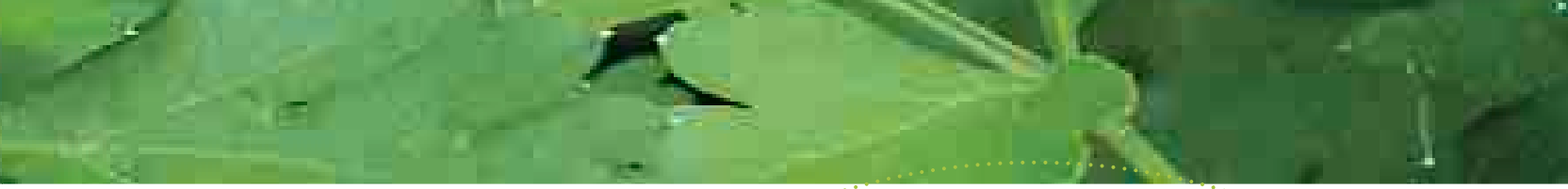




Corporate social
and environmental responsibility





WE SUPPORT



In 2007, Bonduelle is a major partner of the World Forum.

Bonduelle has been a member of the United Nations Global Compact since 2003. This purely voluntary international initiative asks participants to apply 10 basic principles in the areas of human rights, labor, the environment and the fight against corruption.





Jean-Bernard Bonduelle
 Director of External Relations,
 with responsibility for sustainable
 development

Oversight of Bonduelle's sustainable development strategy

Sustainable development is, most importantly, an **ongoing process, and one which Bonduelle has incorporated into its corporate strategy**. The 5,598 Group employees practice this policy every day, in every way, from the time the vegetables are grown until they are sold to consumers.

Sustainable Development Committee

Bonduelle has grouped its corporate social responsibility and sustainable development functions into four strategic pillars, each of which relates to a different aspect of the Company's operations. **The Sustainable Development Committee is composed of fourteen employees, all specialized by function**, and is responsible for the oversight of all activities in the social and environmental responsibility sphere. The Committee includes the heads of the four functions responsible for promoting corporate social responsibility within the Group, and members of the two central services assigned to participate in the committee.

Four areas corresponding to the four pillars of sustainable development

- **People** (employee-related issues)
 The people in charge of this area remain in permanent contact with the Group's key human resources managers and supervisors; they work on strategic areas for improvement specific to employee-related issues, such as diversity and safety.
- **Agricultural Production**
 The people in charge of this area work together with Bonduelle's agronomists to establish partnerships with other players in the agricultural field and define the environmentally-friendly conditions required to grow Bonduelle's vegetables.
- **Natural Resources**
 The specialists in this area of the Committee work with the production managers in the subsidiaries and the plants to

implement a consumption (namely water and energy) and waste reduction policy.

- **Quality/Nutrition**

The people in charge of this area are responsible for centralizing all compliance-related information for the Group's products, at every stage of the production process. They are able to gather all of the quality related data they need through their network of agronomists and production and sales staff.

Two support functions complement the operational expertise of the Sustainable Development Committee

- **Financial Control department**

The Group's financial controllers compile and audit the detailed data and metrics used by the Sustainable Development Committee to analyze Bonduelle's performance.

- **Communications department**

The communications managers present a summary of all of the information collected to the Committee and prepare the documentation (annual reports etc.) provided to Group employees and shareholders and to third parties.

Poster distributed within the Group during Sustainable Development Week in France.



Stakeholder involvement

The four key pillars of sustainable development are designed to satisfy the requirements of their stakeholders. The latter may be found at every level of the Group, all the way from field to finished product.

Stakeholders disseminating	People	Agricultural Production	Natural Resources	Quality/ Nutrition	Means For information
Employees	☐				Internal communications media
Farmers		☐			Sourcing charter
Consumers	☐	☐	☐	☐	Products, www.bonduelle.com
Foodservice operators		☐		☐	Products, sales arguments, press kits
Distributors		☐	☐	☐	Products, sales arguments
Shareholders	☐	☐	☐	☐	Annual report, shareholders' letter, www.bonduelle.com
Authorities	☐	☐	☐	☐	Annual report

Level of requirement of stakeholders: ☐ Significant ☐ Mandatory

Strategic areas for improvement

To improve its performance in each one of its strategic areas, the Sustainable Development Committee has established metrics, which are calculated every year.

