests held in the company by the Euralis, Maisadour and Vivadour cooperatives.

Created in 2005 in the form of a joint venture, Soléal has two sweet corn and vegetable processing plants in Labenne and Bordères in Southwestern France. This change to Soléal's ownership includes some sourcing commitments, thereby strengthening its long-term partnership with growers, and will make the Bonduelle Group more competitive.

## Outlooks

Given the macroeconomic and geopolitical uncertainties, a lack of price increases or even decreases in France, below the inflation rates experienced, a very hot summer that is unfavorable to crops, but also a carryover on 2019-2020 of the loss of customers in 2018-2019, the group expects moderate revenue growth of 1.5 to 2.5% and a current operating profitability within the range of 115 to 118 million of euro<sup>(1)</sup>, both at constant currency exchange rate and scope of consolidation.

The General Management will propose at the Shareholders' Meeting to be held on December 5, 2019 a dividend of €0.50 per share, unchanged from last year.

## Parent company financial statements of Bonduelle SCA

### Income statement

The Bonduelle SCA holding company reported net income of 28.3 million euros.

This includes primarily:

- net financial income of 25 million euros, based on:

- interest and similar expenses of 1.2 million euros,
- interest expenses on the EuroPP of 3.8 million euros,
- dividends received from Bonduelle SA of 30 million euros;
- operating expense of -2.6 million euros, primarily relating to compensation for General Management;
- non-recurring loss of -4.5 million euros;
- tax income of 5.9 million euros related to tax consolidation.

### Balance sheet

Analysis of the main balance sheet headings:

- non-current assets, mainly financial, total 601 million euros;
- equity accounts for 428.8 million euros.

There were no trade receivables at June 30, 2019.

Trade payables not yet due stood at 0.2 million euros.

The reference payment deadlines used for trade receivables and trade payables are legal and contractual deadlines.

### Dividends

See Section 7.3.2 of chapter 7. Information on the Company and the share capital.

### Information on the share capital

At June 30, 2019, the Company's share capital comprised 32,538,540 shares with a par value of 1.75 euros per share, representing a total of 50,616,197 voting rights.

As far as the Company is aware, the following hold at least 5% of the share capital:

- La Plaine SA with 22.34% of the share capital and 28.46% of the exercisable voting rights;
- Pierre et Benoît Bonduelle SAS with 9.74% of the share capital and 10.40% of the exercisable voting rights.

Group employees hold 3.66% of the capital, primarily through mutual funds.

During the course of the fiscal year, the General Management, making use of the authorization granted by the Shareholders' Meeting of December 6, 2018, awarded 196,268 shares to employees *via* various free share allocation plans, details of which appear in Note 18 to the parent company financial statements.

A list of transactions on the Company's securities carried out by senior management and persons connected with them can be consulted on the website [www.amf-france.org](http://www.amf-france.org).

(1) Including the favorable impact of adopting IFRS 16 rules (+1.3 million euros).

Activity and performance

## Non-current financial assets and marketable securities

See Note 3 and Note 5 of the notes to the parent company financial statements.

## Analysis of the share repurchase program – fiscal year 2018-2019

Under the terms of a share repurchase program, Bonduelle SCA made the following purchases and sales of treasury shares during the 2018-2019 fiscal year:

<i>(in euros)</i>	Number	Average unit price	Valuation
Opening balance of treasury shares recorded for the 2018-2019 fiscal year:	430,131	18.13	7,797,730
Treasury shares purchased during the 2018-2019 fiscal year	153,587	29.02	4,457,261
Treasury shares sold during the 2018-2019 fiscal year	(139,174)	26.66	(3,710,653)
Reclassification of the net carrying amount of treasury shares allocated to share programs			
Revaluation at end of fiscal year of shares held under the terms of a liquidity contract			(1,898)
<b>NUMBER OF SHARES RECORDED AT THE CLOSE OF THE 2018-2019 FISCAL YEAR:</b>	<b>444,544</b>	<b>19.22</b>	<b>8,542,440</b>
Par value of treasury shares held			1.75

The cost of the market-making contract with EXANE was 49,063 euros including VAT for the fiscal year 2018-2019.

Reasons for acquisitions of treasury shares	% of capital
Share price support (liquidity contract)	0.32%
Employee share ownership program	0.15%
Securities giving rights to allocations of shares (stock options)	None
Acquisitions	None
Cancellation	None

	Employee share ownership program	Coverage of securities	Acquisitions	Cancellation
Volume of shares used <i>(in number of shares)</i>	31,402	-	-	-

87,610 shares held by the Company were reallocated from “Acquisitions” to “Coverage of share purchase options and free share allocations”.

## Five-year financial summary

See Section 6.6 of the parent company financial statements.

*Alternative performance indicators: In its financial reporting, the group presents performance indicators not defined by accounting standards. The main indicators are defined in the notes to the consolidated financial statements in Section 5 of this document.*



## 4.2 Risk factors - GRI 102-11

In line with the objectives defined by the group's General Partner - sustainability, independence and the individual development of our employees - Bonduelle takes a conservative and responsible approach to the risks identified.

Bonduelle reviewed and analyzed its risk map and all the risks likely to have a negative impact on its goals. The group also prioritized its risks.

The risk mapping procedure consists of:

- identifying and analyzing risks;
- prioritizing risks;
- defining priorities aimed at minimizing risks through the implementation of action plans.

On the date of this universal registration document, the main risks to which the group is exposed are shown below and incorporate the main risks for Bonduelle and its stakeholders based on the non-financial performance statement.

Risk factors were prioritized by considering the magnitude of the negative impact of the realization the risk and the probability of its occurrence. A medium-term time horizon was used to analyze the risks. The methodology was defined with the Internal Audit Department.

This prioritization was done in workshops held in May 2019, bringing together members of the Legal, Internal Audit, Finance, External Communication, Crisis Management and CSR Departments. Individual questionnaires resulted in an initial "listing" of risks, then convergence workshops were organized using the Delphi method to reach a consensus.

Selected risks were then categorized by type. This information was presented and reviewed by Bonduelle Group Executive Management and examined by the Audit Committee and the Supervisory Board.

The Bonduelle Group also headed up risk mitigation policies. The action plans were reviewed and validated by its Executive Management and examined by the Audit Committee and Supervisory Board.

The risk categories below are not shown in order of importance. On the other hand, the risk factors in each category are shown in decreasing order of importance, as determined by the Bonduelle Group on the date of this universal registration document.

This information will be reviewed on an annual basis when the universal registration document is prepared. A more in-depth review will be carried out every two to three years or should an event occur that requires the risk mapping to be reviewed immediately.

## 4.2.1 Summary of the main risk factors to which Bonduelle believes it is exposed on the date of this universal registration document

Risk factors are assessed in relation to the risk prevention, mitigation and transfer measures put in place by the Bonduelle Group.

Category of risks	Risk factors	Non-financial risks
Bonduelle activity-related risks	Product quality and safety - product shortage	✓
	Production stoppage during peak times	
	Dependency on third parties	
	Consumer expectations and rapid changes in consumer preferences	
Risks associated with the sustainability of natural resources and climate change	Climate variability	✓
	Soil not suitable for agricultural purposes	✓
Strategy, organization and regulatory compliance-related risks	Damage to Bonduelle's reputation	
	Cybercrime and risks of information system failure	
	Non-compliance with regulations (other than product quality-related non-compliance) and risk of anticompetitive practices	
	Geopolitical climate and geographical breakdown of activities	
	Protection of know-how	
	Accidents at work	✓

## 4.2.2 Details of the main risk factors to which the Bonduelle Group believes it is exposed on the date of this universal registration document

### Category 1: Bonduelle activity-related risks

- Product quality and safety - product shortage
- Production stoppage during peak times
- Dependency on third parties
- Consumer expectations and rapid changes in consumer preferences



**Product quality and safety - product shortage***Description*

As a key player in the plant-based food industry, Bonduelle grows, prepares and sells canned, frozen, fresh and ready-to-eat prepared products.

Although food quality and safety is a customer requirement and clearly a consumer expectation, Bonduelle, as a manufacturer and supplier, is exposed to risks relating to harmfulness or contamination that may be proven or perceived by consumers, and to public health controversies over products or recipes.

Product here means both the container (packaging) and the contents. Risks associated with product quality and safety include non-compliance with regulations on food manufacturing and distribution activities.

They may stem from Bonduelle's own activities or those of a supplier/subcontractor, from upstream industrial activities (quality of the soil, water and air, fraud in relation to the origin and composition of raw materials) or downstream, throughout the production and distribution chain (presence of foreign bodies, storage quality, cold chain monitoring, etc.), before products are made available to consumers or after their distribution.

Quality or safety issues noted before products are supplied to consumers may trigger the loss or destruction of raw materials or product components or products in contact with the food product in question. That may also lead to production stoppage during peak times.

There may be consequences for the profitability of commercial commitments (penalties or additional financial costs incurred in seeking alternative raw materials), or even marketing and sales impacts (in the event of unavailability or reduction in Bonduelle products' visibility on the market).

Once products have been made available, the realization of these risks may trigger product recalls, whether "as a precautionary measure" or otherwise and, in the most serious cases, a public health crisis.

Administrative decisions or sanctions (including financial) may be made public and imposed on Bonduelle by authorized authorities. Legal action to recover damages, including via class actions, may be instituted against Bonduelle, in turn, leading to possible financial consequences.

Lastly, whether based on facts that are proven, or simply perceived, a media crisis may ensue. The origins of this media crisis may range from simple criticism on social media to adverse publicity via authorized authorities.

In these cases, confidence in group products may be damaged, both externally and internally, including confidence in unrelated products.

Bonduelle's sales and revenue may be affected.

Bonduelle's attractiveness as an employer, issuer and brand may be undermined.

The value created by Bonduelle, and shared with its stakeholders (particularly suppliers, distributors and Shareholders) may diminish.

*Risk management*

Product quality, food safety and compliance with related laws and regulations, are Bonduelle's main concerns, both upstream and downstream.

Bonduelle's activities are subject to numerous regulations. The group's risk management policy aims, in particular, to manage agricultural and industrial processes to guarantee the quality and food safety of its products.

Agriculture provides the major share of raw materials required to make the group's products. To guarantee the quality of its products, Bonduelle relies on its global agronomic sourcing charter, which governs relations with producers so as to guarantee product quality, food safety and sound risk management. This charter is an exclusive contractual commitment governing the process from seed to harvest to ensure that Bonduelle's specifications are strictly adhered to and covering different areas from plot selection and choice of varieties to cultivation methods. Suppliers and other manufacturing subcontractors comply with very rigorous quality and safety specifications.

In addition, risk management and control procedures, developed across the group, manage product quality, traceability and safety.

Each business unit has a quality management plan tailored to its specific technological needs (canned, frozen or fresh food, etc.) and to the (regulatory) climate specific to different geographical regions and product characteristics.

Quality plans are implemented in all of the group's production facilities, based on three main aspects:

- quality checks on incoming "plant-based" raw materials, ingredients and other inputs of any kind (water, gas, in particular) and other supplies (packaging);
- quality controls on production lines and oversight of food safety parameters;
- final checks on products before shipping.

Bonduelle's manufacturing processes also guarantee traceability of plants and any elements comprising or coming into contact with products (including packaging) used for finished products, from the seed planting phase to our customers' initial points of delivery. This commitment is reflected in the resultant related investment program.

Lastly, food safety is a key priority of Bonduelle's quality policy. Bonduelle has implemented Hazard Analysis and Critical Control Point procedures (HACCP) to control identified risks at various stages of the preparation of its products.

A program of controls and audits has been applied by Bonduelle at all its sites by both internal and external Auditors on the basis of the various standards. The same is true at our manufacturing subcontractors.

Bonduelle plants are also subject to certification procedures. 100% of Bonduelle production sites have at least one type of quality certification.

Bonduelle has a crisis management procedure that allows for the formation of a task force bringing together different corporate functions and, if necessary, representatives from interested suppliers or customers, as well as a specialist press agency.

A Quality Steering Committee has been set up in each business unit. Topical discussions have also taken place between business units.

The Company has insurance policies covering operating losses and additional costs associated with issues of product safety and quality and rebuilding the Company's brand image.

## Risk factors

### Production stoppage during peak times

#### *Description*

Since a large percentage of Bonduelle's business is seasonal, production stoppage in peak times, in particular, at times when raw materials arrive in bulk at the plant (harvest time), may be particularly damaging for Bonduelle.

This risk could arise as a result of the destruction of a production tool (fire, explosion, natural disaster at an industrial production facility or a logistics platform, etc.), an accident, pollution or the presence of a bacterium requiring specific treatment and the shutdown of the plant in question.

Production stoppage at peak times may have adverse consequences for Bonduelle's business and employees (temporary layoffs), the availability of Bonduelle products and the group's reputation, depending on the origins of the shutdown, and may have a future impact on the group's results.

#### *Risk management*

Rigorous measures are taken, on a permanent basis, to protect the group's strategic assets and, in particular, its production tools.

The fact that production facilities are distributed across various regions ranging from the West Coast of the United States to the Urals, limits the consequences of production stoppage in peak times.

On a group level, production facilities were mapped to assess the level of prevention at each facility according to the strategic nature of the site. This mapping enables risk prevention plans to be prepared (in particular, fire prevention). An audit program, in conjunction with our insurer, means that these risks can be reassessed. A dedicated team is responsible for ensuring that the prevention plan is applied and that the implementation of recommendations is monitored.

The business units implement industrial tool maintenance plans which are regularly reviewed between each harvest. The facilities have teams specifically tasked with maintaining and repairing production tools. Following the audits piloted by the group, progress plans were also put in place. In addition, the Bonduelle Group has international insurance policies covering the group's assets as well as operating losses resulting from damages.

**Dependency on third parties***Description***Concentration of distribution**

Bonduelle primarily sells its products to consumers<sup>(1)</sup> through intensely concentrated mass-market retailing, negotiating via purchasing groups.

This situation makes the group potentially vulnerable during trade negotiations, with the risk of being delisted.

**Dependency on suppliers and raw material-related risks**

The group procures its raw materials and packaging (metal cans, in particular) from farmers and external suppliers. For some direct and indirect purchases, these supplies are procured from a limited number of market operators. Should these suppliers fail, seeking alternatives may prove complex and/or costly, possibly resulting in negative impacts on results and business.

There is, moreover, no organized market for the agricultural raw materials purchased by the Bonduelle Group. Changes in the prices of agricultural raw materials quoted on a market do, however, have a more or less significant impact on the group's purchase prices, depending on the agricultural alternatives available to producers.

**Financial dependency**

Bonduelle finances its activities or acquisitions either using its own resources or external financial resources, in particular, debt.

*Risk management*

Diversifying our brands and the countries in which we sell (over 100 countries) and seeking other distribution channels, mitigates this risk.

The group's sourcing policy is to reduce risks by using several economic operators in the narrowest segments.

In order to ensure long-term relationships with its vegetable suppliers, Bonduelle holds annual negotiations with producers' associations well in advance of the harvest, principally on the basis of a net margin per hectare for the producer. Bonduelle is, therefore, forced to adjust its selling prices to reflect the result of vegetable purchasing negotiations, which vary from one sourcing region to another, to maintain the Company's financial equilibrium.

The family Shareholder defined three goals, which include independence and sustainability. These goals are reflected in the diversification of Bonduelle's funding streams and the balanced management of its counterparty risk between banking and non-banking players. Bonduelle manages its liquidity risk by arranging confirmed lines of credit. This approach also offers optimal flexibility in the group's financing.

(1) Retail business accounting for +/-75% of group revenue.

**Consumer expectations and rapid changes in consumer preferences**

*Description*

Bonduelle products not only have to match consumers' tastes but also have to comply with growing new expectations:

- naturalness & and environmental protection;
- flexitarianism - a regime consisting of limiting the consumption of meat and fish but not cutting out any food types;
- new eating habits and distribution methods.

This trend is further reinforced by retailers who are being increasingly demanding in terms of the range of environmentally-friendly products offered.

A sudden change in consumers' eating habits and Bonduelle's failure to anticipate such changes, could have an impact on the attractiveness of Bonduelle's products and distribution and, in the future, could have a negative impact on its businesses and revenue.

*Risk management*

Bonduelle's range, which is firmly based on the growing attraction of plant-based products, is 100% consumer-focused. Eating habits and tastes are monitored and this extends as far as an innovation policy directed at products responding to new eating habits and new consumption and purchasing patterns. The Bonduelle Group has implemented a pro-active innovation policy, reflected in its product portfolio by the fact that 9.6% of products were launched in the last three years.

In response to consumers' demand for naturalness, Bonduelle has expanded its organic range across all four business segments and is pioneering no pesticides residue vegetables. The group has also reduced, and is planning to further reduce, its use of additives and preservatives.

Bonduelle is also doing its utmost to design more ecological and more responsible products and packaging. 95% of its products are recyclable.

Bonduelle is supporting consumers' desire to switch to plant-based products by offering, in addition to the usual vegetable ingredients or accompaniments, real plant-based alternatives providing tasty and filling main courses (VeggissiMmm', Legumio).

Bonduelle is also increasing its presence in all thriving retail channels ("on the go", discounters, e-commerce). Although Bonduelle is already a major presence in the food service market, it is expanding its innovative ranges (e.g.: nuggets) and services (e.g.: Greenology), thereby enabling catering professionals to increasingly make plant-based foods the centerpiece of their meals in response to new customer trends.





## Category 2: Risks associated with the sustainability of natural resources and climate change

- Climate variability
- Soil not suitable for agricultural purposes

### Climate variability

#### Description

The availability, quality and price of the raw materials purchased by Bonduelle are dependent on the weather (e.g.: drought, storms, etc.). Climate change phenomena only serve to amplify the impact of the climate on these same factors. Bonduelle's business is exposed to short-term climate variability and its medium-term consequences, *i.e.* changing rainfall patterns, extreme weather events, droughts, dry soil, species extinction.

For Bonduelle and upstream agricultural activities, the consequences of climate change may be:

- disruption in the quality and availability of water resources;
- soil impoverishment, lower yields, disappearance of biodiversity, disruption of ecosystems;
- disturbance to plant growth, altering quality and yield.

As an industrial player, Bonduelle is also exposed to the risk of suffering the impact of an extreme weather event at all, or some, of its industrial facilities.

These changes may damage Bonduelle's business and that of its suppliers and distributor customers, which may have negative consequences on Bonduelle's revenue and financial position.

In addition, some agricultural areas may suffer significant productivity losses, which may have repercussions on the availability or price of agricultural raw materials.

#### Risk management

The Bonduelle Group has always favored the best agricultural lands and the geographical diversification of its sourcing regions when deciding where to locate its production facilities, in order to reduce the climate-related risks inherent to all growing activities.

To limit climate risk, the group is also developing its farming practices, *i.e.* shifting growing areas, looking for varieties suited to the change in climate and development of water-saving irrigation systems.

Bonduelle aims to roll out alternative growing practices to protect the soil across 100% of the surface area farmed. Such practices also protect biodiversity, save water and reduce the carbon footprint and the use of chemical inputs (see Section 2.4 Caring, with our farmer partners, for cultivated land).

Bonduelle intends to take action on climate change factors. Since 2003, Bonduelle has been measuring and monitoring its carbon footprint so that its management can be improved.

Bonduelle is committed to reducing its greenhouse gas emissions by 20% by 2035 (base 2018-2019), thereby continuing the efforts it started many years ago.

Bonduelle's environmental policy aims to reduce environmental impacts from field to plate with a single target for 2025: "zero loss", monitored by indicators and driven by a roadmap. This circular approach is based on seven challenges: controlling energy consumption; conserving water resources; optimizing inputs and outputs and managing waste; responsible land management; designing sustainable products and packaging; managing transport flows and alternatives to road transportation; implementing the group's responsible purchasing policy.

Lastly, since 2017, Bonduelle has included in its investment process a selection of projects with a CSR impact and for which the group now provides a separate financial budget.

Details of Bonduelle's environmental policy are provided in Section 2.5 Reducing environmental impacts from field to plate.

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## Soil not suitable for agricultural purposes

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### *Description*

Arable land is farmed by Bonduelle and its partner farmers to produce the plants which are used in its products. As a result of certain intensive models of farming land for agriculture, combined with other human, climatic, industrial factors, etc., and should Bonduelle's desired transition to agroecology not happen quickly enough, or go far enough, some of this land could prove not to be suitable for agriculture or for the production of raw materials that meet Bonduelle's quality and health requirements.

In the first instance, this soil impoverishment may result in drops in productivity and competitiveness for Bonduelle, its partner farmers, its distributor customers and neighboring communities.

In the future, a loss of quality surface areas could lead, in extreme cases, to food insecurity for local communities.

### *Risk management*

To mitigate this risk, Bonduelle operates in a number of countries and continents. In addition, Bonduelle is developing policies to adapt to these changes (for example, by trialing new varieties).

In addition, Bonduelle is committed to, and requires its stakeholders to commit to, preserving soil quality over time.

As a result, since 1996 Bonduelle has had a Global sourcing charter.

It sets the rules with which all partner producers must comply. It is a contractual commitment covering the process from seed to harvest to ensure that Bonduelle's specifications are strictly adhered to and covering plot selection, choice of varieties and cultivation methods.

To preserve the soil and natural resources, rotations tailored to different crops and areas are defined, phytosanitary treatment decisions are taken on a curative, rather than a preventive, basis and equipment to optimize water use is prioritized.

Bonduelle's agricultural experts support producer partners at every stage of cultivation.

Bonduelle also aims to roll out alternative growing practices with the aim of protecting the soil across 100% of the surface areas farmed for its businesses.

Details of Bonduelle's agricultural policy are provided in Section 2.4 Caring, with our farmer partners, for cultivated land.

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### Category 3: strategy, organization and regulatory compliance-related risks

- Damage to Bonduelle's reputation
- Cybercrime and risks of information system failure
- Non-compliance with regulations (other than product quality-related non-compliance) and risk of anticompetitive practices
- Geopolitical climate and geographical breakdown of activities
- Protection of know-how
- Accidents at work

#### Damage to Bonduelle's reputation

##### *Description*

The eponymous "Bonduelle", the name of the Company, the family name of the main Shareholder and the group's main brand, carries special responsibilities.

The Bonduelle brand, as well as the other leading brands in its portfolio (Cassegrain, Arctic Gardens, Globus, Ready Pac Foods, Del Monte) form part of Bonduelle's essential intellectual capital and are recognized as a sign of quality and safety by consumers.

Bonduelle's reputation is a strategic asset and a value creation factor.

This asset may prove to be a weakness in the event of the infringement of Bonduelle's rights or damage to its image or reputation, evidence-based or otherwise, of any nature or origin, whether internal or external (social media, press), in good or in bad faith, affecting the Company, the family Shareholder, the Bonduelle brand or its products.

Associated risks include risks to Bonduelle's image, its values, its attractiveness and, possibly, its future sales, business and development.

##### *Risk management*

Bonduelle defends its strong group values which are, in particular, reflected in its long-term goals (independence, sustainability and individual development of our employees) and social, environmental and ethics commitments.

Bonduelle pioneered its corporate responsibility approach with an ambitious CSR policy reflecting five goals:

1. Caring, with our farmer partners, for cultivated land;
2. Reducing environmental impacts from field to plate;
3. Encouraging people to eat healthy and sustainable food;
4. Ensuring the "well-living" of employees and local communities;
5. Encouraging all employees to be actors in the CSR strategy.

Lastly, Bonduelle has a system for monitoring, tracking, analyzing and managing risks to its reputation and image, particularly online and on social media, enabling it to anticipate any potential crises (via *rep track*). Bonduelle has a crisis management system to respond to the negative impact of these factors and limit their fallout.

Finally, to prevent internal sources of damage to its reputation, Bonduelle has provided its employees, Bonduelle's ambassadors, with a guide called "Social networks, Bonduelle and Me" and a "confidentiality guide". These guides remind employees of basic rules for "digital" messaging on social media, and list some good practices, particularly with regard to information, comments, photos and videos posted on social networks, how to respond to messages exchanged and how to configure their social networks.

In addition, the group has an insurance policy intended, under certain circumstances and in certain regions, to cover the cost of rebuilding the brand's image.

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## Cybercrime and risks of information system failure

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### *Description*

Bonduelle's business depends on information systems, in particular, its industrial (recording transactions, monitoring stocks, product traceability, etc.), sales, marketing and financial activities.

The main risks associated with the dependency of these systems are the risk of fraud, cyber attacks and hacking that may result in loss of access to information systems, the alteration, loss, disclosure or destruction of data and possibly the highjacking of network-connected machines by cybercriminals, the deterioration or loss of access and security of infrastructures and services as well as a reduction in, or lack of, data access, integrity and confidentiality.

Should information systems crash, whether due to technical failure or malicious intent, there may be an impact on the work of Bonduelle's internal teams or partners and/or on its activities, in terms of its industrial, sales and marketing activities which may, in the future, have financially, economically and operationally damaging consequences.

There may be financial consequences in the event of fraud.

In addition, should data be lost or personal data breached, Bonduelle's reputation and image may be damaged, even if it is not at fault.

### *Risk management*

Information system security risks have been mapped and a continuous IT security improvement policy put in place.

An information systems security officer (RSSI), reporting to the group Information Systems Department (DSI), is responsible for security audits which are conducted on an annual basis by external Auditors and the DSI.

Action plans and an investment program were piloted by the group RSSI to increase security and oversight of information systems and to protect data in line with ongoing changes in this regard.

Awareness is also raised among employees about the risks of hacking or willful damage. Awareness-raising sessions, as well as a number of practical guides to IT security are provided to limit the internal risk of involuntary disclosure of confidential information or hacking.

The group's personal data protection policies (for example, those relating to the application of the GDPR) are just some of the organizational, technical and security measures put in place to protect personal data and data in general.

**Non-compliance with regulations (other than product quality-related non-compliance) and risk of anticompetitive practices***Description*

Within the context of its business activities, Bonduelle may be exposed to risks in relation to anticompetitive practices.

In addition, given its activities and their location, as well as the location of its production, supply and distribution facilities, Bonduelle is exposed to the risk of corruption and human rights violations.

Moreover, on May 25, 2018, the General Data Protection Regulation (GDPR) came into force in European Union countries, significantly increasing corporate responsibility and sanctions in the event of non-compliance.

Lastly, acts of corruption, serious violations of human rights and fundamental freedoms, personal health and safety and environmental protection, caused by Bonduelle or one of its partners, may call its responsibility into question (duty of vigilance law).

Non-compliance with laws and regulations, or the invocation of corporate responsibility for acts in which the Company or its partners are involved, would expose Bonduelle to adverse effects in terms of its financial equilibrium (administrative sanctions and/or compensation), its reputation, its attractiveness, its values, its activities, its funding streams and, in the future, its growth, its results and its capacity to respond to calls to tender or to expand.

*Risk management*

Aiming to achieve the ambition of being “the world reference in ‘well-living’ through plant-based food”, means investing in environmental protection and defending its social and ethical commitments in line with the goals of the family Shareholder and the seven values of the Bonduelle Group.

As a signatory to the United Nations Global Compact since 2003, Bonduelle is committed to respecting and promoting the 10 basic principles in the areas of human rights, labor standards, the environment and fighting corruption.

The Bonduelle Group’s commitment to business ethics is reflected in its willingness to comply with laws and regulations, its definition of strong values, its unequivocal commitment to fight corruption as well as its provision of tools that can be accessed by individual employees to defend and maintain an ethical business stance and so act responsibly and with conviction.

Accordingly, Bonduelle rolled out:

- in 2012, an ethics charter;
- in 2016, a training program on restrictive competitive practices;
- in 2017, an anti-corruption program (Sapin II law) (See Section 2.8.1.5 Anti-corruption program) and a vigilance plan (See Section 2.8.2 Vigilance plan) to prevent serious violations of human rights and fundamental freedoms and to protect personal health and safety and the environment from harm caused by its activities or those of its partners;
- in 2018, personal data protection policies.

Using internal tools, Bonduelle is developing an ethics culture that is supported at the highest corporate level, amongst all its employees, suppliers, partners and customers by developing best practices and making tools available to its partners and/or employees:

- ethics charter;
- Code of Conduct for ethical business practices;
- agronomic sourcing charter;
- the Stock Market Code of Conduct;
- personal data protection policies;
- practical guides;
- the Administrative and Financial Manual which lists all the principles and rules applicable in Bonduelle Group entities to guarantee the reliability of internal control and risk management.

Lastly, a whistleblowing system has been introduced to enable internal or external workers to confidentially report any acts of corruption, anticompetitive practices, instances of pollution or environmental damage, Human rights violations or any other crimes or misdemeanors.

Risk factors

**Geopolitical climate and geographical breakdown of activities**

*Description*

Bonduelle operates in 12 countries and makes sales and/or purchases in over 100 countries. As a result, 47% of Bonduelle's 2018-2019 revenue was generated in Europe, 46% in the Americas, 6% in Eurasia and 1% from exports.

The group's employees and businesses may be directly or indirectly affected by periods of economic, political or financial instability in some regions (wars, revolutions, major industrial disputes, devaluation, loss of funding for farmers, etc.).

Changes in economic, political or regulatory conditions, or a crisis in some of the countries in which it operates, would expose Bonduelle to risks to its business, its assets, its employees, its financial position and its reputation.

*Risk management*

Bonduelle's international expansion has led to geographical spread, diversifying and limiting the concentration of this risk in any given country.

When a country risk is identified, wherever possible, the Bonduelle Group Insurance Department seeks insurance coverage to limit the financial impact.

Potential country risks are also taken into consideration when investments are chosen and locations are selected for industrial, scientific and business assets: ease of foreign trade, political stability, protection of intellectual property, etc.

**Protection of know-how**

*Description*

With an agro-industrial history dating back over 160 years, Bonduelle's agricultural and industrial know-how is unique.

In addition, its innovation and R&D-oriented strategy means that new technical procedures and know-how are developed and acquired every day.

In a highly competitive economic climate and a complex and fast-moving environment, protecting the availability of Bonduelle's resources, knowledge and technical know-how, and keeping it confidential, are essential.

Disclosure of this know-how and/or its loss exposes Bonduelle to litigation risk and may have an impact, depending on the markets involved, on Bonduelle's competitiveness, strategy, sustainability, business and, in future, its results.

*Risk management*

Protecting know-how is key to the group's strategy. To protect and ensure the long-term retention of its assets, Bonduelle has prepared a map of its critical and/or unique know-how.

It applies an active policy of continuity of know-how to ensure the long-term retention and transmission of such know-how and protects its resources and innovations via legal means such as exclusivity and non-compete agreements and by registering drawings and models or filing patents.

This policy is also reflected in measures to raise awareness of, and prevent, risks of leaks and losses of information (confidentiality guide).

Lastly, Bonduelle applies a pro-active policy aimed at protecting, building loyalty and setting out succession plans for its key people.





**Accidents at work**

*Description*

With nearly 15,000 employees, many of whom are seasonal workers, and due to the industrial nature of its business, Bonduelle is exposed to risks in relation to personal health and safety, social dialog and recruitment risks.

Accidents may occur within the Bonduelle Group's agricultural, industrial or commercial businesses that may result in lost time for group employees, temporary workers and partner farmers and their employees. These accidents may be caused by handling the industrial and agricultural tools used within the group's businesses, or by technical, human or organizational failures.

The Bonduelle Group deploys rigorous health and safety policies at all its facilities and has set itself the target of zero accidents at work by 2025.

Accidents at work may have repercussions on the physical and psychological well-being of workers, which would have consequences on Bonduelle's human resources and work structure and that of its farmer partners.

*Risk management*

In line with the goals set by the group's family Shareholder, and on the same basis of sustainability and independence, employees' personal development is key to Bonduelle's VegeGo! corporate initiative.

Compliance with labor law is a priority. Bonduelle demonstrates its willingness to further its safety, well-being, equal opportunities, diversity and internal mobility initiatives. Bonduelle is aiming for zero accidents with lost time by 2025. Each and every person working for or with Bonduelle has the right to a healthy and safe working environment, ensuring their physical and mental well-being, notably through preventive measures to ensure the best possible health and safety conditions.

The Bonduelle Group's safety policy (See Section 2.7.3.1 Safety and working conditions) was formalized in 2012 and revised in 2015. It highlights three fundamental principles that guide the group's approach:

- all accidents are preventable, the achievement of "zero accidents" is therefore a choice;
- accountability, notably through training, is the basis of a safety approach;
- Bonduelle guarantees safe working conditions. Productivity must not come at the expense of safety.

Representatives from the business units also attend meetings of a Group Health and Safety Steering Committee. The existence of a safety network, with 260 representatives from all sites in 2018, allows discussions to take place on best practices, priority measures and investments. Monthly reporting takes place at group level and is, in particular, monitored by the Executive Management.

Lastly, all factory workers are trained in safety on site and at their work stations.



## 4.3 Financial, legal and hedging policy risks

Bonduelle is faced with some financial and legal risks in addition to those shown in Section 4.2 Risk factors and for which the net risk is very low due, in particular, to hedging and risk management policies.

### 4.3.1 Financial risks

The group has established an organization that provides for centralized management of all of its liquidity, currency, interest rate and counterparty credit risks. The Finance Department has assigned the group Finance and Treasury Department responsibility for risk management, and provided it with all of the expertise and tools needed to participate in the various financial markets as effectively and safely as possible. The organization and procedures utilized are regularly reviewed by the Internal Audit Department and the Statutory Auditors. At meetings held regularly with the Chief Financial Officer and Finance and Treasury Direction, the group's Executive Management validates, on the basis of a report published monthly, the implementation of previously authorized management strategies.

In a rapidly changing global economic environment, characterized by market volatility and changes in financial techniques, the role of the group Finance and Treasury Department is to:

- ensure optimum and sufficient funding to finance the development and growth of the group's operating activities;
- identify, evaluate and hedge all financial risks in close collaboration with the operations teams.

The objective is to minimize, at the lowest possible cost, the impact of financial market fluctuations on the group's income statement, in order to reduce the capital allocation required to manage these financial risks.

The group prohibits the taking of speculative positions.

#### 4.3.1.1 Liquidity risk

The group Finance Department is responsible for maintaining sufficient liquidity at all times. It accomplishes this by efficiently managing the group's cash balances and ensuring that the maturity and conditions of the financing obtained are appropriate. In particular, it arranges confirmed lines of credit to maximize the flexibility of the group's financing (see

Note 5.6 of the notes to the consolidated financial statements at June 30, 2019).

The Company specifically reviewed its liquidity risk and considers that it is able to meet its future payments.

### 4.3.1.2 Market risks

#### Currency risk

##### Risks related to changes in foreign exchange rates

The group publishes its consolidated financial statements in euros, and in 2018-2019, 45.4% of revenue and 40.3% of current operating income were denominated in euros.

The share of assets, liabilities, sales and earnings denominated in other currencies – essentially the Polish zloty, Hungarian forint, Russian ruble, Brazilian real and US and Canadian dollars – fluctuates continuously. This means that the group is affected by fluctuations in the value of these currencies relative to the euro when they are translated into euros in the consolidated financial statements. For example, when the euro appreciates against these currencies it reduces the earnings contribution from those subsidiaries whose financial statements are denominated in these currencies.

All sales and expenses of group subsidiaries are generally expressed in their local currency, with the exception of imports, exports and financial transactions covered by centralized and systematic foreign currency hedges, where the type of exposure means that it can be hedged: Bonduelle therefore believes that its local exposure to currency fluctuations, after hedging, is limited.

The group's international growth strategy contributes to increasing the weight of non euro-denominated activities in revenue, operating income and consolidated net income.

##### Hedging policies for currency risk

The aim is to hedge risks relating to the activities of its subsidiaries denominated in a currency other than their functional currency and risks relating to the financing of some subsidiaries operating in countries whose functional currency is not the euro; the asset/liability structure of the financing is created by natural matching or by putting financial instruments in place.

The group uses over-the-counter financial instruments only to hedge the financial risks generated by its production and sales activities. All hedges entered into must comply with



the objectives and procedures established by the Bonduelle Group's Executive Management. These transactions are centralized within the group Finance and Treasury Department.

The group's policy regarding fluctuations in foreign exchange rates consists of periodically calculating its net exposure to foreign currencies and using financial derivatives to reduce this risk.

The group makes use above all of forward foreign exchange contracts, foreign currency swaps and options entered into with highly-rated bank counterparties. Details of the portfolio as well as an analysis of foreign exchange rate sensitivity appear in Notes 5.2 and 5.5 to the consolidated financial statements at June 30, 2019.

### Interest rate risk

The interest rate management policy is coordinated, controlled and handled centrally, with the aim of protecting future cash flows and reducing the volatility of finance costs. The group uses various instruments available on the market, especially interest rate options and swaps.

Under IFRS 9, interest rate fluctuations may have an impact on the group's consolidated net income and equity. Details of the portfolio as well as an analysis of interest rate sensitivity appear in Notes 5.2 and 5.5 to the consolidated financial statements at June 30, 2019.

### Credit risk

In light of the high credit quality of the group's principal counterparties and the wide dispersion of its customers throughout the world, especially in the mass-market retailing sector, the group considers that it does not have a significant exposure to credit risk. However, most of this risk is covered by a prominent insurer.

Given the high liquidity of the group's trade and related receivables, the fair value of these assets is considered to be equal to their carrying amount.

### Counterparty credit risk

In its dealings in financial assets in general and any cash balances, the group works only with highly-rated bank counterparties. Any cash surpluses are generally managed in short-term interest-bearing deposits.

## 4.3.1.3 Equity management

The Bonduelle Group always ensures that its financial structure remains optimal by respecting the balance between its net financial debt and its equity, and by maintaining a consistent dividend policy. This is intended to keep the cost of capital to a minimum, to maximize share price and dividend growth for the Shareholders and to maintain sufficient financial flexibility to take advantage of any opportunities that may arise.

Shareholders' equity at June 30, 2019 stood at 725.0 million euros. On the basis of this, General Management will propose to the Shareholders' Meeting of December 5, 2019 that the dividend be maintained at 0.50 euro per share.

## 4.3.2 Equity risks

Each year, the Company buys and sells its own shares, in accordance with the provisions of the information memorandum issued in connection with the share repurchase program as approved by the Shareholders. In descending order of priority, the objectives of this program are to:

- ensure secondary market-making and the liquidity of Bonduelle shares by an investment services provider;
- hold the shares acquired for subsequent use in exchange or as payment in connection with any potential acquisition;
- ensure that sufficient shares are available to cover needs generated by share purchase options and any other form of allocation of shares to employees and/or the Corporate Officers of the group;
- provide coverage for securities giving rights to allocations of Company shares in accordance with applicable regulations;
- cancel any of the shares acquired.