Key SD pillar	Area for improvement	Assessment of metrics	Comments*
People	Reduction of work-related accidents.	🟢	Twenty-four percent reduction of work-related accidents this year.
	Internal measures regarding nutrition and health.	🟡	Discussions regarding implementation were held in 2006-07. Implementation scheduled for 2007-08.
	Improving skill levels.	🟢	Continued development of the IPB institute for in-house training.
	Promoting career development, openness and diversity.	🟡	Implementation of programs for the inclusion of disabled workers.
Agricultural Production	Sourcing charter, signature and implementation.	🟢	Bonduelle's sourcing charter has been signed by every producer.
	Training of field supervisors.	🟡	Currently being implemented.
	Optimization of agricultural methods.	🟡	While deployment is well under way in certain countries, agricultural best practices must be standardized throughout the entire Group.
	Active participation in agronomic research.	🟡	Establishment of partnerships with public and private sector entities.
Natural Resources	Improvement of the best practices network.	🟡	Audit plan and organization of topical technical events.
	Control and reduction of consumption of water.	🟢	Reduction of consumption of water (7%), electricity (9%), and energy natural gas (11%).
	Upgrading of wastewater treatment equipment.	🟢	New Milagro (Spain) water purification plant.
	Pursuit of industrial waste management and composite plant material policy.	🟡	Improvement of ordinary industrial waste management.
Quality/ Nutrition	Formal documentation and implementation of a Group wide quality policy.	🟢	Proportion of certified plants increased by 5%. 86% of all Bonduelle plants have at least one certification.
	Solidification of exchange network and industry watch.	🟡	Quality network meets regularly.
	Improvement of responsiveness to consumers' needs and of customer satisfaction.	🟡	Implementation of the reporting application.
	Implementation of the nutritional policy.	🟡	Nutrition charter has been set in place at Group level.

* Data for financial year 2006-07, excluding Bonduelle North America.

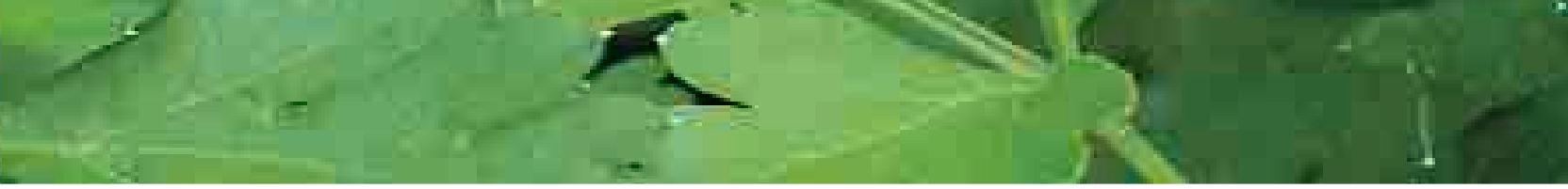
Sustainable development strategy

Bonduelle maintains close relationships in the **agricultural world** to ensure that it is supplied with the highest quality products.

The Group has identified **employee** job satisfaction as one of its strategic pillars, and it plays a predominant role within Bonduelle's sustainable development strategy.



Bonduelle supplies **foodservice** professionals with a wide range of products and services that meet their needs.



Bonduelle's production facilities guarantee the **safety** of all food products, during every stage of the process.

The Company is constantly striving to conserve the **natural resources** (water and energy) required for production.

Bonduelle innovates and offers consumers **just the right solution** to satisfy their eating preferences.

The Group provides **consumers** with safe, healthy products throughout the year.

Strategic areas for improvement

- Reduction of work-related accidents
- Improving employee skill levels
- Promoting career development, openness and diversity
- Implementing internal measures regarding nutrition and health

Reduction of work-related accidents

-24%

People

Bonduelle is the world's leading vegetable company, producing and marketing its products throughout Europe –from Spain to Russia– and in North America. Employees from very diverse backgrounds and cultures **work together** and subscribe to the Company's **corporate vision** and values. It is therefore crucial that Bonduelle makes sure that **employee job satisfaction** remains one of its most important goals, and that the Company passes on a common corporate culture that can be shared by all.

Sylvie Dutournier, Human Resources manager, Soléal



Optimizing working conditions

Safety

For the past several years, the Company has pursued its objective of bringing down the average rate of work-related accidents* to under 20, with no plant rising above 30. The good results achieved reflect the success of the many measures taken to raise safety awareness in the production facilities. Examples of these measures include safety seminars at the Benimodo plant in Spain (“avoiding falls and contusions”), safe driving classes at the Saint-Benoît-sur-Vanne (France) plant, and the regional risk mapping currently under way for all of the production plants.

* The average rate of work-related accidents is monitored by the Human Resources departments, and is provided in the corporate human resources report. The rate is calculated as:
 Accident rate=(number of accidents resulting in absence 10⁶)/total number of hours worked.

Financial year	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007
Average rate of work-related accidents*	39.72	35.50	29.14	30.39	23.04



Health

To extend the reach of the nutritional workshops it began organizing for its employees in 2006, the Group launched Operation “Food and Form” through its corporate foundation in late June 2007. This initiative promotes and finances collective efforts in the fields of nutrition and sports (athletic competitions between plants, nutritional workshops at the plants, etc.) for Company employees. This financial assistance—available to anyone employed under a long-term employment

contract—is intended to help bring together the women and men who work for the Group in a non-work-related environment.

Other steps taken in the plants include anti-smoking campaigns, which were accompanied by the establishment of comprehensive bans on smoking at several sites. For example, three industrial sites in France (Rosporden, Estrées and Vaulx-Vraucourt) mounted multifaceted anti-smoking campaigns. Workgroups were created including smokers, non-smokers, labor representatives and company medical staff.

At the same time, smokers who wanted to quit were able to discuss the subject with the tobacco addiction specialists hired specifically for the program. These comprehensive, effective measures helped reduce the number of smokers seeking to quit by 50%.

Skills and career development



Training

The Pierre and Benoît Bonduelle Institute (IPB) was created in 2002 to design and organize Group-wide training seminars for all of the subsidiaries and to optimize training resources. Its role is to develop employee skills, promote the sharing of expertise and help make Bonduelle’s corporate culture come alive. IPB also organizes “Welcome to Bonduelle” orientation seminars and language immersion programs (in French and in English) to familiarize newcomers with the Group’s corporate culture.

Training programs in five different areas are available to Group employees.

	2005/2006	2006/2007
People and management	34%	36%
Operations training	18%	19%
Culture	16%	16%
Customer service	18%	15%
Profitability and information systems	14%	14%

EYEWITNESS ACCOUNT

Management training (in France and Hungary)

In all, 117 students (49 line managers, 47 technical supervisors and technicians, and 21 managers) spent 3,950 training hours as part of the Operations Management in the Southwest (France) program between November 2006 and March 2007. Each participant’s roles and duties were more clearly defined, and common tools and terms were discussed. By the end of 2007, a vast number of practical applications resulted from this training: all managers carried out performance reviews; seasonal workers were evaluated; line managers participated in the orientation and training sessions held for seasonal workers; visual communications were improved; increased attention was paid to compliance with all health and safety regulations, etc. Much progress was made, and there is a common desire to continue to build our expertise and to help our line managers build true, sustainable, collective managerial skills. In Hungary, all 40 managers will also take this training seminar between October 2007 and March 2008.

Henri Foulon

Director of Operations, Southwestern France

Pascal Piret

Director of Agro-Industrial Operations, Hungary



People

Recruitment of seasonal workers by skill

In partnership with the National Employment Agency (ANPE), the ANPE's aptitude tests are used to recruit all seasonal workers for Bonduelle's plants in the north of France.