Under this program, at June 30, 2019, the Company held 444,544 treasury shares. Voting rights attached to these shares are suspended, and the shares are recorded as a reduction of Shareholders' equity. The Company is not, moreover, exposed to any equity risks as it does not engage in any cash management transactions involving investments in equity funds or other financial instruments with an equity component.

## 4.3.3 Legal risks

### 4.3.3.1 Agro-industrial and commercial-related risks

Bonduelle complies with all applicable laws and regulations in its relationships with its partners. As a member of the food industry, Bonduelle is subject to national and international regulations, notably concerning food safety, quality control, food products and packaging.

The main legal risks are associated with the manufacture and distribution of food products. Bonduelle considers that it has set up sufficient measures to meet regulatory requirements and prevent and manage these risks.



### 4.3.3.2 Intellectual and industrial property

Rigorous measures are employed to protect Bonduelle intellectual property. Internal teams assisted by intellectual property consultants monitor Bonduelle Group brands, register and renew protection and take action against third parties in the event of trademark infringements.

### 4.3.3.3 Other risks

Bonduelle's sales and industrial activities are not significantly dependent upon other companies, customers or suppliers, and the group has the assets it needs to for its activities.

To the best of the Company's knowledge, there are no government, court or arbitration proceedings pending or threatened that might have, or that have had, over the past 12 months, a material effect on the financial position or profitability of the Company and/or the group, apart from those mentioned in Note 9.2 to the consolidated financial statements.

### 4.3.4 Coverage of non-financial risks

The Company's policies serve three strategic goals set by the family Shareholder whose stability over time guarantees a long-term view: sustainability, independence and employees' personal development.

The primary objective of the non-financial risks management policy is to protect the group's strategic assets. The broad strategic guidelines governing capital expenditure on industrial tools, the development of our processes, and the

recruitment and training of our workforce, all take continuous account of this objective of safeguarding our industrial, financial and human resources.

The aim of this approach is to limit industrial or other risks such as those mentioned above to which the group is naturally exposed.

The group's insurance strategy is based on two main principles:

#### Risks assessment

The Insurance Department of the group Finance Department is responsible for identifying and assessing all risks, in close cooperation with the operating entities and draws up a revised risk map on an annual basis. The scope and amounts of insurance coverage are set at group level, based on objectives defined by Bonduelle's Executive Management. The insurance programs are negotiated by the group's Insurance Department and placed with top tier insurance companies.

#### Transfer of risks

Global comprehensive programs have been set in place to transfer major risks with potentially significant strategic and financial impacts to the insurance market:

- in light of the geographical dispersion and the size of our production facilities and deductible levels, all direct property damage risk has been transferred;
- for other risks, policies have been put in place to the extent permitted by the insurance and reinsurance markets.

Other insurance programs covering less significant risks have also been taken out.

The main programs are summarized in the table below: (at July 1, 2019).

Risks	Deductible (in thousands of euros)	Insurers
	€30K to €200K depending on the site	Axa
Losses/Business interruption	three days of Business interruption with a minimum of €100K to €200K depending on the site	XL Catlin Generali
Public liability	€5K	AIG
Contamination and brand image	€1,000K	Allianz
Credit risk	82% coverage	Atradius



## 4.4 Internal control and risk management procedures – GRI 102-11

The Bonduelle Group has adopted the Reference Guidelines for internal control published by the *Autorité des marchés financiers* (AMF) in January 2007 and updated in July 2010.

The Company oversees and implements a set of self-defined internal control and risk management measures consisting of various means, behaviors, procedures and initiatives suited to the characteristics of each fully consolidated company, as well as a number of companies accounted for using the equity method which:

- allow directors and officers to keep risk at an acceptable level;
- contribute to the management of its activities, effectiveness of its operations and efficient utilization of its resources;
- must enable it to take appropriate action with regard to all significant operating, financial or compliance-related risks.

Internal control procedures are designed specifically to ensure:

- compliance with all laws and regulations in effect;
- the application of all procedures and policies established by the General Management;
- the smooth operation of the Company's internal procedures, especially as regards the protection of its assets;
- the reliability of financial information.

The specific goal of the risk management plan is to:

- create and preserve the value, assets and reputation of the Company by identifying and analyzing the main potential threats to the Company;
- identify the main events and situations likely to affect in a significant way the Company's objectives;
- ensure actions concur with the Company's values;
- inform and mobilize the Company's employees around a common understanding of the main risks.

The internal control and risk management procedures apply to all entities falling within the scope of consolidation. As regards acquisitions, an internal control audit is performed within three months of the purchase. A compliance audit is performed in the year following the acquisition in order to ensure that the group's rules and procedures are correctly applied.

These risk management and internal control procedures cannot provide an absolute guarantee as to the achievement of the Company's objectives.

In fact, any internal control system is subject to inherent limits, such as uncertainties regarding external conditions, the use of good judgment and the cost/benefit analysis of implementing new controls, or dysfunctions that can occur due to technical faults, human or simple errors.

### 4.4.1 Organizational structure of the Bonduelle Group

Bonduelle SCA is a holding company whose operating activities are carried out by its Bonduelle SA subsidiary, which houses the group's five business units, organized into the Europe Zone and the Non-Europe Zone, and which, although operating in different geographical regions, all have similar characteristics in terms of dynamics, profitability, business environment and development strategy.

Bonduelle SA manages the following tasks:

- development policy, oversight of equity interests, mergers, acquisition and asset sales;
- oversight of the group's overall financial policy, including financing means;
- tax policy and implementation;
- determination of compensation policies, oversight of management, and training and staff development;
- protection of intellectual and industrial property rights;
- compliance with all laws and regulations governing the group's operations;
- management of the group's insurance programs;
- approval of new advertising campaigns prior to their release;
- corporate communication;
- financial communication and investor, analyst and Shareholder relations;
- pooling of resources, such as IT;
- research and development programs.

The business units are organized by region and business activity, and divided into Europe and Non-Europe Zones.

## Internal control and risk management procedures

They have their own financial resources, oversee their own product development, and are responsible for most of their production and all of their marketing needs.

The group's objectives are defined by the General Management. They not only involve business performance, but also areas in which the group is striving to achieve excellence, such as human resources management, quality, innovation, working conditions, and environmental protection.

The goals factor in past performance, in-depth analysis and ongoing changes in the business environment.

The risk analysis related to business activities is an integral part of the process of preparing action plans, which involves identifying the key success factors and analyzing the main assumptions used to achieve these objectives.

### 4.4.2 Contributors to the internal control risk management

The main risk management and internal control bodies are as follows:

#### At group level

Since July 1, 2018, Executive Management of Bonduelle SA has been exercised exclusively by its Chief Executive Officer, whose authority is attributed by law and the Company's Articles of association.

The Corporate Departments are responsible for enforcing decisions made by the Executive Management and must in particular ensure that the information presented to the latter is accurate and relevant.

Executive Management comprises a Chief Executive Officer and three Deputy CEOs, together forming the Chief Executive Board, the Chief Executive Officers of the various business units, the Head of the Bonduelle Prospective & Development division, the Head of External Communication and CSR and the Head of Human Resources, constituting the Group Management Committee. This reviewed the group's sales and financial performance and discusses all matters of interest to the group and its business units. It met six times during the fiscal year. The organization and responsibilities are described in greater detail in the corporate governance report.

The group's Internal Audit Department reports directly to the group's Executive Management and may be consulted by the Chairman. The audit programs and tasks are approved by the Executive Management and the Audit Committee. A report on each audit is sent to the group's governance bodies, the Operations Managers of the audited entities and the Statutory Auditors. Seventeen audits were performed during the 2018-2019 fiscal year in the group's various business units and

departments, thus enabling all the group's business activities to be covered over a three-year cycle. Following each audit, action plans are developed by the relevant operating units to correct deficiencies identified in the audit report, and the implementation of these action plans is monitored by the Internal Audit Department and Operations Managers, and then reviewed by the group's governance bodies.

The Supervisory Board, acting on the recommendation of the Audit Committee, is responsible for selecting the Statutory Auditors to be appointed or reappointed by the Shareholders' Meeting. The group is audited by a college of Statutory Auditor enabling geographic and global coverage of the group's risks.

#### At business unit level

The Management Committee is comprised of the Chief Executive Officer and executive officers of the main functions. The Chief Financial Officer is specifically charged with implementing internal control systems to prevent and manage risks arising from the business units activities as well as those caused by errors or fraud.

Once a quarter, the group's Chief Executive Board meets as an Internal Board of Directors together with the Management Committee of each business unit to determine the business unit's objectives, review its performance and financial outlook and set its policies at business unit level. Specifically, the following topics are covered:

- in February: interim results;
- in June: budget and investments for the next year;
- in September: annual results;
- in November: medium-term plan.

#### Internal control procedures

Internal control procedures are included in the Finance and Administrative Handbook, which defines:

- the respective areas of responsibility and authority of the Corporate Departments and the business units;
- the applicable financial rules and processes.

This handbook is available in French and English and is updated at least once a year and in line with changes in the group's rules and procedures.

A formal procedure for delegating authority sets out the responsibilities of Executive Management, the management of the Corporate Departments and the Management Committees of the respective business units.

Budgetary control is based on three principles:

- the budget is prepared on the basis of guidelines and directives established by the Executive Management;





- the monitoring of performance through monthly reporting or meetings of the Internal Board of Directors;
- the medium-term plan drawn up for a period of three years and reviewed annually.

Procedures and guidelines determine the responsibilities of each party and specify the operating methods and related controls.

Group and business unit Management Control teams are responsible for budget controlling.

The group has, moreover, developed an internal control self-assessment process based on a questionnaire intended to measure the extent to which the rules and procedures are properly applied within fully consolidated group entities. This questionnaire is completed yearly. It is shared with Executive Management, the group Finance Department, the Chief Executive Officers of the group's business units and the Audit Committee.

### 4.4.3 Risk management procedures

As with any company, during the course of its business the Bonduelle Group is exposed to a number of risks. The main risk management and control measures are described in Sections 4.2 "Risk factors" and 4.3 "Financial, legal and hedging policy risks".

To structure the oversight of these risks, since 2008, the group has gradually developed a three-year risk mapping process of identifying, assessing and reviewing the management of risks, which breaks down as follows:

- year 1: business unit level and group-wide risk maps were established. The results obtained allowed the group to improve the risk management approach within the group's current organization, and adapt the latter to the growth of its scope and to its development in emerging countries;
- year 2: action plans aimed at limiting and/or covering risks identified at group and business unit level were defined and put in place;
- year 3: results of the implementation of action plans aimed at limiting and/or covering risks identified at group and business unit level, and the level of control over the main risks was reviewed.

In 2018-2019, work focused on implementing action plans aimed at limiting and/or covering risks identified at group and business unit level. In addition, the group's risk map review did not reveal any new major strategic and/or operational risks.

The results of the risk mapping processes are analyzed by the group's governance bodies to ensure that all major risks have

been identified and assessed, and to develop appropriate action plans and preventive measures.

A report is made to the Supervisory Board of the roll-out of these procedures and action plans associated with the different risks identified.

### 4.4.4 Internal control procedures applicable to the preparation of financial and accounting information

The group prepares interim and annual consolidated financial statements. These processes are administered by the Controlling Department, which forms part of the group Finance Department.

This information is prepared in accordance with an annual agenda provided to the entities. The main steps are as follows:

- monthly reporting of activity;
- quarterly reporting package;
- interim and annual financial closing statements.

The consolidated financial statements are prepared using information provided in the form of reporting packages extracted from the IT systems by each entity and sent to the Consolidation Department using a special software application. All transactions are recorded in accordance with the rules established in the group-wide consolidation procedure manual.

All documents exchanged as part of the consolidation process have been standardized and disseminated to the entire group and reviewed by the Statutory Auditors.

During the closing of the financial statements, the finance teams review the financial statements and work with the Control Management Department to analyze and explain changes in results from one period to the next and variances with respect to the budget.

This system is complemented by the audit work of the Statutory Auditors for the interim and annual parent company and consolidated financial statements.

### 4.4.5 Other information

The rules governing Shareholder participation in Shareholders' Meetings are set out in detail in Article 23 of the Articles of association of Bonduelle SCA. Copies of these Articles of association will be provided upon request by the administrative head office in Villeneuve d'Ascq (France), or are available on the Company's website, [www.bonduelle.com](http://www.bonduelle.com).







# Consolidated financial statements



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## 5.1 Consolidated income statement

<i>(in thousands of euros)</i>	Notes	At 2018/06/30	At 2019/06/30
<b>Revenue</b>	3.1	2,776,641	2,777,120
Purchases and external charges	3.2	(2,024,536)	(2,014,385)
Employee benefits expenses	4.1	(547,632)	(560,814)
Depreciation, amortization and impairment		(88,514)	(89,422)
Other operating income	3.3	38,613	43,806
Other operating expenses	3.3	(30,952)	(32,641)
Gain/loss on sale of consolidated equity investments		0	0
<b>Current operating profit</b>		123,620	123,665
Non-recurring items	3.4	(4,595)	(7,851)
<b>Operating profit</b>		119,025	115,814
Cost of net debt		(22,675)	(21,887)
Other financial income and expenses		(2,631)	(750)
<b>Financial result</b>	5.2	(25,306)	(22,637)
Share of net income from associates		9	(48)
<b>Profit before tax</b>		93,727	93,128
Income tax	6.1	(21,399)	(20,555)
<b>NET INCOME</b>		72,328	72,574
• Attributable to owners of the Company		72,435	72,617
• Attributable to non-controlling interests		(107)	(44)
<b>BASIC EARNINGS PER SHARE</b>	7.1	2.27	2.26
<b>DILUTED EARNINGS PER SHARE</b>	7.1	2.26	2.24

### Gains and losses recognized directly in equity

<i>(in thousands of euros)</i>	At 2018/06/30	At 2019/06/30
<b>Net income for the period</b>	72,328	72,574
Items that may be reclassified subsequently to P&L	(26,948)	16,414
Cash flow hedge	1,919	(1,915)
Translation adjustments	(28,202)	17,672
Tax effects	(666)	657
Items that may not be reclassified subsequently to P&L	(110)	(996)
Actuarial gains and losses on defined benefit plans	30	(1,483)
Tax effects	(140)	487
Income and expenses recognized directly in equity	(27,058)	15,419
<b>TOTAL RECOGNIZED INCOME AND EXPENSES</b>	45,270	87,992
Attributable to owners of the Company	45,377	88,036
Attributable to non-controlling interests	(107)	(44)



## 5.2 Consolidated balance sheet

### Assets

<i>(in thousands of euros)</i>	Notes	At 2018/06/30	At 2019/06/30
<b>Non-current assets</b>		<b>1,060,168</b>	<b>1,122,884</b>
Other intangible assets	8.2	44,394	57,098
Goodwill	8.1	461,800	481,881
Property, plant and equipment	8.3	502,080	527,614
Investments in associates		326	278
Other non-current financial assets	5.4	34,765	38,519
Deferred taxes	6.1	12,838	14,588
Other non-current assets	5.3	3,966	2,908
<b>Current assets</b>		<b>966,941</b>	<b>988,406</b>
Inventories and work-in-progress	3.5	576,498	627,426
Trade and other receivables	3.6	340,669	324,163
Tax receivables		7,831	4,392
Other current assets	5.3	13,375	11,883
Other current financial assets	5.3	4,675	3,849
Cash and cash equivalents	5.6	23,893	16,693
<b>TOTAL ASSETS</b>		<b>2,027,109</b>	<b>2,111,290</b>

### Liabilities and Shareholders' equity

<i>(in thousands of euros)</i>	Notes	At 2018/06/30	At 2019/06/30
<b>Shareholders' equity (group share)</b>		<b>639,239</b>	<b>717,398</b>
Share capital		56,492	56,942
Additional paid-in capital		31,738	38,559
Consolidated reserves		551,010	621,897
<b>Non-controlling interests</b>	1.1.2	<b>7,577</b>	<b>7,574</b>
<b>Shareholders' equity</b>		<b>646,817</b>	<b>724,972</b>
<b>Non-current liabilities</b>		<b>502,475</b>	<b>637,651</b>
Financial debts	5.6	429,959	564,215
Employee benefit obligations	4.2	23,495	26,076
Other non-current provisions	9.1	12,098	9,103
Deferred taxes	6.1	11,033	8,344
Other non-current liabilities	5.3	25,889	29,913
<b>Current liabilities</b>		<b>877,818</b>	<b>748,668</b>
Current Financial debts	5.6	229,262	127,659
Current provisions	9.1	8,217	7,866
Trade and other payables	3.7	634,304	607,456
Tax payables		4,288	3,800
Other current liabilities	5.3	1,746	1,887
<b>TOTAL LIABILITIES</b>		<b>2,027,109</b>	<b>2,111,290</b>

## 5.3 Consolidated statement of cash flows

<i>(in thousands of euros)</i>	Notes	At 2018/06/30	At 2019/06/30
<b>Net income</b>		<b>72,328</b>	<b>72,574</b>
Share of net income from associates		(9)	48
Depreciation, amortization, provisions and impairment	5.1	79,866	88,254
Other components of net income with no cash impact		3,101	(2,189)
Deferred tax	6.1	4,579	(2,604)
Accrued interest		845	(1,637)
<b>Gross cash flows from operating activities</b>		<b>160,711</b>	<b>154,446</b>
Change in WCR		(19,237)	(35,449)
<b>Net cash flows from operating activities</b>		<b>141,474</b>	<b>118,997</b>
Acquisitions of consolidated companies, net of cash and cash equivalents	2.1	0	(28,142)
Disposals of consolidated companies, gross of cash and cash equivalents disposed of		0	0
Changes in scope of consolidation		0	0
Acquisition of tangible and intangible assets <sup>(1)</sup>	8.2 & 8.3	(97,723)	(118,426)
Acquisitions of financial assets		0	(114)
Disposals of property, plant and equipment and financial assets	3.3	1,015	1,475
Net change in loans and other non-current financial assets		889	448
<b>Net cash flows from (used in) investing activities</b>		<b>(95,819)</b>	<b>(144,759)</b>
Capital increase		0	0
(Acquisition) Disposal of treasury shares		85	(1,306)
Increase (Decrease) in non-current financial liabilities	5.6	78,437	128,583
Increase (Decrease) in current financial liabilities	5.6	(104,310)	(100,278)
Dividends paid to group and minority Shareholders	5.4	(4,851)	(8,893)
<b>Net cash flows from (used in) financing activities</b>		<b>(30,640)</b>	<b>18,106</b>
Impact of exchange rate changes		(334)	456
<b>Change in cash and cash equivalents</b>		<b>14,682</b>	<b>(7,200)</b>
Cash and cash equivalents - opening balance		9,212	23,893
Cash and cash equivalents - closing balance		23,893	16,693
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>		<b>14,682</b>	<b>(7,200)</b>

(1) Investments correspond to acquisitions of property, plant and equipment and intangible assets described in Notes 8.2 and 8.3 (excluding Del Monte) as well as the change in related trade payables shown in Note 3.7.

Consolidated statement of changes in equity

## 5.4 Consolidated statement of changes in equity

<i>(in thousands of euros)</i>	In number of shares	Capital	Additional paid-in capital	Actuarial gains and losses	Treasury shares	Translation reserves	Accumulated income	Shareholders' equity (group share)	Non-controlling interests	Total equity
<b>Equity at July 1, 2017</b>	<b>32,000,000</b>	<b>56,000</b>	<b>22,545</b>	<b>(3,803)</b>	<b>(8,428)</b>	<b>(67,608)</b>	<b>600,211</b>	<b>598,916</b>	<b>7,591</b>	<b>606,507</b>
Income recognized directly through equity				(107)		(28,202)	1,254	(27,055)	(3)	(27,058)
Net income at 2018/06/30							72,435	72,435	(107)	72,328
Free allocation of shares							452	452		452
Puts on non-controlling interests							(74)	(74)	111	37
Changes in scope of consolidation				7			8	15	(15)	0
Treasury shares					627		(355)	271		271
Other							(871)	(871)		(871)
Dividends paid	281,118	492	9,193				(14,536)	(4,851)		(4,851)
<b>Equity at June 30, 2018</b>	<b>32,281,118</b>	<b>56,492</b>	<b>31,738</b>	<b>(3,903)</b>	<b>(7,802)</b>	<b>(95,810)</b>	<b>658,524</b>	<b>639,239</b>	<b>7,577</b>	<b>646,817</b>
<b>Equity at July 1, 2018</b>	<b>32,281,118</b>	<b>56,492</b>	<b>31,738</b>	<b>(3,903)</b>	<b>(7,802)</b>	<b>(95,810)</b>	<b>658,524</b>	<b>639,239</b>	<b>7,577</b>	<b>646,817</b>
Income recognized directly through equity				(995)		17,672	(1,258)	15,419	(1)	15,418
Net income at 2019/06/30							72,617	72,617	(44)	72,574
Free allocation of shares							978	978	0	978
Puts on non-controlling interests							(63)	(63)	88	26
Changes in scope of consolidation				(5)			(50)	(55)	(47)	(102)
Treasury shares					(755)		(364)	(1,119)	0	(1,119)
Other							(726)	(726)	0	(726)
Dividends paid	257,222	450	6,822				(16,165)	(8,893)	0	(8,893)
<b>EQUITY</b>										
<b>AT JUNE 30, 2019</b>	<b>32,538,340</b>	<b>56,942</b>	<b>38,559</b>	<b>(4,903)</b>	<b>(8,557)</b>	<b>(78,138)</b>	<b>713,495</b>	<b>717,398</b>	<b>7,574</b>	<b>724,972</b>

The Combined Ordinary and Extraordinary Shareholders' Meeting, held on December 6, 2018, gave Shareholders the option of receiving the dividend for the 2017-2018 fiscal year

in cash or in new shares. As a result of this transaction, the share capital comprised 32,538,340 shares with a par value of 1.75 euros per share at June 30, 2019.

## 5.5 Notes to the annual consolidated financial statements

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### 1. ACCOUNTING PRINCIPLES

#### Note 1.1 Preparation methods

The consolidated financial statements of the Bonduelle Group and its subsidiaries ("the group") for the 2018-2019 fiscal year have been prepared in accordance with the "IFRS" (International Financial Reporting Standards) published by the IASB (International Accounting Standards Board), and whose adoption ruling has been published in the official journal of the European Union.

The notes to the annual consolidated financial statements have been prepared in accordance with IFRS and follow

recommendation 2012-02 of the *Autorité des normes comptables* (ANC - French Accounting Standards Board).

**Standards, updates and interpretations first applicable to fiscal year 2018-2019:**

**Applicable to accounting periods beginning on, or after, July 1, 2018:**

– IFRS 15 and its amendments "Revenue from contracts with customers"

IFRS 15, which defines revenue recognition principles, replaced IAS 18 - Revenue, and IAS 11 - Construction contracts, and related interpretations, beginning on or after



July 1, 2018. Its scope covers all contracts with customers, apart from leases, financial instruments and insurance policies, covered by other standards.

#### Accounting principles amended further to the application of IFRS 15

Group revenue is derived mainly from sales of finished products. It is recognized in profit or loss when the customer actually obtains control of the product, *i.e.* when the customer can direct the use and obtain substantially all the remaining benefits from it.

Revenue is recognized net of any discounts or rebates accorded to customers and any costs related to trade agreements, referencing agreements, or concerning occasional promotional campaigns invoiced by distributors as well as any penalties that may be incurred by Bonduelle. These amounts are estimated when the revenue is recognized, on the basis of agreements and commitments with the customers in question. It may also include transport services supplied by Bonduelle to its customers. This amount is estimated when the revenue is recognized when the service is provided and control transferred.

Consequently, the changes introduced by IFRS 15 only had a limited impact on the group's financial statements and are reflected in immaterial reclassifications over the period between revenue and other income statement lines.

The group chose the transition method known as the "simplified retrospective" method and so did not restate the comparative fiscal year. Shareholders' equity at the 2018-2019 opening date was not impacted by the first adoption of IFRS 15.

#### – IFRS 9 "Financial instruments"

IFRS 9 replaces most of the existing IFRS provisions for financial instruments, particularly IAS 39, and adoption is mandatory for periods beginning on or after January 1, 2018. Bonduelle has applied the standard's provisions on the classification, measurement and impairment of financial instruments, as well as provisions specific to hedge accounting, since July 1, 2018, retrospectively with no adjustment of comparative statements.

In particular, IFRS 9 amends:

- requirements for recognizing hedging transactions and the main categories of financial assets and liabilities: given the nature of Bonduelle's transactions, the impact was not material at the transition date;
- recognition of the financial asset-related credit risk is based on the expected losses approach rather than the incurred losses approach used previously. This entails, in particular, the recognition of impairment of customer receivables not yet due. As a result of the Bonduelle Group insurance strategy, which covers most of its assets, businesses and types of customer, the impact was not material at the transition date.

As a result, this document's accounting principles were modified.

#### – Amendment to IFRS 2 "Share-based payments"

This amendment deals, in particular, with the transition from cash-settled plans to equity-settled plans. This amendment had no impact on the consolidated financial statements for the period.

#### – IFRIC 22 "Foreign currency transactions and advance consideration"

This interpretation determines the exchange rate to be used when recognizing a non-monetary asset (liability) in a foreign currency for which an advance consideration (deferred income) is expected. This interpretation had no impact on the consolidated financial statements for the period.

#### IFRS, applicable to accounting periods beginning on, or after, July 1, 2019 which were not adopted early for this fiscal year

##### – IFRS 16: "Leases"

IFRS 16, which will replace IAS 17 - Leases, and its interpretations, from July 1, 2019, establishes accounting principles for recognizing leases and introduces significant changes to how leases are recognized by lessees, eliminating the need to distinguish between operating and finance leases.

Under the new standard, all leases must be recognized in the balance sheet by an asset that reflects the right to use the leased asset, in exchange for a lease liability corresponding to the discounted value of rent payable over a reasonably certain lease term.

IFRS 16 will also affect the way in which these transactions are shown in the income statement (recognition of depreciation and interest expense instead of rent expense) and in the statement of cash flows (rental payments, representing debt repayments, will no longer affect operational flows but rather financing flows).

The group will opt for the simplified retrospective approach from July 1, 2019 and will use the discounting rates corresponding to the remaining lease term at the transition date. The 2018-2019 financial statements will not, therefore, be restated and the adoption of the standard will not affect 2019-2020 opening equity.

The implementation of a software dedicated to gathering contractual data and calculating impacts is being finalized.

The group is also counting on using the exemptions permitted by the standard, namely, the exclusion of leases with low-value underlying assets or with a lease term of less than one year after renewal options have been assessed.

In terms of work carried out to date, the lease liability is estimated at between 80 and 100 million euros at the commencement of the 2019-2020 fiscal year.

The main leases by value are leases on plants, registered offices and agricultural land in Europe and the United States. Other leases are for vehicles and industrial and agricultural equipment.

## 1.1.1. Information concerning the group

Listed on Euronext (Compartment A), Bonduelle SCA is a French limited partnership (*société en commandite par actions*). Bonduelle, a leading player in plant-based food, is in particular a market leader in processed vegetables both within and outside Europe. The Company operates in three business segments: canned, frozen and ready-to-use fresh vegetables (ready-to-eat prepared and fresh-cut ready-to-use vegetables).

General Management approved the consolidated financial statements under IFRS and authorized the publication of the approved financial statements closed on June 30, 2019, which will be submitted for approval at the Shareholders' Meeting of December 5, 2019.

### Acquisition of a frozen food plant in Russia

On June 3, 2019, the Bonduelle Group announced that it had acquired the industrial assets of the frozen vegetable producer, LLC SHOCK, in the region of Belgorod (Russia).

Located in an agricultural region that is renowned for its temperate climate and particularly fertile soil (blackcentral soil), this industrial site will accelerate the expansion of Bonduelle's frozen vegetable business in these same markets, through high-quality production.

This production site, with an initial acquisition cost of around 7 million euros and a limited investment requirement, will make it possible to process between 6,000 and 10,000 tonnes of frozen vegetables a year. About 50 permanent employees will work at the site and in partnership with the local agricultural community, developing its know-how in terms of environmentally-friendly agricultural practices.

### Bonduelle successfully issued a new private bond on the US market (USPP)

Looking for additional maturity for its financing and for the refinancing of the EuroPP maturing on March 11, 2019, on May 2, 2019, Bonduelle issued a new 140 million euro private placement in the United States (USPP) with a ten-year maturity. This took the average maturity of the group's overall debt to over four years.

Operating on the USPP market since 2000, Bonduelle issued this private placement under particularly attractive terms to a pool of existing investors who confirmed their confidence in the group. Largely oversubscribed, this transaction enabled the group to significantly reduce the cost of its debt.

Bonduelle was advised by Natixis, acting as agent, and by Willkie Farr & Gallagher, acting as legal adviser.

### Bonduelle continues to expand its frozen food business in the United States with the acquisition of the Lebanon plant

On February 12, 2019, the Bonduelle Group announced that it had reached a definitive agreement with the US company Seneca Foods Corporation (NASDAQ: SENE, SENE) to acquire its Lebanon plant (Pennsylvania, USA).

This plant, which is used for packaging frozen products, was built in 2008 and acquired by Seneca in 2010. It has a capacity of 45,000 tonnes on seven packaging lines which are all in perfect working order. It has a large storage capacity and has 140 permanent employees.

The Bonduelle Americas Long Life (BALL) business unit which, until recently, had a limited capacity for expansion, has thus increased its frozen food production facilities in North America, now with four industrial units on the East coast of the United States and six in Canada. As well as the additional packaging capacity generating revenue, this acquisition will allow both industrial and logistical synergies with existing facilities and will improve the quality of the service offered to BALL business unit customers.

This acquisition, including industrial assets, inventories of frozen products and Lebanon industrial site personnel, effective February 11, 2019, will, given the seasonality of the business, be accretive from the 2019-2020 fiscal year.

## 1.1.2. Consolidation methods

The consolidated financial statements fully consolidate the financial statements of all subsidiaries controlled either directly or indirectly by the group.

Control is defined and measured in accordance with IFRS 10, based on three criteria: power of decision, exposure to variable returns and the relationship between power and those returns.

Full consolidation allows recognition of all of assets, liabilities and income statement items of the companies concerned, after elimination of all intercompany transactions and earnings, with the portion of income and equity attributable to group companies ("group share") distinguished from the portion concerning the interests of other Shareholders ("Non-controlling interests"). All companies over which Bonduelle does not exercise exclusive control yet still exerts significant influence or joint control are accounted for using the equity method.

Soléal is fully consolidated, as the company is controlled by the group and, from a contractual and financial standpoint, Soléal's sole intra-group customer is Bonduelle Europe Long Life SAS (BELL).





All consolidated group companies closed their annual financial statements on June 30, 2019, with the exception of the following companies: Bonduelle Kuban, Coubanskie Conservi, Bonduelle do Brasil, Bonduelle Kazakhstan, Agro Rost and Bonduelle Belgorod. All these companies were consolidated on the basis of their accounting position as at June 30, 2019.

Some companies over which the Bonduelle Group has direct, or indirect, control or over which it exercises significant influence, could not be consolidated because they were not deemed to be significant.

More especially with regard to Coopérative France Champignon, in view of the latter's trading relations and by-laws and in accordance with IFRS, the Bonduelle Group does not exercise control over the company. France Champignon has not, therefore, been consolidated and the holding appears under "Other non-current financial assets". Under IFRS 9, this holding is measured at fair value through other comprehensive income.

Companies are included within the consolidation scope with effect from the date on which control or significant influence is acquired.

Companies are deconsolidated with effect from the date on which control or significant influence is lost.

All income and expenses related to subsidiaries acquired or disposed of during the fiscal year are recognized in the consolidated income statement with effect from the acquisition date or until disposal.

All transactions between consolidated companies and intercompany income (including dividends) are eliminated.

### 1.1.3. Segment reporting

Segment data is reported on the basis of the operating segments used for internal reporting purposes.

The two operating segments are: Europe Zone and Non-Europe Zone.

The Europe Zone covers the following geographical areas: France, Germany, Italy and the Iberian Peninsula which form Southern Europe, Northern Europe and Central Europe.

The Non-Europe Zone covers Eastern Europe, Asia, the Mercosur, North America and Export markets.

The primary indicators published are those used by the group's Executive Management. Revenue, operating profit and non-current assets are presented by geographical region. Revenue is also presented by operating segment.

### 1.1.4. Translation of transactions denominated in foreign currencies and the financial statements of foreign companies

#### Translation of transactions denominated in foreign currencies

Transactions denominated in foreign currencies are valued using the exchange rates applicable on the transaction dates. All receivables and liabilities denominated in foreign currencies recognized in the balance sheet at the end of the period are valued at the closing rates. All foreign exchange gains and losses generated by the translation of transactions denominated in foreign currencies are included under the "financial income" and "financial expenses" headings of the income statement, except for those on borrowings denominated in foreign currencies or other instruments used to hedge long-term equity investments in that same currency, which are included on the line "Accumulated translation adjustments" of the consolidated Shareholders' equity.

#### Translation of the financial statements of foreign companies

The balance sheets of companies with a functional currency other than the euro are translated into euros at the official rate at the end of the fiscal period. In each income statement, income and expenses must be translated at the exchange rate at the date of the transactions. For practical reasons, the yearly arithmetic average exchange rate is used to convert income and expense items. However, if exchange rates record significant fluctuations, a calculation method other than the yearly arithmetic average may be used, in line with the seasonality of the business.

The exchange differences resulting from the application of these various foreign exchange rates are included on the line "Accumulated translation adjustments" in consolidated Shareholders' equity until such time as the foreign holdings to which they pertain are sold or liquidated.

### 1.1.5. Business combinations

All business combinations have been recognized using the acquisition method since July 1, 2009 in accordance with standard IFRS 3 (revised) (Business Combinations), and according to IFRS 3 for acquisitions made before this date.

According to this method, the identifiable assets acquired and liabilities assumed are recognized at their fair value, notwithstanding the exceptions specified in IFRS 3R.

For all combinations formed after July 1, 2009, the extra costs associated with the acquisition are recognized in expenses.

Similarly, from July 1, 2009, any non-controlling interest in the acquiree (minority interest) can either be measured at the non-controlling interest's proportionate share of the fair value of the acquiree's identifiable assets acquired and liabilities assumed (IFRS 3 2004), or at its fair value (referred to as the full goodwill method). This option is available on a transaction-by-transaction basis.

The difference between the cost of acquisition of the shares and the fair value of the acquired share of identifiable assets and liabilities on the acquisition date is recognized in goodwill.

If the cost of an acquisition is less than the fair value of the net assets of the acquiree, the negative goodwill (badwill) is recognized directly in profit and loss.

The goodwill analysis is finalized during the assessment period, *i.e.* 12 months from the takeover date.

## Note 1.2 Accounting principles

The consolidated financial statements at June 30, 2019 are presented in thousands of euros, and reflect the financial position of the Company and its subsidiaries (hereafter referred to as “the group”).

They have been prepared on the basis of historical costs, with the exception of the assets and liabilities discussed below, which are recognized at fair value.

### 1.2.1. Intangible assets

#### Goodwill

When shares are acquired in companies that are either fully consolidated or accounted for using the equity method, the cost of acquiring the shares is allocated to the assets, liabilities and contingent liabilities acquired measured at their fair value. Any positive difference between the acquisition cost and the group’s share in the fair value of the assets, liabilities and contingent liabilities acquired represents goodwill. These differences are presented on the asset side of the consolidated balance sheet under “Goodwill” for fully-consolidated companies and under “Investments in associates” for companies accounted for using the equity method.

Goodwill relating to foreign companies is recognized in the functional currency of the Company acquired.

Negative goodwill (badwill) is immediately recognized in the income statement as non-recurring items.

#### Other intangible assets

All separately identifiable brands acquired whose useful life is considered to be indefinite are recognized in the consolidated balance sheet under the heading “Other intangible assets”.

Licenses, patents and any other intangible assets acquired are recognized at their acquisition cost under “Other intangible assets” in the consolidated balance sheet. They are amortized on a straight-line basis in accordance with their projected useful life.

All development costs must be capitalized as intangible assets when the Company can prove that they will generate future economic benefits and their costs can be identified.

Development costs for software used within the group are carried as assets in the balance sheet when it is probable that these expenses will generate future economic benefits. These costs are amortized on a straight-line basis over the expected useful life of the software, which may be between one and five years. All other software acquisition and development costs are immediately recognized as expenses.

#### Monitoring of brand values

The main factors used to assess the indefinite nature of the useful life of the brands were their market positioning in terms of sales volume, brand awareness, and their expected long-term profitability.

These values are not amortized but undergo an annual impairment test, in accordance with IAS 36, which includes the monitoring of the indicators cited above.

#### Monitoring of goodwill values

The carrying amount of goodwill is tested for impairment at least once a year; all other intangible assets are tested when other events and conditions suggest that they are likely to have experienced a loss of value. An impairment loss is recognized when the recoverable amount of the intangible assets becomes less than their net carrying amount.

Any impairment is allocated first to the goodwill allocated to the Cash Generating Unit (CGU), and then as a reduction of the net carrying amount of each asset within the CGU.

The recoverable amount of goodwill, which is used to calculate any impairment to be recognized in the financial statements, is the value-in-use estimated on the basis of the present value of future cash flows. If this value-in-use does not cover the assets’ carrying amount, the recoverable amount used (if higher) is their fair value less selling costs.

Cash Generating Units are combinations of subsidiaries that belong to the same business segment and that generate cash flows that are clearly distinct from those generated by other CGUs. The cash flows used to calculate values in use are taken from the CGUs’ five-year strategic plans.

A 1% growth rate is used to extrapolate the predicted cash flows beyond the five-year period included in the strategic plans.

These cash flows are discounted on the basis of a weighted average cost of capital (WACC = 6.3%) calculated using the market data available for Bonduelle and its business segments.

The WACC is calculated based on a market-based debt of 24% of long-term equity and a risk-free rate of 1.5%.

The group uses the following operating segments to monitor its CGUs for each operating segment: Europe Zone and Non-Europe Zone.

For the Europe Zone:

- canned and frozen vegetables segment;
- ready-to-use fresh vegetables segment.

For the Non-Europe Zone:

- canned and frozen vegetables segment in North and South America;



- canned and frozen vegetables segment in Eastern Europe;
- ready-to-use fresh vegetables segment in North America.

The fair value less all related selling costs corresponds to the amount that could be obtained by selling the asset (or group of assets) under arm's length conditions, less all costs related directly to the disposal of the asset(s).

### 1.2.2. Property, plant and equipment

Property, plant and equipment are recorded on the balance sheet at their cost less accumulated depreciation and impairment. The gross value of property, plant and equipment corresponds to their purchase or production cost. It is never remeasured. Purchase or production costs include, where applicable, all costs related to the dismantling or refurbishing of production sites.