EYEWITNESS ACCOUNT

Integration of seasonal workers

Bonduelle has set in place a comprehensive recruitment system to attract enthusiastic, skilled seasonal workers. This system includes assistance from the National Employment Agency (ANPE), job offers broadcast over local radio, notices to all town governments within 30km (20 miles) of the plant, and participation in regional job forums. The ANPE has developed specific aptitude tests for Bonduelle. All those who pass the test participate in an orientation meeting, which includes a plant tour that is very popular with the future seasonal workers. The recruiting process ends with a one-on-one interview with the Human Resources department to answer any questions candidates may have and to get a feel for whether the candidate is also qualified for a different position.

Valérie Hivet
Estrées plant, Frozen foods (France)

Diversity and openness

As an international group, Bonduelle is committed to diversity and demonstrating its positive impact on corporate performance and working conditions. Our employees must reflect the population in the various countries in which our operations are located.

Handipol agreement

One component of Bonduelle's diversity and non-discrimination policy is our commitment to providing jobs for disabled workers. On November 27, 2006, the Group and the respective unions signed the "Handipol Bonduelle" agreement, an action plan that centers on five areas:

- **Recruitment and training:** promoting the hiring of disabled persons, adapting workstations to needs and training tutors to welcome these new employees into the Group.
- **Job protection:** anticipating potential problems for employees, reclassifying, training and helping them switch to other positions.
- **Training and certification of disabled workers:** certification training, orientation of new recruits, identical career development for all employees, training modules specifically adapted to each employee's disability, etc.
- **Partnership with agencies for disabled workers:** orientation of new recruits, subcontracting, assignment of personnel, discussions with Occupational Safety and Health Committees (CHSCT), etc.
- **Information and Communications:** regular updates on steps taken.

A special committee was formed to measure the changes achieved through the implementation of this agreement. The committee identifies the strategic areas to be addressed, approves the corresponding resources allocated and informs the labor and management representatives.

Employee training

	2005/2006	2006/2007
Employees trained	8,446	9,791
% of gross payroll	1.78	2.39

EYEWITNESS ACCOUNT

Operation:

“Vaulx plant opens its doors to disabled workers,” in partnership with the National Employment Agency (ANPE).

Unemployed disabled workers were invited to a presentation about the plant, its activity and the types of jobs it offers. Forty-four of these workers showed interest, and were chosen by the ANPE. They then met individually with the heads of production and logistics to discuss the details of the position they would be assigned. Once these assignments were validated by the company doctor, the candidates were placed on the list of available seasonal workers. So far, 18 disabled seasonal workers have been recruited, representing 10% of the plant's seasonal workforce.

Hervé Dujardin

Director, Vaulx-Vraucourt plant (France)

Dissemination of information

The Group's close relationship with its employees is also maintained by keeping them well informed as to its activities. Bonduelle's commitment to transparency, clarity and openness are reflected in the creation of the in-house newsletter *Bonduelle news*, the support provided in the plants during Sustainable Development Week to discuss best practices at our sites, and the dissemination of informational documents to Company managers (annual report, Executive Management letter, etc.) and employees (informational posters).



Bonduelle's commitment to equal educational opportunity

A growing number of middle and high school students were invited this year to learn more about the Group's activities and its work environment. Several young students had internships at the corporate headquarters in Villeneuve d'Ascq or the Bordères or Estrées plants, in connection with various social programs intended to help young people from all types of backgrounds successfully enter the workforce.

Bonduelle uses short-term employment contracts (CDD) to recruit persons in difficulty and has established formal “Professional Qualification Certification” (CQP) for machine operators and line conductors at several sites (notably in Estrées and Bordères), illustrations of the Group's goal of giving all people an equal opportunity to participate in its recruiting and training initiatives.



In late 2006, in the presence of the French Minister of National Education, Jean-Bernard Bonduelle signed an equal educational opportunity charter that commits participating companies to implementing innovative, appropriate solutions to recruit young people.