Given the nature of our investments, borrowing costs are not included in the cost of property, plant and equipment.

Non-current assets held through finance leases are recognized as assets on the balance sheet at the lower of the discounted value of the future minimum payments or the market value when the contract transfers to the group, in substance, most of the risks related to the ownership of the asset. The level of risk transferred is assessed by analyzing the terms of the contract. The financial liability arising from the acquisition of the asset is recorded in the consolidated balance sheet.

Depreciation is calculated on a straight-line basis based on purchase cost, less any residual value, from the date on which the asset is ready to be placed in service. With the exception of certain special cases, residual values are zero.

Useful lives are reviewed periodically, particularly in the case of decisions to move production sites.

- Buildings: 10 to 40 years.
- Plant & equipment, office equipment: 5 to 15 years.
- Other non-current assets: 3 to 10 years.

Where circumstances or events indicate that the value of a fixed asset may have declined, the group examines the recoverable amount of the asset (or group of assets to which it belongs).

The recoverable amount is the higher of the asset's fair value less disposal costs and its value in use. Value in use is estimated by discounting the expected future cash flows of the asset (or group of assets to which it belongs) within the conditions of use planned by the group. Impairment is recognized when the recoverable amount of a fixed asset falls below its net carrying amount.

### 1.2.3. Financial assets

IFRS 9 requires financial assets to be recognized in one of the following three categories:

- at amortized cost;
- at fair value through other comprehensive income;
- at fair value through profit or loss.

Financial assets are classified and measured on the basis of two criteria: the entity's business model (collection of contractual cash flows or monetization by disposal) for managing financial assets and the contractual cash flow characteristics of the financial asset.

#### Financial assets at fair value through profit or loss

These consist of financial assets held by the group with a view to generating a short-term gain, or any financial assets voluntarily classified in this category. They are measured at their fair value, and all changes are recognized in the income statement. Classified under cash equivalents within the group's current assets, these financial instruments include, where applicable, units or shares in money market funds and derivative assets.

#### Loans

Loans are recognized at their amortized cost using the effective interest rate method.

#### Trade and related receivables

##### Trade receivables

Trade receivables are recognized in the balance sheet at amortized cost.

As part of its financing policy, the group may have recourse to trade receivable securitization programs. Such securitizations are without recourse. The risk is transferred, in full, to the institution purchasing the receivable. As a result, these receivables are no longer recognized as assets in the balance sheet. The group does not retain any ongoing involvement in the derecognized assets.

##### Impairment allowance

The impairment allowance mainly relates to disputes over which Bonduelle is in discussion with customers. The impairment allowance for expected credit losses is recognized at an amount equal to expected losses over the life of the receivable.

##### Loans to subsidiaries and affiliates

Loans to subsidiaries and affiliates are shown as financial assets and are recognized at amortized cost.

##### Other non-consolidated holdings

Other non-consolidated holdings are recognized in the consolidated balance sheet at fair value. Changes to fair value such as losses or gains on disposal are recognized in consolidated Shareholders' equity under other comprehensive income and are not recycled to profit or loss.

## Other non-current financial assets

Other non-current financial assets primarily comprise security deposits required under certain countries' tax regulations and funds covering post-employment benefit schemes. The assets are recognized at amortized cost.

### 1.2.4. Financial liabilities

Financial liabilities include:

- bonds;
- accrued interest not yet due;
- outstandings on finance leases;
- borrowings and bank lines;
- derivative liabilities.

Financial liabilities are measured and recognized at their amortized cost using the effective interest rate method. They are recognized at the settlement date.

In accordance with IFRS 9, which amended IAS 39 on accounting policies for fair value hedging, bonds, which were swapped at the time they were issued, were marked to market. Changes in the fair value of the debt and the associated derivatives are recognized through profit or loss for the period.

### 1.2.5. Derivative instruments

The group uses over-the-counter derivatives to manage exposure to foreign exchange and interest rate risks. Group policy excludes being engaged in speculative transactions on the financial markets.

Derivatives are recognized in the consolidated balance sheet at fair value:

- derivatives used to manage net debt and to hedge net investment in foreign operations are recognized as Derivative assets or liabilities;
- operational currency derivatives are recognized under Derivative assets or liabilities:
  - if the derivative is designated as a fair value hedge for assets or liabilities recognized in the consolidated balance sheet, changes in value of both the derivative and the underlying hedged item are recognized through profit or loss for the same period,
  - if the derivative is designated as a hedge of a net investment in foreign operations, changes in value are recognized in equity under translation adjustments and are recycled to profit or loss when the asset is derecognized,
  - if the derivative is designated as a future cash flow hedge:
    - changes in the value of its effective portion are recognized in equity under other comprehensive income and are recycled to profit or loss when the hedged item is itself recognized in profit or loss under the same heading,

- the time value (swap and currency option premium, cross-currency basis swap spreads) is recognized in equity under other comprehensive income and is recognized in profit or loss when the underlying matures, in line with the principles adopted by the group.

Changes in the fair value of the ineffective portion of instruments qualifying as hedges, and changes in the fair value of derivatives that do not qualify for the use of hedge accounting, are recognized directly through profit or loss for the period.

Derivatives are recognized at the transaction date.

IFRS 7.27A distinguishes three levels of methods for determining fair value:

- level 1: quoted prices on an active market for similar instruments with no adjustment;
- level 2: fair value determined based on data observable either directly (such as a price) or indirectly (calculated based on another price), but other than a quoted price on an active market as stated under level 1;
- level 3: fair value determined based on unobservable market data.

The method used by Bonduelle is level 2 in accordance with IFRS 13. Moreover, the market data used in the valuation models includes central bank fixings and data supplied by platforms such as Reuters.

### 1.2.6. Inventories

Materials inventories are measured at their weighted average unit cost. Inventories of work in progress and finished goods are measured at their production cost, which includes the cost of purchasing the materials used and all direct and indirect production costs (including fixed production costs).

Borrowing costs are not included in the inventory cost. Impairment is deemed necessary in the following cases:

- for raw materials, when the current market price is lower than the inventory value;
- for finished goods and commodities sold as-is, each time the probable net realizable value is lower than the production or purchase cost.

The amount of impairment required to bring inventory to its net realizable value, and all inventory losses, are recognized as expenses for the period during which the impairment or loss occurred. The sum of any recoveries of inventory impairment resulting from an increase in the net realizable value is recognized as a reduction in the amount of inventories recognized in expenses in the period during which the recovery was made.

Intercompany margins are eliminated.



### 1.2.7. Treasury shares

Bonduelle's shares held by the Company are recognized as a reduction of consolidated equity, on the line "Treasury shares", for an amount corresponding to their cost. Any funds generated by the sale of treasury shares are applied directly as an increase in Shareholders' equity, and therefore any gains or losses on disposal do not impact net income for the year.

### 1.2.8. Cash and cash equivalents

Cash assets consist of all investments with original maturities equal to or less than three months and that can be disposed of immediately. These investments are measured at their market value.

The elements that make up cash and cash equivalents are cash in bank current accounts and potential units or shares in short-term money market funds or redeemable medium-term notes, of which the risk of a change in value is deemed negligible.

### 1.2.9. Investment grants

Investment grants appear in the balance sheet under "Other non-current liabilities". These are listed under "Other operating income" in the income statement and are recognized over the same period as the amortization of the fixed assets that they have made it possible to acquire.

### 1.2.10. Taxes

Income tax expense corresponds to the current tax payable by each consolidated tax entity, adjusted for deferred taxes.

In France, Bonduelle SCA is the company that heads the tax consolidation group that includes Bonduelle SA, Bonduelle Europe Long Life SAS, Bonduelle Development SAS, Champiloire SAS, Bonduelle Frais Traiteur SAS, Bonduelle Frais France SAS, Bonduelle Traiteur International SAS, Champignonnières des Roches SAS, Champignonnières de la Vienne SAS, Euromycel SAS, MOD Bond SAS (formerly Coviju2 SAS), Coviju3 SAS and Coviju4 SAS.

All current taxes in respect of the period are classified in current liabilities insofar as they have not been settled. Any overpayments of income taxes are classified among balance sheet assets as current receivables.

Deferred taxes are recognized on temporary differences between the carrying amounts of assets and liabilities and their value for tax purposes, with the exception of goodwill. Under the liability method, deferred taxes are calculated on the basis of the income tax rate expected for the fiscal year during which the asset will be realized or the liability settled, and are classified among non-current assets and liabilities. Impacts of changes in tax rates from one year to the next are recognized in the net income of the fiscal year during which the change is recognized. Deferred taxes pertaining to items recognized directly in Shareholders' equity are also recognized in Shareholders' equity.

Total deferred tax assets resulting from temporary differences and tax loss and credit carryforwards must not exceed the estimated value of the tax that may be recovered. The latter is assessed at the end of each fiscal year, based on earnings forecasts for the tax entities concerned. Deferred tax assets and liabilities are not discounted.

All deferred taxes are recognized through profit or loss on the income statement, except those generated by items that are allocated directly to equity. In this case, the deferred taxes are also allocated to equity. This is the case in particular for deferred taxes on brands, when the expected tax rate has just been modified.

### 1.2.11. Retirement, termination and welfare benefit commitments

The group provides its employees with either defined contribution or defined benefit plans.

The group's main obligations under its defined benefit programs consist of retirement benefits and long service awards in France, retirements plans in Germany and termination benefits in Italy.

Breakdown of the various plans:

Type of plan	France	Germany	Italy
	Termination benefits and long-service awards	Retirement plans	Termination plans
Discount rate	1.20%	1.20%	1.20%
Return on plan assets	1.20%	N/A	N/A
Future salary increase	1.95%	1.75%	N/A
Retirement age	63 years	65 years	62 years

Apart from the US work-related accident compensation scheme (worker's compensation) described in Section 1.2.12, the group does not have any obligations for medical benefits.

The same discount rate (1.20%) is used to calculate Bonduelle's obligations under the various plans. It was determined based on AA-rated bond yields of private issuers in the euro zone. The rate of salary inflation presented is an average rate, calculated specifically for each plan.



In accordance with IAS 19, "Employee Benefits", the projected unit credit method is used to calculate pension and other post-retirement benefits under the defined benefit plans, in particular using assumptions about salary inflation, employee turnover, retirement age and life expectancy.

The corresponding actuarial liabilities are recognized either as contributions paid to insurance companies or in the form of provisions.

Under the revised IAS 19, the Bonduelle Group recognizes the actuarial gains and losses generated during the year directly to equity.

Actuarial gains and losses are generated by inter-period changes in the actuarial assumptions used to calculate the value of the liabilities and the assets, and by experience differences corresponding to changes to the database of individual records.

The lines "Impact of discounting" and "Projected return on plan assets" are recognized through net financial expense.

Under defined contribution plans, the group's only obligation is to pay the required premiums. Said premiums are recognized in the income statement for the period.

### 1.2.12. Other non-current and current provisions

Provisions are established for clearly identifiable risks and expenses whose timing or amount is uncertain, when an obligation to a third party actually exists and it is certain or probable that this obligation will result in an outflow of resources without receiving at least equivalent consideration.

In the case of restructuring, an obligation is recognized once its implementation has begun or a detailed plan has been drawn up that has, to a sufficiently clear extent, created a well-founded expectation on the part of the persons in question that the Company will implement the restructuring.

With regard to US companies with workers' compensation programs, compensation claims made and not yet settled on the reporting date, whether carried forward or not, are covered by provisions determined on the basis of the estimated cost of settlement and related processing costs. Where there is enough historical group or market data on claims made and settled, the Executive Management of such companies, with the help of external actuaries, estimates the risks covered by such companies for claims not yet reported, using the actuarial cost method for claims incurred but not reported (IBNR - Incurred But Not Reported). Such provisions are recognized as provisions for employee-related risks and expenses in the Bonduelle Group financial statements and are remeasured every year.

### 1.2.13. Revenue

Revenue is derived mainly from sales of finished products. It is recognized in profit or loss when the customer actually obtains control of the product, when it can direct the use and obtain substantially all the remaining benefits from it.

Revenue is recognized net of any discounts or rebates accorded to customers and any costs related to trade agreements, referencing agreements, and/or concerning occasional promotional campaigns invoiced by distributors as well as any penalties that may be incurred by Bonduelle. These amounts are measured when the revenue is recognized, on the basis of agreements and commitments with the customers in question.

Revenue may also include transport services supplied by Bonduelle to its customers. Revenue is then recognized when the service is provided.

### 1.2.14. Other current operating income and expenses

This item primarily comprises grants, income from asset disposals, sales not classed as revenue (particularly sales to partners) as well as income associated with adjustments or compensation received.

### 1.2.15. Non-recurring items

Non-recurring items comprise significant items that cannot be considered as inherent to the group's operational activity due to their nature and non-habitual character. They include mainly badwill, impairment of intangible assets (including goodwill) from consolidated shareholdings, restructuring and reorganization costs, acquisition costs, insurance deductibles and costs related to uncovered claims, and financial losses arising from fraud or fines, as well as the impacts of changes in estimates.

### 1.2.16. Share-based payments

Share purchase options and free shares granted to employees are measured at their fair value on the allocation date. The fair value is calculated using the Black & Scholes option pricing model for stock options and the discounting of share value adjusted for dividends for the free share allocation plans. The fair value of free shares granted is also calculated on the basis of presence and performance requirements established by the Executive Management. This value is recognized in the income statement for the period during which employee's exercise rights become vested, with the offsetting entry consisting of an equivalent increase in Shareholders' equity. All expenses recognized in relation to options that expire prior to becoming exercisable are reversed in the income statement for the period during which they expire.





### 1.2.17. Basic earnings per share and diluted earnings per share

Basic earnings per share are calculated by dividing group net income by the average number of shares in issue during the fiscal year.

To calculate diluted earnings per share, the weighted average number of shares is adjusted to reflect the impact of the conversion of any convertible instruments into common shares.

### 1.2.18. Assets and liabilities held for sale and operations discontinued, sold or in the process of being sold

Assets and liabilities held for sale, *i.e.* immediately available for disposal and whose disposal is highly probable, are presented on separate lines of the consolidated balance sheet of the period during which the decision to sell was taken. The consolidated balance sheets of previous periods are not restated. Sale is said to be highly probable when a plan for the sale of the asset (or group of assets) held for sale has been drawn up by the Executive Management and an active search for an acquirer has been initiated.

Assets held for sale are measured at the lowest of their carrying amount or fair value, minus any selling costs, and are no longer depreciated.

Furthermore, net income and cash flow from discontinued operations or operations that have been sold or are in the process of being sold are presented respectively on a separate line of the income statement and the statement of cash flows, for all of the periods presented.

### 1.2.19. Use of estimates

As part of the normal preparation of the consolidated financial statements, the calculation of certain financial data requires the use of assumptions, estimates and assessments. This is especially true for the measurement of intangible assets, deferred taxes on tax loss carryforwards and the calculation of the amount of provisions for risks and charges or provisions for employee benefit and sales commitments. These assumptions, estimates and assessments are based on information and positions existing at the date on which the financial statements were prepared, which may prove, after the fact, to be different from the actual figures.

### 1.2.20. Reclassification

The presentation of certain items in the financial statements pertaining to prior years may have been modified to make it compliant with the accounting principles adopted for the most recent period presented. No significant reclassifications were made during the fiscal year.

### 1.2.21. Alternative performance indicators

In its financial reporting, the group presents performance indicators not defined by accounting standards. The main performance indicators are as follows:

- **like for like basis:** at constant currency exchange rate and scope of consolidation basis. The revenues in foreign currency over the given period are translated into the rate of exchange for the comparable period. The impact of business acquisitions (or gain of control) and divestments is restated as follows:
  - for businesses acquired (or gain of control) during the current period, revenue generated since the acquisition date is excluded from the organic growth calculation,
  - for businesses acquired (or gain of control) during the prior fiscal year, revenue generated during the current period up until the first anniversary date of the acquisition is excluded,
  - for businesses divested (or loss of control) during the prior fiscal year, revenue generated in the comparative period of the prior fiscal year until the divestment date is excluded,
  - for businesses divested (or loss of control) during the current fiscal year, revenue generated in the period commencing 12 months before the divestment date up to the end of the comparative period of the prior fiscal year is excluded;
- **non-recurring items:** Note 1.2.15;
- **net debt:** the Company's credit or debit position with regard to third parties at the end of the operating cycle. It corresponds to current and non-current financial debt adjusted for derivative assets and liabilities and cash and cash equivalents;
- **gearing:** gearing is the ratio of net debt (Note 5.6) to total Shareholders' equity;
- **leverage ratio:** the leverage ratio corresponds to the ratio of net debt to REBITDA. It is an expression of the number of years that the Company would need to pay back its debt based on its REBITDA;
- **gross cash flows from operating activities:** this corresponds to net cash flow generated by operating activities before change in working capital requirement. It corresponds to net income corrected for the share of net income from associates and calculated items (depreciation and amortization and provisions, deferred taxes and other income with no impact on cash flow);
- **current operating margin:** the current operating margin is the ratio of current operating income to revenue;
- **REBITDA (Recurring earnings before interest, taxes, depreciation and amortization):** this is current operating income restated for depreciation, amortization and impairment on property, plant and equipment and intangible assets;
- **operating income:** current operating income adjusted for non-recurring items;

– **current operating income:** current operating income corresponds to net income before financial expense, income tax and share of net income from associates. The group uses current operating profit as its main performance indicator. Current operating profit shall be taken before taking into account non-recurring items. These correspond to material

items that are unusual, abnormal and infrequent and do not relate to the Company's underlying performance;

– **ROCCE:** this ratio measures the profitability of capital investments made by Shareholders and funds loaned by banks and other financial partners. It is obtained by dividing current operating profit by capital employed, or the sum of Shareholders' equity and net debt.

## 2. SCOPE OF CONSOLIDATION

### Note 2.1 Changes in the scope of consolidation and acquisitions of individual assets

#### Acquisition of Del Monte's processed fruit and vegetable business in Canada

On July 3, 2018, the Bonduelle Group acquired Del Monte's processed fruit and vegetable business in Canada from Conagra Brands Inc.

This acquisition includes the right to use the Del Monte brand on different processed fruit and vegetables segments for an indeterminate period, as well as related inventories of products. The acquired business does not include any industrial assets as co-packers and Bonduelle's existing production capabilities will be used.

This acquisition was recognized under IFRS 3. The fair values acquired break down as follows: 10,323 thousand euros for the Del Monte brand, 6,044 thousand euros for inventories. This resulted in a cash outflow of 28,142 thousand euros, thereby generating goodwill of 11,775 thousand euros over the period.

#### Acquisition of the Lebanon plant (USA)

On February 12, 2019, the Bonduelle Group reached a definitive agreement with the US company Seneca (NASDAQ: SENE, SENE) to acquire its Lebanon plant (Pennsylvania, USA).

This plant, which is used for packaging frozen products, was built in 2008 and acquired by Seneca in 2010. It has a capacity of 45,000 tonnes on seven packaging lines, which are all in perfect working order, and has a large storage capacity.

On the acquisition date, this transaction generated the recognition of property plant and equipment amounting to 9,991 thousand euros and inventories amounting to 7,305 thousand euros.

#### Acquisition of the Belgorod plant (Russia)

On June 3, 2019, the Bonduelle Group, through its newly created subsidiary, Bonduelle Belgorod LLC, acquired frozen vegetable production assets in Belgorod (Russia).

Located in an agricultural region that is renowned for its temperate climate and particularly fertile soil (blackcentral soil), this industrial site will accelerate the expansion of Bonduelle's frozen vegetable business in these same markets, through high-quality production.

This asset acquisition resulted in the recognition of property, plant and equipment amounting to 6,638 thousand euros on the acquisition date.



Notes to the annual consolidated financial statements

### 3. OPERATIONAL FIGURES AND NON-RECURRING ITEMS

#### Note 3.1 Segment reporting

<i>(in thousands of euros)</i>	Europe Zone	Non-Europe Zone	Eliminations	Total at 2018/06/30
<b>Income statement</b>				
Revenue	1,299,437	1,486,316	(9,112)	2,776,641
Intercompany sales	(9,112)	0	9,112	
<b>TOTAL REVENUE</b>	<b>1,290,325</b>	<b>1,486,316</b>		<b>2,776,641</b>
Current operating profit	56,210	67,410		123,620

<i>(in thousands of euros)</i>	Europe Zone	Non-Europe Zone	Total at 2018/06/30
<b>Non-current assets</b>			
France	328,020	0	328,020
United States	0	404,654	404,654
Other	162,242	165,253	327,495
<b>TOTAL NON-CURRENT ASSETS</b>	<b>490,262</b>	<b>569,907</b>	<b>1,060,168</b>

<i>(in thousands of euros)</i>	Europe Zone	Non-Europe Zone	Eliminations	Total at 2019/06/30
<b>Income statement</b>				
Revenue	1,306,450	1,480,073	(9,402)	2,777,120
Intercompany sales	(9,402)	0	9,402	0
<b>TOTAL REVENUE</b>	<b>1,297,048</b>	<b>1,480,073</b>		<b>2,777,120</b>
Current operating profit	54,717	68,947		123,665

<i>(in thousands of euros)</i>	Europe Zone	Non-Europe Zone	Total at 2019/06/30
<b>Non-current assets</b>			
France	321,505		321,505
United States		428,225	428,225
Other	165,997	207,155	373,153
<b>TOTAL NON-CURRENT ASSETS</b>	<b>487,503</b>	<b>635,381</b>	<b>1,122,884</b>

#### 3.1.1. Information by segment

<i>(in thousands of euros)</i>	Canned	Frozen	Fresh	Total at 2018/06/30
Revenue - excluding intercompany	988,012	622,039	1,166,590	2,776,641

<i>(in thousands of euros)</i>	Canned	Frozen	Fresh	Total at 2019/06/30
Revenue - excluding intercompany	1,023,393	657,908	1,095,819	2,777,120

### 3.1.2. Information by destination geographical area

<i>(in thousands of euros)</i>	At 2018/06/30		At 2019/06/30	
United States	1,027,148	37%	972,764	35%
France	624,431	22%	636,421	23%
Canada	264,134	10%	295,899	11%
Southern Europe	237,593	8%	238,501	9%
Germany	220,818	8%	219,210	8%
Eurasia <sup>(1)</sup>	163,478	6%	169,997	6%
Northern Europe	128,352	5%	126,988	5%
Central Europe <sup>(2)</sup>	58,934	2%	66,489	2%
Other	51,753	1%	50,851	1%
<b>TOTAL REVENUE</b>	<b>2,776,641</b>	<b>100%</b>	<b>2,777,120</b>	<b>100%</b>

(1) Russia and other CIS countries.

(2) Eastern European countries that have joined the European Union.

### Note 3.2 Purchases and external charges

<i>(in thousands of euros)</i>	At 2018/06/30	At 2019/06/30
Purchases of goods and other supplies	(1,452,706)	(1,464,154)
Production in inventory	535	14,469
Changes in inventories of goods and other supplies	13,646	31,426
Other external charges	(586,010)	(596,126)
<b>TOTAL PURCHASES AND EXTERNAL CHARGES</b>	<b>(2,024,536)</b>	<b>(2,014,385)</b>

### Note 3.3 Other operating income and expenses

<i>(in thousands of euros)</i>	Notes	At 2018/06/30	At 2019/06/30
Operating services		3,697	3,745
Reversals of provisions	9.1	4,294	2,989
Reversal of current asset impairment	3.5 & 3.6	8,384	2,474
Grants		3,857	3,822
Income from asset disposals		771	1,690
Other operating income*		17,610	29,085
<b>TOTAL OTHER OPERATING INCOME</b>		<b>38,613</b>	<b>43,806</b>

\* This item mainly comprises sales to partners not classed as revenue, insurance compensation and settlement of accounts with third parties.

<i>(in thousands of euros)</i>	Notes	At 2018/06/30	At 2019/06/30
Taxes and duties		(23,546)	(23,481)
Provisions	9.1	(3,441)	(2,964)
Impairment of current assets	3.5 & 3.6	(1,537)	(6,174)
Other operating expenses		(2,428)	(21)
<b>TOTAL OTHER OPERATING EXPENSES</b>		<b>(30,952)</b>	<b>(32,641)</b>

### Note 3.4 Non-recurring items

<i>(in thousands of euros)</i>	At 2018/06/30	At 2019/06/30
Reorganization and restructuring costs	(2,062)	(2,973)
Insurance deductibles and costs relating to claims	(1,999)	(4,517)
Acquisition costs and fees	(400)	(360)
Other (net balance)	(134)	0
<b>TOTAL NON-RECURRING ITEMS</b>	<b>(4,595)</b>	<b>(7,851)</b>

### Note 3.5 Inventories and work in progress

<i>(in thousands of euros)</i>	Gross amount	Provisions	Net carrying amount at 2018/06/30	Gross amount	Provisions	Net carrying amount at 2019/06/30
Materials and packaging	165,245	(1,710)	163,536	181,159	(1,996)	179,163
Work-in-progress and finished goods	429,662	(16,700)	412,962	468,496	(20,233)	448,263
<b>TOTAL INVENTORIES AND WORK-IN-PROGRESS</b>	<b>594,907</b>	<b>(18,410)</b>	<b>576,498</b>	<b>649,655</b>	<b>(22,229)</b>	<b>627,426</b>

#### Analysis of accruals for impairment of inventories and work-in-progress

<i>(in thousands of euros)</i>	At 2018/06/30	At 2019/06/30
<b>Materials and packaging</b>		
Opening balance	(2,176)	(1,710)
Additions	(468)	(614)
Reversal	891	343
Translation adjustments and other	43	(15)
<b>CLOSING BALANCE</b>	<b>(1,710)</b>	<b>(1,996)</b>
<b>Work-in-progress and finished goods</b>		
Opening balance	(22,199)	(16,700)
Additions	(977)	(4,910)
Reversal	5,767	1,703
Translation adjustments and other	710	(326)
<b>CLOSING BALANCE</b>	<b>(16,700)</b>	<b>(20,233)</b>

### Note 3.6 Trade and other receivables

Analysis of trade and other receivables:

<i>(in thousands of euros)</i>	Gross amount	Provisions	Net carrying amount at 2018/06/30	Gross amount	Provisions	Net carrying amount at 2019/06/30
Customers	279,148	(1,652)	277,496	260,986	(2,041)	258,945
Tax and social security receivables	38,659		38,659	41,618	0	41,618
Other receivables	25,040	(527)	24,514	24,005	(405)	23,600
<b>TOTAL TRADE AND OTHER RECEIVABLES</b>	<b>342,847</b>	<b>(2,178)</b>	<b>340,669</b>	<b>326,609</b>	<b>(2,446)</b>	<b>324,163</b>

## Change in impairment of trade and other receivables

<i>(in thousands of euros)</i>	2018/06/30	2019/06/30
<b>Customers</b>		
Opening balance	(3,098)	(1,652)
Additions	(92)	(636)
Reversal	1,449	279
Translation adjustments and other <sup>(1)</sup>	89	(32)
<b>CLOSING BALANCE</b>	<b>(1,652)</b>	<b>(2,041)</b>
<b>Other receivables</b>		
Opening balance	(824)	(527)
Additions	0	(14)
Reversal	277	150
Translation adjustments and other <sup>(1)</sup>	21	(15)
<b>CLOSING BALANCE</b>	<b>(527)</b>	<b>(405)</b>

(1) Inter-account reclassifications.

## Trade and related receivables by maturity

<i>(in thousands of euros)</i>	2018/06/30	2019/06/30
Not yet due	235,825	217,871
Overdue:		
• less than 30 days	35,056	35,647
• between 30 and 90 days	4,073	2,749
• more than 90 days	2,542	2,678
<b>TOTAL TRADE AND RELATED RECEIVABLES</b>	<b>277,496</b>	<b>258,945</b>

## Note 3.7 Trade and other payables

<i>(in thousands of euros)</i>	At 2018/06/30	At 2019/06/30
Trade payables	455,175	436,858
Amounts payable for acquisition of assets	22,908	15,483
Tax and social security payables	115,556	114,004
Other payables	40,666	41,110
<b>TOTAL TRADE AND OTHER PAYABLES</b>	<b>634,304</b>	<b>607,456</b>



## 4. EMPLOYEE EXPENSES, HEADCOUNT AND BENEFITS

### Note 4.1 Remuneration and headcount

<i>(in thousands of euros and number of employees)</i>	At 2018/06/30	At 2019/06/30
Employee expense for consolidated companies	(547,632)	(560,814)
Average annual workforce	15,195	14,589
Employees with long-term employment contracts	10,957	10,655

### Note 4.2 Employee benefit obligations

31,388 thousand euros at June 30, 2019, compared with 30,796 thousand euros at June 30, 2018.

#### 4.2.1. Defined contribution plans

The group is involved in setting up pension plans for its personnel in accordance with the laws and practices of the countries in which group companies operate. Commitments correspond to contributions owing. These stand at

#### 4.2.2. Defined benefit plans

In addition, the group is mainly responsible for contractual commitments to pay severance and termination benefits. Commitments are measured using the Projected Credit Unit method.

A description of the plans can be found in Note 1.2.11.

Changes to the financial position of defined benefit plans are as follows:

<i>(in thousands of euros)</i>	2017-2018	2018-2019
<b>Income statement: Retirement expense</b>		
Cost of services rendered during the year	1,370	1,316
Impact of discounting	434	436
Projected return on plan assets	(69)	(45)
(Gains)/Losses from plan wind up	0	0
<b>RETIREMENT (INCOME) EXPENSE RECOGNIZED</b>	<b>1,735</b>	<b>1,707</b>

<i>(in thousands of euros)</i>	2017-2018	2018-2019
<b>Change in the present value of the obligation</b>		
<b>Present value of DBO<sup>(1)</sup> at July 1</b>	<b>26,342</b>	<b>26,430</b>
Cost of services rendered during the year	1,266	1,316
Impact of discounting	434	436
Employee contributions	0	0
Plan reduction and amendment	104	0
Currency effect	(10)	9
Benefits paid	(1,726)	(2,149)
Actuarial (gains)/losses related to changes in demographic assumptions	0	9
Actuarial (gains)/losses related to changes in actuarial assumptions	72	1,634
Actuarial (gains)/losses related to experience differences	(53)	(164)
<b>PRESENT VALUE OF DBO<sup>(1)</sup> AT JUNE 30</b>	<b>26,430</b>	<b>27,521</b>

(1) DBO: Defined benefit obligation.

<i>(in thousands of euros)</i>	2017-2018	2018-2019
<b>Change in fair value of plan assets</b>		
<b>Fair value of plan assets at July 1</b>	<b>4,290</b>	<b>2,935</b>
Projected return on plan assets	69	45
Employer contributions	0	523
Employee contributions	0	0
Plan wind up	0	0
Benefits paid	(1,473)	(2,054)
Actuarial (gains)/losses related to experience differences	48	(4)
<b>FAIR VALUE OF PLAN ASSETS AT JUNE 30</b>	<b>2,935</b>	<b>1,445</b>

<i>(in thousands of euros)</i>	2017-2018	2018-2019
<b>Reconciliation with amount recognized in balance sheet</b>		
<b>Net financial position: surplus/(deficit)</b>	<b>(23,495)</b>	<b>(26,076)</b>
Impact of the limiting of surpluses	0	0
<b>(Provision) at June 30</b>	<b>(23,495)</b>	<b>(26,076)</b>
<b>NET ASSETS AT JUNE 30</b>	<b>0</b>	<b>0</b>

<i>(in thousands of euros)</i>	2017-2018	2018-2019
<b>Actuarial gains and losses</b>		
Actuarial (gains)/losses generated at July 1	5,309	5,279
Actuarial (gains)/losses generated between July 1 and June 30	(30)	1,483

<i>(in thousands of euros)</i>	2017-2018	2018-2019
<b>Change in carrying amounts recognized during the year</b>		
Net opening (liability) asset	(22,052)	(23,495)
Retirement (expense) income	(1,735)	(1,707)
Benefits paid by the employer	253	618
Currency effect	10	(9)
Actuarial differences recognized in equity	30	(1,483)
<b>NET CLOSING (LIABILITY) ASSET</b>	<b>(23,495)</b>	<b>(26,076)</b>

For the actuarial assumptions at year-end, refer to Note 1.2.11. The assets managed by financial institutions to cover the group's termination benefit obligations are matched to general assets.

At June 30, 2019, the sensitivity of provisions for retirement benefits to the discount rate was as follows: a 0.50 point rise in the discount rate would have reduced the group's liability by 1,737 thousand euros. Conversely, a 0.50 point drop would have increased the group's liability by 1,919 thousand euros.



### Note 4.3 Share-based payments

The Bonduelle SCA General Management is authorized to grant Bonduelle stock options and free shares to certain directors and officers of the group.

#### Description of free share allocation plans<sup>(1)</sup>

	Plan 4	Plan 5	Plan 6	Plan 7	Plan 8	Plan 9
Date of Shareholders' Meeting:	2015/12/03	2015/12/03	2015/12/03	2015/12/03	2018/12/06	2018/12/06
Date of the General Management decision	2015/12/07	2016/09/16	2016/10/27	2017/10/06	2018/12/07	2018/12/07
Initial number of shares allocated	61,868	76,801	2,415	47,582	72,066	7,616
• Including number of shares granted to Guillaume DEBROSSE, Permanent representative of Pierre et Benoît Bonduelle SAS, itself General Manager of Bonduelle SCA	N/A	N/A	N/A	N/A	11,423	0
• Including number of shares granted to the Executive Committee <sup>(2)</sup>	61,868	76,801	2,415	47,582	72,066	0
• Including other						7,616
<b>Total number of free shares allocated</b>	<b>61,868</b>	<b>76,801</b>	<b>2,415</b>	<b>47,582</b>	<b>72,066</b>	<b>7,616</b>
<b>Total number of free shares canceled or expired</b>	<b>32,881</b>		<b>0</b>			
Effective allocation date	2018/12/07	2019/09/16	2018/10/27	2020/10/06	2021/11/05	2019/12/07
Date from which shares can be sold	2018/12/08	2019/09/17	2018/10/28	2020/10/06	2021/11/05	2020/12/07
<b>Number of shares actually awarded at June 30, 2019</b>	<b>28,987</b>	<b>0</b>	<b>2,415</b>	<b>0</b>	<b>0</b>	<b>0</b>

	Plan 10	Plan 11	Plan 12	Plan 13	Plan 14
Date of Shareholders' Meeting:	2018/12/06	2018/12/06	2018/12/06	2018/12/06	2018/12/06
Date of General Management decision	2018/12/07	2018/12/07	2018/12/07	2018/12/07	2019/02/11
Initial number of shares allocated	26,429	24,141	24,373	18,619	23,024
• Including number of shares granted to Guillaume DEBROSSE, Permanent representative of Pierre et Benoît Bonduelle SAS, itself General Manager of Bonduelle SCA		0	0	0	0
• Including number of shares granted to the Executive Committee <sup>(2)</sup>	26,429	24,141	24,373	18,619	0
• Including other					23,024
<b>Total number of free shares allocated</b>	<b>26,429</b>	<b>24,141</b>	<b>24,373</b>	<b>18,619</b>	<b>23,024</b>
<b>Total number of free shares canceled or expired</b>					
Effective allocation date	2020/12/31	2021/02/28	2021/03/31	2021/12/31	2022/02/11
Date from which shares can be sold	2020/12/31	2021/02/28	2021/03/31	2021/12/31	2022/02/11
<b>Number of shares actually awarded at June 30, 2019</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

(1) Free share grants are mainly based on a long-term profit-sharing scheme. Plans based on return on capital employed representing 50% of salary or fixed compensation at target and contingent on employment on the date of effective allocation. In accordance with the provisions of the AfeP-Medef Code, to the best of the Company's knowledge, Corporate Officers do not benefit from any hedging arrangements.

(2) Group Executive Committee up to plan 7, Group Management Committee from plan 8.

## Valuation of stock option and free share allocation plans

As stated in Note 1.2, Section 16, share purchase options and free shares granted to employees are measured at their fair value on the allocation date, based on the Black & Scholes option pricing model for stock options and the discounting of

share value adjusted for dividends for the free share allocation plans. The fair value of free shares granted is also calculated on the basis of presence and performance requirements established by the Executive Management.

The charge under IFRS 2 for the period was 1,496 thousand euros.

## 5. FINANCING AND FINANCIAL INSTRUMENTS

### Note 5.1 Management of financial risks

The group has established an organization that provides for centralized management of all of its liquidity, currency, interest rate and counterparty credit risks. The Finance Department has assigned the group Finance and Treasury Department responsibility for risk management, and provided it with all of the expertise and tools needed to participate in the various financial markets as effectively and safely as possible. The organization and procedures utilized are regularly reviewed by the Internal Audit Department and the Statutory Auditors. At meetings held regularly with the Chief Financial Officer and Finance and Treasury Direction, the group's Executive Management validates, on the basis of a report published monthly, the implementation of previously authorized management strategies.

In a rapidly changing global economic environment, characterized by market volatility and changes in financial techniques, the role of the group Finance and Treasury Department is to:

- ensure optimum and sufficient funding to finance the development and growth of the group's operating activities;
- identify, evaluate and hedge all financial risks in close collaboration with the operations teams.

The objective is to minimize, at the lowest possible cost, the impact of financial market fluctuations on the group's income statement, in order to reduce the capital allocation required to manage these financial risks.

The group prohibits the taking of speculative positions.

#### 5.1.1. Liquidity risk

The group Finance Department is responsible for maintaining sufficient liquidity at all times. It accomplishes this by efficiently managing the group's cash balances and ensuring that the maturity and conditions of the financing obtained are appropriate. In particular, it arranges confirmed lines of credit to maximize the flexibility of the group's financing (see Note 5.6 of the notes to the consolidated financial statements at June 30, 2019).

The Company specifically reviewed its liquidity risk and considers that it is able to meet its future payments.

#### 5.1.2. Market risks

##### Currency risk

##### Risks related to changes in foreign exchange rates

The group publishes its consolidated financial statements in euros, and in 2018-2019, 45.4% of revenue and 40.3% of current operating income were denominated in euros.

The share of assets, liabilities, sales and earnings denominated in other currencies – essentially the Polish zloty, Hungarian forint, Russian ruble, Brazilian real and US and Canadian dollars – fluctuates continuously. This means that the group is affected by fluctuations in the value of these currencies relative to the euro when they are translated into euros in the consolidated financial statements. For example, when the euro appreciates against these currencies it reduces the earnings contribution from those subsidiaries whose financial statements are denominated in these currencies.

All sales and expenses of group subsidiaries are generally expressed in their local currency, with the exception of imports, exports and financial transactions covered by centralized and systematic foreign currency hedges, where the type of exposure means that it can be hedged: Bonduelle therefore believes that its local exposure to currency fluctuations, after hedging, is limited.

The group's international growth strategy contributes to increasing the weight of non euro-denominated activities in revenue, operating profit and consolidated net income.

##### Hedging policies for currency risk

The group seeks to hedge all risks relating to the activities of its subsidiaries denominated in a currency other than their functional currency and risks relating to the financing of some subsidiaries operating in countries whose functional currency is not the euro; the asset/liability structure of the financing is created by natural matching or by putting financial instruments in place.



The group uses over-the-counter financial instruments only to hedge the financial risks generated by its production and sales activities. All hedges entered into must comply with the objectives and procedures established by the Bonduelle Group's Executive Management. These transactions are centralized within the group Finance and Treasury Department.

The group's policy regarding fluctuations in foreign exchange rates consists of periodically calculating its net exposure to foreign currencies and using financial derivatives to reduce this risk.

The group makes use above all of forward foreign exchange contracts, foreign currency swaps and options entered into with highly-rated bank counterparties. Details of the portfolio as well as an analysis of foreign exchange rate sensitivity appear in Notes 5.2 and 5.5 to the consolidated financial statements at June 30, 2019.

#### Interest rate risk

The interest rate management policy is coordinated, controlled and handled centrally, with the aim of protecting future cash flows and reducing the volatility of finance costs. The group uses various instruments available on the market, especially interest rate options and swaps.

Under IFRS 9, interest rate fluctuations may have an impact on the group's consolidated net income and equity. Details of the portfolio as well as an analysis of interest rate sensitivity appear in Notes 5.2 and 5.5 to the consolidated financial statements at June 30, 2019.

#### Credit risk

In light of the high credit quality of the group's principal counterparties and the wide dispersion of its customers throughout the world, especially in the mass-market retailing sector, the group considers that it does not have a significant exposure to credit risk. Nevertheless, most of this risk is covered by a prominent insurer.

Given the high liquidity of the group's trade and related receivables, the fair value of these assets is considered to be equal to their carrying amount.

#### Counterparty credit risk

In its dealings in financial assets in general and any cash balances, the group works only with highly-rated bank counterparties. Any cash surpluses are generally managed in short-term interest-bearing deposits.

#### Raw materials risk

The Bonduelle Group has always favored the best agricultural lands and the geographical diversification of its sourcing regions when deciding where to locate its production facilities, in order to reduce the climate-related risks inherent to all growing activities.

There is, moreover, no organized market for the agricultural raw materials purchased by the Bonduelle Group. Changes in the prices of agricultural raw materials quoted on a market do, however, have a more or less significant impact on the group's purchase prices, depending on the agricultural alternatives available to producers. In order to ensure long-term relationships with its vegetable suppliers, Bonduelle holds annual negotiations with producers' associations well in advance of the harvest, which relate principally to the producer's net margin per hectare. Bonduelle is therefore obliged to adjust its selling prices to reflect the results of its vegetable purchasing negotiations, which vary between sourcing regions.

The resilience of the Bonduelle Group's current operating profitability shows its overall capacity to offset raw material cost increases in its selling prices.

#### 5.1.3. Equity management

The Bonduelle Group always ensures that its financial structure remains optimal by respecting the balance between its net financial debt and its equity, and by maintaining a consistent dividend policy. This is intended to keep the cost of capital to a minimum, to maximize share price and dividend growth for the Shareholders and to maintain sufficient financial flexibility to take advantage of any opportunities that may arise.

Shareholders' equity at June 30, 2019 stood at 725.0 million euros. On the basis of this, General Management will propose to the Shareholders' Meeting of December 5, 2019 that the dividend be maintained at 0.50 euro per share.

## Note 5.2 Financial result

The group's financial result at June 30, 2019 amounted to -22.6 million euros, compared with -25.3 million euros the previous year.

<i>(in thousands of euros)</i>		At 2018/06/30	At 2019/06/30
<b>Cost of net debt</b>	<b>A</b>	<b>(22,675)</b>	<b>(21,887)</b>
Cash and cash equivalents		133	107
Interest expense (at effective interest rate)		(23,006)	(21,994)
Gains and losses on liabilities covered by fair value hedges		3,207	(7,480)
Gains and losses on fair value hedging derivatives		(3,008)	7,480
<b>Other financial income and expenses</b>	<b>B</b>	<b>(2,631)</b>	<b>(750)</b>
Foreign exchange gain (loss)		(1,879)	(875)
Ineffective portion of cash flow hedges		(520)	0
Net gain (loss) on derivatives ineligible for hedge accounting (foreign currency & interest rate risk)		160	503
Other financial income and expenses		(393)	(378)
<b>FINANCIAL RESULT</b>	<b>A + B</b>	<b>(25,306)</b>	<b>(22,637)</b>

The cost of net debt, the main component of the financial result, stood at -21.9 million euros at June 30, 2019 compared with -22.7 million euros the previous year.

It mainly comprises 22 million euros in interest paid at the effective interest rate. Further to the adoption of IFRS 9, the impact of residual ineffectiveness on the debt hedged at fair value, and hedge derivatives recognized at fair value linked to cross-currency basis swap spreads, is recognized in equity and will be recognized in profit or loss when the underlying debt matures, in line with the option offered by IFRS 9 and adopted by the group.

The reduction in the cost of net debt was mainly due to:

- the impact of interest rates related to a change in the breakdown of group debt by currency;
- reimbursement of the EuroPP issued in 2012;
- amortization of the first tranche of the USPP issued in 2010.

The interest rate, calculated on the group's average debt, in all currencies, and restated to account for IFRS impacts, stood at 2.41%, compared with 2.65% the previous year.

Other financial income and expenses (-0.7 million euros) breaks down as follows:

- -0.4 million foreign exchange result corresponding to gain/losses from foreign exchange hedges on flows relating to commercial activities and treasury flows in foreign exchange currencies. Further to the adoption of IFRS 9, the impact of ineffectiveness (time value of options) is recognized in equity and reclassified to profit or loss when the underlying flow matures, in line with the principles adopted by the group;
- -0.4 million euros in other financial income and expenses.

As required by IFRS 7, the group performed sensitivity analyses to measure its exposure to material changes in interest and foreign exchange rates.

The scope of the interest rate sensitivity analyses included all financial instruments, both debt and derivatives. The analyses were made assuming a uniform shift of +/-50 basis points in all yield curve maturities at the reporting date. The market values of the instruments were obtained from the valuation platforms used by the group's Finance and Treasury Department, and market data are populated using real-time information systems (Reuters, etc.).



## Analysis of sensitivity to interest rates

<i>(in thousands of euros)</i>	Change in interest rates			
	+50 bp		-50 bp	
	Impact on equity	Impact on results	Impact on equity	Impact on results
Interest on debt	0	(3,138)	0	3,138
Mark-to-market valuation of debt	0	5,378	0	(5,555)
<b>Payables</b>	<b>0</b>	<b>2,231</b>	<b>0</b>	<b>(2,407)</b>
Financial income from interest rate derivatives	0	1,224	0	(892)
Mark-to-market valuation of interest rate derivatives	2,421	(5,154)	(2,038)	5,320
<b>Interest rate derivatives</b>	<b>2,421</b>	<b>(3,930)</b>	<b>(2,038)</b>	<b>4,428</b>
<b>TOTAL</b>	<b>2,421</b>	<b>(1,699)</b>	<b>(2,038)</b>	<b>2,036</b>

The same valuation methods used to measure interest rate sensitivity (information systems and valuation platforms, etc.) are used to measure the group's exposure to changes in the currencies it uses for business and financing purposes (USD, HUF, CAD, RUB, PLN, etc.). The scope includes all balance sheet liabilities and receivables, those portions of trade-related flows expected to be generated during the period hedged, and all derivative instruments used to hedge foreign currency exposures.

In accordance with IFRS 7 §23, it is specified that, since this consists primarily of hedges of trading flows denominated in foreign currencies, the flows hedged and the associated hedging instruments generally mature in less than one year.

In the case of longer-term assets or liabilities, hedges can extend beyond one year, though they must not exceed the current limit of five years.

For the methods used to prepare the currency fluctuation sensitivity calculations, a variation of +/-5% in exposure to the main currencies has been applied.

## Analysis of sensitivity to changes in exchange rates (excluding subsidiaries' net equity)

<i>(in thousands of euros)</i>	Exchange rate changes of			
	+5% variation in the euro against the foreign currency		-5% variation in the euro against the foreign currency	
	Impact on equity	Impact on results	Impact on equity	Impact on results
HUF/EUR	39	(72)	(39)	(65)
USD/EUR	14	22	(13)	(62)
PLN/EUR	18	107	(4)	(141)
RUB/EUR	(26)	25	17	(68)
USD/CAD	0	70	0	(53)
<b>TOTAL</b>	<b>44</b>	<b>82</b>	<b>(39)</b>	<b>(337)</b>

### Note 5.3 Presentation of financial assets and liabilities by category

At 2018/06/30

	Value on the balance sheet	Fair Value	Financial assets within the scope of application of IFRS 9 on financial instruments			Assets excluded from the scope of application of IFRS 9 on financial instruments
			Amortized cost	Fair value through Shareholders' equity	Fair value through profit or loss	
<i>(in thousands of euros)</i>						
<b>Non-current assets</b>						
Other non-current financial assets	34,765	34,765	5,408	19,619	9,739	0
Investments in subsidiaries	16,061	16,061	0	16,061	0	0
Derivative assets	13,297	13,297	0	3,558	9,739	0
Other non-current financial assets	5,407	5,407	5,408	0	0	0
Other non-current assets	3,966	3,966	1,237	0	0	2,729
Other non-current receivables	1,237	1,237	1,237	0	0	0
Prepaid expenses	2,729	2,729	0	0	0	2,729
<b>Current assets</b>						
Trade & other receivables	340,669	340,669	340,669	0	0	0
Other current assets	13,375	13,375	866	0	0	12,509
Non-consolidated loans and receivables	859	859	859	0	0	0
Prepaid expenses	12,509	12,509	0	0	0	12,509
Other assets	7	7	7	0	0	0
Derivative assets	4,675	4,675	0	149	4,526	0
Marketable securities and other investments	101	101	101	0	0	0
Cash and cash equivalents	23,792	23,792	23,792	0	0	0

	Value on the balance sheet	Fair Value	Financial liabilities within the scope of application of IFRS 9 on financial instruments			Liabilities excluded from the scope of application of IFRS 9 on financial instruments
			Amortized cost	Fair value through Shareholders' equity	Fair value through profit or loss	
<i>(in thousands of euros)</i>						
<b>Non-current liabilities</b>						
Financial debts	429,959	430,474	417,854	2,412	10,207	0
Debt excluding derivatives	427,505	428,019	417,854	0	10,165	0
Derivative liabilities	2,454	2,454	0	2,412	42	0
Other non-current liabilities	25,828	25,828	15,520	0	0	10,308
Prepaid income and other accrual accounts	10,308	10,308	0	0	0	10,308
Miscellaneous debts	15,520	15,520	15,520	0	0	0
<b>Current liabilities</b>						
Trade and other payables	634,304	634,304	634,304	0	0	0
Current Financial debts	229,262	229,298	219,579	693	9,026	0
Debt excluding derivatives	221,939	221,975	219,579	0	2,396	0
Current derivative liabilities	7,323	7,323	0	693	6,630	0
Other current liabilities	1,746	1,746	0	0	0	1,746
Prepaid income and other accrual accounts	1,746	1,746	0	0	0	1,746



At 2019/06/30

	Value on the balance sheet	Fair Value	Financial assets within the scope of application of IFRS 9 on financial instruments			Assets excluded from the scope of application of IFRS 9 on financial instruments
			Amortized cost	Fair value through Shareholders' equity	Fair value through profit or loss	
<i>(in thousands of euros)</i>						
<b>Non-current assets</b>						
Other non-current financial assets	38,519	38,519	5,876	16,287	16,358	0
Investments in subsidiaries	16,061	16,061	0	16,061	0	0
Derivative assets	16,584	16,584	0	226	16,358	0
Other non-current financial assets	5,875	5,875	5,876	0	0	0
<b>Other non-current assets</b>	2,908	2,908	1,428	0	0	1,480
Other non-current receivables	1,428	1,428	1,428	0	0	0
Prepaid expenses	1,480	1,480	0	0	0	1,480
<b>Current assets</b>						
Trade & other receivables	330,012	330,012	330,012	0	0	0
Other current assets	11,883	11,883	100	0	0	11,783
Non-consolidated loans and receivables	93	93	93	0	0	0
Prepaid expenses	11,783	11,783	0	0	0	11,783
Other assets	7	7	7	0	0	0
Derivative assets	3,849	3,849	0	334	3,515	0
Marketable securities and other investments	286	286	286	0	0	0
Cash and cash equivalents	16,407	16,407	16,407	0	0	0

	Value on the balance sheet	Fair Value	Financial liabilities within the scope of application of IFRS 9 on financial instruments			Liabilities excluded from the scope of application of IFRS 9 on financial instruments
			Amortized cost	Fair value through Shareholders' equity	Fair value through profit or loss	
<i>(in thousands of euros)</i>						
<b>Non-current liabilities</b>						
Financial debts	564,215	564,620	540,033	2,432	22,155	
Debt excluding derivatives	561,783	562,188	540,033		22,155	
Derivative liabilities	2,432	2,432		2,432		
<b>Other non-current liabilities</b>	29,886	29,886	19,673			10,214
Prepaid income and other accrual accounts	10,214	10,214				10,214
Miscellaneous debts	19,673	19,673	19,673			
<b>Current liabilities</b>						
Trade and other payables	609,559	609,559	609,559			
Current Financial debts	127,659	127,689	123,057	439	4,192	
Debt excluding derivatives	126,229	126,259	123,057		3,201	
Current derivative liabilities	1,430	1,430		439	991	
<b>Other current liabilities</b>	1,887	1,887				1,887
Prepaid income and other accrual accounts	1,887	1,887				1,887

## **Offsetting financial assets and financial liabilities (IFRS 7 amendment)**

The group subscribes for over-the-counter derivatives with leading banks under agreements which offset payables and receivables in the event of default of one of the contracting parties. These conditional netting agreements do not meet IAS 32 criteria for offsetting derivative assets and liabilities in the balance sheet. They do, however, fall within the scope of disclosures to be made under IFRS 7.13 on the offsetting of financial assets and liabilities. On this basis, the effects of the netting agreements are as follows:

- net amount of derivative assets under IFRS 7.13: +17.8 million euros;
- net amount of derivative liabilities under IFRS 7.13: -1.3 million euros.

The fair value of 16.4 million euros recognized in the balance sheet for derivative assets essentially relates to cross-currency swaps in US dollars. These swaps were introduced to hedge the bond issue in the United States with a nominal value of 116 million US dollars at June 30, 2019.

These transactions are equally distributed among three highly rated bank counterparties.

## Note 5.4 Other non-current financial assets

Analysis of changes in gross amounts and impairment:

<i>(in thousands of euros)</i>	At 2017/06/30	Acquisitions or charges	Disposals or reversals	Other <sup>(3)</sup>	At 2018/06/30
<b>Gross amounts<sup>(1)</sup></b>					
Investments in subsidiaries <sup>(2)</sup>	17,135	0	(0)	0	17,135
Derivative assets	17,486	0	0	(4,189)	13,297
Other non-current financial assets	7,644	118	(1,615)	(533)	5,614
	<b>42,266</b>	<b>118</b>	<b>(1,615)</b>	<b>(4,722)</b>	<b>36,046</b>
<b>Impairment</b>					
Investments in subsidiaries <sup>(2)</sup>	1,075	0	0	0	1,075
Other non-current financial assets	206	0	0	0	206
	<b>1,281</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,281</b>
<b>Net carrying amount</b>					
Investments in subsidiaries <sup>(2)</sup>	16,060	0	(0)	0	16,060
Derivative assets	17,486	0	0	(4,189)	13,297
Other non-current financial assets	7,439	118	(1,615)	(533)	5,408
	<b>40,985</b>	<b>118</b>	<b>(1,615)</b>	<b>(4,722)</b>	<b>34,765</b>

<i>(in thousands of euros)</i>	At 2018/06/30	Acquisitions or charges	Disposals or reversals	Other <sup>(3)</sup>	At 2019/06/30
<b>Gross amounts<sup>(1)</sup></b>					
Investments in subsidiaries <sup>(2)</sup>	17,135	0	0	0	17,135
Derivative assets	13,297	0	0	3,287	16,584
Other non-current financial assets	5,614	628	(143)	(18)	6,080
	<b>36,046</b>	<b>629</b>	<b>(143)</b>	<b>3,268</b>	<b>39,800</b>
<b>Impairment</b>					
Investments in subsidiaries <sup>(2)</sup>	1,075	0	0	0	1,075
Other non-current financial assets	206	0	0	0	206
	<b>1,281</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,281</b>
<b>Net carrying amount</b>					
Investments in subsidiaries <sup>(2)</sup>	16,060	0	0	0	16,060
Derivative assets	13,297	0	0	3,287	16,584
Other non-current financial assets	5,408	628	(143)	(18)	5,876
	<b>34,765</b>	<b>629</b>	<b>(143)</b>	<b>3,268</b>	<b>38,520</b>

(1) The valuation principles are set out in Note 1.2.

(2) This is the carrying amount of the main holdings of non-consolidated companies by the group. The heading primarily contains the Bonduelle Group's minority interests in Coopérative France Champignon (France), whose net income for the period was not deemed significant. In accordance with IFRS 10 and 11, this company was not consolidated (Note 1.1.2), since the group does not have a controlling interest. The change in the fair value of these securities is recognized in Shareholders' equity.

(3) Reclassifications and fair value of derivative assets.

## Note 5.5 Derivative financial instruments

The group uses over-the-counter derivatives to manage exposure to foreign exchange and interest rate risks. Group policy excludes being engaged in speculative transactions on the financial markets.

### 5.5.1. Interest rate derivatives

#### Fair value hedges

Two of the fixed-rate bonds issued by the group were swapped to a variable interest rate at the time they were issued. The EUR tranche of the USPP issued on July 6, 2017, was swapped, in full, to a variable interest rate. These swaps meet the criteria required for fair value hedge accounting under IAS 39, amended by IFRS 9. The portion of the underlying debt and the swaps were recognized in the balance sheet at their market value.

#### Cash flow hedges

In August 2010, the group issued a fixed-rate USPP bond of 145 million dollars. In respect of the share of debt hedged by a derivative instrument converting a USD fixed-rate into a euro fixed-rate, provided the effectiveness of the hedging relationship has been validated using prospective tests, all changes in fair value of these instruments are booked directly to equity.

With regard to the EUR tranche of the USPP issued in July 2017, caps were put in place to protect against any interest rate rises. These hedges meet the criteria required for accounting in equity under IFRS 9.

#### Hedges not eligible for hedge accounting under IFRS

The group's debt also includes outstanding debts swapped into a variable interest rate. The group is therefore exposed to increases in euro interest rates. To hedge this risk, the group has set in place tunnel-type options, or caps, that protect it against any significant rise in interest rates. These instruments now meet the criteria required for accounting in equity under IFRS 9. At June 30, 2019, the group did not have any interest rate hedges that were not eligible for hedge accounting.

### 5.5.2. Foreign currency derivatives

#### Fair value hedges

The group is exposed to changes in the value of the bonds issued in US dollar in 2010 produced by fluctuations in the EUR/USD exchange rate. Derivatives: forward currency contracts or cross-currency swaps, qualifying for hedge accounting under IAS 39, amended by IFRS 9, have been introduced to fully hedge the residual nominal value of this risk.

As in previous years, the group introduced foreign currency and interest rate hedges on intra-group financing covering the needs of some of its subsidiaries located outside of the euro zone (Canada, Russia, Brazil, Hungary, Poland and the US). This intra-group financing has been the subject of full and systematic hedging of the foreign exchange risk, so that changes in the underlying value (loan/intra-group borrowings in currencies) are fully offset by changes in inverse values of the hedging item. Typically, these hedges were made through buy or sales forward contracts.

#### Cash flow hedges

Most of the group's sales are in euros. However, in certain countries, the group may issue invoices denominated in foreign currencies, mostly the US dollar, Canadian dollar, Hungarian forint, Russian ruble and Polish zloty. The group publishes its financial statements in euros, and changes in the value of these currencies against the euro may impact consolidated net income. To limit the sensitivity of its earnings to changes in exchange rates, the group introduces cash flow hedges using foreign currency forwards and options.

Cross-currency swaps also encompass an interest rate component in the hedging. When it involves hedging changes in the value of future cash flows by freezing them using a fixed rate, this hedging is eligible for cash flow hedge treatment; changes in value are then recorded in equity, then recycled in profit and loss as and when hedged flows occur.

#### Hedges not eligible for hedge accounting under IFRS

Some derivatives introduced by the group to hedge future cash flows do not qualify for hedge accounting under IFRS 9. These consist mainly of out-of-the-money options. Under these circumstances, changes in value are recognized directly in profit or loss.





Notes to the annual consolidated financial statements

**Derivatives at 2018/06/30**

	Notional amount	Market value		Carrying amount	
		Assets	Liabilities and Shareholders' equity	Assets	Liabilities and Shareholders' equity
<i>(in thousands of euros)</i>					
<b>Interest rate derivatives (A)</b>					
Cash flow hedges <sup>(1)</sup>	413,526	3,559	2,848	3,559	2,848
Fair value hedges	231,489	786	42	786	42
Hedges not eligible for hedge accounting under IFRS	0	0	0	0	0
<i>o.w. forward contracts: Swaps</i>	0	0	0	0	0
<i>o.w. options: Caps</i>	0	0	0	0	0
<i>o.w. options: Floors</i>	0	0	0	0	0
<b>Current portion</b>				<b>103</b>	<b>491</b>
<b>Non-current portion</b>				<b>4,243</b>	<b>2,400</b>
<b>Foreign currency derivatives (B)</b>					
Cash flow hedges	35,118	148	257	148	257
<i>o.w. forward contracts</i>	21,080	80	230	80	230
<i>o.w. options</i>	14,038	69	27	69	27
Fair value hedges	346,737	12,445	4,931	12,445	4,931
Hedges not eligible for hedge accounting under IFRS	67,890	1,034	1,699	1,034	1,699
<i>o.w. forward contracts</i>	48,256	558	799	558	799
<i>o.w. options</i>	19,634	477	899	477	899
<b>Current portion</b>				<b>4,573</b>	<b>6,833</b>
<b>Non-current portion</b>				<b>9,054</b>	<b>54</b>
<b>TOTAL DERIVATIVES (A + B)</b>					
<b>Current portion</b>				<b>4,675</b>	<b>7,323</b>
<b>Non-current portion</b>				<b>13,297</b>	<b>2,454</b>

*(1) Including out-of-the-money caps.*

## Derivatives at 2019/06/30

	Notional amount	Market value		Carrying amount	
		Assets	Liabilities and Shareholders' equity	Assets	Liabilities and Shareholders' equity
<i>(in thousands of euros)</i>					
<b>Interest rate derivatives (A)</b>					
Cash flow hedges <sup>(1)</sup>	423,266	257	2,653	257	2,653
Fair value hedges	216,784	8,114	0	8,114	0
Hedges not eligible for hedge accounting under IFRS	0	0	0	0	0
<i>o.w. forward contracts: Swaps</i>	0	0	0	0	0
<i>o.w. options: Caps</i>	0	0	0	0	0
<i>o.w. options: Floors</i>	0	0	0	0	0
<b>Current portion</b>				<b>401</b>	<b>222</b>
<b>Non-current portion</b>				<b>7,970</b>	<b>2,431</b>
<b>Foreign currency derivatives (B)</b>					
Cash flow hedges	25,611	303	217	303	217
<i>o.w. forward contracts</i>	12,832	107	61	107	61
<i>o.w. options</i>	12,778	197	156	197	156
Fair value hedges	157,639	11,558	235	11,558	235
Hedges not eligible for hedge accounting under IFRS	65,609	201	756	201	756
<i>o.w. forward contracts</i>	35,043	133	214	133	214
<i>o.w. options</i>	30,566	68	542	68	542
<b>Current portion</b>				<b>3,448</b>	<b>1,208</b>
<b>Non-current portion</b>				<b>8,614</b>	<b>1</b>
<b>TOTAL DERIVATIVES (A + B)</b>					
<b>Current portion</b>				<b>3,849</b>	<b>1,430</b>
<b>Non-current portion</b>				<b>16,584</b>	<b>2,432</b>

(1) Including out-of-the-money caps.

## Group's net currency position (excluding exposure on subsidiaries' net equity)

	2018/06/30					
	USD/EUR	HUF/EUR	USD/CAD	RUB/EUR	PLN/EUR	OTHER
<i>(in thousands of euros)</i>						
Net position before hedging	(122)	22,686	(7,233)	(7,827)	10,830	(5,074)
Net position after hedging	(531)	95	3,575	(514)	(317)	(350)
	2019/06/30					
	USD/EUR	HUF/EUR	USD/CAD	RUB/EUR	PLN/EUR	OTHER
<i>(in thousands of euros)</i>						
Net position before hedging	2,663	13,640	14,430	(6,739)	4,178	(5,917)
Net position after hedging	(1,852)	(275)	9,182	(384)	1,436	(1,203)

## Note 5.6 Net debt

### 5.6.1. Analysis of net debt by component

At 2018/06/30

<i>(in thousands of euros)</i>	Nominal	< 6 months	< 1 year	1 to 5 years	> 5 years	Total
Bonds (USPP)	321,124	27,944	0	111,775	192,732	332,450
Bonds (EuroPP)	145,000	0	144,932		0	144,932
Finance leases	2,198	79	79	461	1,580	2,198
Other bank borrowings	146,607	0	26,196	120,411	0	146,607
Other borrowings and financial debts	3,388	1,420	1,420	547	0	3,388
Accrued interest	4,697	4,697	0	0	0	4,697
Current bank lines	15,172	15,172	0	0	0	15,172
<b>Total gross debt before derivatives</b>	<b>638,186</b>	<b>49,312</b>	<b>172,627</b>	<b>233,194</b>	<b>194,312</b>	<b>649,444</b>
<b>Derivatives - Liabilities</b>		<b>6,770</b>	<b>553</b>	<b>2,412</b>	<b>42</b>	<b>9,778</b>
<i>o.w derivatives hedging a debt in a fair value hedge</i>		0	0	0	42	42
<i>o.w. other derivatives</i>		6,770	553	2,412	0	9,735
<b>Total gross debt after fair value of derivatives</b>		<b>56,082</b>	<b>173,180</b>	<b>235,606</b>	<b>194,354</b>	<b>659,222</b>
<b>Derivatives - Assets</b>		<b>4,416</b>	<b>260</b>	<b>13,297</b>	<b>0</b>	<b>17,973</b>
<i>o.w derivatives hedging a debt in a fair value hedge</i>		2,365	0	9,460	0	12,104
<i>o.w. other derivatives</i>		2,051	260	3,837	0	5,869
Securities	101	101	0	0	0	101
Cash	23,792	23,792	0	0	0	23,792
<b>TOTAL NET DEBT</b>		<b>27,773</b>	<b>172,920</b>	<b>222,309</b>	<b>194,354</b>	<b>617,356</b>

## At 2019/06/30

<i>(in thousands of euros)</i>	Nominal	< 6 months	< 1 year	1 to 5 years	> 5 years	Total
Bonds (USPP)	436,525	28,767	0	126,275	299,559	454,601
Bonds (EuroPP)	0	0	0	0	0	0
Finance leases	1,957	66	66	913	913	1,957
Other bank borrowings	168,531	178	35,328	132,915	110	168,531
Other borrowings and financial debts	2,906	903	903	549	549	2,906
Accrued interest	3,100	3,100	0	0	0	3,100
Current bank lines	56,918	56,918	0	0	0	56,918
<b>Total gross debt before derivatives</b>	<b>669,936</b>	<b>89,933</b>	<b>36,297</b>	<b>260,652</b>	<b>301,131</b>	<b>688,012</b>
<b>Derivatives - Liabilities</b>	<b>0</b>	<b>1,318</b>	<b>112</b>	<b>2,431</b>	<b>0</b>	<b>3,862</b>
<i>o.w derivatives hedging a debt in a fair value hedge</i>	0	0	0	0	0	0
<i>o.w. other derivatives</i>	0	1,318	112	2,431	0	3,862
<b>Total gross debt after fair value of derivatives</b>	<b>0</b>	<b>91,251</b>	<b>36,409</b>	<b>263,083</b>	<b>301,131</b>	<b>691,874</b>
<b>Derivatives - Assets</b>	<b>0</b>	<b>3,702</b>	<b>147</b>	<b>10,228</b>	<b>6,355</b>	<b>20,433</b>
<i>o.w derivatives hedging a debt in a fair value hedge</i>	0	3,241	0	10,002	6,355	19,599
<i>o.w. other derivatives</i>	0	461	147	226	0	834
Securities	286	286	0	0	0	286
Cash	16,407	16,407	0	0	0	16,407
<b>TOTAL NET DEBT</b>		<b>70,856</b>	<b>36,261</b>	<b>252,855</b>	<b>294,775</b>	<b>654,748</b>

### 5.6.2. Analysis of net debt by interest rate

<i>(in thousands of euros)</i>	2018/06/30	2019/06/30
<b>Net financial debt</b>	<b>617,356</b>	<b>654,748</b>
<b>Before interest rate hedging</b>		
Fixed rate	487,665	462,564
Floating rate	129,691	192,185
<b>After interest rate hedging</b>		
Fixed rate	417,028	521,882
Floating rate	200,328	132,866

### 5.6.3. Analysis of net debt by currency

<i>(in thousands of euros)/(-) = cash balance</i>	2018/06/30	2019/06/30
EUR	382,764	459,888
USD	253,134	178,750
CAD	13,847	17,492
HUF	14,286	9,681
RUB	(52,032)	(26,927)
BRL	388	5,851
PLN	6,743	7,504
KZT	(1,775)	2,510
<b>TOTAL</b>	<b>617,356</b>	<b>654,748</b>

### 5.6.4. Net debt (including derivatives) and gearing

	2018/06/30	Increase	(Decrease)	Changes in fair value of debt	Changes in fair value of derivatives	Translation adjustments	Other <sup>(1)</sup>	2019/06/30
Financial liabilities	659,222	137,159	(108,854)	6,862	(5,931)	5,351	(1,935)	691,874
Investments and derivative assets	41,866	185	(7,858)		2,459	1,120	(645)	37,126
<b>Net debt (A)</b>	<b>617,356</b>	<b>136,974</b>	<b>(100,996)</b>	<b>6,862</b>	<b>(8,390)</b>	<b>4,231</b>	<b>(1,290)</b>	<b>654,748</b>
<b>Total equity (B)</b>	<b>646,817</b>							<b>724,972</b>
<b>CAPITAL EMPLOYED (A+B)</b>	<b>1,264,173</b>							<b>1,379,720</b>
<b>Gearing (A/B)</b>	<b>95.4%</b>							<b>90.3%</b>

(1) The "other" item mainly relates to inter-account reclassifications and changes in accrued interest.

## 5.6.5. Market value of financial assets and liabilities other than derivatives

For all other financial assets and liabilities not appearing in these tables, both the market value and the carrying amount are equal to the par value.

<i>(in thousands of euros)</i>	At 2018/06/30		
	Par value	Market value	Carrying amount
<b>Liabilities</b>			
<b>Payables</b>			
Bonds (USPP)	321,124	345,806	332,450
Bonds (EuroPP)	145,000	144,932	144,932
Bank borrowings	148,805	148,805	148,805
Other borrowings and financial debts	3,388	3,388	3,388
Accrued interest	4,697	4,697	4,697
Current bank lines	15,172	15,172	15,172
<b>TOTAL</b>	<b>638,186</b>	<b>662,800</b>	<b>649,444</b>
<i>o.w. debt covered by fair value hedge</i>		248,890	231,632
<i>o.w. debt covered by cash flow hedges</i>		228,514	232,416
<b>Assets</b>			
Cash and securities	23,893	23,893	23,893
<b>TOTAL</b>	<b>23,893</b>	<b>23,893</b>	<b>23,893</b>

<i>(in thousands of euros)</i>	At 2019/06/30		
	Par value	Market value	Carrying amount
<b>Liabilities</b>			
<b>Payables</b>			
Bonds (USPP)	436,525	464,020	454,601
Bonds (EuroPP)			
Bank borrowings	170,487	170,487	170,487
Other borrowings and financial debts	2,906	2,906	2,906
Accrued interest	3,100	3,100	3,100
Current bank lines	56,918	56,918	56,918
<b>TOTAL</b>	<b>669,936</b>	<b>697,431</b>	<b>688,012</b>
<i>o.w. debt covered by fair value hedge</i>		237,177	223,798
<i>o.w. debt covered by cash flow hedges</i>		318,204	318,204
<b>Assets</b>			
Cash and securities	16,693	16,693	16,693
<b>TOTAL</b>	<b>16,693</b>	<b>16,693</b>	<b>16,693</b>

## 5.6.6 Analysis of bond issue maturities

Maturity	Notional amount	Currencies	< 1 year		1 to 5 years		> 5 years		TOTAL		
			Nominal	Interest*	Nominal	Interest*	Nominal	Interest*	Nominal	Interest*	
<b>Public issues</b>											
Private issues	2022	145,000	USD	22,612	3,989	67,836	5,128			90,448	9,117
	2022	15,175	EUR	3,035	508	9,105	653			12,140	1,161
	2027	150,000	EUR		2,633	30,000	10,308	120,000	4,217	150,000	17,157
	2027	50,000	USD		1,687	8,787	6,605	35,149	2,702	43,937	10,993
	2029	140,000	EUR		2,618		10,402	140,000	7,816	140,000	20,836

\* Amounts expressed in euros and before any rate hedging.

### At June 30, 2019

Issuances are subject to financial covenants, principally an early redemption clause should Bonduelle default on its financial debt (cross default), and in the event of failure to comply with the following ratios:

- long-term debt/long-term equity ratio less than or equal to 0.60;
- consolidated current assets/consolidated current liabilities greater than or equal to 1.10.

At June 30, 2019, the group complied with these financial covenants.

### 5.6.7. Liquidity

At June 30, 2019, 45 million euros were drawn from the 300 million euro RCF (Revolving Credit Facility) maturing in 2021.

On this same date, the group had several confirmed bank credit lines with maturities of up to three years, bringing the amount of confirmed bank lines (including RCF) to 380 million euros, and which were unused at June 30, 2019 (unchanged since June 2018).

The sums drawn from bank loans (including RCF) confirmed beyond a year are reported in the consolidated balance sheet under non-current financial liabilities.

Looking for maturity of its debt instrument and for the refinancing of the EuroPP maturing, on May 2, 2019, Bonduelle successfully issued on May 2, 2019 a new 140 million euro private placement on the US market (USPP) with a 10-year maturity. Operating on the USPP market since 2000, Bonduelle issued this private placement under particularly attractive terms among pool of existing investors who confirmed their confidence in the group.



## 6. INCOME TAX

### Note 6.1 Income tax

#### 6.1.1. Analysis of net income tax expense

Total income tax expenses are analyzed in the following manner:

	At 2018/06/30	At 2019/06/30
Average tax rate	22.8%	22.1%

#### 6.1.2. Reconciliation of income tax expenses and profit before tax

(in thousands of euros)	At 2018/06/30	%	At 2019/06/30	%
Net income group share	72,435		72,617	
Non-controlling interests	(107)		(44)	
Share of net income from associates	(9)		48	
Income tax expense	21,399		20,555	
<b>PROFIT BEFORE TAX</b>	<b>93,718</b>		<b>93,176</b>	
Theoretical tax expense <sup>(1)</sup>	32,267	34.43%	32,081	34.43%
<b>Reconciliation:</b>				
Permanent differences	(2,674)	-2.9%	(1,918)	-2.1%
Difference in tax rates (outside of France) <sup>(2)</sup>	(8,352)	-8.9%	(8,947)	-9.6%
Impact of tax loss carryforwards and other	157	0.2%	(661)	-0.7%
<b>ACTUAL INCOME TAX EXPENSE</b>	<b>21,399</b>	<b>22.8%</b>	<b>20,555</b>	<b>22.1%</b>

(1) In France, the extraordinary tax contribution for which the group was liable was 3.3% for 2018-2019. The theoretical rate of tax, including this extraordinary contribution, was 34.43% in 2018-2018.

(2) The main contributors to the tax rate difference are Canada and Russia.

At June 30, 2019, tax paid amounted to 19,139 thousand euros.

#### 6.1.3. Deferred taxes

(in thousands of euros)	At 2018/06/30	At 2019/06/30
Provisions and non-current assets	295	3,404
Margin in inventory	439	414
Tax loss carryforwards <sup>(1)</sup>	12,286	14,535
Accelerated depreciation and regulated provisions	(14,302)	(14,636)
Other <sup>(2)</sup>	3,088	2,527
<b>NET DEFERRED TAX ASSETS (LIABILITIES)</b>	<b>1,805</b>	<b>6,244</b>

(1) Due to income-generating prospect for the companies concerned.

(2) Variation in tax due to restatements of financial instruments.

## Change in net deferred tax assets (liabilities)

<i>(in thousands of euros)</i>	At 2018/06/30	At 2019/06/30
<b>OPENING BALANCE</b>	<b>7,296</b>	<b>1,805</b>
Acquisitions and disposals of subsidiaries	0	0
Tax recognized in the income statement	(4,579)	2,604
Taxes recognized directly through equity	(1,043)	1,740
Other changes <sup>(1)</sup>	130	95
<b>CLOSING BALANCE</b>	<b>1,805</b>	<b>6,244</b>

(1) Translation adjustments and transfers between lines.

Deferred tax assets relating to tax loss carryforwards are recognized on the basis of business plans prepared over a reasonable timeframe and to the extent that the actual existence of such tax losses is not in any way uncertain. Tax loss carryforwards for which no deferred tax assets have been

recognized due to the uncertainty of recovery associated with a lack of visibility of future profitability or with possible challenge by the local authority stood, at current rates, at 218.8 million euros at June 30, 2019, compared with 219.1 million euros at June 30, 2018.

## 7. EARNINGS PER SHARE

### Note 7.1 Earnings per share

A dividend of 0.50 euro per share will be proposed to the Shareholders' Meeting to be held on December 5, 2019.

At June 30, 2019, Bonduelle SCA's share capital comprised 32,538,340 shares with a par value of 1.75 euros per share (see 5.4 - Consolidated statement of changes in equity).