Key employee information

	2004/2005	2005/2006	2006/2007
Permanent staff	5,833	5,686	5,598
Men	3,393	3,346	3,315
Women	2,440	2,340	2,283
Total LT + ST contracts (full-time equivalent)	7,144	7,047	7,166
Seniority			
0-3 years	898	815	753
3-9 years	1,866	1,791	1,747
>9 years	3,069	3,080	3,098
New hires (number of contracts)			
LT work contract	308	269	348
ST work contract	808	768	879
Seasonal workers	5,926	5,312	6,094
Turnover (including retirement)			
Managers	7.92%	7.31%	12.21%
Technical staff	12.19%	11.84%	12.85%
Workers	5.93%	10.03%	7.45%

Agricultural production

Strategic areas for improvement

- Implementation of new 2007 sourcing charter
- Training of field supervisors
- Optimization of agricultural methods
 - Active participation in agronomic research

As Bonduelle wants its vegetables to be grown in accordance with the principles of precision agriculture, the Group uses a risk analysis-based approach to increase **agricultural producers'** responsibility for the quality of their production. Every farmer that grows vegetables for Bonduelle signs **a charter** committing to **respect the environment**. At the same time it is raising producer awareness, the Group is also implementing **environmentally responsible solutions**. Bonduelle is active in such varied fields as irrigation, soil protection and parasite control, in order to limit the impact of its production on the environment.

Emmanuel Chaveron, *Industrial Director, Frozen foods (France)*

Sourcing charter

Feedback

Over time, the sourcing charter has become the reference manual for any farmer that produces vegetables for Bonduelle. Fully 100% of the Group's agricultural operators have now signed the charter, guaranteeing their compliance for the standards established for each vegetable while using environmentally-friendly farming techniques. At present, 95% of the vegetables grown by the Group are produced under the charter, while the remaining 5% are produced by suppliers that are audited frequently (over 530 analyses in 2006-07).

This sourcing charter is distributed by the field supervisors, who are all trained to explain it to farmers. Every year, the growers are asked provide feedback about the charter. Along with the Group's global monitoring plan, this comprehensive system guarantees the quality of all vegetables.

	2003/2004	2004/2005	2005/2006	2006/2007
Farmers who have signed the sourcing charter (in %)	100 in France	97 excl. Russia	100 excl. Russia	100
Agronomic department (number of field supervisors)	83	79	76	84

Bonduelle continually improves prevention of sourcing-related risks to ensure that its vegetables are healthy and grown in an environmentally-friendly manner.

Birth of a new sourcing charter in 2007

The sourcing charter, which is the reference manual for all Bonduelle growers and suppliers, has been thoroughly revised to refocus on products and to help growers assume their new responsibility in the face of regulatory changes (fulfilling their commitment with regard to the health and quality of their production). Bonduelle takes all necessary measures to protect its customers against food-borne diseases.

Well-known for its high expectations, the Bonduelle charter is a contractual commitment, stringent and exclusive, which covers the process from seed to harvest. For the first time, our charter includes all upstream agricultural participants: farmers, suppliers, harvesting companies and shippers. This new charter is divided into eight sections, with each section corresponding to the different stages of the vegetable production and sourcing process:

- Selection of plots of land: soil, environment, water availability and quality.
- Selection of seeds and plants (priority on the vegetable flavor quality).
- Planting.
- Cultivation: precision use of products to protect plant.
- Mineral and organic fertilization: establishment of a plan for the use of organic and mineral fertilizers.
- Irrigation: management of both the quality and volume of water resources.
- Harvesting: site preparation prior to harvest, harvesting operations and washing of vegetables.
- Transportation from the field to the plant.

Each stage is analyzed for five types of risks: physical, regulatory, microbiological, chemical, and product quality. Producers agree to take all of these risks into consideration in their agricultural operations and to submit to the controls performed by Bonduelle's Agronomic department.



In combination with its quality procedure manual and audit guide, the sourcing charter enables upstream agricultural players to evaluate their own operations effectively. It serves as the application of the Hazard Analysis Critical Control Point (HACCP) method upstream to the industrial stage of the process. The charter will be disseminated and take effect in all countries where Bonduelle produces vegetables (except Canada) in 2008.

Optimization of agricultural methods

Experiments with varieties

Adapting the vegetable to its environment makes it possible to limit the use of plant protection products. By collaborating closely with the seed companies' selectors, Bonduelle is able to test and select the best varieties.

The Agronomic departments test new varieties of crops for their resistance to mildew, and evaluate the capacity of certain vegetables to resist spore- and root-borne infections. If these tests prove conclusive, they allow farmers to cut down on the use of pesticides and other plant protection products.