<i>(in thousands of euros)</i>	At 2018/06/30	At 2019/06/30
<b>Earnings group share</b>	<b>72,435</b>	<b>72,617</b>
Number of shares used to calculate:		
• Net earnings	31,850,987	32,093,796
• Diluted net earnings	32,039,653	32,414,447
<b>Earnings per share (in euros)</b>		
• Basic	2.27	2.26
• Diluted <sup>(1)</sup>	2.26	2.24

(1) Dilution mainly relates to the likelihood of stock options being exercised and free shares being granted. The risk of dilution mentioned above is considered as limited given the allocation of treasury shares to the objective of coverage for securities giving rights to allocations of shares.

## 8. INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

### Note 8.1 Goodwill

Changes in goodwill were as follows:

<i>(in thousands of euros)</i>	At 2017/06/30	Acquisitions or charges	Disposal, sale or reversal	Other <sup>(1)</sup>	At 2018/06/30
<b>GROSS AMOUNT</b>	470,434	0	0	(8,634)	461,800
Impairment					
<b>NET AMOUNT</b>	470,434	0	0	(8,634)	461,800

<i>(in thousands of euros)</i>	At 2018/06/30	Acquisitions or charges <sup>(2)</sup>	Disposal, sale or reversal	Other <sup>(1)</sup>	At 2019/06/30
<b>GROSS AMOUNT</b>	461,800	11,775	0	8,305	481,881
Impairment					
<b>NET AMOUNT</b>	461,800	11,775	0	8,305	481,881

(1) Translation adjustments.

(2) The goodwill generated by the acquisition of Del Monte amounted to 11,775 thousand euros.

Cash Generating Units (CGUs) presenting indications of impairment or comprising goodwill underwent impairment testing in 2019.

Depending on the CGU in question and the relevance of the assumptions and the availability of comparable benchmarks on the market, the recoverable amount of the assets used by the group is either a value in use or a market value.

The main assumptions used to determine values in use for each CGU are described in Note 1.2.1.

The 2019 impairment tests did not result in the recognition of any goodwill impairment.

The group analyzed the sensitivity of the value obtained to three parameters that are key to the measurement approach taken:

- cash flow discount rate;
- long-term growth rate;
- operating margin rate.

CGUs deemed to be sensitive to one of these three variables are those for which a hike of more than 1 point in the discount rate, or a drop of more than 0.5 points in the long-term growth rate, or a drop of more than 1 point in the operating margin, would result in depreciation.

Any change of these proportions in the discount rate, the long-term growth rate or the operating margin would not result in depreciation of the CGU.

At June 30, 2019, the net amount per CGU was as follows:

#### Goodwill per CGU

	At 2018/06/30	Acquisition or charge <sup>(1)</sup>	Disposal, sale or reversal	Other <sup>(2)</sup>	At 2019/06/30
Europe/canned and frozen	73,826	0	0	87	73,913
Europe/fresh ready-to-eat	73,160	0	0	0	73,160
Western Europe/canned and frozen	13,699	0	0	295	13,993
North and South America/canned and frozen	33,592	11,775	0	1,423	46,790
North and South America/fresh ready-to-eat	267,524	0	0	6,502	274,025
<b>TOTAL</b>	<b>461,800</b>	<b>11,775</b>	<b>0</b>	<b>8,305</b>	<b>481,881</b>

(1) Del Monte goodwill acquired amounted to 11,775 thousand euros.

(2) Translation adjustments.



## Note 8.2 Other intangible assets

Analysis of changes in gross amounts and impairment:

<i>(in thousands of euros)</i>	At 2017/06/30	Acquisitions or charges	Disposal, sale or reversal	Other <sup>(1)</sup>	At 2018/06/30
<b>Gross amount</b>					
Trademarks, patents and licenses	26,298	0	0	(522)	25,775
Software	61,576	4,146	(192)	1,164	66,693
Other	8,364	370	(21)	(187)	8,527
Property, plant and equipment under construction	1,681	1,622	(3)	(1,308)	1,992
	<b>97,919</b>	<b>6,139</b>	<b>(217)</b>	<b>(854)</b>	<b>102,988</b>
<b>Depreciation, amortization and impairment</b>					
Trademarks, patents and licenses	2,197	9	0	(430)	1,777
Software	52,282	4,104	(192)	113	56,307
Other	553	17	(21)	(40)	510
	<b>55,033</b>	<b>4,130</b>	<b>(213)</b>	<b>(356)</b>	<b>58,593</b>
<b>Net carrying amount</b>					
Trademarks, patents and licenses	24,100				23,998
Software	9,295				10,387
Other	7,809				8,017
Property, plant and equipment under construction	1,681				1,992
	<b>42,886</b>				<b>44,394</b>

(1) Translation adjustments and transfers between lines.

<i>(in thousands of euros)</i>	At 2018/06/30	Acquisitions or charges	Disposal, sale or reversal	Other <sup>(1)</sup>	At 2019/06/30
<b>Gross amount</b>					
Trademarks, patents and licenses	25,775	10,360	0	250	36,385
Software	66,693	4,392	(20)	1,377	72,442
Other	8,527	118	0	217	8,861
Property, plant and equipment under construction	1,992	2,019	0	(1,248)	2,763
	<b>102,988</b>	<b>16,890</b>	<b>(20)</b>	<b>595</b>	<b>120,452</b>
<b>Depreciation, amortization and impairment</b>					
Trademarks, patents and licenses	1,777	11	0	1	1,789
Software	56,307	4,676	(20)	57	61,019
Other	510	19	0	17	546
	<b>58,593</b>	<b>4,706</b>	<b>(20)</b>	<b>75</b>	<b>63,354</b>
<b>Net carrying amount</b>					
Trademarks, patents and licenses	23,998				34,596
Software	10,387				11,423
Other	8,017				8,315
Property, plant and equipment under construction	1,992				2,763
	<b>44,394</b>				<b>57,098</b>

(1) Translation adjustments and transfers between lines.

Intangible assets with an indefinite useful life are the brands owned by the group and break down as follows:

## Brands per CGU

	Brands	At 2018/06/30	Acquisition or charge <sup>(1)</sup>	Disposal, sale or reversal	Other <sup>(2)</sup>	At 2019/06/30
Europe/canned and frozen	Cassegain	20,215	0	0	0	20,215
Western Europe/canned and frozen	Globus	1,500	0	0	0	1,500
North and South America/canned and frozen	Artic Garden	2,081	0	0	44	2,125
North and South America/canned and frozen	Del Monte	0	10,323	0	161	10,484
<b>TOTAL</b>		<b>23,796</b>	<b>10,323</b>	<b>0</b>	<b>205</b>	<b>34,324</b>

(1) Del Monte brand.

(2) Translation adjustments.



## Note 8.3 Property, plant and equipment

Analysis of changes in gross amounts and impairment:

<i>(in thousands of euros)</i>	At 2017/06/30	Acquisition or charge	Disposal, sale or reversal	Other <sup>(1)</sup>	At 2018/06/30
<b>Gross amount</b>					
Land	52,946	15	(10)	(101)	52,849
Buildings	481,425	8,193	(1,197)	(3,122)	485,298
Industrial plant, tools and equipment <sup>(2)</sup>	909,518	43,431	(10,990)	252	942,211
Other	62,219	4,385	(3,140)	(613)	62,851
Property, plant and equipment under construction	30,897	36,379	(34)	(22,784)	44,458
	<b>1,537,005</b>	<b>92,403</b>	<b>(15,370)</b>	<b>(26,368)</b>	<b>1,587,668</b>
<b>Depreciation</b>					
Land	11,427	907	0	(26)	12,307
Buildings	303,539	22,254	(1,067)	(4,599)	320,127
Industrial plant, tools and equipment	670,342	56,527	(10,730)	(10,667)	705,471
Other	45,732	4,977	(3,106)	(642)	46,961
Property, plant and equipment under construction	0	0	0	0	0
	<b>1,031,040</b>	<b>84,666</b>	<b>(14,903)</b>	<b>(15,935)</b>	<b>1,084,866</b>
<b>Impairment</b>					
Land	162	0	0	0	163
Buildings	223	(156)	0	0	66
Industrial plant, tools and equipment	355	(26)	0	0	331
Other	0	0	0	0	0
Property, plant and equipment under construction	190	(27)	0	(1)	162
	<b>930</b>	<b>(208)</b>	<b>0</b>	<b>(1)</b>	<b>722</b>
<b>Net amount</b>					
Land	41,357				40,379
Buildings	177,662				165,105
Industrial plant, tools and equipment	238,821				236,409
Other	16,488				15,891
Property, plant and equipment under construction	30,707				44,296
	<b>505,036</b>				<b>502,080</b>

(1) Change in scope, translation adjustments and transfers between lines.

(2) Of which 68% was in Europe in 2017-2018.

<i>(in thousands of euros)</i>	At 2018/06/30	Acquisition or charge <sup>(1)</sup>	Disposal, sale or reversal	Other <sup>(2)</sup>	At 2019/06/30
<b>Gross amount</b>					
Land	52,849	5,048	(151)	758	58,505
Buildings	485,298	13,286	(3,160)	12,642	508,067
Industrial plant, tools and equipment <sup>(3)</sup>	942,211	31,806	(18,792)	50,988	1,006,213
Other	62,851	5,823	(2,009)	1,705	68,370
Property, plant and equipment under construction	44,458	48,385	(233)	(47,247)	45,364
	<b>1,587,668</b>	<b>104,347</b>	<b>(24,343)</b>	<b>18,847</b>	<b>1,686,519</b>
<b>Depreciation</b>					
Land	12,307	930	(29)	20	13,229
Buildings	320,127	22,151	(2,812)	2,579	342,044
Industrial plant, tools and equipment	705,471	56,461	(17,405)	7,245	751,773
Other	46,961	5,383	(1,896)	377	50,825
Property, plant and equipment under construction	0	0	0	0	0
	<b>1,084,866</b>	<b>84,925</b>	<b>(22,142)</b>	<b>10,221</b>	<b>1,157,871</b>
<b>Impairment</b>					
Land	163	0	0	0	163
Buildings	66	200	0	1	268
Industrial plant, tools and equipment	331	694	(605)	1	421
Other	0	5	(5)	0	0
Property, plant and equipment under construction	162	20	0	0	183
	<b>722</b>	<b>919</b>	<b>(610)</b>	<b>2</b>	<b>1,034</b>
<b>Net carrying amount</b>					
Land	40,379				45,114
Buildings	165,105				165,755
Industrial plant, tools and equipment	236,409				254,018
Other	15,891				17,545
Property, plant and equipment under construction	44,296				45,181
	<b>502,080</b>				<b>527,614</b>

(1) Investment in relation to acquisitions of individual assets for the Belgorod (Russia) and Lebanon (USA) sites stood at 6,638 and 9,991 thousand euros respectively.

(2) Translation adjustments and transfers between lines.

(3) Of which 66% was in the Europe Zone in 2018-2019.

The gross and net amount of assets acquired or refinanced under finance leases totaled 42.6 and 3.2 million euros respectively at June 30, 2019, compared with 42.6 and 3.7 million euros at June 30, 2018.





## 9. OTHER PROVISIONS AND CONTINGENT LIABILITIES

### Note 9.1 Other provisions

<i>(in thousands of euros)</i>	2018/06/30	Charges	Reversal used	Reversal unused	Other <sup>(3)</sup>	2019/06/30
Sales related risks	2,570	668	(499)	(880)	(15)	1,843
Tax-related risks <sup>(1)</sup>	1,320	9	(295)	(484)	33	582
Employee-related risks <sup>(2)</sup>	9,336	1,143	(223)	(274)	340	10,322
Restructuring and reorganization	2,034	0	(689)	0	(181)	1,164
Agro-industrial risks	3,257	1,154	(1,436)	(1,514)	21	1,481
Other risks	1,799	0	(51)	(176)	6	1,577
	<b>20,316</b>	<b>2,973</b>	<b>(3,194)</b>	<b>(3,328)</b>	<b>203</b>	<b>16,969</b>

<i>(in thousands of euros)</i>	Current	Non-current	2019/06/30
Sales related risks	1,370	474	1,843
Tax-related risks <sup>(1)</sup>	0	582	582
Employee-related risks <sup>(2)</sup>	4,263	6,059	10,322
Restructuring and reorganization	40	1,124	1,164
Agro-industrial risks	1,157	324	1,481
Other risks	1,037	540	1,577
	<b>7,866</b>	<b>9,103</b>	<b>16,969</b>

(1) Provisions for tax-related risks relate to tax audits that are presently being conducted, which are provisioned in light of the group's analysis of the cases.

(2) The provision mainly relates to a provision for the workers' compensation scheme. See Note 1.2.12.

(3) Translation adjustments and transfers between lines.

### Note 9.2 Risks and disputes

Bonduelle is subject to various legal and arbitration proceedings and disputes in the normal course of its business. Bonduelle is also subject to certain claims and/or lawsuits which fall outside the scope of the ordinary course of its business.

The amount of provisions made is based on Bonduelle's assessment of the level of risk on a case-by-case basis, and depends on its assessment of the basis for the claims, the stage of the proceedings and/or disputes and the arguments in its defense, it being specified that the occurrence of events during proceedings may lead to a reappraisal of the risk at any moment.

On September 27, 2019, the European Commission adopted its decision on sanctions against various players of certain market segments of canned vegetables in Europe.

As part of the Commission's investigations into this 2000s market practices, and as mentioned in its registration documents since the 2013-2014 fiscal year, the Bonduelle Group applied to the Commission for immunity from fines and obtained on September 24, 2013, conditional immunity under this procedure. The decision of the Commission confirms financial penalties exemption for the group.

As a reminder, in 2013, Bonduelle adopted, in all its business segments, an antitrust training program onboarding its employees, completed by a whistleblowing system. These principles, assembled in a Charter of Ethics, are a day-to-day guide for all the teams and a benchmark for the Ethics Committee.

At June 30, 2019, there were no new disputes to report, other than those relating to ordinary business.

## Note 9.3 Contingent liabilities

<i>(in thousands of euros)</i>	At 2018/06/30	At 2019/06/30
<b>Commitments given</b>		
Guarantees and security deposits given (net of uses)	55,939	56,420
<b>Commitments received</b>		
Guarantees and security deposits received (net of uses)	6,010	6,668

The commitments correspond to our current activities.

## Operating leases

<i>(in thousands of euros)</i>	Maturities					TOTAL
	1 year	2 years	3 years	4 years	5 years and more	
Commitments under operating leases	21,140	16,746	12,906	10,707	39,855	101,354

## Environment

None of the group's activities generates any major environmental liabilities.

The group occasionally incurs refurbishing costs on closed industrial sites.

**Greenhouse gases:** in the absence of a defined IFRS accounting policy, greenhouse gas quotas are not recognized in the consolidated financial statements.

Bonduelle Group's certified and reported emissions stood at 18,255 tCO<sub>2</sub>e for 2018.

As a result of energy savings at its sites since 2008, for example, the use of biomass steam in 2015 at the Estrées-Mons (France) site halved the group's greenhouse gas emissions subject to the Emission Trading System (ETS). Bonduelle has surplus allowances available in its account and so did not have to make purchases on the carbon allowance market.

No significant provisions for guarantees or environmental risks had been recognized at June 30, 2019.

## 10. OTHER INFORMATION

### Note 10.1 Statutory Auditors' fees

French law requires a permanent legal control by two Independent Auditors. The main objective of this audit is to check that the financial statements are consistent, accurate and present a fair view.

The Auditors are appointed by the Ordinary Shareholders' Meeting for a renewable period of six fiscal years.

Bonduelle SCA's Statutory Auditors are:

#### Mazars

Represented by Vincent Rambaux, 61 rue Henri Regnault - 92400 COURBEVOIE (France).

#### Deloitte & Associés

Represented by Mr. Pierre-Marie Martin, 67, rue de Luxembourg - 59777 EURALILLE (France).

The two Statutory Auditors are legally and financially independent from each other.

The term of the Statutory Auditors appointed by the Combined Ordinary and Extraordinary Shareholders' Meeting of December 6, 2018 will expire at the Shareholders' Meeting held to approve the financial statements for the fiscal year ending June 30, 2024.

The following table presents a detailed analysis of the total fees paid by the group to its Statutory Auditors for the services rendered during fiscal years 2017-2018 and 2018-2019.

	Mazars				Deloitte & Associés				Total			
	2017-2018		2018-2019		2017-2018		2018-2019		2017-2018		2018-2019	
<i>(in thousands of euros)</i>	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Certification of consolidated and statutory financial statements	784	93%	723	97%	948	82%	850	75%	1,732	87%	1,573	84%
Other certification-related services	0	0%	6	1%	38	3%	52	5%	38	2%	58	3%
<b>Total fees for audit-related services</b>	<b>784</b>	<b>93%</b>	<b>729</b>	<b>98%</b>	<b>986</b>	<b>85%</b>	<b>902</b>	<b>79%</b>	<b>1,770</b>	<b>89%</b>	<b>1,631</b>	<b>87%</b>
Tax services	53	6%	12	2%	135	12%	182	16%	188	9%	194	10%
Other	2	0%	5	1%	37	3%	52	5%	39	2%	57	3%
<b>Total fees for non-audit services</b>	<b>55</b>	<b>7%</b>	<b>17</b>	<b>2%</b>	<b>172</b>	<b>15%</b>	<b>234</b>	<b>21%</b>	<b>227</b>	<b>11%</b>	<b>251</b>	<b>13%</b>
<b>TOTAL</b>	<b>839</b>	<b>100%</b>	<b>746</b>	<b>100%</b>	<b>1,158</b>	<b>100%</b>	<b>1,136</b>	<b>100%</b>	<b>1,997</b>	<b>100%</b>	<b>1,882</b>	<b>100%</b>

Services other than the audit of the financial statements by the Bonduelle Group Statutory Auditors mainly comprise tax services provided in countries outside the European Union, enabling subsidiaries to meet their local filing obligations.

They are subject, as appropriate, to authorization by the Supervisory Board and an annual review in accordance with Article L. 823-19 of the French Commercial Code.

## Note 10.2 Related party transactions

### 10.2.1. Subsidiaries and associates

The list of the group's subsidiaries and associates is provided in Note 10.4.

All transactions between the parent company and its subsidiaries and among the subsidiaries are eliminated on consolidation.

These transactions are for the supply of raw materials and finished products as well as for the provision of services, notably IT and human resources, and for financial interest.

The group's transactions with Huerta Gama and Bonduelle Española were not material.

For OP OASI, recognized using the equity method, the main transactions carried out, as well as its receivables and debts, are as follows:

<i>(in thousands of euros)</i>	At 2018/06/30	At 2019/06/30
<b>Balance sheet</b>		
Customers	4,318	3,555
Suppliers	15,962	13,605
<b>Income statement</b>		
Sales	4,105	3,147
Purchases	(78,384)	(82,199)

Transactions with other related parties were not material.

### 10.2.2. Executive Management and control bodies

They consist of the following bodies:

1. the General Management, Pierre et Benoît Bonduelle SAS;
2. the Supervisory Board, consisting of eight members;
3. the Chief Executive Board (CEB), comprising the Chief Executive Officer and three Deputy Chief Executive Officers;
4. the Group Management Committee (GMC), consisting of 12 members at June 30, 2019, including the members of the CEB.

The current account with Pierre et Benoît Bonduelle SAS is 3,922 thousand euros in debit.

There are no other significant commitments to the latter.

### 10.2.3. Compensation of the directors and Corporate Officers

#### Short-term benefits

They comprise:

- the compensation of General Management, which is determined according to Article 17 of the Company's Articles of association, in respect of which 1,811 thousand euros was paid for the fiscal year 2018-2019;
- the directors' fees received by the members of the Supervisory Board during the 2018-2019 fiscal year, amounting to 65 thousand euros. This compensation is fixed by the Shareholders' Meeting;
- the gross fixed and variable compensation paid to the Group Management Committee.

The compensation paid to the Chairman and the Chief Executive Officer of Bonduelle SA is set by the Board of Directors on the advice of the Remuneration Committee. The variable portion of compensation is based on the future performance of the group and its subsidiaries, in particular, as measured by the increase in revenue and profitability. The non-executive Chairman of Bonduelle SA does not receive any variable compensation.

<i>(in euros)</i>	2017-2018	2018-2019
Number of GMC* (formerly the Executive Committee) members at June 30, 2019	8	12
Gross compensation paid to the GMC* (formerly the Executive Committee)	4,520,066	5,171,061

\* Group Management Committee.

**Post-employment benefits**

In application of the Decree of January 9, 2012, the group has established a supplementary, defined contribution pension plan (so-called Article 83 plan), which is paid for to a significant extent by the beneficiaries concerned, with the group paying the remainder.

This plan is for all Managers who are members of the AGIRC scheme, with gross annual compensation of more than four times the annual French social security ceiling.

The reference compensation set by the plan in question and used to calculate beneficiaries' rights is the basic and variable annual compensation. This reference compensation does not include any sum that cannot be classed as salary within the meaning of Article L. 242-1 of the French Social Security Code, but which may be classed as such at a later date.

Entitlements are acquired on a monthly basis. The contributions used to fund the defined contribution pension fund amount to 8% of the reference compensation, calculated within the limit of tranches A, B and C.

62.5% of these contributions are paid by the Company and 37.5% by the beneficiary.

Please note that for Guillaume Debrosse, the estimated lifetime annuity (for retirement at 62 years of age) evaluated on an annual basis on the reporting date, was 842 euros per year. This estimate is based on savings built up since the plan was set up.

As regards tax and social security contributions payable by the Company, please note that:

- the tax limit is 8% of gross annual compensation limited to eight times the annual social security ceiling (PASS). Employer and employee contributions are both to be taken into consideration;
- social security contributions are 5% of gross annual compensation limited to five times the PASS. Only the employer's contribution is taken into consideration;
- the additional employer's contribution of 20% is payable on that part of the contribution that falls within the social contribution limit. Beyond this, the contribution is incorporated into the salary and is subject to social security charges.

The contribution made by Bonduelle SA in respect of this plan in fiscal year 2018-2019 was not material.

**Other long-term benefits**

None

**Employment contract termination benefit**

These benefits comprise termination benefits and long service awards available to all employees in respect of the collective agreements linked to their employment contracts. For the 2018-2019 fiscal year, these totaled 1,005 thousand euros for GMC members.

**Payment in shares****a) Share plans previously allocated.**

The shares allocated to members of the Group Management Committee with respect to previous free share allocation plans are described in Note 4.3 to the consolidated financial statements.

**b) Free Company share allocations for the fiscal year for all members of the Group Management Committee are described in Note 4.3 to the consolidated financial statements.****c) Actual free share allocations to members of the Group Management Committee: at June 30, 2019, 21,331 shares had been received by members of the Group Management Committee.**

There were no acquisitions by the Company with a view to assignment to its employees, nor assignment of treasury shares by the Company to its employees, other than definitive allocation of free shares.

The Bonduelle Group has adopted the principles of the Afepe-Medef Code regarding compensation.

**Note 10.3 Subsequent events****Change to Soléal's Shareholder structure (France)**

In two stages, on July 1 and 22, 2019, Bonduelle, a 48% Shareholder in Soléal, acquired most of the interests held in the company by the Euralis, Maïsadour and Vivadour cooperatives, increasing its interest to almost 100%.

Created in 2005 in the form of a joint venture, Soléal has two sweet corn and vegetable processing plants in Labenne and Bordères in the Landes region of France. This change to Soléal's ownership includes some sourcing commitments, strengthening its long-term partnership with growers, and increasing the competitiveness of the Bonduelle Group.

Soléal was already controlled and fully consolidated by the Bonduelle Group prior to this transaction.

## Note 10.4 List of group companies - GRI 102-45

Analysis of group companies by consolidation method:

	Principal activities	% interest 2018/06/30	% control 2019/06/30	% interest 2019/06/30
<b>1. FULL CONSOLIDATION</b>				
<b>France</b>				
Bonduelle SA	Holding/Central corporate treasury	100.00%	100.00%	100.00%
SAS Champiloire	Holding	100.00%	100.00%	100.00%
Sud Ouest Légumes Alliance - Soléal SAS <sup>(1)</sup>	Canned/Frozen	47.85%	100.00%	47.85%
Bonduelle Frais Traiteur SAS	Holding	100.00%	100.00%	100.00%
Bonduelle Frais France SAS	Fresh	100.00%	100.00%	100.00%
Bonduelle Traiteur International SAS	Fresh	100.00%	100.00%	100.00%
Bonduelle Europe Long Life SAS	Canned/Frozen	100.00%	100.00%	100.00%
Bonduelle Development SAS	Canned/Frozen	100.00%	100.00%	100.00%
SCA Cultures France Champignon	Canned/Frozen	100.00%	100.00%	100.00%
SAS Champignonnières des Roches	Canned/Frozen	100.00%	100.00%	100.00%
SCA Champignonnières de l'Est	Canned/Frozen	100.00%	100.00%	100.00%
SAS Champignonnières de la Vienne	Canned/Frozen	100.00%	100.00%	100.00%
SCA Champignonnières de Rou Marson	Canned/Frozen	100.00%	100.00%	100.00%
SCA des Champignonnières du Moulin	Canned/Frozen	100.00%	100.00%	100.00%
SCA Culture de la Vienne	Canned/Frozen	100.00%	100.00%	100.00%
Champiland SAS	Canned/Frozen	90.00%	95.00%	95.00%
Euromycel SAS	Canned/Frozen	100.00%	100.00%	100.00%
Champifor GIE	EIG	77.06%	77.06%	77.06%
MOD Bond SAS (formerly COVIJU2)	Holding	100.00%	100.00%	100.00%
COVIJU3 SAS	Holding	0.00%	100.00%	100.00%
COVIJU4 SAS	Holding	0.00%	100.00%	100.00%
<b>Outside France</b>				
Bonduelle Northern Europe, Belgium	Canned/Frozen	100.00%	100.00%	100.00%
Bonduelle Nederland, Netherlands	Canned/Frozen	100.00%	100.00%	100.00%
Bonduelle Deutschland GmbH, Germany	Fresh	100.00%	100.00%	100.00%
BFP GmbH, Germany	Fresh	100.00%	100.00%	100.00%
Bonduelle Österreich, Austria	Fresh	100.00%	100.00%	100.00%
Bonduelle Nordic, Denmark	Canned/Frozen	100.00%	100.00%	100.00%
Bonduelle Limited, UK	No activity	100.00%	100.00%	100.00%
BUKH Limited, UK	Holding	100.00%	0.00%	0.00%
Bonduelle Italia, Italy	Fresh	100.00%	100.00%	100.00%
Agricola Lombarda, Italy	Fresh	100.00%	100.00%	100.00%
Bonduelle Iberica SAU, Spain	Canned/Frozen	100.00%	100.00%	100.00%
BF Agricola 4C, Spain	Fresh	100.00%	100.00%	100.00%
BF Nature Bio 4C, Espagne	Fresh	0.00%	100.00%	100.00%
Bonduelle Portugal, Portugal	Canned/Frozen	100.00%	100.00%	100.00%
Bonduelle Polska, Poland	Canned/Frozen	100.00%	100.00%	100.00%

(1) See Note 1.1.

## Notes to the annual consolidated financial statements

	Principal activities	% interest 2018/06/30	% control 2019/06/30	% interest 2019/06/30
Bonduelle Ceska Republika, Czech Republic	Canned/Frozen	100.00%	100.00%	100.00%
Bonduelle Central Europe, Hungary	Canned/Frozen	100.00%	100.00%	100.00%
Bonduelle Kuban, Russia	Canned/Frozen	100.00%	95.00%	100.00%
Coubanskie Conservi, Russia	Canned/Frozen	100.00%	100.00%	100.00%
Agro-Rost, Russia	Canned/Frozen	100.00%	100.00%	100.00%
Bonduelle Belgorod, Russia	Canned/Frozen	0.00%	100.00%	100.00%
Bonduelle Kazakhstan, Kazakhstan	Canned/Frozen	100.00%	100.00%	100.00%
Bonduelle USA Inc., USA	Canned/Frozen	100.00%	100.00%	100.00%
Bonduelle US Holding, USA	Holding	100.00%	100.00%	100.00%
Bonduelle Argentina, Argentina	Canned/Frozen	100.00%	100.00%	100.00%
Primeurop Argentina, Argentina	Canned/Frozen	100.00%	100.00%	100.00%
Bonduelle Do Brasil Produtos Alimenticios, Brazil	Canned/Frozen	100.00%	100.00%	100.00%
Bonduelle Canada Inc., Canada	Canned/Frozen	100.00%	100.00%	100.00%
Ready Pac Foods Inc., USA	Fresh	100.00%	100.00%	100.00%
Ready Pac Produce Inc., USA	Fresh	100.00%	100.00%	100.00%
Missa Bay, LLC, USA	Fresh	100.00%	100.00%	100.00%
Ready Pac Florence, Partnership, USA	Fresh	100.00%	100.00%	100.00%
Salad Time, LLC, USA	Fresh	100.00%	100.00%	100.00%
<b>2. EQUITY METHOD</b>				
<b>Outside France</b>				
OP OASI, Italy	Fresh	35.00%	35.00%	35.00%
Huerta Gama SC, Spain	Fresh	16.66%	16.66%	16.66%
Bonduelle Española, Spain	No activity	50.00%	50.00%	50.00%

(1) See Note 1.1.



## 5.6 Statutory Auditors' report on the consolidated financial statements

*This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.*

*This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report.*

*This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

For the year ended June 30, 2019

To the general meeting of Bonduelle

### Opinion

In compliance with the engagement entrusted to us by your general meeting, we have audited the accompanying consolidated financial statements of Bonduelle SCA for the year ended June 30, 2019.

In our opinion, the consolidated financial statements give a true and fair view of the results of operations of the Group for the year then ended and of its financial position and of its assets and liabilities as at June 30, 2019 in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

### Basis for Opinion

#### Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

#### Independence

We conducted our audit in compliance with independence rules applicable to us, for the period from July 1, 2018 to the issue date of our report and in particular, we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French Code of ethics for statutory auditors.



## Observation

Without questioning our opinion, we draw your attention to Note 1.1 Accounting Principles - which outlines the changes in accounting methodology induced by the application of the new standards. IFRS 15 «revenue from ordinary operations from customer contracts» and IFRS 9 «financial instruments» as of July 1, 2018.

## Justification of Assessments - Key Audit Matters

In accordance with the requirements of articles L.823-9 and R.823-7 of the French Commercial Code (*code de commerce*) relating to the justification of our assessments, we bring your attention to the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period, as well as our responses to those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific elements, accounts or items of the consolidated financial statements.

### Measurement of goodwill (see Note I.2.A "Goodwill" and "Monitoring of goodwill values" and Note 8.1)

#### *Risk identified*

Goodwill amounted to 482 million euros at June 30, 2019 (462 million euros at June 30, 2018), 12 million euros of which relating to the acquisition of Del Monte in July 2018.

Impairment tests conducted by the Executive Management on the goodwill of each Cash Generating Unit (CGU) defined by Bonduelle include a significant number of judgments and assumptions relating, in particular, to:

- future cash flows;
- the discount rates (WACC) and long-term growth rates used to forecast such flows.

Consequently, any change in these assumptions is likely to change the recoverable amount of such goodwill values.

This is why we considered goodwill values to be a key audit matter.

#### *Our response*

We have read about the controls put in place by the company as part of the preparation of the "mid term visions" prepared by each business units on which the depreciation tests of each of the UGT are based.

Based on this information, we carried out the following procedures:

- we assessed the reasonableness of the key assumptions used to:
  - determine cash flows in line with underlying operational data,
  - the long-term growth of such cash flows;
- we assessed, with the support of our evaluation specialists, the selected discount rates (WACC) in their different components;
- We have obtained and examined the sensitivity analyses carried out by the management. We also conducted our own sensitivity calculations to ensure that only unreasonable variation in assumptions could lead to a significant depreciation of goodwill.

## Verification of the Information Pertaining to the Group Presented in the Management Report

As required by French law, we have also verified in accordance with professional standards applicable in France of the information concerning the Group presented in the management report.

We have no matters to report as its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L.225-102-1 of the French Commercial Code (*code de commerce*) is included in the information pertaining to the Group presented in the management report, it being specified that, in accordance with the provisions of Article L.823-10 of the code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

## Report on Other Legal and Regulatory Requirements

### Appointment of the Statutory Auditors

#### Deloitte & Associés

Was appointed statutory auditors of Bonduelle SCA  
by the General Meeting of December 7, 2006

As of June 30, 2019, Deloitte & Associés was in its 13<sup>th</sup> year  
of uninterrupted engagement

#### Mazars

Was appointed statutory auditors of Bonduelle SCA  
by the General Meeting of December 20, 1989

As of June 30, 2019, Mazars was in its 30<sup>th</sup> year  
of uninterrupted engagement and its 21<sup>st</sup> year  
since securities of the Company were admitted to trading  
on a regulated market.

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease its operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and, where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements have been approved by the General Management.

## Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

### Objective of an audit and audit approach

Our role is to issue a report on the consolidated financial statements. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified by article L. 823-10-1 of the French Commercial Code (*code de commerce*), the scope of our statutory audit does not include assurance on the future viability of the Company or the quality with which Company's management has conducted or will conduct the affairs of the entity.



As part of an audit in accordance with professional standards applicable in France, we exercise professional judgment throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If we conclude that a material uncertainty exists, we draw attention in our audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, we modify our opinion.
- Evaluate the overall presentation of the consolidated financial statements and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities included in the consolidation scope to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

## Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular as description of the scope of the audit and the audit program implemented, as well as significant audit findings. We also bring to its attention any significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters. We describe these matters in the audit report.

We also provide the Audit Committee with the declaration referred to in Article 6 of Regulation (EU) N° 537/2014, confirming our independence in the sense of the rules applicable in France as defined in particular by articles L.822-10 to L.822-14 of the French Commercial Code (*code de commerce*) and or in the French Code of ethics for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

Lille and Villeneuve d'Ascq, Septembre 30, 2019

The Statutory Auditors

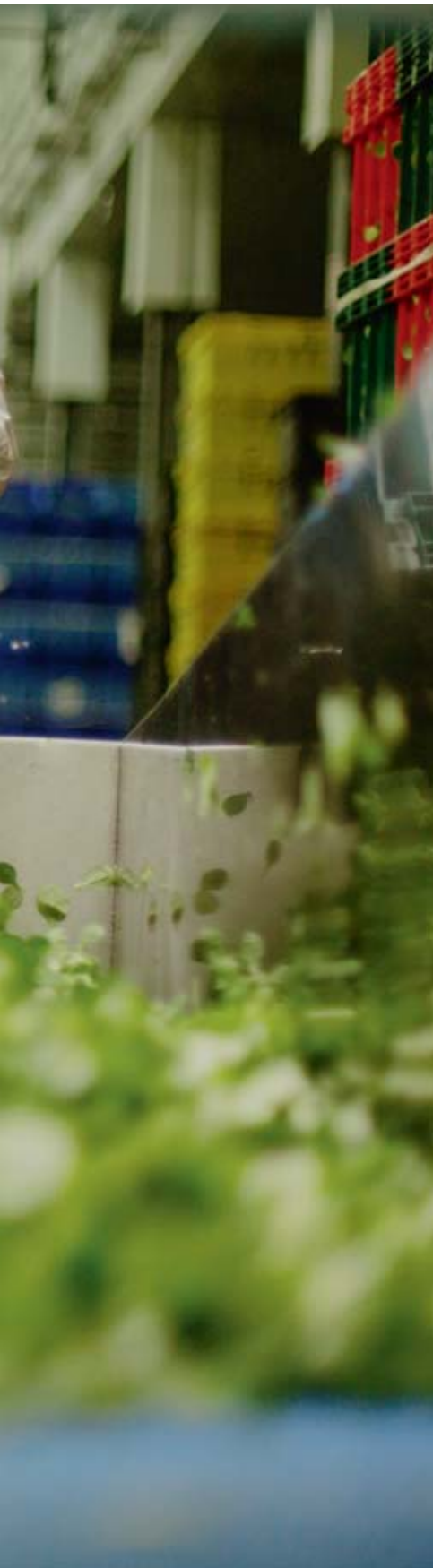
French original signed by

**Deloitte & Associés**  
Pierre-Marie MARTIN

**MAZARS**  
Vincent RAMBAUX







# Parent company financial statements



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Items of the Annual Financial Report are identified in the contents using the AFR symbol



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## 6.1 Income statement

<i>(in thousands of euros)</i>	2018/06/30 12 months	2019/06/30 12 months
Revenue before tax		
Reversal of depreciation, amortization and provisions and capitalized costs	2,068	4,909
Other operating income	0	0
<b>Operating income</b>	<b>2,068</b>	<b>4,909</b>
Other purchases and external charges	2,110	2,531
Taxes and duties	9	11
Allocations to provisions for risks and expenses	1,891	4,909
Other charges	223	56
<b>Operating expenses</b>	<b>4,233</b>	<b>7,507</b>
<b>Operating profit</b>	<b>(2,166)</b>	<b>(2,598)</b>
Loss transferred		
Financial income from subsidiaries and affiliates	30,049	30,055
Income from other non-current securities and receivables		
Other interest and similar income	259	52
Income from interest on bonds		
Reversals of provisions and capitalized costs		
Net gain on disposals of securities	3	
<b>Financial income</b>	<b>30,312</b>	<b>30,107</b>
Allocations to provisions on financial assets		
Interest and similar expenses	585	1,228
Interest expense on bonds	5,554	3,849
Net expense on disposals of securities	5	0
<b>Financial expenses</b>	<b>6,143</b>	<b>5,078</b>
<b>Financial result</b>	<b>Note 9</b> <b>24,169</b>	<b>25,029</b>
<b>Operating income</b>	<b>22,003</b>	<b>22,431</b>
On revenue transactions		13
On capital transactions	611	775
Reversals of provisions and capitalized costs		
<b>Non-recurring income</b>	<b>Note 10</b> <b>611</b>	<b>788</b>
On revenue transactions		15
On capital transactions	706	777
Non-recurring charges to depreciation, amortization and provisions		
<b>Non-recurring expenses</b>	<b>Note 11</b> <b>706</b>	<b>792</b>
<b>Non-recurring income</b>	<b>(96)</b>	<b>(4)</b>
Income tax	<b>Note 13</b> <b>(311)</b>	<b>(5,853)</b>
<b>NET INCOME FOR THE PERIOD</b>	<b>22,218</b>	<b>28,280</b>





## 6.2 Balance sheet

### Assets

		2018/06/30 Net	2019/06/30	
			Gross	Depreciation, amortization & provisions
<i>(in thousands of euros)</i>				
Property, plant and equipment	Note 2	4	4	4
Land		4	4	4
Buildings				
Non-current financial assets	Note 3	600,230	600,985	600,985
Investments in subsidiaries		592,429	592,429	592,429
Loans to subsidiaries and affiliates		4	14	14
Other non-current securities held		7,798	8,542	8,542
Loans				
Other non-current financial assets				
<b>Non-current assets</b>		<b>600,234</b>	<b>600,989</b>	<b>600,989</b>
Receivables		9,625	6,735	6,735
Trade and related receivables				
Other receivables	Note 4	9,625	6,735	6,735
Securities	Note 5	101	252	252
Cash				
Prepaid expenses	Note 4	43	40	40
<b>Current assets</b>		<b>9,768</b>	<b>7,027</b>	<b>7,027</b>
<b>TOTAL ASSETS</b>		<b>610,003</b>	<b>608,016</b>	<b>608,016</b>

### Liabilities and Shareholders' equity

		2018/06/30 Before allocation	2019/06/30 Before allocation
<i>(in thousands of euros)</i>			
Shareholders' equity	Note 6	409,455	428,842
Share capital		56,492	56,942
Additional paid-in capital		31,838	38,660
Reserves			
Revaluation surplus		947	947
Legal reserve		5,600	5,600
Regulated reserves			
Other reserves		28,280	28,280
Retained earnings		264,080	270,133
Net income for the period		22,218	28,280
Provisions for risks and expenses	Note 7	36,839	37,052
Payables		163,708	142,122
Bonds	Note 8	145,000	
Bank borrowings and other liabilities to bank	Note 8		
Miscellaneous borrowing and financial debt	Note 8	1,704	
Trade and related payables	Note 8	202	226
Tax and social security payables	Note 8	7	5
Other payables	Note 8	16,795	141,891
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>610,003</b>	<b>608,016</b>

## 6.3 Statement of cash flows

<i>(in thousands of euros)</i>	<b>2018/06/30 12 months</b>	<b>2019/06/30 12 months</b>
<b>Operating activities</b>		
Net income for the period	22,218	28,280
Depreciation and amortization		
Allocations to/Reversals of provisions for risks and expenses	(177)	3,018
Allocations to/Reversals of provisions on non-current financial assets and marketable securities		
Allocations to/Reversals of provisions for tax	175	(2,806)
<b>Gross cash flows from operating activities</b>	<b>22,216</b>	<b>28,492</b>
Gains on disposals of assets		
<b>Cash flows from operating activities</b>	<b>22,216</b>	<b>28,492</b>
Change in trade and related receivables	6,186	2,892
Change in provisions for risks and expenses		
Change in accounts payable and other payables	(14,614)	125,119
Change in accrued interest on borrowing		(1,704)
Change in WCR	(8,427)	126,307
<b>Net cash flow from (used in) operating activities</b>	<b>13,788</b>	<b>154,799</b>
<b>Investing activities</b>		
Acquisitions of property, plant and equipment and intangible assets.		
Acquisitions of non-current financial assets	(14,471)	(1,468)
Disposals of property, plant and equipment and intangible assets	8	
Disposals or repayments of non-current financial assets	5,098	713
<b>Net cash flows from (used in) investing activities</b>	<b>(9,366)</b>	<b>(755)</b>
<b>Financing activities</b>		
Dividends	(14,536)	(16,165)
Dividends to be paid		
Changes in Shareholders' equity	9,685	7,272
New borrowings (including bank lines)		
Repayments of borrowings		(145,000)
<b>Net cash flows from (used in) financing activities</b>	<b>(4,851)</b>	<b>(153,893)</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(429)</b>	<b>151</b>
Cash and cash equivalents - closing balance	101	252
Cash and cash equivalents - opening balance	530	101
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(429)</b>	<b>151</b>



## 6.4 Notes to the annual parent company financial statements

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### Activity of the Company

Bonduelle SCA is a financial holding company, whose corporate purpose is to:

- acquire and manage all types of securities, investment in equity or other interests in commercial, industrial, financial, investment and agricultural companies;
- provide access to financial markets to raise the funds needed to develop the group's activities.

Bonduelle SCA is the consolidating company of the Bonduelle Group.

On March 11, 2019, Bonduelle SCA redeemed the 145 million euro European private placement (EuroPP) issued in September 2012.

The Company received a dividend of 30,055 thousand euros from its subsidiary, Bonduelle SA, in accordance with the decision of the Ordinary Shareholders' Meeting of December 5, 2018.

### Note 1 Accounting principles and policies

The annual financial statements for the period were prepared in accordance with generally accepted accounting principles in France, as defined by the French General Accounting Plan, and the latest regulations issued by the French accounting standards body (ANC).

The basic method used to value the items recognized in the financial statements is the historical cost method.

General accounting conventions were applied with due regard for the principle of prudence and in accordance with these basic assumptions:

- going concern;
- consistency of accounting methods;
- independence of fiscal years.

and in compliance with the general rules governing the preparation and presentation of annual financial statements (ANC Regulation 2018-01 of April 20, 2018, approved by an order dated October 8, 2018).

The main rules and methods used are the following:

#### 1.1 Change in methods

No notable change in method was applied over the period.

#### 1.2 Property, plant and equipment

Property, plant and equipment were recognized at their purchase or contribution cost.

Depreciation is calculated on a straight-line basis over expected useful life.

#### 1.3 Non-current financial assets

##### Investments in subsidiaries

Investments in subsidiaries and affiliates and other long-term investments are carried at cost.

A provision for impairment is recognized if the value in use is lower than the carrying amount. The value in use of such

investments in subsidiaries is determined on the basis of various items such as net assets, the existence of unrealized capital gains and earnings forecasts approved by the Executive Management.

### Treasury shares

ANC Regulation 2014-03 was applied. This standard concerns the accounting treatment for stock option and share subscription plans and the granting of free shares to employees.

Therefore, treasury shares acquired are now recorded on the basis of their intended use, either in non-current financial assets or in securities.

Treasury shares held under liquidity contracts or for use in acquisitions are classified under non-current financial assets.

Treasury shares allocated to the coverage of stock option plans are reclassified into securities at their net carrying amount on the date they are allocated by the General Management.

### Treasury shares held under a liquidity contract and for use in acquisitions

Treasury shares held under the terms of a liquidity contract or for use in making acquisitions are recognized at purchase price.

At the close of the fiscal year, impairment is recognized if the average market share price for the previous month is lower than the average price paid to purchase the shares held as treasury shares as well as those allocated to stock option plans which are not expected to be exercised.

## 1.4 Receivables

Receivables are recognized at their face value. A provision is set aside, if needed, to cover any risk of default.

## 1.5 Provisions for risks and expenses

Provisions are assessed by the Executive Management to take account of the Company's actual obligations (legal or implied), in compliance with French accounting policies and notably the provisions of ANC Regulation 2014-03 regarding liabilities. Any disputes are evaluated on the basis of the claims made by third parties, which are revised, if applicable, on the basis of the defensive actions taken by the Company.

## 1.6 Translation of foreign currency items

All receivables and liabilities denominated in foreign currencies are translated at the closing rate of the fiscal year. Any differences arising from changes in exchange rates are recognized in "translation adjustments" in the balance sheet.

## 1.7 Marketable securities

### Treasury shares allocated to stock option plans

Treasury shares are recorded:

- at purchase price, if acquired to be allocated directly to the cover of stock option plans;

- at net carrying amount on the date they are allocated by the General Management to cover stock option plans, if these shares had been acquired previously or were taken from treasury shares recorded in non-current financial assets.

The shares are allocated into separate sub-categories based on the likelihood of the stock options being exercised by beneficiaries, in light of the average market share price for the previous month.

Shares allocated to stock option plans that are likely to be exercised are the object of an expense accrued to liabilities if the exercise price is lower than the carrying amount. The probability of an option being exercised is evaluated on a plan-by-plan basis, in light of the conditions of each plan. The total value of this future expense is spread evenly over the vesting period. The corresponding expense is recorded under net operating profit in the Section "charge in provisions for risks and expenses".

This provision is offset by the recognition of an accrued income in the same amount under the group company accounts in respect of the workforce beneficiaries.

The costs incurred are invoiced according to the same rules. They are recorded under net operating profit in the Section "transfer of capitalized costs".

Treasury shares allocated to stock option plans that are unlikely to be exercised by employees are written down if, at the reporting date, the average market share price for the previous month is lower than the average price of all the treasury shares that are unlikely to be exercised and of all shares not initially allocated to cover of a specific stock option plan.

All of these methods are consistent with ANC Regulation 2014-03.

### Other marketable securities

Marketable securities are recorded at cost.

A provision for impairment is recognized if the value in use is lower than the carrying amount.

## 1.8 Bonds

In early September 2012, the Company issued a 145 million euro bond in the form of a European Private Placement.

This bond, issued with a 6.5 year maturity, was redeemed in full on March 11, 2019.

## 1.9 Events after the reporting date

None.



## Note 2 Property, plant and equipment

Analysis of changes in gross amounts and accumulated depreciation:

<i>(in thousands of euros)</i>	At 2018/06/30	Acquisitions or charges	Merger and contribution	Disposals or reversals	At 2019/06/30
<b>Gross amount</b>					
Land	4				4
Buildings					
	4				4
<b>Depreciation</b>					
Land					
Buildings					
<b>Net carrying amount</b>					
Land	4				4
Buildings					
	4				4

## Note 3 Non-current financial assets

Analysis of changes in gross amounts and provisions:

<i>(in thousands of euros)</i>	Gross amount at 2018/06/30	Acquisitions	Disposals	Repurchases, reclassification and other	Gross amount at 2019/06/30
<b>Investments in subsidiaries</b>	592,429				592,429
Bonduelle SA	592,429				592,429
<b>Other non-current receivables</b>	4		10		14
Loans to subsidiaries and affiliates					
Other - Cash account with Exane	4		10		14
<b>Other non-current financial assets</b>					
Loans					
<b>Treasury shares held:</b>					
• under a liquidity contract <sup>(1)</sup>	620	2,999	(3,163)		457
• in relation to an acquisition	2,670			(1,544)	1,126
• coverage of securities conferring rights to allocations of Company shares					
• coverage of share purchase options and free share plans	4,508	1,458	(550)	1,544	6,960
	<b>600,230</b>	<b>4,457</b>	<b>(3,703)</b>		<b>600,985</b>

(1) The treasury shares held under the liquidity contract are revalued at the year-end share price, shown in the column "Acquisitions".

## 6 PARENT COMPANY FINANCIAL STATEMENTS

Notes to the annual parent company financial statements

<i>(in thousands of euros)</i>	Gross amount at 2019/06/30	Provisions at 2018/06/30	Charges	Reversals	Net carrying amount at 2019/06/30
Investments in subsidiaries	592,429				592,429
Other non-current receivables	14				14
Other non-current financial assets					
Treasury shares held:					
• under a liquidity contract	457				457
• in relation to an acquisition	1,126				1,126
• coverage of securities conferring rights to allocations of Company shares					
• coverage of share purchase options and free share plans	6,960				6,960
	<b>600,985</b>				<b>600,985</b>
Value at year-end:					
Treasury shares					12,803

<i>(in number of shares)</i>	At 2018/06/30	Increase	Decrease	Reclassification	At 2019/06/30
Treasury shares held:					
• under a liquidity contract	20,036	103,587	107,772		15,851
• in relation to an acquisition	151,842			-87,610	64,232
• coverage of securities conferring rights to allocations of Company shares					
• coverage of share purchase options and free share plans	258,253	50,000	31,402	87,610	364,461
	<b>430,131</b>	<b>153,587</b>	<b>139,174</b>		<b>444,544</b>
Average price of transactions over the period		€29.02	€26.66		

### Note 4 Statement of receivables

<i>(in thousands of euros)</i>	Gross value	≤ 1 year	> 1 year
<b>Current assets</b>			
Other trade receivables			
O.w. accrued income			
Group and associates			
O.w. accrued income			
Taxes and duties	1,824	1,824	
Other - Receivables from suppliers	2	2	
Group and associates			
Current account Tax consolidation			
Other - Miscellaneous receivables <sup>(1)</sup>	4,909	564	4,345
Other - Prepaid expenses	40	40	
	<b>6,775</b>	<b>2,430</b>	<b>4,345</b>

(1) Stock options and free share allocation plans: billing of expenses related to exercise of options to Bonduelle Group companies (see Note 18).

The income to be offset against the provision for risk is recognized as a capitalized cost.





## Note 5 Marketable securities

<i>(in thousands of euros)</i>	At 2018/06/30	At 2019/06/30
Securities held under terms of the liquidity contract (EXANE)	101	252
	<b>101</b>	<b>252</b>

## Note 6 Shareholders' equity

<i>(in thousands of euros)</i>	At 2018/06/30	Allocation Net income 2017-2018	Change	At 2019/06/30
Share capital	56,492	450		56,942
Additional paid-in capital/merger premium	31,838	6,822		38,660
Revaluation surplus	947			947
Legal reserve	5,600			5,600
Regulated reserves				
Other reserves	28,280			28,280
Retained earnings	264,080	6,053		270,133
<b>Net income for the period</b>				
2018/06/30	22,218	(22,218)		
2019/06/30			28,280	28,280
Dividends		8,893		
	<b>409,455</b>		<b>28,280</b>	<b>428,842</b>

Dividends totaling 15,943 thousand euros were paid out to Shareholders as a whole.

7,460 thousand euros of this dividend was paid in shares, including a balancing payment amounting to 188 thousand euros; 8,483 thousand euros of it was paid in cash.

222 thousand euros were paid out to the General Partner, in accordance with Article 25 of the Articles of association.

### Share capital

At June 30, 2019, the share capital was composed of 32,538,340 shares with a par value of 1.75 euros per share, as follows:

- 13,904,227 common shares;
- 18,634,113 shares with double voting rights.

The 32,538,340 shares comprising the Company's share capital represent 50,616,197 voting rights.

## Note 7 Provisions for risks and expenses

<i>(in thousands of euros)</i>	At 2018/06/30	Charges	Reversals		At 2019/06/30
			Used	Unused	
Provision for risks related to stock option or free share allocation plans	1,891	4,909		1,891	4,909
Provision for taxes – Tax Consolidation <sup>(1)</sup>	34,949	1,550	1,256	3,100	32,143
	<b>36,839</b>	<b>6,459</b>	<b>1,256</b>	<b>4,991</b>	<b>37,052</b>

(1) The tax provision is related to the use of tax loss carryforwards and tax credits of the companies in the tax consolidation group.



## Note 8 Payables

(in thousands of euros)	2018/06/30	2019/06/30		
		Gross value	≤ 1 year	> 1 year and ≤ 5 years
Borrowings <sup>(1)</sup>	146,704			
Trade and related payables <sup>(2)</sup>	202	226	226	
Tax and social security payables	7	5	5	
Other payables <sup>(3)</sup>	16,795	141,891	141,891	
	<b>163,708</b>	<b>142,122</b>	<b>142,122</b>	

(1) On September 10, 2012, Bonduelle SCA issued a European Private Placement for 145 million euros at 3.83% over a term of 6.5 years. This was redeemed in full on March 11, 2019.

The bond was issued to cover the group's financing needs.

(2) Trade payables are payable in under 30 days.

(3) Includes the current account with Bonduelle SA.

## Note 9 Financial result

(in thousands of euros)	At 2018/06/30	At 2019/06/30
<b>Financial income</b>		
Financial income from subsidiaries and affiliates		
• Bonduelle SA	30,049	30,055
• Income from loans		
	<b>30,049</b>	<b>30,055</b>
Income from other non-current securities and receivables		
Reversal of provisions and capitalized costs		
Other interest and similar income	259	52
Net gain on disposals of securities	3	
	<b>30,312</b>	<b>30,107</b>
<b>Financial expenses</b>		
Depreciation, amortization and provisions		
Interest and similar expenses	585	1,228
Interest expense on the EuroPP	5,554	3,849
Net expense on disposals of securities	5	0
	<b>6,143</b>	<b>5,078</b>
<b>FINANCIAL RESULT</b>	<b>24,169</b>	<b>25,029</b>



## Note 10 Non-recurring income

<i>(in thousands of euros)</i>	At 2018/06/30	At 2019/06/30
<b>Non-recurring income on revenue transactions</b>		
Fines - Tax audit		13
<b>Non-recurring income on capital transactions</b>		
• Income from disposals of property, plant and equipment		
• Income from disposals of non-current financial assets (profit on treasury shares)	611	775
<b>Recoveries of provisions for risks and expenses</b>		
<b>TOTAL NON-RECURRING INCOME</b>	<b>611</b>	<b>788</b>

## Note 11 Non-recurring expenses

<i>(in thousands of euros)</i>	At 2018/06/30	At 2019/06/30
<b>Non-recurring expenses on revenue transactions</b>		
Fines - Tax audit		15
<b>Non-recurring expenses on capital transactions</b>		
• Disposals of property, plant and equipment	8	
• Disposals of non-current financial assets (loss on treasury shares)	699	777
• Disposals of investments in subsidiaries		
<b>Provisions for risks and expenses</b>		
<b>Non-recurring charges to depreciation, amortization and provisions</b>		
<b>Total non-recurring expenses</b>	<b>706</b>	<b>792</b>
<b>TOTAL NON-RECURRING INCOME</b>	<b>(96)</b>	<b>(4)</b>

## Note 12 Information on related parties and investments

<b>Items</b> <i>(in thousands of euros)</i>	Amount concerning companies	
	Related parties	With which the Company has a capital relationship
<b>Investments in subsidiaries:</b>		
• Gross amount	592,429	
• Net amount	592,429	
<b>Loans to subsidiaries and affiliates</b>		
Other receivables	4,909	
Other payables	141,857	
Operating liabilities	3	
<b>Financial income from subsidiaries and affiliates</b>		
Financial income	30,107	
Financial expenses	1,077	

## Note 13 Tax breakdown

<i>(in thousands of euros)</i>	Operating income	Non-recurring income	Total
<b>Profit before tax</b>	<b>22,431</b>	<b>(4)</b>	<b>22,427</b>
Theoretical income tax			
Tax credit			
<b>Total theoretical income tax</b>			
Impact of tax consolidation			3,047
Provision for taxes – Tax consolidation			2,806
<b>Total income tax expense</b>			<b>5,853</b>
<b>NET INCOME AFTER TAXES:</b>			<b>28,280</b>

## Note 14 Tax consolidation

As parent company, Bonduelle SCA is the head of a tax consolidation group that includes:

Name	Address
Bonduelle SA	La Woestyne - 59173 Renescure (France)
Bonduelle Europe Long Life SAS	La Woestyne - 59173 Renescure (France)
Bonduelle Development SAS	La Woestyne - 59173 Renescure (France)
Bonduelle Frais Traiteur SAS	La Woestyne - 59173 Renescure (France)
Bonduelle Frais France SA	90, rue André Citroën - 69740 Genas (France)
Bonduelle Traiteur International SAS	67 route de Concarneau BP 27 - 29140 Rosporden (France)
SAS Champiloire	Chantemerle - Bagneux - 49400 Saumur (France)
Euromycel SAS	Chantemerle - Bagneux - 49400 Saumur (France)
SAS Champignonnières des Roches	Chantemerle - Bagneux - 49400 Saumur (France)
SAS Champignonnières de la Vienne	Chantemerle - Bagneux - 49400 Saumur (France)
MOD Bond SAS	La Woestyne - 59173 Renescure (France)

Under the terms of the tax consolidation agreement, the following method is used to allocate income tax to each of the consolidated companies:

- each company pays Bonduelle SCA an amount equal to the tax they would have paid on their earnings and/or net long-term capital gains for the year had they been taxed on a standalone basis, after deducting all tax credits to which the consolidated companies would have been entitled had they not been consolidated;
- on a standalone basis, Bonduelle SCA did not incur any income tax for the fiscal year ended June 30, 2019.

### Taxable income for the tax consolidation group as a whole

Taxable income for the entire tax-consolidated group amounted to a profit of 14,726 thousand euros.

Tax loss carryforwards: none.



## Note 15 Deferred taxes

None.

## Note 16 Directors' and officers' compensation

**Table 1 : Summary of the compensation and of the options and shares allocated to each executive Corporate Officer**

(in euros)	FY 2018-2019
<b>Guillaume Debrosse<sup>(1)</sup></b> <i>Permanent representative of Pierre et Benoît Bonduelle SAS, General Manager of Bonduelle SCA</i>	
Compensation due in respect of the fiscal year (details provided in table 2)	486,170 <sup>(3)</sup>
Value of variable multi-year compensation granted during the fiscal year	None
Valuation of options granted during the fiscal year (details provided in table 4)	None
Valuation of performance shares granted free of charge during the fiscal year (details provided in table 6) <sup>(2)</sup>	343,718
<b>TOTAL</b>	<b>829,888</b>

(1) *Bonduelle SCA does not have any employees. The compensation is due under the terms of the corporate functions for Bonduelle SAS. No compensation is given in respect of the role of the permanent representative of Pierre et Benoît Bonduelle SAS, General Manager of Bonduelle SCA. Guillaume Debrosse was appointed as permanent representative in fiscal year 2018-2019.*

(2) *Long-term profit-sharing scheme. Plans based on return on capital employed representing 50% of fixed compensation at target and contingent on employment on the effective grant date of the plan.*

*Maximum number of shares and valuation assuming targets are exceeded.*

(3) *This amount does not take into consideration annual variable compensation not calculated on that date.*

**Table 2 : Summary of compensation of each executive Corporate Officer of the issuer**

(in euros)	FY 2018-2019	
	Amount due	Amount paid
<b>Guillaume Debrosse</b> <i>Permanent representative of Pierre et Benoît Bonduelle SAS, General Manager of Bonduelle SCA</i>		
Fixed compensation <sup>(1)</sup>	480,000	480,000
• Annual variable compensation <sup>(2)</sup>	Not calculated	Not applicable
• Multi-year variable compensation	None	None
Non-recurring compensation	None	None
Directors' fees	None	None
Benefits in kind: car	6,170	6,170
<b>TOTAL</b>	<b>486,170</b>	<b>486,170</b>

(1) *Fixed compensation is not systematically reviewed on an annual basis but reflects changes in the size of the group and its challenges.*

(2) *The components of variable compensation are determined by the Bonduelle SA Board of Directors acting on a proposal from the Compensation Committee after the date the present document was issued and are primarily based on changes in revenue and profitability.*

*The expected level of attainment for primarily quantitative criteria was set in detail by the Board of Directors acting on a proposal from the Compensation Committee, but was not made public for reasons of confidentiality. Qualitative criteria were set by the Board of Directors acting on a proposal from the Compensation Committee, but were not made public for reasons of confidentiality.*

*Variable compensation may not exceed 60% of the fixed compensation.*

*Within the context of a compensation policy designed to continually improve group performance, the vast majority of employees receive variable compensation.*

## Summary table of compensation due to the General Manager

<i>(in euros)</i>	FY 2017-2018	FY 2018-2019
<b>Pierre et Benoît BONDUELLE SAS<sup>(1)</sup></b>		
Other compensation	1,496,700	1,810,883
<b>TOTAL</b>	<b>1,496,700</b>	<b>1,810,883</b>

(1) The compensation of the General Management is established by Article 17 of the Company's Articles of association and comprises two components:

- an amount equal to 1.5% of the group's share of the consolidated net income of the previous fiscal year;
- additional compensation equal to 1% of the group's share of the consolidated net income of the previous fiscal year, when the latter exceeds 1.5% of consolidated net revenue.

Compensation is to be paid in equal monthly payments and the net amount is shown below.

## Table 3 : Directors' fees and other compensation received by non-executive Corporate Officers

<i>(in euros)</i>	Amount paid during the fiscal year 2017-2018	Amount paid during the fiscal year 2018-2019
<b>Non-executive Corporate Officers</b>		
<b>Martin Ducroquet</b>		
Directors' fees	9,900	11,000
Other compensation		
<b>Isabelle Danjou</b>		
Directors' fees	9,900	9,900
Other compensation		
<b>Laurent Bonduelle</b>		
Directors' fees	5,500	5,500
Other compensation		
<b>Matthieu Duriez</b>		
Directors' fees	3,300	6,600
Other compensation		
<b>Elisabeth Minard</b>		
Directors' fees	5,500	5,500
Other compensation		
<b>Yves Tack<sup>(1)</sup></b>		
Directors' fees	9,900	3,300
Other compensation		
<b>Marie-France Tisseau</b>		
Directors' fees	5,500	6,600
Other compensation		
<b>Jean-Pierre Vannier</b>		
Directors' fees	N/A	5,500
Other compensation		
<b>Marie-Ange Verdickt</b>		
Directors' fees	8,800	11,000
Other compensation		
<b>TOTAL</b>	<b>58,300</b>	<b>64,900</b>

The majority of Directors' fees are paid according to attendance rates at Supervisory Board and specialized committee meetings.

(1) Yves Tack's term of office ended upon his death during fiscal year 2017-2018.

**Table 4 : Stock subscription or purchase options granted during the fiscal year to each executive Corporate Officer by the issuer and by any company in the group**

Name of executive Corporate Officer	No. and date of plan	Nature of options (purchase or subscription)	Valuation of the options according to the method used for the consolidated financial statements (in euros)	Number of options granted during the fiscal year	Exercise price (in euros)	Exercise period
<b>TOTAL</b>			<b>NONE</b>			

**Table 5 : Stock subscription or purchase options exercised during the fiscal year by each executive Corporate Officer**

Name of executive Corporate Officer	No. and date of plan	Number of options exercised during the fiscal year	Exercise price (in euros)
<b>TOTAL</b>		<b>NONE</b>	

**Table 6 : Performance shares granted to each Corporate Officer during the fiscal year**

Performance shares granted by the Shareholders' Meeting during the fiscal year to each Corporate Officer by the issuer and by any company in the group (nominative list)	No. and date of plan	Number of shares granted during the fiscal year	Valuation of shares according to the method used for the consolidated financial statements (in euros)	Acquisition date	Availability date	Performance conditions
Guillaume Debrosse	Plan 8 2018/12/07	11,423	343,718 <sup>(1)</sup>	2021/11/05	2021/11/06	<sup>(2)</sup>
<b>TOTAL</b>		<b>11,423</b>				

On December 7, 2018, the General Management decided to grant free common shares, including 11,423 to Guillaume Debrosse, as Chief Executive Officer of Bonduelle SA, as authorized by the Shareholders' Meeting of December 6, 2018 in its 25<sup>th</sup> resolution.

In accordance with the provisions of the Afep-Medef Code, to the best of the Company's knowledge, Corporate Officers do not benefit from any hedging arrangement. In addition, in accordance with the provisions of Article L. 225-197-1 of the French Commercial Code, the General Management decided that the executive Corporate Officers of associated companies within the meaning of Article L. 225-197-2 of the French Commercial Code, who are beneficiaries of the plan, shall hold 10% of the free shares granted to them as registered shares until the termination of their duties as executive Corporate Officers.

(1) Maximum number of shares and valuation assuming targets are exceeded.

(2) Free share grants are mainly based on a long-term profit-sharing scheme. Plans based on return on capital employed representing 50% of salary or fixed compensation at target and contingent on employment on the date of effective allocation. In accordance with the provisions of the Afep-Medef Code, to the best of the Company's knowledge, Corporate Officers do not benefit from any hedging arrangements.

**Table 7 : Performance shares granted to each Corporate Officer that are now available**

Performance shares vested for each Corporate Officer	No. and date of plan	Number of shares becoming available during the fiscal year	Acquisition terms
<b>TOTAL</b>		<b>NONE</b>	

**Table 8: Historical information on share subscription or purchase option grants**

<b>Information on share subscription or purchase options</b>	
Date of Shareholders' Meeting	
Date of the General Management decision	
Total number of shares that may be subscribed or purchased	
Number of shares that may be subscribed or purchased, including the number that may be subscribed or purchased by:	
<b>Corporate Officer</b>	
<b>Guillaume Debrosse</b>	
<i>Permanent representative of Pierre et Benoît Bonduelle SAS, General Manager of Bonduelle SCA</i>	See Note 18
Start of option exercise period	
Date of expiration	
Subscription or purchase price	
Exercise methods (when the plan has several tranches)	
Number of shares subscribed or purchased at June 30, 2018 (most recent date)	
Total no. of share purchase or subscription options canceled or expired	
Share purchase or subscription options outstanding at year-end	

The exercise of share purchase options previously granted is not subject to performance criteria.

**Table 9 : Ten largest employee share subscription or purchase options granted, other than to directors or Corporate Officers, and options exercised by them**

	<b>Total number of options granted/ shares subscribed or purchased</b>
Options granted during the fiscal year by the issuer and by any company included in the scope of allocation of options, to the ten employees of the issuer and of any company included in that scope, who were granted the greatest number of options	None
Options held on the issuer and the companies referred to above, exercised, during the fiscal year, by the ten employees of the issuer and of those companies who purchased or subscribed the greatest number of shares in this way	None





**Table 10 : Historical information on free share grants**

Description of free share allocation plans <sup>(1)</sup>	Free Share Plan 4	Free Share Plan 5	Free Share Plan 6	Free Share Plan 7	Free Share Plan 8
Date of Shareholders' Meeting	2015/12/03	2015/12/03	2015/12/03	2015/12/03	2018/12/06
Date of the General Management decision	2015/12/07	2016/09/16	2016/10/27	2017/10/06	2018/12/07
Total number of free shares allocated	61,868	76,801	2,415	47,582	72,066
including the number awarded to Guillaume Debrosse <i>Permanent representative of Pierre et Benoît Bonduelle SAS, General Manager of Bonduelle SCA</i>	N/A	N/A	N/A	N/A	11,423
including the number granted to the Executive Committee <sup>(2)</sup>	61,868	76,801	2,415	47,582	72,066
Date of share acquisition	2018/12/07	2019/09/16	2018/10/27	2020/10/06	2021/11/05
End of holding period	2018/12/07	2019/09/16	2018/10/27	2020/10/06	2021/11/05
Number of shares definitively acquired at June 30, 2019	28,987	N/A	2,415	N/A	N/A
Total no. of shares canceled or expired	32,881	N/A	N/A	N/A	N/A
Outstanding free shares granted at fiscal year-end	0	76,801	0	47,582	72,066

(1) Free share grants are mainly based on a long-term profit-sharing scheme. Plans based on return on capital employed representing 50% of salary or fixed compensation at target and contingent on employment on the date of effective allocation. In accordance with the provisions of the Afep-Medef Code, to the best of the Company's knowledge, Corporate Officers do not benefit from any hedging arrangements.

(2) Group Executive Committee up to plan 7, Group Management Committee from plan 8.

Description of free share allocation plans <sup>(1)</sup>	Free Share Plan 9	Free Share Plan 10	Free Share Plan 11	Free Share Plan 12	Free Share Plan 13	Free Share Plan 14
Date of Shareholders' Meeting	2018/12/06	2018/12/06	2018/12/06	2018/12/06	2018/12/06	2018/12/06
Date of the General Management decision	2018/12/07	2018/12/07	2018/12/07	2018/12/07	2018/12/07	2019/11/02
Total number of free shares allocated	7,616	26,429	24,141	24,373	18,619	23,024
including the number awarded to Guillaume Debrosse <i>Permanent representative of Pierre et Benoît Bonduelle SAS, General Manager of Bonduelle SCA</i>	0	0	0	0	0	0
including the number granted to the Executive Committee <sup>(2)</sup>	0	26,429	24,141	24,373	18,619	0
Date of share acquisition	2019/12/07	2020/12/31	2021/02/28	2021/03/31	2021/12/31	2022/02/11
End of holding period	2020/12/07	2020/12/31	2021/02/28	2021/03/31	2021/12/31	2022/02/11
Number of shares definitively acquired at June 30, 2019	N/A	N/A	N/A	N/A	N/A	N/A
Total no. of shares canceled or expired	N/A	N/A	N/A	N/A	N/A	N/A
Outstanding free shares granted at fiscal year-end	7,616	26,429	24,141	24,373	18,619	23,024

(1) Free share grants are mainly based on a long-term profit-sharing scheme. Plans based on return on capital employed representing 50% of salary or fixed compensation at target and contingent on employment on the date of effective allocation. In accordance with the provisions of the Afep-Medef Code, to the best of the Company's knowledge, Corporate Officers do not benefit from any hedging arrangements.

(2) Group Executive Committee up to plan 7, Group Management Committee from plan 8.

**Table 11**

	Employment contract <sup>(1)</sup>		Supplementary retirement plan <sup>(2)</sup>		Indemnities or benefits due or likely to be due for termination of appointment or change in current function <sup>(3)</sup>		Indemnities related to a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>Executive Corporate Officers</b>								
<b>Guillaume Debrosse</b>								
<i>Permanent representative of Pierre et Benoit Bonduelle SAS, General Manager of Bonduelle SCA</i>								
Chief Executive Officer of Bonduelle SA		X	X			X		X
Appointment start date <sup>(4)</sup>								
Appointment end date <sup>(4)</sup>								

(1) Guillaume Debrosse's employment contract with Bonduelle SA was suspended on July 1, 2018.

(2) The group has established a supplementary, defined contribution pension plan (Article 83 plan) (See Chapter 5, Note 10.2 to the Section entitled "Post-employment benefits").

(3) Bonduelle SA employees are granted retirement benefits and long-service awards. For Guillaume Debrosse, these amount to 167,256 euros.

(4) Open-ended appointment since his appointment at the Bonduelle SA Board of Directors' meeting on July 6, 2018

## Note 17 Off-balance sheet commitments

	At 2019/06/30
Off-balance sheet commitments	None

## Note 18 Information regarding stock option and free share allocation plans

### 18.1 Stock option plans

Date of Shareholders' Meeting:	
Date of the General Management decision	
Initial number of shares that may be subscribed or purchased	
Including the number of shares that may be subscribed or purchased by Guillaume Debrosse, permanent representative of Pierre et Benoit Bonduelle SAS, General Manager of Bonduelle SCA	
<b>Number of shares canceled or expired<sup>(1)</sup></b>	
Total number of shares that may be subscribed or purchased	None
Start of option exercise period	
Date of expiration	
Subscription or purchase price	
Share price (basis for employer contribution on stock option plans)	
<b>NUMBER OF SHARES SUBSCRIBED OR PURCHASED AT JUNE 30, 2019</b>	
Number of shares that may be subscribed or purchased at June 30, 2019	

(1) Cancellations represent options allocated to persons who have left the group prior to the exercise period or that had not been purchased by the time the plan expired.



Notes to the annual parent company financial statements

**18.2 Free share allocation plans**

Description of free share allocation plans <sup>(1)</sup>	Free Share Plan 4	Free Share Plan 5	Free Share Plan 6	Free Share Plan 7	Free Share Plan 8
Date of Shareholders' Meeting Date of Shareholders' Meeting	2015/12/03	2015/12/03	2015/12/03	2015/12/03	2018/12/06
Date of the General Management decision	2015/12/07	2016/09/16	2016/10/27	2017/10/06	2018/12/07
Total number of free shares allocated	61,868	76,801	2,415	47,582	72,066
including the number awarded to Guillaume Debrosse Permanent representative of Pierre et Benoît Bonduelle SAS, General Manager of Bonduelle SCA	N/A	N/A	N/A	N/A	11,423
including the number granted to the Executive Committee <sup>(2)</sup>	61,868	76,801	2,415	47,582	72,066
Date of share acquisition	2018/12/07	2019/09/16	2018/10/27	2020/10/06	2021/11/05
End of holding period	2018/12/07	2019/09/16	2018/10/27	2020/10/06	2021/11/05
<b>NUMBER OF SHARES DEFINITELY ACQUIRED AT JUNE 30, 2019</b>	<b>28,987</b>	<b>N/A</b>	<b>2,415</b>	<b>N/A</b>	<b>N/A</b>
Total no. of shares canceled or expired	32,881	N/A	N/A	N/A	N/A
Outstanding free shares granted at fiscal year-end	0	76,801	0	47,582	72,066

(1) Free share grants are mainly based on a long-term profit-sharing scheme. Plans based on return on capital employed representing 50% of salary or fixed compensation at target and contingent on employment on the date of effective allocation. In accordance with the provisions of the Afep-Medef Code, to the best of the Company's knowledge, Corporate Officers do not benefit from any hedging arrangements.

(2) Group Executive Committee up to plan 7, Group Management Committee from plan 8.

Description of free share allocation plans <sup>(1)</sup>	Free Share Plan 9	Free Share Plan 10	Free Share Plan 11	Free Share Plan 12	Free Share Plan 13	Free Share Plan 14
Date of Shareholders' Meeting	2018/12/06	2018/12/06	2018/12/06	2018/12/06	2018/12/06	2018/12/06
Date of the General Management decision	2018/12/07	2018/12/07	2018/12/07	2018/12/07	2018/12/07	2019/02/11
Total number of free shares allocated	7,616	26,429	24,141	24,373	18,619	23,024
including the number awarded to Guillaume Debrosse Permanent representative of Pierre et Benoît Bonduelle SAS, General Manager of Bonduelle SCA	0	0	0	0	0	0
including the number granted to the Executive Committee <sup>(2)</sup>	0	26,429	24,141	24,373	18,619	23,024
Date of share acquisition	2019/12/07	2020/12/31	2021/02/28	2021/03/31	2021/12/31	2022/02/11
End of holding period	2020/12/07	2020/12/31	2021/02/28	2021/03/31	2021/12/31	2022/02/11
<b>NUMBER OF SHARES DEFINITELY ACQUIRED AT JUNE 30, 2019</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
Total no. of shares canceled or expired	N/A	N/A	N/A	N/A	N/A	N/A
Outstanding free shares granted at fiscal year-end	7,616	26,429	24,141	24,373	18,619	23,024

(1) Free share grants are mainly based on a long-term profit-sharing scheme. Plans based on return on capital employed representing 50% of salary or fixed compensation at target and contingent on employment on the date of effective allocation. In accordance with the provisions of the Afep-Medef Code, to the best of the Company's knowledge, Corporate Officers do not benefit from any hedging arrangements.

(2) Group Executive Committee up to plan 7, Group Management Committee from plan 8.



## 18.3 Other information on stock option plans

### 18.3.1 Expense recognized during the fiscal year:

The profit and loss made on stock options are recorded under net non-recurring income.

No options were exercised during the fiscal year.

### 18.3.2 Contingent liabilities:

A provision for risks and expenses was recorded at the end of the fiscal year, at June 30, 2019, in the amount of 4,909 thousand euros.

This provision is covered by accrued income in the same amount recorded under miscellaneous receivables (see Notes 1 and 4).

This accrued income corresponds to the amount that will be passed on to the subsidiaries whose employees are beneficiaries of free share plans.