Agricultural production

Bonduelle guarantees "Zero GMOs"

Because European consumers reject the use of genetically modified organisms (GMOs), all sweet corn and other vegetables sold by Bonduelle come from varieties that do not contain any GMOs.

The following three fundamental principals are non-negotiable:

- **Seed purity.** Suppliers agree in writing to not supply any GMO products, and are audited every year. Moreover, each batch of seeds is submitted to a series of tests throughout the development of the plant. The *"This sweet corn contains no GMOs"* label can be used only if 100% of the test results come back negative. A single positive test result would result in the rejection of the entire batch.
- **To guard against the risks of pollen drift and cross-pollination,** Bonduelle selects plots and monitors crop development. The Agronomic department tracks the exact geographical position of each plot of GMO cereal corn to ensure that no plots of sweet corn are nearby. If two fields are found to be too close, careful attention is paid during the critical period (flowering) and additional analyses are performed prior to harvesting.
- **No cross contamination is possible during the industrial process** as none of Bonduelle's plants process GMO corn.

To date, all analyses have excluded the presence of any GMOs in any Bonduelle sweet corn.

Soil protection

To maintain soil quality, the soil condition and fertilizer needs must be assessed. In the Nord-Pas-de-Calais region of France, a chemical analysis is performed (including pH, mineral content and trace elements) to calculate the basic organic fertilizer* required (every four years), and nitrogen is added every year, as needed.

With the cooperation of the National Institute for Agronomic Research (INRA), samples are used to calculate extra need created when the actual level of nutrients is below the recommended amount.

To ensure that field supervisors interpret all results accurately and provide good advice, they have all been trained in soil analysis.

Precision management of parasites

In 2006-07, traps were used to detect the presence of any parasites on 70% of the arable land used to grow vegetables. Nearly all farmland in France and Hungary is monitored, and these traps are increasingly used in Spain. At present, 111 different monitoring networks have been set up throughout all of the agricultural regions. These networks provide precise information about any infestations, and enable producers to apply the right amount of protection at the right time. This precise use of pest control products guarantees high-quality vegetable production with minimal environmental impact.

Spoilage in the field: optimization of harvesting methods

By working together with the harvesting companies, Bonduelle is able to test new machines to improve threshing quality and reduce vegetable waste in the field. In addition, two prototype pea harvesters have been built in northern France, and the Agronomic department will be responsible for putting the results to best use. Lastly, a system was set in place to monitor the quality of the service provided by the threshing companies.

Irrigation: conserving resources with water-saving techniques

Conscious of the fact that water is a precious commodity, Bonduelle's Agronomic departments and producers monitor changes in water resources and suggest suitable irrigation techniques. In France, Bonduelle partners with agricultural associations to provide advice and sensitize farmers to the issue. One example was the traveling irrigation gun** inspection campaign targeting spinach crops in a region where water resources were in a critical state, in order to determine the effectiveness of local

* Basic organic fertilizer: organic fertilizer containing phosphorus (P) and potassium (K), which can be spread in the fall and lasts for several crop rotations.

** Traveling irrigation guns: irrigation equipment consisting of a hose on a hose reel with an irrigation gun at the end.





irrigation systems. This collaboration also enabled Bonduelle to do some plot-by-plot consulting, with the identification of 200 benchmark plots, whose water will be tested twice a week.

The well water that provides most of the water used for irrigation is increasingly distributed using water-saving systems such as drip and center pivot irrigation.

Drip (or trickle) irrigation has taken off in Poland and in the technology used for processed fresh foods (salad crops), where surface coverage has tripled and doubled, respectively. Center pivot irrigation is more common, and its use is spreading particularly quickly in Russia and Poland.

Testing of certain foliar products is also being performed to reduce water evaporation in vegetables. This process reduces the plant's required water intake and the need for irrigation.

Active participation in agronomic research

The agronomic managers in the regions in which Bonduelle grows vegetables meet every year to review best agronomic practices.

Irrigation method (% of Total area irrigated)	2005/2006	2006/2007
Center pivot	42	46
Drip	2	3

Bonduelle has established technical partnerships with research institutes and agricultural schools. In 2006, research was conducted into the nutritional qualities of vegetables with the Institute for Advanced Agricultural Studies (ISA) of Lille and the LaSalle Beauvais Polytechnic Institute, in France, and with the Institute for Advanced Agricultural Studies of Santarém in Portugal. The Company is also collaborating with constructors of agricultural machinery to make the necessary modifications to harvesting equipment.

Bonduelle also helps establish national and regional research programs, as is the case in the Picardie region of France, where the Group is a member of the *Agro-Transfert, Ressources et Territoire association*. This entity, which leverages the scientific and technical skills of the French National Institute for

Agricultural Research (INRA) to create a world-class competitiveness cluster (*Industries et Agro Resources*), will help advance agricultural methods with regard to the environment, product safety and land use.

Lastly, agreements with entities such as the INRA and local agricultural associations enable the Group to provide advice to and conduct sensitivity training with agricultural operators.

EYEWITNESS ACCOUNT

The role of the R&D manager in agronomics

An Agronomic R&D manager position has been created for the Nord-Picardie region of France. This manager is responsible for establishing for varietal research objectives, successfully completing varietal studies and improving cultivation methods. In order to accomplish these objectives, it will be necessary to optimize irrigation in order to conserve water resources, identify alternatives to the use of pesticides and continue to take measures to reduce spoilage in the field.

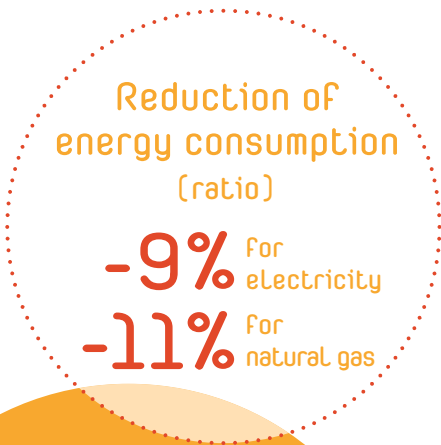
Gery Capelle
Sourcing Manger
Bonduelle Conserve International



Natural Resources

Bonduelle is furthering its efforts to reduce energy and water consumption, and maintaining its natural resource management performance objectives for all of its industrial facilities.

Alain Maureaux, *Scientific Director*
Cécile Lovichi, *Environmental Manager*



Improving performance through best practices

Bonduelle’s natural resource management policy continues to be driven by the sharing of best practices within the Group and the monitoring of plant performance ratios. Each year, the Group’s plants and subsidiaries incorporate a little more “sustainable development” into their operations. This is reflected in the clear improvement of quarterly performance metrics. Next year, the Group’s efforts will include expanded training for the production and quality control teams. These employees are all stakeholders in the adoption of best practices, energy recovery during the industrial process and the long-term maintenance of high performance levels once all goals have been met.

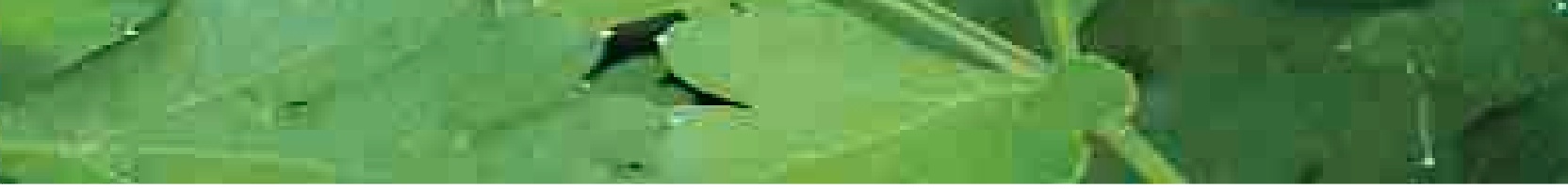
Reducing energy consumption and greenhouse gas emissions

Exchanges of best practices among plants and the modeling of the functioning of production applications have provided the industrial sites with valuable information for defining their own improvement objectives. In order to attain these objectives, the plants have developed:

- tracking of energy consumption by key sector,
- internal communications and posting of results in order to raise employee awareness,
- monitoring actual consumption against the benchmarks provided by industrial process models (sterilizers, flash freezing tunnels, etc.),
- detection and plugging of leaks in the compressed air and steam networks,
- recovery of energy in-between the stages of the industrial process.