## 6.5 Information regarding subsidiaries and affiliates

<i>(in thousands of euros)</i> Company	Number of shares held	Currencies	Capital <sup>(1)</sup>	Shareholders' equity other than share capital and net income for the period <sup>(1)</sup>	Capital interest <i>(in %)</i>	Carrying amount of shares		Advances made by the Company	Security deposits given	Revenue for the year ended, excluding interest tax	Previous year-end result	Dividends received by the Company during the fiscal year
						Gross	Net					
<b>A/ Holdings with a gross value in excess of 1% of the parent's share capital</b>												
1/ Subsidiaries (>50% held)												
Bonduelle SA	2,348,058	EURO	234,806	410,555	100	592,429	592,429			38,284	43,372	30,055
2/ Between 10 and 50%												
<b>B/ Holdings with a gross value not in excess of 1% of the parent's share capital</b>												
1/ French subsidiaries												
2/ Foreign subsidiaries												
3/ Investments in French companies												

(1) In the Company's local currency.

## 6.6 Five year financial summary

<i>(in thousands of euros)</i>	2015/06/30	2016/06/30	2017/06/30	2018/06/30	2019/06/30
<b>Financial position at year-end</b>					
Share capital	56,000	56,000	56,000	56,492	56,942
Number of shares issued in units	32,000,000	32,000,000	32,000,000	32,281,118	32,538,340
<b>Total income from operations</b>					
Revenues of subsidiaries	30,002	30,049	30,049	30,049	30,055
<b>Revenue excluding tax</b>					
Income before taxes, employee profit-sharing, depreciation, amortization and provisions	21,632	23,493	22,437	21,730	22,427
Income tax	(5,701)	(2,187)	(10,481)	(311)	(5,853)
<b>Employee profit-sharing</b>					
Earnings after taxes, employee profit-sharing, depreciation, amortization and provisions	27,739	24,538	32,438	22,218	28,280
Dividends paid	13,760	13,760	14,400	16,141	16,269
<b>Earnings per share from operations</b>					
<i>(in euros)</i>					
Earnings after taxes and employee profit-sharing but before depreciation, amortization and provisions	0.85	0.80	1.03	0.68	0.87
Earnings after taxes, employee profit-sharing, depreciation, amortization and provisions	0.87	0.77	1.01	0.69	0.87
Dividend paid per share	0.43	0.43	0.45	0.50	0.50 <sup>(1)</sup>

(1) Proposal submitted to the Shareholders' Meeting.

### Proposed allocation of net income

The General Management asks the Shareholders' Meeting to allocate the net income for the year of 28,279,789.33 euros as follows:

– profits for the fiscal year	28,279,789.33 euros
– retained earnings	<u>270,133,164.51 euros</u>
– distributable profit	298,412,953.84 euros
– allocation to the General Partner	282,797.89 euros
– legal reserve	94,209.50 euros
– shareholder dividend	16,269,170.00 euros
– retained earnings	281,766,776.45 euros

And to approve payment of a dividend for fiscal year 2018-2019 of 0.50 euro per share, the entire amount thus distributed being eligible for the 40% tax credit referred to in Article 158-3-2 of the French General Tax Code.

The dividend will be paid on January 8, 2020.

## 6.7 Statutory Auditors' report on the financial statements

*This is a translation into English of the statutory auditors' report on the financial statements of the BONDUELLE SCA issued in French and it is provided solely for the convenience of English speaking users.*

*This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.*

*This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

### For the year ended 30 June 2019

To the annual general meeting of Bonduelle SCA,

### Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of Bonduelle SCA for the year ended 30 June 2019.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 30 June 2019 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

### Basis for Opinion

#### Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors Responsibilities for the Audit of the Financial Statements section of our report.

#### Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from 1 July 2018 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5 of Regulation (EU) No 537/2014 or in the French Code of ethics (code de déontologie) for statutory auditors.

### Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (*code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

We determined that there was no Key Audit Matters to report in our report.



## Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulation.

### **Information given in the management report and in the other documents provided to Shareholders with respect to the financial position and the financial statements**

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents provided to Shareholders with respect to the financial position and the financial statements.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D.441-4 of the French Commercial Code (*code de commerce*).

### **Report on corporate governance**

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L. 225-37-3 and L. 225-37-4 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L. 225-37-3 of the French Commercial Code (*code de commerce*) relating to remunerations and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlling and controlled companies. Based on this work, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a takeover or exchange offer, provided pursuant to Article L. 225-37-5 of the French Commercial Code (*code de commerce*), we have verified their compliance with the source documents communicated to us. Based on our work, we have no observation to make on this information.

## Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting has been properly disclosed in the management report.

## Report on Other Legal and Regulatory Requirements

### Appointment of the Statutory Auditors

#### **Deloitte & Associés**

Has been appointed as statutory auditors of Bonduelle SCA by the annual general meeting held on 7 December 2006

As at 30 June 2019, audit firm Deloitte were in the 13<sup>th</sup> year of total uninterrupted engagement.

#### **Mazars**

Has been appointed as statutory auditors of Bonduelle SCA by the annual general meeting held on 20 December 1989

As at 30 June 2019, audit firm Mazars were in the 30<sup>th</sup> year of total uninterrupted engagement and in the 21<sup>th</sup> year since securities of the Company were admitted to trading on a regulated market.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.



The financial statements were approved by the general Management.

## Statutory Auditors Responsibilities for the Audit of the Financial Statements

### Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (*code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

### Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (*code de commerce*) and in the French Code of Ethics (*code de déontologie*) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Lille and Villeneuve d'Ascq, Septembre 30, 2019

The Statutory Auditors

**Deloitte & Associés**  
Pierre-Marie Martin

**MAZARS**  
Vincent Rambaux

## 6.8 Statutory Auditors' report on regulated agreements and commitments

*This is a free translation into English of the statutory auditors' report on regulated agreements and commitments issued in French and it is provided solely for the convenience of English speaking users.*

*This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the Shareholders,

In our capacity as your company's statutory auditors, we hereby report to you on regulated agreements and commitments.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms, conditions and reasons underlying company's interest of agreements and commitments that have been disclosed to us or that we may have identified as part of our engagement, without commenting on their relevance or substance or identifying any undisclosed agreements or commitments. Under the provisions of article R. 226-2 of the French commercial code, it is the responsibility of the shareholders to determine whether the agreements and commitments are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by article R. 226-2 of the French commercial code in relation to the implementation during the year of agreements and commitments already approved by the Shareholders' Meeting.

We performed the procedures that we deemed necessary in accordance with the guidance issued by the French Institute of statutory auditors (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

### Agreements and commitments submitted to the approval of the Shareholders' Meeting

In accordance with article L226-10 of the French commercial code, we have been informed of the following agreements and commitments authorized by the Supervisory Board during the current year.

#### **Bonduelle SCA's guarantee of Bond issued by Bonduelle SA (USPP 2019)**

**Companies involved:** Bonduelle SA, for which Bonduelle SCA directly or indirectly holds over 10% of the voting rights and Pierre & Benoît Bonduelle SAS, General Partner of Bonduelle SCA.

**Nature, corporate purpose and terms:** On May 2, 2019, Bonduelle SA issued a 10-year bond into the United States, by private placement, in the total amount of € 140 million. Bonduelle SCA stood surety for the bond issue. This surety is non-interest bearing.

### Agreements and commitments previously approved by the Shareholders' Meeting

In accordance with article R. 226-2 of the French commercial code, we have been informed of the following agreements and commitments approved in prior years and which remained current during the last year.



## Bonduelle SCA's guarantee of Bond issued by Bonduelle SA (USPP 2010)

**Companies involved:** Bonduelle SA, for which Bonduelle SCA directly or indirectly holds over 10% of the voting rights and Pierre & Benoît Bonduelle SAS, General Partner of Bonduelle SCA.

**Nature, corporate purpose and terms:** On August 3 and September 2, 2010, Bonduelle SA issued a 12-year bond in the United States, by private placement, in two tranches, in the total amount of 165 million dollars US. Bonduelle SCA stood surety for the bond issue. This surety is non-interest bearing.

## Bonduelle SCA's guarantee of a Bond issued by Bonduelle SA (USPP 2017)

**Companies involved:** Bonduelle SA, for which Bonduelle SCA directly or indirectly holds over 10% of the voting rights and Pierre & Benoît Bonduelle SAS, General Partner of Bonduelle SCA.

**Nature, corporate purpose and terms:** On July 6, 2017, Bonduelle SA issued a 10-year bond in the United States, by private placement, in two tranches of € 150 million and \$ 50 million. Bonduelle SCA stood surety for the bond issue. This surety is non-interest bearing.

Those agreements were reviewed by your Supervisory Board at its meeting on September 27, 2019. Noting that the economic conditions of those agreements have not changed, it is not necessary to resubmit them for approval to the next General Meeting.

Lille and Villeneuve d'Ascq, on September 30, 2019

The Statutory Auditors

**Deloitte & associés**

Pierre-Marie Martin

**MAZARS**

Vincent Rambaux





# Information on the Company and the share capital



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Items of the Annual Financial Report are identified in the contents using the <sup>AFR</sup> symbol



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Information regarding the share capital

## 7.1 Information regarding the share capital

### 7.1.1 Historical information on the share capital

Year	Transaction	Par value	Additional paid-in capital	Successive amounts	Total no. of shares
At 199/01/01					
<i>(in francs)</i>					
				307,392,400	439,132
1995	Repurchase of 68,068 shares	(47,467,600)	(95,295,200)	259,744,800	371,064
	Capitalization of reserves and increase in nominal value from FFR700 to FFR760	22,263,840		282,008,640	371,064
	Division of the nominal share value from FFR760 to FFR40			282,008,640	7,050,216
	Integration of Financière Bonduelle Dalle and issue of 146,325 new shares	5,853,000	6,303,103	287,861,640	7,196,541
	Contribution of Bonduelle SA shares by the Bonduelle Valeurs fund	10,372,880	14,938,800	298,234,520	7,455,863
	Contribution of Bonduelle SA shares by employees and others	7,142,720	10,675,640	305,647,240	7,641,181
1998	Issue of 358,819 shares	14,352,760	30,499,615	320,000,000	8,000,000
<i>(in euros)</i>					
2001	Capitalization of FFR47,335,920 from additional paid-in capital into share capital, in view of the conversion to the euro			56,000,000	8,000,000
2005	Share capital increase following the merger with Montecourt	2,068,948	17,269,806.14	58,068,948	8,295,564
2005	Cancellation of the Company's shares received under the terms of the merger with Montecourt	(2,068,948)	(17,269,806.14)	56,000,000	8,000,000
	Share capital increase following the merger with L'Angevaine	1,596,000	13,933,080	57,596,000	8,228,000
	Share capital increase following the merger with La Houssaie	539,588	4,710,603.23	58,135,588	8,305,084
	Share capital increase following the merger with La Marjolaine	646,170	5,641,043.42	58,781,758	8,397,394
	Share capital increase following the merger with Pecarrère	359,464	3,138,125.23	59,141,222	8,448,746
	Capital reduction by cancellation of treasury shares of the Company received through mergers	3,124,709	(27,278,709.57)	56,016,513	8,002,359
2012	Capital reduction by cancellation of treasury shares	16,513		56,000,000	8,000,000
2013	Reduction of the par value of the share by exchanging each existing common share with a par value of 7 euros for four new shares each with a par value of 1.75 euros			56,000,000	32,000,000
2018	Capital increase following the distribution of a dividend of 0.45 euros per share, with the option granted to Shareholders for the payment of their dividends either in shares or in cash	491,956.50		56,491,956.50	32,281,118
2019	Capital increase following the distribution of a dividend of 0.50 euro per share, with the option granted to Shareholders for the payment of their dividends either in shares or in cash	450,138.5		56,942,095	32,538,340







## 7.1.2 Amount of the share capital

As at June 30, 2019, 32,538,340 shares were outstanding compared with 32,281,118 at July 1, 2018. This increase was due to Shareholders exercising their option to receive their dividends in shares for the fiscal year ended on June 30, 2018. After the option period, from December 14, 2018 to December 28, 2018, the issue of 257,222 new common shares was recorded on January 9, 2019, with a capital increase of 450,138.50 euros.

At August 31, 2019, the share capital amounted to 56,942,095 euros.

It was divided into 32,538,340 common shares of 1.75 euros each, all fully paid up and of the same class, representing 51,174,558 theoretical voting rights, due to the existence of double voting rights and representing 50,613,103 voting rights exercisable at the Shareholders' Meeting. This difference relates to the 561,455 shares that do not carry voting rights.

## 7.1.3 Delegations and authorizations granted to the General Management for share capital increases

Type of resolution	Date of Shareholders' Meeting	Term of the delegation/ authorization granted to the General Management	Date of expiration	Observation	Use during previous fiscal years	Use during the fiscal year 2018-2019
Delegation of authority to the General Management to increase the share capital by the capitalization of reserves, net income and/ or additional paid-in capital. Maximum of 17.5 million euros in par value (10 million shares or 30.98% of the share capital)*.	2018/12/06 (17 <sup>th</sup> resolution)	26 months	2021/02/05		-	-
Delegation of authority to the General Management to issue common shares and/or common shares giving access to common shares or to allocations of debt securities (of the Company or a group company) and/or securities giving access to common shares, with pre-emptive subscription rights maintained. Maximum of 17.5 million euros in par value (10 million shares or 30.98% of the share capital)*.	2018/12/06 (18 <sup>th</sup> resolution)	26 months	2021/02/05		-	-
Delegation of authority to the General Management to issue common shares and/or common shares giving rights to allocations of other common shares or debt securities (of the Company or a group company) and/or securities giving access to common shares, with suspension of pre-emptive subscription rights by public offering and/or as consideration for securities as part of a public exchange offer. Maximum of 17.5 million euros in par value (10 million shares or 30.98% of the share capital)*. Common ceiling with delegation that follows.	2018/12/06 (19 <sup>th</sup> resolution)	26 months	2021/02/05		-	-

\* On the date of the Shareholders' Meeting.

Information regarding the share capital

Type of resolution	Date of Shareholders' Meeting	Term of the delegation/ authorization granted to the General Management	Date of expiration	Observation	Use during previous fiscal years	Use during the fiscal year 2018-2019
Delegation of authority to the General Management to issue common shares giving, where applicable, access to common shares or to allocations of debt securities and/or securities giving access to common shares, with suspension of pre-emptive subscription rights by private placement. Maximum of 17.5 million euros in par value (10 million shares or 30.98% of the share capital)*. Maximum of 20% of the share capital per year. Common ceiling with delegation that precedes it.	2018/12/06 (20 <sup>th</sup> resolution)	26 months	2021/02/05		-	-
Authorization, in the event of an issuance with suspension of pre-emptive subscription rights, to set, within a limit of 10% of the share capital per year, the issue price, which shall not be lower, at the General Management's discretion, than either the average of the closing share price of the Company on the Euronext Paris market recorded over a maximum period of six months prior to the issuance, or the weighted average price of the Company shares on the Euronext Paris market recorded over the last three trading days prior to the issuance, with a maximum discount of 15%.	2018/12/06 (21 <sup>st</sup> resolution)	26 months	2021/02/05		-	-
Authorization to increase the amount of the issues in the event of excess demand.	2018/12/06 (22 <sup>nd</sup> resolution)	26 months	2021/02/05		-	-
Delegation of authority to the General Management to increase the share capital by issuing common shares and/or securities granting access to equity, within the limit of 10% of the share capital, as consideration for contributions in kind of shares or securities giving access to equity.	2017/12/07 (13 <sup>th</sup> resolution)	26 months	2020/02/07		-	-
Delegation of authority to the General Management to increase the share capital by issuing common shares and/or securities giving access to equity with suspension of pre-emptive subscription rights for the benefit of participants in a company savings plan in application of Articles L. 3332-18 <i>et seq.</i> of the French Labor Code. Maximum of 3% of the amount of the share capital at the time of the decision of the General Management to perform this increase.	2018/12/06 (23 <sup>rd</sup> resolution)	26 months	2021/02/05		-	-

\* On the date of the Shareholders' Meeting.



## Information regarding the share capital

Type of resolution	Date of Shareholders' Meeting	Term of the delegation/ authorization granted to the General Management	Date of expiration	Observation	Use during previous fiscal years	Use during the fiscal year 2018-2019
Authorization granted to the General Management for the purpose of allocating free shares, whether existing and/or to be issued, to employees and/or certain Corporate Officers of the Company or of affiliated companies or economic interest groups, waiver by the Shareholders of their pre-emptive subscription rights. Maximum of 3% of the share capital as of the day of the Shareholders' Meeting, with the specification that the total number of free shares that may be allocated to Corporate Officers of the Company may not exceed 1% of the share capital within this overall amount.	2018/12/06 (25 <sup>th</sup> resolution)	38 months	2022/02/05		-	196,268
Authorization granted to the General Management for the purpose of granting share subscription and/or share purchase options to employees and/or certain Corporate Officers of the Company or affiliated companies or economic interest groups, waiver by the Shareholders of their pre-emptive subscription rights. Maximum of 3% of the share capital as of the day of the Shareholders' Meeting, with the specification that the total number of options that may be allocated to Corporate Officers of the Company may not give the right to subscribe or purchase a number of shares exceeding 1% of the share capital within this overall amount.	2018/12/06 (24 <sup>th</sup> resolution)	38 months	2022/02/05		-	-

\* On the date of the Shareholders' Meeting.

## 7.1.4 Potential share capital

### Summary table of convertible instruments outstanding at August 31, 2019

Convertible instruments	Maximum number of shares likely to be issued	Maximum potential dilutive effect (as a % of share capital)
<b>FREE SHARES GRANTED</b>	<b>320,651</b>	<b>0.98*</b>

\* Based on capital of 32,538,340 shares.

Please note that there are no shares or convertible or exchangeable securities or securities with warrants, that do not represent capital.

## 7.2 Shareholder structure - GRI 102-5

### 7.2.1 Analysis of share capital and voting rights

At June 30, 2017

	Number of shares	%	Theoretical voting rights	%	Voting rights exercisable at Shareholders' Meetings	%
La Plaine SA <sup>(1)</sup>	7,155,904	22.36%	14,311,808	28.62%	14,311,808	28.90%
Pierre et Benoît Bonduelle SAS <sup>(2)</sup>	2,379,220	7.44%	4,064,256	8.13%	4,064,256	8.21%
<b>Total Pierre et Benoît Bonduelle SAS</b>	<b>9,535,124</b>	<b>29.80%</b>	<b>18,376,064</b>	<b>36.75%</b>	<b>18,376,064</b>	<b>37.11%</b>
Other family Shareholders - Acting in concert <sup>(3)</sup>	5,829,808	18.22%	11,652,826	23.31%	11,652,826	23.53%
<b>Sub-total concert</b>	<b>15,364,932</b>	<b>48.02%</b>	<b>30,028,890</b>	<b>60.06%</b>	<b>30,028,890</b>	<b>60.64%</b>
Other family Shareholders - Not acting in concert	1,969,197	6.15%	3,895,014	7.79%	3,895,014	7.86%
<b>Total family Shareholders</b>	<b>17,334,129</b>	<b>54.17%</b>	<b>33,923,904</b>	<b>67.85%</b>	<b>33,923,904</b>	<b>68.50%</b>
Total treasury shares	473,180	1.48%	473,180	0.95%	0	0.00%
Total mutual funds	1,106,971	3.46%	2,148,802	4.30%	2,148,802	4.34%
Total free float	13,085,720	40.89%	13,455,344	26.90%	13,455,344	27.16%
<b>TOTAL</b>	<b>32,000,000</b>	<b>100.00%</b>	<b>50,001,230</b>	<b>100.00%</b>	<b>49,528,050</b>	<b>100.00%</b>

(1) La Plaine SA is 53.33% controlled by Pierre et Benoît Bonduelle SAS, with the remainder held by family Shareholders, none of whom holds more than 5% of the share capital or voting rights.

(2) Bonduelle SCA is a société en commandite par actions (French limited partnership with shares, or SCA). The General Partner is the SAS (French simplified joint stock company) Pierre et Benoît Bonduelle, whose shares are owned by family Shareholders. Pierre et Benoît Bonduelle SAS is the General Manager of Bonduelle SCA.

(3) Signatories of the agreement for all shares held.

At June 30, 2018

	Number of shares	%	Theoretical voting rights	%	Voting rights exercisable at Shareholders' Meetings	%
La Plaine SA <sup>(1)</sup>	7,340,423	22.74%	14,496,327	28.77%	14,496,327	29.08%
Pierre et Benoît Bonduelle SAS <sup>(2)</sup>	2,815,114	8.72%	4,510,486	8.95%	4,398,774	8.82%
<b>Total Pierre et Benoît Bonduelle SAS</b>	<b>10,155,537</b>	<b>31.46%</b>	<b>19,006,813</b>	<b>37.72%</b>	<b>18,895,101</b>	<b>37.90%</b>
Other family Shareholders - Acting in concert <sup>(3)</sup>	5,875,549	18.20%	11,727,784	23.27%	11,727,784	23.53%
<b>Sub-total concert</b>	<b>16,031,086</b>	<b>49.66%</b>	<b>30,734,597</b>	<b>60.99%</b>	<b>30,622,885</b>	<b>61.43%</b>
Other family Shareholders - Not acting in concert	1,903,448	5.90%	3,762,628	7.47%	3,762,628	7.55%
<b>Total family Shareholders</b>	<b>17,934,534</b>	<b>55.56%</b>	<b>34,497,225</b>	<b>68.46%</b>	<b>34,385,513</b>	<b>68.98%</b>
Total treasury shares	430,131	1.33%	430,131	0.85%	0	0.00%
Total mutual funds	1,088,566	3.37%	2,145,852	4.26%	2,145,852	4.30%
Total free float	12,827,887	39.74%	13,320,318	26.43%	13,320,318	26.72%
<b>TOTAL</b>	<b>32,281,118</b>	<b>100%</b>	<b>50,393,526</b>	<b>100%</b>	<b>49,851,683</b>	<b>100%</b>

(1) La Plaine SA is 53.33% controlled by Pierre et Benoît Bonduelle SAS, with the remainder held by family Shareholders, none of whom holds more than 5% of the share capital or voting rights.

(2) Bonduelle SCA is a société en commandite par actions (French limited partnership with shares, or SCA). The General Partner is the SAS (French simplified joint stock company) Pierre et Benoît Bonduelle, whose shares are owned by family Shareholders. Pierre et Benoît Bonduelle SAS is the General Manager of Bonduelle SCA.

(3) Signatories of the agreement for all shares held.

**At June 30, 2019**

	Number of shares	%	Theoretical voting rights	%	Voting rights exercisable at Shareholders' Meetings	%
La Plaine SA <sup>(1)</sup>	7,268,839	22.34%	14,404,738	28.15%	14,404,738	28.46%
Pierre et Benoît Bonduelle SAS <sup>(2)</sup>	3,168,080	9.74%	5,377,300	10.51%	5,265,588	10.40%
<b>Total Pierre et Benoît Bonduelle SAS</b>	<b>10,436,919</b>	<b>32.08%</b>	<b>19,782,038</b>	<b>38.66%</b>	<b>19,670,326</b>	<b>38.86%</b>
Other family Shareholders – Acting in concert <sup>(3)</sup>	5,720,115	17.58%	11,407,081	22.29%	11,407,081	22.54%
<b>Sub-total concert</b>	<b>16,157,034</b>	<b>49.66%</b>	<b>31,189,119</b>	<b>60.95%</b>	<b>31,077,407</b>	<b>61.40%</b>
Other family Shareholders – Not acting in concert	2,027,019	6.23%	4,022,145	7.86%	4,022,145	7.95%
<b>Total family Shareholders</b>	<b>18,184,053</b>	<b>55.89%</b>	<b>35,211,264</b>	<b>68.81%</b>	<b>35,099,552</b>	<b>69.34%</b>
Total treasury shares	444,544	1.37%	444,544	0.87%	0	0.00%
Total Employees <sup>(4)</sup>	1,190,098	3.65%	2,268,200	4.43%	2,268,200	4.48%
Total free float	12,719,645	39.09%	13,248,445	25.89%	13,248,445	26.17%
<b>TOTAL</b>	<b>32,538,340</b>	<b>100%</b>	<b>51,172,453</b>	<b>100%</b>	<b>50,616,197</b>	<b>100%</b>

(1) La Plaine SA is 53.33% controlled by Pierre et Benoît Bonduelle SAS, with the remainder held by family Shareholders, none of whom holds more than 5% of the share capital or voting rights.

(2) Bonduelle SCA is a société en commandite par actions (French limited partnership with shares, or SCA). The General Partner is the SAS (French simplified joint stock company) Pierre et Benoît Bonduelle, whose shares are owned by family Shareholders. Pierre et Benoît Bonduelle SAS is the General Manager of Bonduelle SCA.

(3) Signatories of the agreement for all shares held.

(4) L. 225-102 French Commercial Code.

As far as the Company is aware, no other Shareholder currently owns, directly or indirectly, solely or jointly, more than 5% of the share capital or voting rights. No significant changes in the Shareholder base took place between the end of the fiscal year and the date this document was established. The Company is controlled as described above. The measures taken to protect against abusive exercise of control are:

- the presence of independent directors on the Board of Directors of Bonduelle SA (see Section 3.1.4);
- the presence of independent members on the Supervisory Board of Bonduelle SCA (see Section 3.2.3);
- the presence of specialized committees (see Section 3.3.2);
- the existence of a substantial free float.

The Company conducted a EUROCLEAR study on the bearer shares at June 28, 2019. This study involved 11,137 bearer Shareholders. It revealed that 22% of the share capital is held by bearer Shareholders residing in France and its overseas departments, while 16% of the share capital is held by bearer Shareholders residing abroad and in France's overseas territories. When the analysis is made by type of holder, the study shows that 8% of the share capital is held by private individual bearer Shareholders and 30% of the share capital is held by institutional investors.

## 7.2.2 Stock Market Code of Conduct

In line with its values, the Bonduelle Group put in place governance rules many years ago, and in 2008 adopted the principles of the Afep-Medef Corporate Governance Code. In this area, and in line with the recommendations of the *Autorité des marchés financiers* (French financial markets authority – AMF), in September 2011 the group introduced a Stock Market Code of Conduct. The Code, which is available at [www.bonduelle.com](http://www.bonduelle.com), was updated in 2018.

## 7.2.3 Shareholder agreement

### Shareholder agreements

A first lock-up agreement was signed on May 26, 1998 by 102 family Shareholders “with the purpose of creating a stable and long-lasting core shareholding”. Under this agreement, the signatories undertook to hold a portion of their shares for ten years. This agreement expired on May 26, 2008.

A second agreement was entered into by 144 family Shareholders with the purpose of stabilizing the volume of shares traded on the market, ensuring continuity in the Company's management and maintaining the undertaking to cooperate in a partnership and oversee its administration (*affectio societatis*) by the family shareholding group. This agreement was signed on March 27, 1998 for five years and

has subsequently been renewed every year; each party to the agreement may withdraw from the agreement one year prior.

A third agreement, canceling and replacing the previous agreements and with modifications made to certain provisions, was set in place in 2008 for an initial period of five years, renewable every year upon the expiration of that period. Each party may withdraw from the agreement one year prior to each renewal date. The *Autorité des marchés financiers* (AMF) considered that, under the provisions of this agreement, the signatories were acting in concert (AMF opinion No. 214C0595 of April 17, 2014).

In light of these agreements, the joint action observed by the *Autorité des marchés financiers* accounted at June 30, 2019 for 49.66% of the Company's share capital and 60.95% of the 51,172,453 theoretical voting rights.

## Threshold crossings

On July 11, 2017, Pierre et Benoît Bonduelle SAS declared that it had crossed in the upward direction, on a direct and indirect basis, through La Plaine, a company it controls, the threshold of 30% of the capital of Bonduelle and that it held, as of that date, directly and indirectly, 9,635,124 Bonduelle shares representing 18,476,064 voting rights, *i.e.* 30.11% of the Company's capital and 36.95% of its voting rights. This threshold crossing resulted from an off-market acquisition of Bonduelle shares. On this occasion, the concert party comprising Bonduelle's family Shareholders did not cross any thresholds. This concert party accordingly declared that, as of July 11, 2017, it held 15,464,932 Bonduelle shares representing 30,128,890 voting rights, *i.e.* 48.33% of the Company's share capital and 60.26% of its voting rights (AMF Opinion No. 217C2749 of November 27, 2017).

For this threshold crossing, the *Autorité des marchés financiers* (AMF) examined, at its meeting of December 12, 2017, a request for exemption from the obligation to file a public offer for the shares of Bonduelle, which applies in the framework of a change in the Company's shareholding structure. Between June 30, 2017 and July 11, 2017, Pierre et Benoît Bonduelle SAS acquired 100,000 Bonduelle shares (of which 64,348 shares acquired on July 11, 2017). As a result of these purchases, on July 11, 2017, Bonduelle's family Shareholders held 15,464,932 Bonduelle shares representing 30,128,890 voting rights, *i.e.* 48.33% of the Company's capital and 60.26% of its voting rights. This caused Pierre et Benoît Bonduelle SAS to cross in the upward direction, directly and indirectly, through La Plaine SAS, a company it controls, the threshold of 30% of the capital of Bonduelle, thereby triggering the obligation to file a public offer for all Bonduelle shares, in accordance with Article 234-2 of the AMF General Regulation [...]. Considering that Bonduelle's family Shareholders already held, prior to the above-mentioned purchases, 60.06% of the voting rights of Bonduelle, representing the majority of the voting rights of the Company, the *Autorité des marchés financiers* granted the requested dispensation on the regulatory ground cited (AMF Opinion No. 217C2910 of December 13, 2017).

At its meeting of May 15, 2018, the *Autorité des marchés financiers* examined a request for exemption from the obligation to file a public offer for the shares of Bonduelle, which also applies in the framework of a change in the Company's shareholding structure. Between July 11, 2017 and April 26, 2018, Pierre and Benoît Bonduelle SAS acquired 420,414 Bonduelle shares, directly and indirectly, through La Plaine SA, a company it controls. As a result of these purchases, on April 26, 2018, Bonduelle's family Shareholders held 15,928,431 Bonduelle shares representing 30,602,032 voting rights, *i.e.* 49.34% of the Company's capital and 60.73% of its voting rights. This means that Bonduelle's family Shareholders, together with Pierre and Benoît Bonduelle SAS, between July 11, 2017 and April 26, 2018, increased their equity holdings, initially between 30% and 50%, by more than 1% over less than 12 consecutive months, thereby triggering an obligation to submit a public offer for all of Bonduelle's shares, in accordance with Article 234-5 of the AMF General Regulation [...]. Considering that Bonduelle's family Shareholders already held, prior to the above-mentioned purchases, 60.26% of the voting rights of Bonduelle, representing the majority of the voting rights of the Company, the *Autorité des marchés financiers* granted the requested dispensation on the regulatory ground cited (AMF Opinion No. 218C0885 of May 16, 2018).

In a letter received on January 15, 2019, and in another letter received on January 16, 2019, Bonduelle's family Shareholders declared that on January 9, 2019 they had crossed in an upward direction the threshold of 50% of the capital of Bonduelle and that they held 16,307,593 Bonduelle shares representing 31,002,475 voting rights, *i.e.* 50.12% of the Company's capital and 60.39% of its voting rights. This threshold crossing was due to exercise of the option to receive payment of the Company dividend in Bonduelle shares (AMF opinion No. 219C0117 of January 17, 2019).

The *Autorité des marchés financiers* received a letter on July 17, 2019, and another letter on July 22, 2019, reporting the following threshold crossings, for adjustment purposes:

- the simplified joint stock company, Pierre et Benoît Bonduelle SAS (La Woestyne, 59173 Renescure, France), declared that it had crossed in an upward direction, on an individual basis, on December 31, 2018, following the allocation of double voting rights, the threshold of 10% of voting rights in Bonduelle; and
- Bonduelle's family Shareholders declared that, on April 15, 2019, further to the exit of certain Shareholders from the concert action following their termination of the agreement entered into on April 15, 2008, they had crossed, in a downward direction, the threshold of 50% of the capital of Bonduelle and that they held 16,157,034 Bonduelle shares representing 31,189,119 voting rights, *i.e.* 49.66% of the Company's capital and 60.95% of its voting rights.



These same letters included the following declaration of intent:

“Pierre et Benoît Bonduelle SAS hereby declares:

- that the 10% threshold was directly crossed as a result of the automatic acquisition of double voting rights on registered shares that it has held in Bonduelle for the last three years;
- said acquisition of double voting rights was not, by definition, the subject of any financing;
- please note that Pierre et Benoît Bonduelle SAS, the main Shareholder, is part of a group which, acting in concert, owns the majority of Bonduelle’s voting rights;
- no acquisition is intended and there is no acquisition strategy. Pierre et Benoît Bonduelle SAS may, however, buy shares according to market conditions, as it has been able to do in recent years;

- Pierre et Benoît Bonduelle SAS, acting in concert, does not envisage modifying its strategy in relation to Bonduelle nor implementing, within Bonduelle, any one of the operations referred to in Article 223-17 I, 6 of the AMF General Regulation;
- Pierre et Benoît Bonduelle SAS is not party to the agreements or instruments mentioned in point 4 and 4bis of part I of Article L. 233-9, nor to reverse transaction agreements relating to the issuer’s shares and/or voting rights;
- the General Partner of Bonduelle, Pierre et Benoît Bonduelle SAS, does not envisage asking to be appointed to the Supervisory Board nor asking for others to be appointed to said Board”. (AMF opinion No. 219C1246 dated July 23, 2019).

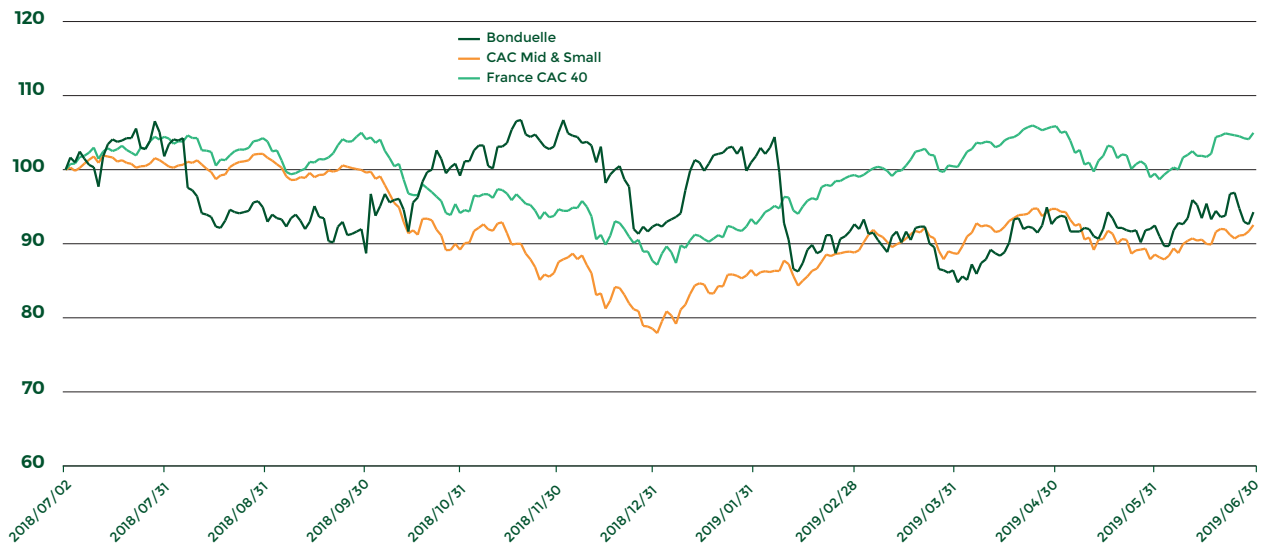


## 7.3 Bonduelle share and dividend information

### 7.3.1 Share price performance

#### Change in the Bonduelle share price in relation to the CAC 40 and CAC Mid & Small indexes

(basis 100, July 2018)





## Stock market data

Share price	2015-2016	2016-2017	2017-2018	2018-2019
High (in euros)	27,-	33.94	47.50	32.60
Low (in euros)	21.1	20.03	30.55	25.90
Last share price (in euros)	21.68	32.82	30.95	28.80
Market capitalization at June 30 (in millions of euros)	693.76	1,050.24	999.1	937.1
Average daily trading volume (in euros)	316,323	493,653	642,083	479,138

Stock Exchange: Euronext Paris  
 Market segment: Euronext French stocks  
 Type: Compartment A  
 ISIN code: FR 0000063935  
 Reuters code: BOND.PA

Bloomberg code: BON FP  
 Shares outstanding: 32,538,340  
 Indexes: CAC Mid & Small, CAC All Shares, CAC Food Producers  
 Eligible: deferred settlement services (SRD)

## 7.3.2 Dividends

The following dividends were paid during the previous five fiscal years:

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Dividend per share (eligible for tax credit) (in euros)	0.43	0.43	0.45	0.50	0.50
Total dividends paid (in thousands of euros)	13,760*	13,760*	14,400*	16,141*	16,269*

\* Including the amount of unpaid dividends on treasury shares allocated to retained earnings.

The Company's dividend policy is to pay out a limited proportion of its net income each year, so that it can finance its investments and external growth.

## 7.4 Treasury shares

At August 31, 2019, 449,743 shares were held by the issuer itself, i.e. 1.38% of the capital, representing a carrying amount of 8,577,448.85 euros and a nominal value of 787,050.25 euros. No shares were held by subsidiaries.

Description of the share repurchase program

## 7.5 Description of the share repurchase program

Pursuant to the provisions of the delegated regulation of March 8, 2016 supplementing EC regulation (EU) No. 596/2014 of the European parliament and of the Council with technical regulatory standards regarding the terms applicable to share repurchase programs and to stabilization measures, the purpose of this description is to describe the goals and methods of the Company's program to repurchase its own shares. This program will be submitted for the authorization of the Shareholders' Meeting of December 5, 2019. The notice of the meeting is to be published in the BALO of October 28, 2019.

Number of shares held directly and indirectly: 449,743 shares.

### 7.5.1 Analysis by intended use of treasury shares held at August 31, 2019

Number of shares held by intended use:

- ensure liquidity of Bonduelle shares under an AMAFI-compliant liquidity contract: 21,050;
- acquisition-related transactions: 81,066;
- coverage for share purchase option plans and other types of share allocations to employees: 347,627;
- coverage of securities conferring rights to allocations of Company shares: 0;
- cancellation: 0.

### 7.5.2 Detailed description of the share repurchase program

- **Authorization of the program:** Shareholders' Meeting of December 5, 2019
- **Securities involved:** common shares
- **Maximum portion of the share capital that may be repurchased under the authorization:** 10% (or 3,253,834 shares on the present date), it being specified that this limit shall be evaluated on the repurchase date to reflect any capital increases or decreases during the term of the program. The number of shares taken into account for the calculation of this limit corresponds to the number of shares purchased, less the number of shares sold under the liquidity contract during the program.

As the Company may not hold more than 10% of its own share capital (as of August 31, 2019, 449,743 shares or 1.38% of the share capital), the maximum number of shares that may be purchased will be 2,804,091 (i.e. 8.62% of the share capital), subject to the sale or cancellation of some or all of the shares already held.

- **Maximum purchase price:** 60 euros
- **Maximum program amount:** 195,230,040 euros
- **Methods used:** These share purchases may be made using all available methods, including block purchases, and at such times as the General Management chooses.

The Company reserves the right to use options or derivative instruments in accordance with all applicable regulations.

The General Management will be given full powers to repurchase shares, decide on the terms and conditions, enter into any agreements and complete all necessary formalities, subject to the approval of the Shareholders' Meeting of December 5, 2019.

- **Objectives:**
  - ensure secondary market trading or liquidity for Bonduelle shares through an investment service provider on the basis of a liquidity contract compliant with regulatory practice, it being specified that in this context, the number of shares used in calculating the aforementioned limit is the number of shares purchased less the number of shares resold;
  - hold the shares acquired for subsequent use in exchange or as payment in connection with any potential acquisition;
  - ensure that sufficient shares are available to cover needs generated by share purchase option plans and/or free share plans (or similar plans) granted to employees and/ or Corporate Officers of the group, as well as any share awards as part of a company or group savings plan (or similar plan), employee profit sharing and/or any other form of allocation of shares to employees and/or Corporate Officers of the group;
  - provide coverage for securities giving rights to allocations of Company shares in accordance with applicable regulations;
  - cancel any shares purchased, in accordance with the approval granted, or to be granted, by the Extraordinary Shareholders' Meeting.
- **Term of the program:** 18 months from the Shareholders' Meeting of December 5, 2019, i.e. until June 4, 2021.

For further information:

[finance@bonduelle.com](mailto:finance@bonduelle.com)

Phone: +33 03 20 43 60 60





## 7.6 General information regarding the Company

### Legal name – GRI 102-1

Bonduelle

### Registered office – GRI 102-3

“La Woestyne”  
59173 – Renescure (France)  
Phone: +33 (0)3 28 42 60 60  
Website: [www.bonduelle.com](http://www.bonduelle.com)<sup>(1)</sup>

### Administrative head office

Rue Nicolas Appert  
BP 30173  
59653 – Villeneuve d’Ascq (France)

### Business structure – GRI 102-5

Bonduelle is a *société en commandite par actions* (French limited partnership with shares), governed by the French Commercial Code.

### Date of incorporation and term

The Company was established on January 19, 1972 for a period of 99 years expiring on January 18, 2071, except in the event of early liquidation or extension.

### Corporate registration numbers

The Company is registered with the Dunkerque Trade and Companies Registry under number 447 250 044.

Its APE industry code is: 6420 Z

LEI code: 969500QVHHN3NNVYRE94

### Fiscal year

From July 1 to June 30 each year. Corporate purpose.

### Company purpose

#### (Article 2 of the Articles of association)

The purpose of the Company, in France and in all countries is:

- owning and managing securities and ownership rights issued by any French or foreign company;
- entering into any financial and industrial investments;
- managing companies;
- and more generally, entering into any transactions that may contribute to its development.

The Company may enter into any transaction compatible with, related to and/or contributing to the above purpose.

### Corporate documents concerning the last three fiscal years

The Articles of association, financial statements and reports, minutes of Shareholders’ Meetings and other corporate documents are available at the Company’s registered and administrative head offices.

During this document’s period of validity, the following documents may be consulted on the Company’s website ([www.bonduelle.com](http://www.bonduelle.com)):

- the latest version of the Articles of association;
- the Supervisory Board’s rules of procedure;
- annual and interim financial reports.

### Shareholders’ Meetings

#### (Article 23 of the Articles of association)

Shareholders’ Meetings are called according to the legally prescribed conditions.

Shareholders’ Meetings are to be held at the Company’s registered office, or any other place mentioned in the notice convening the Shareholders’ Meeting.

The right to participate in Shareholders’ Meetings is dependent on the registration of the securities under the terms and conditions established by applicable regulations.

(1) The information appearing on the Company website ([www.bonduelle.com](http://www.bonduelle.com)) does not form part of this universal registration document. For this reason, such information has not been verified by the AMF.

General information regarding the Company

Any persons invited by the General Management or by the Chairman of the Supervisory Board are also allowed to attend meetings.

The General Partner is represented by one of its legal representatives or by any person, who may or may not be a Shareholder, mandated by one of the latter.

Shareholders who take part in meetings through videoconferencing or other telecommunications media enabling their identification and permitted under the conditions stipulated by applicable laws and regulations shall be considered to be present in the calculation of the quorum and majority, provided the General Management elects to use such means of participation prior to sending the notice convening the Shareholders' Meeting.

Meetings are presided over by the Chairman of the Supervisory Board or, if the latter is not available, the Vice Chairman of the Supervisory Board or, if the latter is not available, by the General Management.

Ordinary and Extraordinary Shareholders' Meetings ruling under the conditions prescribed by law, exercise their functions in accordance with the law.

Except for the appointment and dismissal of members of the Supervisory Board, the appointment and dismissal of Statutory Auditors and the approval of regulated agreements, no decision of the meetings will be valid unless it is approved in writing by the General Partner no later than the end of the Shareholders' Meeting that approved said decision.

The Company's General Management has full powers to record such approval, and shall append the document manifesting such approval to the minutes of the meeting in question.

### **Double voting right (established by the Extraordinary session of the Combined Ordinary and Extraordinary Shareholders' Meeting of October 24, 1997 in its 10th - Article 12 of the Articles of association)**

Holders of fully paid-up shares registered in the name of the holder for more than three years shall be entitled to double voting rights. Double voting rights shall apply at all Ordinary and Extraordinary Shareholders' Meetings.

The legal provisions concerning double voting rights are set out below:

- in the event of an increase in the share capital by capitalization of reserves, net income or additional paid-in capital, double voting rights shall be attributed from the date of issue to registered shares allotted free of charge to a Shareholder as a result of their ownership of existing shares that are already entitled to double voting rights. (Article L. 225-123 of the French Commercial Code);
- any share converted into a bearer share or whose ownership is transferred loses the double voting rights assigned in application of Article L. 225-123. However, the transfer of

shares as a result of inheritance, liquidation of a community of assets between spouses or *inter vivos* gifts to a spouse or relative whose degree of relationship is sufficiently close, does not result in the loss of entitlement to the right acquired and does not interrupt the qualification period mentioned in the first paragraph of Article L. 225-123. Unless otherwise stipulated in the Company's Articles of association, the same shall apply to the assignment of double voting rights in the event of a transfer following a merger or split involving a company that holds shares in the Company.

A merger or split of the Company shall have no effect on the double voting rights that may be exercised within the beneficiary company or companies, provided that this is established in the latter's Articles of association. (Article L. 225-124 of the French Commercial Code).

### **Separation of voting rights between the usufructuary and the bare owner**

#### **(Article 12 of the Articles of association)**

The Articles of association currently provide that, unless there is an agreement notified to the Company, where there is a separation of ownership rights, voting rights shall belong to the bare owner, except in the case of collective decisions relating to the appropriation of income, when voting rights shall belong to the usufructuary.

However, holders of shares where there is a separation of ownership rights may agree between themselves how to assign the voting rights for Shareholders' Meetings. In this event, they must make their agreement known to the Company by certified letter with return receipt sent to the registered office and addressed to the General Management. The Company shall be required to respect this agreement for all collective decisions made after one month has elapsed following the initial presentation of the certified letter with return receipt, with the postmark being taken as proof of the date of initial presentation.

Notwithstanding the provisions set out above, the bare owner has the right to participate in all collective decisions of Shareholders.

### **General Management**

#### **(Article 15 of the Articles of association)**

The Company is managed and administrated by one or more General Managers, who may be General Partners or not affiliated with the Company. If there is more than one General Manager, all provisions of the present Articles of association concerning the "General Manager" shall be applicable to each of them, acting as a group or separately.

The General Manager may be a natural person or a legal entity, including the General Partner itself.



General Managers who are a natural person are appointed for a period of three years, expiring at the end of the annual Ordinary Shareholders' Meeting held to approve the financial statements for the second fiscal year following the one during which the General Manager was appointed. General Managers who are a legal entity are appointed for an indefinite period.

During the term of the Company, the General Partner has sole authority to appoint the General Manager(s).

The General Manager's functions shall end subsequent to his/her/its death, permanent disability, interdiction, court-ordered reorganization or liquidation, dismissal or resignation, or on his/her 75<sup>th</sup> birthday.

The Company shall not be dissolved in the event that the functions of a General Manager are terminated, regardless of the reason.

Any General Manager wishing to resign must provide the General Partner and the Supervisory Board with at least six months' prior notice, by certified mail, unless the General Partner authorizes a shorter period after evaluating the reasoned opinion of the Supervisory Board.

The General Partner is responsible for ordering the dismissal of any General Manager.

## Powers of General Management (Article 16 of the Articles of association)

### Relationships with third parties

The General Management has full powers to act in the Company's name under any circumstances. It exercises these powers within the limits of the Company's corporate purpose and any powers granted explicitly by law to the Supervisory Board and to the Shareholders' Meeting.

### Relationships between partners

Insofar as relationships between the Company's partners are concerned, the General Management has full powers to take all managerial actions in the interest of the Company and in compliance with the powers granted by the present Articles of association to the General Partner in the article entitled "Responsibilities and powers of the General Partner" and to the Supervisory Board in the article entitled "Powers of the Supervisory Board".

### Delegations

The General Management may grant, at its sole discretion, all delegations of powers that it deems necessary for the proper running of the Company and the group.

With the approval of the General Partner, it may grant general limited or unlimited powers to one or more of the Company's Managers, who are then given the title of Chief Executive Officer.

## Provisions relating to a change in control

The Articles of association do not contain any provisions that may have the effect of delaying, postponing or prohibiting a change in control. Please note that items that may have an impact in the event of a public takeover offer are described in Section 3.5 of this universal registration document.

## Important events or developments in the Company

### 1853-1926

#### Origins: birth of a legend

The Company was founded by two individuals: Louis Bonduelle-Dalle (1802-1880) and Louis Lesaffre-Roussel (1802-1869). Both came from farming families in the Nord department of France.

In 1853, the two men decided to build a grain and juniper distillery in Marquette-lez-Lille.

In 1862, they bought a farm in Renescure (France) which they converted into a grain alcohol distillery.

### 1926-1946

#### Canning business takes off

In 1926, they installed their first pea sheller and autoclaves in the family farm at Woestyne.

Bonduelle started canning 20 hectares of peas, corresponding to annual production of approximately 120 tonnes.

In 1936, they expanded the farm to 230 hectares, and the canning plant also grew considerably.

### 1947-1962

#### From cottage industry to thriving industry: a brand attentive to consumer needs

Business recovered quickly after the war. It broke away from the sales network of La Rochefortaise, which had been marketing its products until then, and launched its own brand.

In 1957, Bonduelle decided to can a mixture of peas and carrots. This was a first for the canning industry, and established the Company's commercial success.

General information regarding the Company

## 1963-1974

### Sharp expansion

In 1968, advances in technology enabled the Company to freeze vegetables, a development which would become a great success.

In the late 1960s and early 1970s, several European subsidiaries were created: in Germany (1969), Italy (1972) and the United Kingdom (1973). Subsidiaries in other countries soon followed.

By 1973, more than half of Bonduelle's revenues were generated outside France.

## 1975-1984

### Period of expansion: beyond Picardie

Bonduelle embarked on a business development drive that took it to the south west of France, the Oise department north of Paris and then Belgium.

This geographical expansion led the Company to invest in two new sectors: corn and mushrooms.

In 1980, Bonduelle acquired Marie-Thumas, the largest vegetable canning company in Belgium and a leading brand in this market for 100 years.

In 1983, its production capacity was optimized: 350,000 tonnes of canned vegetables and 9,000 tonnes of frozen vegetables. Its position as European leader in processed vegetables is very secure!

## 1985-1993

### Conquering Europe

Creation of subsidiaries in Spain (1986) and Portugal (1988).

At the end of 1989, Bonduelle acquired Cassegrain.

The group started expanding into Eastern Europe, marketing its products in the former East Germany, the Czech Republic and, beginning in 1992, Poland.

In 1986, the Renescure (France) and Bordères (France) production facilities obtained ISO 9002 certification, followed soon after by the group's other production sites.

## 1994-1999

### Growth within and beyond Europe, the group's third business line: fresh foods, and its initial public offering

In 1995, the brand adopted a new visual identity as a symbol of renewal: a shining sun and a band of greenery that conjured up nature, pleasure, and well-being.

Bonduelle opened a sales subsidiary in Brazil in 1994, then another in Argentina in 1996 and began its development in Russia.

Further technological advances enabled Bonduelle to develop its expertise in the prepared fresh vegetables segment. It acquired a majority stake in Salade Minute.

In 1998, the Bonduelle brand expanded into the fresh foods market in France and signed a partnership agreement with Cielo e Campo, Italy's number two in the fresh-cut range. In June 1999, Bonduelle's fresh-cut vegetables appeared on Italian supermarket shelves.

In the spring of 1998, the group was listed on the *Second Marché* of the Paris Stock Exchange.

In November 1999, Bonduelle took part in the vegetable canning industry consolidation in France by acquiring the assets of Avril/Cirio France (French private labels).

To raise its profile, Bonduelle decided to sponsor the construction of a multi-hull yacht in October 1999 and chose skipper Jean Le Cam from Brittany to compete in sailing races. The values evident in this sport are a perfect fit for Bonduelle: nature, well-being, technology and vitality.

## 2000 to 2012

### Growth and continued expansion

#### 2000

- Organization of the group into a federation of subsidiaries;
- Takeover of Cielo e Campo (fresh foods, Italy), already a partner since 1998;
- Creation of Bonduelle Frische (fresh foods, Germany).

#### 2001

- Merger of Cielo e Campo/Ortobell (Italian fresh foods market leader), which contributed its two plants in San Paolo d'Argon (Bergamo - Italy) and Battipaglia (Salerno - Italy), which was under construction.

#### 2003

- Acquisition of Vita, the market leader in fresh-cut vegetables in Germany and its plants at Reutlingen and Wanzleben;
- 150<sup>th</sup> anniversary;
- Acquisition of the Békéscsaba plant in Hungary;
- Acquisition of Michel Caugant - Creation of a sixth subsidiary;
- Sports sponsorship: launch of the program to build a single-hull boat and participation in the Vendée Globe Challenge in 2004.

#### 2004

- The Novotitarovskaya plant opens in Russia.

#### 2006-2007

### Conquering North America

In June 2006, the Bonduelle Group acquired a minority shareholding in Aliments Carrière, the leading producer of canned and frozen vegetables in Canada.



**2007-2008**

On July 12, 2007, the Bonduelle Group took full control of the leading producer of canned and frozen vegetables in Canada. This acquisition has enabled the Bonduelle Group to operate in North America on a long-term basis.

**2008-2009**

In November 2008, Bonduelle acquired La Corbeille, a Belgian producer and distributor of canned vegetables that focuses on the private label sector in Northern Europe.

**2009-2010****Bonduelle, European leader in processed mushrooms**

During this period, the group acquired the France Champignon Group, Europe's leading producer of processed mushrooms (revenue of around 200 million euros).

France Champignon produces and sells mushrooms in all formats (canned, fresh, pasteurized and dehydrated) and of all kinds (white mushrooms and wild mushrooms) in Europe.

**2010-2011****Operations in Brazil****Industrial operations and commercial development in Brazil**

The group has had a presence in Brazil since the mid-1990s, in both canned and frozen vegetables, mainly through the use of imported products, and enjoys good market shares and strong recognition.

The industrial operations in Brazil, which began in September 2010, include the construction of a canning plant (primarily for peas and corn) in the Brasilia region. This region enjoys clement weather conditions that greatly extend the annual growing period, thereby reducing capital requirements (production facilities and inventory carrying costs).

Marketing of local products commenced in November 2010, with production having begun in September 2010.

**2011-2012****Three acquisitions that will enhance the group's international scope**

In the second half of the 2011-2012 fiscal year, the group announced three acquisitions, in Hungary, Russia and the United States.

In Hungary and Russia, the acquisitions of production assets from Kelet-Food and the commercial and agro-industrial assets of Cecab will secure the supply of high-growth markets in Central and Eastern Europe, by strengthening the group's commercial presence in these regions.

In the United States, the acquisition of the Allens frozen business will enable the subsidiary Bonduelle North America to expand its presence in the country, and to become a key player in the frozen food sector in North America.

**2012 to today****VegeGo! an ambition for 2025**

2012 saw Bonduelle initiate a new phase in its development to define a vision for the group to 2025. A process involving the family Shareholders, the members of the Executive Committee, 300 Managers and external experts culminated in the launch of VegeGo! at the end of 2012.

A visionary and collaborative transformation plan, the aim of VegeGo! is to position the Bonduelle Group as "the world reference in 'well-living' through plant-based food", wholeheartedly embracing its responsibilities to Shareholders, employees, partners, customers and the environment.

Organized since 2013 in business units, each dedicated to a technology/geographic region pairing, the group promotes autonomous and flexible operational entities that are responsible for executing its development strategy.

**2012-2016****All-time high activity and profitability**

Now operating on an international scale with one-third of its sales in France, one-third in Europe outside France and one-third outside Europe, Bonduelle celebrated its 160<sup>th</sup> year in the agro-industrial business in 2012-2013, and its 15<sup>th</sup> year on the financial markets. In 2014-2015, the group achieved a historic high in revenue and current operating income, a record that it has surpassed in 2015-2016 at constant exchange rates.

**2016-2017****A key milestone toward VegeGo!**

In March 2017, Bonduelle acquired the US leader in snacking salads, Ready Pac Foods, creating a 5<sup>th</sup> business unit named Bonduelle Fresh Americas. This activity is experiencing strong growth, strengthening the group's international presence and is economical in resources. As such, it has transformed the group's profile, making the United States the country with the largest activity and ready-to-use fresh vegetables the group's leading activity.

The group crossed the symbolic threshold of 2 billion euros in revenue during the fiscal year.

In 2017, Bonduelle is celebrating the 70<sup>th</sup> anniversary of its brand, now present in over 100 countries.

General information regarding the Company

### 2017-2018

#### An all-time high, 20 years of being publicly traded and a new governance structure

With the acquisition of Ready Pac Foods (now Bonduelle Fresh Americas), the Bonduelle Group celebrated 20 years of being publicly traded on the Paris Stock Exchange, with revenue and profitability both at an all-time high.

In early 2018, the group held a meeting of its 1,300 Managers and announced that the roles of Chairman and Chief Executive Officer would be split to make the governance structure more commensurate with the group's size and challenges. The focus would be on ensuring a seamless management transition. The new governance structure came into effect on July 1, 2018.

### 2018-2019

#### Ongoing international expansion

In a commercially demanding environment, and despite unfavorable climate conditions, the Bonduelle Group recorded a stable performance that constituted an all-time high for the Company and continued its expansion in North America and Russia *via* three acquisitions.

Bonduelle confirmed its societal commitment by publishing its manifesto and committing to B. Corp certification.



THE BONDUELLE  
GROUP

CORPORATE  
SOCIAL  
RESPONSIBILITY

CORPORATE  
GOVERNANCE  
REPORT

REPORT OF  
THE GENERAL  
MANAGEMENT

CONSOLIDATED  
FINANCIAL  
STATEMENTS

PARENT COMPANY  
FINANCIAL  
STATEMENTS

INFORMATION ON  
THE COMPANY AND  
THE SHARE CAPITAL

ADDITIONAL  
INFORMATION

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# Additional information



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Items of the Annual Financial Report are identified in the contents using the  symbol



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PLEASE VISIT:  
[BONDUELLE.COM](http://BONDUELLE.COM)

## 8.1 Person responsible for the universal registration document and the annual financial report

### 8.1.1 Person responsible for the information

General Manager: The Company “Pierre et Benoît Bonduelle SAS”, whose registered office is at “La Woestyne” - Renescure (59173), France, represented by its permanent representative, Guillaume Debrosse.

### 8.1.2 Declaration by the person responsible

I hereby declare that, after taking every reasonable measure to this end, the information contained in this universal registration document is, to the best of my knowledge, accurate and does not include any omissions that would change its meaning.

I hereby declare that, to the best of my knowledge, the financial statements have been prepared in compliance with all applicable accounting standards and provide a true and fair view of the assets, financial position and earnings of the Company and all entities included within its scope of consolidation, and that the management report that it contains, the various sections of which are set out in the cross-reference table in Section 8.4.3, presents a true and fair view of trends in the revenues, earnings and financial position of the Company and all companies included within its scope of consolidation, and that it describes the primary risks and uncertainties to which they are exposed.

On October 18, 2019

The General Manager

**Pierre et Benoît Bonduelle SAS**

*Represented by its permanent representative,  
Guillaume Debrosse*

## 8.2 Independent Auditors

French law requires a permanent legal control by two Independent Auditors. The main objective of this audit is to check that the financial statements are consistent, accurate and present a fair view.

The Auditors are appointed by the Ordinary Shareholders' Meeting for a renewable period of six fiscal years.

Bonduelle SCA's Statutory Auditors are:

### **Mazars**

Represented by Mr. Vincent Rambaux, 61 rue Henri Regnault - 92400 COURBEVOIE (France)

### **Deloitte & Associés**

Represented by Mr. Pierre-Marie Martin, 67 rue de Luxembourg - 59777 EURALILLE (France)

The two Statutory Auditors are legally and financially independent from each other.

The term of the Statutory Auditors appointed by the Combined Ordinary and Extraordinary Shareholders' Meeting of December 6, 2018 will expire at the Ordinary Shareholders' Meeting to be held in 2024 to approve the financial statements for the fiscal year ending June 30, 2024.



## 8.3 Documents available to Shareholders and the public

The Bonduelle Group provides its Shareholders and the general public with several sources of information. The activity and corporate responsibility report, published in French and English, reviews the highlights of the year and sets out the group's strategy, as well as providing a detailed business review. It also provides information on the activities carried out in relation to Corporate Social Responsibility. These supporting documents, together with the universal registration document, which contains all the annual financial statements, can be consulted and downloaded from the "Investors" Section of the [www.bonduelle.com](http://www.bonduelle.com) website which also provides real time information on share prices. This provides access to all the information relating to the group's current events and news.

A Shareholders' newsletter provides a summary of key financial information and recent events concerning the group and its activities, particularly in respect of the latest product launches. This newsletter is now sent to all Shareholders (both bearer and registered) based on the most recent update of the Shareholder register. It can be downloaded in French or English from the "Investors" section of the Bonduelle website.

The group's management also meets with investors at group meetings and individual presentations, both in France and elsewhere.

A detailed presentation of the group is available on its website.



### 8.3.2 Financial releases schedule

#### for fiscal year 2018-2019:

2019/12/05	Annual Shareholders' Meeting
------------	------------------------------

#### for fiscal year 2019-2020:

2019/11/04	Q1 revenue
2020/02/03	H1 revenue
2020/03/06	H1 results - <i>The embargo* period will commence on 2020/02/20</i>
2020/05/04	Q3 revenue
2020/08/03	Annual revenue
2020/09/28	Annual results - <i>The embargo period* will commence on 2020/09/13</i>
2020/12/03	Annual Shareholders' Meeting



### 8.3.1 Contact

Bonduelle Group  
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 Rue Nicolas Appert - BP 30173  
 59653 Villeneuve-d'Ascq Cedex  
 France  
 Phone: +33 (0)3 20 43 60 60  
 Fax: +33 (0)3 20 43 60 00  
 Email: [finance@bonduelle.com](mailto:finance@bonduelle.com)

Find out more: <http://www.bonduelle.com>

Find out about the group's current events and news on Twitter  @Bonduelle\_Group, and its financial news on @BonduelleCFO.

\* In accordance with the recommendations of the *Autorité des marchés financiers* (French financial markets authority), a decision was taken to introduce an embargo period: a period of 15 calendar days preceding the annual and half-yearly results during which no new information on Bonduelle's business conduct and results will be disclosed to financial analysts and investors.





## 8.4 Cross-reference tables

### 8.4.1 2018-2019 Universal registration document (URD) cross-reference table

The cross-reference table below identifies the information required by Annexes 1 and 2 of Delegated Regulation (EC) No. 2019/980 of March 14, 2019 regarding the structure of URDs.

	Page no.	Chapter no.
1. Persons responsible, third-party information, experts' reports and competent authority's approval		
1.1 Identity of persons responsible	1; 268	-; 8
1.2 Declaration by persons responsible	268	8
1.3 Declaration by experts	N/A	
1.4 Confirmation of information from a third party	N/A	
1.5 Statement regarding the filing of the document	1	-
2. Statutory Auditors	269	8
3. Risk factors	141-153	4
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5. Business overview		
5.1 Principal activities		
5.1.1 Nature of operations and principal activities	8-9; 14-19	1
5.1.2 New products and services	4; 16; 55-60	1; 2
5.2 Principal markets	7-9; 13-17	1
5.3 Important events	14; 136-139; 176; 224	1; 4; 5; 6
5.4 Strategy and objectives	4-5; 8-11; 21-101	1; 2
5.5 Dependency on patents, licenses, industrial, commercial or financial contracts or manufacturing processes	8-9; 145; 152; 156	1; 4
5.6 Competitive position	15; 34	1; 2
5.7 Investments		
5.7.1 Important investments made	6; 8-11; 64; 135-137; 164	1; 2; 4; 5
5.7.2 Investments in progress or firm commitments	N/A	
5.7.3 Joint ventures and significant stakes in subsidiaries	212-213; 239	5; 6
5.7.4 Environmental issues that may affect the utilization of tangible fixed assets	23-27; 43-60	2
6. Organizational structure		
6.1 Brief description of the group	8-9; 15-19	1
6.2 List of major subsidiaries	212-213	5
7. Operating and financial review		
7.1 Financial condition		
7.1.1 Review of the performance of the issuer's business and its financial condition including financial and, where appropriate, non-financial key performance indicators	6; 80-99; 134-139	1; 2; 4
7.1.2 Future development forecasts and research and development activities	38-42; 48-49; 135	2; 4
7.2 Operating results	139; 220	4; 6
7.2.1 Significant factors, unusual or infrequent events or new developments	134-135; 176-177; 179	4; 5
7.2.2 Reasons for significant changes in net revenue or net income	134-135	4

## Cross-reference tables

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8. Cash and capital resources		
8.1 Information on share capital	135-136	4
8.2 Cash flows	164; 193; 196-197; 222	5; 6
8.3 Borrowing requirements and funding structure	135-136; 164; 184-187; 195-199	4; 5
8.4 Restrictions on the use of capital resources	N/A	
8.5 Anticipated sources of financing	223-228	6
9. Regulatory environment		
9.1 Description of the regulatory environment that may affect the issuer's operations	143; 151; 155-156	4
10. Trend information		
10.1 Description of the main trends and changes in the group's financial performance since the end of the last financial year	139; 211	4; 5
10.2 Events likely to significantly affect the group's outlook	4-5; 139	1; 4
11. Profit forecasts or estimates		
11.1 Published profit forecasts or estimates	N/A	
11.2 Declaration on main forecast assumptions	N/A	
11.3 Declaration on comparability with historical financial information and consistency of accounting policies	N/A	
12. Administrative, management and supervisory bodies and executive management		
12.1 Information on members of the administrative, management or supervisory bodies and executive management	112-114; 118-126; 128	3
12.2 Conflicts of interest	126; 128	3
13. Remuneration and benefits		
13.1 Remuneration paid and benefits in kind	130; 210-211; 231-237	3; 5; 6
13.2 Provisions for pensions, retirement or other similar benefits	211; 236-237	5; 6
14. Administrative and management bodies practices		
14.1 Expiration date of current terms of office	118-124	3
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14.3 Committees	114; 117; 119-120; 122-124; 127-130	3
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15. Employees		
15.1 Breakdown of employees	6; 8; 95-96; 127	1; 2; 3
15.2 Shareholdings and stock options	227; 236-238; 253	6; 7
15.3 Arrangements for involving employees in the issuer's capital	258	7
16. Major shareholders		
16.1 Interests in the issuer's capital	112; 252-253	3; 7
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17. Related party transactions	210	5



	Page no.	Chapter no.
18. Financial information concerning the issuer's assets and liabilities, financial condition and profits and losses		
18.1 Historical financial information	1; 161-213; 219-240	-, 5; 6
18.1.1 Audited historical financial information covering the latest three financial years and audit report	1; 214-217; 241-243	-, 5; 6
18.1.2 Change of accounting reference date	N/A	
18.1.3 Accounting principles	166-176; 223-224; 268	5; 6; 8
18.1.4 Accounting framework	159; 216; 241	4; 5; 6
18.1.5 Balance sheet, income statement, changes in equity, cash flow statement, accounting policies and explanatory notes	220-238	6
18.1.6 Consolidated financial statements	161-213	5
18.1.7 Date of last financial information	270	8
18.2 Interim and other financial information		
18.2.1 Quarterly or half-yearly financial information published	270	8
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18.4 Pro forma financial information	N/A	
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18.5.2 Amount of dividend per share	127; 155; 185; 201; 240; 248; 257	3; 4; 5; 6; 7
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19. Additional information		
19.1 Share capital		
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19.1.2 Information relating to shares not representing capital	251	7
19.1.3 Number, book value and face value of the shares held by the issuer	112; 136; 140; 165; 252-253; 257	3; 4; 5; 7
19.1.4 Convertible securities, exchangeable securities or securities with warrants	251	7
19.1.5 Terms of any acquisition rights and/or obligations	183-184	5
19.1.6 Options and agreements	183-184; 251	5; 7
19.1.7 Historical information on the share capital	248	7
19.2 Memorandum and Articles of Association		
19.2.1 Registration and company purpose	259	7
19.2.2 Rights, preferences and restrictions attaching to each class of shares	260	7
19.2.3 Provisions that would have an effect of delaying, deferring or preventing a change in control	261	7
20. Significant contracts	N/A	
21. Available documents	270	8

## 8.4.2 Annual financial report cross-reference table

This URD incorporates the information from the annual financial report referred to in Article L. 451-1-2 of the French Monetary and Financial Code and Articles 222-3 and 222-9 of the General Regulation of the AMF. In this URD, the cross-reference table below identifies the information that forms part of the annual financial report.

	Page no.	Chapter no.
1. Declaration by the person responsible for the information contained in the annual financial report	268	8
2. Parent company financial statements	219-240	6
3. Consolidated financial statements	161-213	5
4. Management report		
- analysis of the change in activity	4-5; 134-140	1; 4
- analysis of results	6-7; 134-140	1; 4
- analysis of the financial condition	134-140	4
- primary risks and uncertainties	141-159	4
- key indicators regarding environmental and employee-related issues	21-101	2
- company purchases of treasury shares	140; 258	4; 7
5. Statutory Auditors' report on the parent company financial statements	241-243	6
6. Statutory Auditors' report on the consolidated financial statements	214-217	5

## 8.4.3 Management report cross-reference table

In this URD, the cross-reference table below identifies the information that constitutes the annual management report in accordance with Articles L. 225-100-1 et seq. of the French Commercial Code.

Headings	Page no.	Chapter no.	Reference texts
<b>1. Information about the activity of the company and the group</b>			
1.1 Overview of condition of operations and results of the issuer, the subsidiaries and the companies it controls by branch of activity	4-5; 8-9; 15-19; 134-140	1; 4	L. 232-1 and L. 233-6 of the French Commercial Code
1.2 Predictable changes in the issuer and/or group	4-5; 139	1; 4	L. 232-1 and L. 233-26 of the French Commercial Code
1.3 Events after the reporting date of the issuer and/or group	139; 211; 224	4; 5; 6	L. 232-1 and L. 233-26 of the French Commercial Code
1.4 Research and development activities of the issuer and the group	8; 38; 40-42; 48-49; 135	1; 2; 4	L. 232-1 and L. 233-26 of the French Commercial Code
1.5 Analysis of changes in the issuer's activity, results and financial position, given the volume and complexity of the activity of the issuer and group	134-136	4	L. 225-100-1 and L. 233-26 of the French Commercial Code
1.6 Key financial and non-financial performance indicators (including information about environmental and personnel issues) of the issuer and the group	6-7; 22; 64; 83-84; 88-99; 175	1; 2; 5	L. 225-100-1 of the French Commercial Code
1.7 Main risks and uncertainties faced by the issuer	33-34; 75; 141-153	2; 4	L. 225-100-1 of the French Commercial Code
1.8 Financial risks associated with the effects of climate change and overview of measures taken to reduce them	147	4	L. 225-100-1 of the French Commercial Code
1.9 Principal characteristics of the internal control and risk management procedures relating to the preparation and processing of accounting and financial information	157-159	4	L. 225-100-1 of the French Commercial Code
1.10 - Hedging transaction objectives and policy - Information on the use of financial instruments - Exposure to price risk, credit risk, liquidity risk and cash flow risk of the company and the group	154-156 ; 184-185	4 ; 5	L. 225-100-1 du Code de commerce
<b>2. Legal, financial and tax information of the issuer</b>			
2.1 Breakdown of and changes in shareholder structure	112; 252-253	3; 7	L. 233-13 of the French Commercial Code
2.2 Names of controlled companies	212-213	5	L. 233-13 of the French Commercial Code
2.3 Statement of employee share ownership	112; 139-149; 183-184; 253	1; 5; 7	L. 225-102 of the French Commercial Code
2.4 Significant investments made in companies whose registered office is located on French territory	N/A		L. 233-6 of the French Commercial Code
2.5 Acquisition and sale by the issuer of its own shares (share buyback program)	140; 258	4; 7	L. 225-211 of the French Commercial Code
2.6 Injunctions or financial penalties as a result of anti-competitive practices	207	5	L. 464-2 of the French Commercial Code
2.7 Any adjustments for shares giving access to equity in the case of share buybacks and financial transactions	N/A		R. 228-90 of the French Commercial Code

## Cross-reference tables

Headings		Page no.	Chapter no.	Reference texts
2.8	Dividends paid during the past three fiscal years	240; 257	6; 7	243 bis of the French General Tax Code
2.9	Supplier and customer payment deadlines	139	4	L. 441-6-1 of the French Commercial Code; D. 441-4 of the French Commercial Code; A. 441-2 of the French Commercial Code
2.10	Conditions for the exercise or retention of options by Corporate Officers	N/A		L. 225-185 of the French Commercial Code
2.11	Holding conditions of free shares allocated to directors and Corporate Officers	235	6	L. 225-197-1 of the French Commercial Code
2.12	Company income over the last five financial years	240	6	R. 225-102 of the French Commercial Code
2.13	Social and environmental consequence of the Company's activities (including Seveso)	21-101	2	L. 225-197-1 of the French Commercial Code
2.14	Vigilance plan	74-79	2	L. 225-102-4 of the French Commercial Code
<b>3. Issuer CSR information</b>				
3.1	Non-financial performance statement	8-11; 15-19; 20-101; 141-153	1; 2; 4	L. 225-102-1 of the French Commercial Code; R. 225-104 and R. 225-105 of the French Commercial Code
3.2	Certification by independent third party of the information contained in the non-financial performance statement	86-87	2	L. 225-102-1 V and R. 225-105-2 of the French Commercial Code
4.	Corporate governance report	Cross-reference table		



## 8.4.4 Corporate governance report cross-reference table

In this URD, the cross-reference table below identifies the information that constitutes the corporate governance report in accordance with Articles L. 225-37-3 et seq. of the French Commercial Code.

Headings	Page no.	Chapter no.	Reference texts
1. Information about remuneration and benefits granted			L. 225-37-3 of the French Commercial Code
1.1 Total remuneration and benefits of any kind paid by the issuer to Corporate Officers	210-211; 231-238	5; 6	
1.2 Fixed, variable and exceptional remuneration components paid by the issuer to Corporate Officers	210-211; 231-238	5; 6	
1.3 Commitments of any kind made by the issuer for the benefit of its Corporate Officers	210-211; 236; 238	5; 6	
1.4 Level of remuneration of Corporate Officers with respect to (i) average remuneration and (ii) median remuneration on a full-time equivalent basis of the issuer's employees other than Corporate Officers and changes in this ratio over the latest five fiscal years, as a minimum, presented together in a way that allows comparison	N/A		
2. Information about corporate governance			L. 225-37-4 of the French Commercial Code
2.1 Positions held and functions exercised in any company by each Corporate Officer during the fiscal year	118-123	3	
2.2 Agreements entered into between a Corporate Officer or a significant shareholder with a subsidiary of the issuer (excluding agreements relating to current transactions and entered into on normal terms)	126; 129; 244-245	3; 6	
2.3 Procedure put in place by the issuer pursuant to paragraph 2 of Article L. 225-39 of the French Commercial Code on regulated agreements and the implementation thereof	129	3	
2.4 Summary table of delegations of authority and authorizations in effect with regard to capital increases showing the use made of such delegations during the fiscal year	249-251	7	
2.5 Executive Management procedures in the event of changes	N/A		
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2.7 Application of the principle of balanced representation of women and men on the Supervisory Board	119	3	
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2.9 Corporate governance code	127	3	
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## Cross-reference tables

Headings	Page no.	Chapter no.	Reference texts
3. Information that may have an impact in the event of a public takeover or exchange offer			L. 225-37-5 of the French Commercial Code
3.1 Share capital structure of the issuer	131; 227; 248-249; 252-255	3; 6; 7	
3.2 Statutory restrictions on the exercise of voting rights and share transfers	131	3	
3.3 Direct or indirect investments in the capital of the issuer	131; 252-255	3; 7	
3.4 List of holders of any securities with special rights and description thereof	131	3	
3.5 Systems of control provided for by any employee share ownership plan in which rights of control are not exercised by the employees	131; 259-261	3; 7	
3.6 Agreements between shareholders that may give rise to restrictions on share transfers and voting rights	131; 253-255	3; 7	
3.7 Rules applicable to the appointment and replacement of members of the Supervisory Board and amendment of the Articles of Association of the issuer	131; 260-261	3; 7	
3.8 Powers of the General Management, with regard in particular to the issuance or redemption of shares	131; 249-251; 258	3; 7	
3.9 Agreements entered into by the issuer that are amended or cease to apply in the event of a change in the ownership of the issuer, unless such disclosure would seriously harm its interests, except where there is a legal obligation to disclose	131	3	
3.10 Agreements providing for the payment of indemnities to Corporate Officers or employees in the event of resignation or dismissal without just cause or of termination of employment as a consequence of a public takeover or exchange offer	131	3	







This document was prepared jointly by the Finance Department and the External Communication and CSR Department.

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Nicolas Blandin, Barbara Crossman, Julien Pebrel, Offset.com, Photothèque Bonduelle

**Visual territory and iconography**

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