Strategic areas for improvement

- Improvement of the best practices network
 - Control and reduction of water and energy consumption
 - Upgrading of wastewater treatment equipment
 - Pursuit of industrial waste management and composite plant material policy



Between 2005-06 and 2006-07, these efforts allowed Bonduelle to reduce energy consumption per ton of product produced by 9% and 11% for electricity and natural gas, respectively. This reduction largely offset the rise in energy costs and generated savings of nearly 4,100TEP (metric ton equivalent of petroleum) in 2006-07 compared with the previous year. Greenhouse gas emissions from fossil fuel use in the Group's plants were 12% lower than in 2005-06, representing the equivalent of some 9,900 fewer metric tons of CO₂. Always attentive to new European and French energy policies, the R&D department and industrial staff examine opportunities at each site to increase the use of renewable energies from sustainable sources, such as combustion of biomass or recovery of biogas energy.

Reduction of environmental impact on water

Bonduelle has reduced its water consumption for the fourth consecutive year. In comparison with 2005-06, and at same scope, total water savings amounted to nearly 1,000,000 cubic meters, a 7% reduction in total consumption and in cubic meters per ton of product produced. These good results are attributable to the resource management measures taken by the plants, and notably:

- employee awareness with respect to waste reduction,
- upgrading of cleaning tools,
- altering industrial processes to reduce extraneous replacement of water used by the equipment.

EYEWITNESS ACCOUNT

New wastewater treatment plant in Milagro (Spain)

In 2007, the Milagro plant started up its new biological purification plant. The plant has the capacity to purify up to 7.7 metric tons of chemical oxygen demand (COD) at peak operation and 3,500 cubic meters daily. After three months of operations, the water treatment plant has a COD purification rate of over 95%.

Jacinto Mendoza
Director, Milagro plant (Spain)

FOCUS

The Straelen plant took measures that resulted in a 27% reduction in water consumption per metric ton of product produced.



Greenhouse gas emissions (in accordance with Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading)

Four of the Group's plants fall within the scope of Directive 2003/87/EC.

	Plant emissions	Annual quotas allocated 2005-2007 (NAP 1)	Available quota surpluses
2005	59,002TEQ CO ₂ /p.a.	89,508TEQ CO ₂ /p.a.	+30,506TEQ CO ₂
2006	52,269TEQ CO ₂ /p.a.	89,372TEQ CO ₂ /p.a. (adjustment of scope)	+37,103TEQ CO ₂

Natural Resources



Returning high-quality water to its natural environment

The production plants are all continuing to take steps to reduce all types of pollutions at the source:

- reducing suspended solids through the installation of fine, vibrating screens,
- reducing the loss of plant matter by cutting back on the amount of time the vegetables are in contact in the water.

Improvement of wastewater treatment plants

Before it is treated in purification plants, wastewater from Bonduelle's plants can have an unpleasant odor related to the decomposition of the plant matter it contains. A workgroup was created to study this challenging subject, test different techniques and, ultimately, suggest appropriate solutions.

Performance indicators were set in place at the existing wastewater treatment plants. They provide metrics for the plants' effectiveness and allow the different plants to exchange data and best practices. The biological sludge generated by the treatment plants is spread out over arable lands, in accordance with current regulations.

After it leaves the highly effective wastewater treatment plants, the treated water has a very high physico-chemical quality and can be re-used for irrigation, rather than run off into a river.

The production plants take steps to sensitize the local agricultural world to the importance of water, and to try to establish user networks (in Spain and southwestern France, notably).

Waste management

Green waste

Production: 345kg of green waste per metric ton of product produced, or 6% more than the previous year due to the increase in volumes produced.

Bonduelle is studying how to capitalize on the environmental potential of its green waste through research projects of subjects including methanation, incineration and extraction of high value-added elements. These projects are being developed throughout Europe, especially in Spain, Portugal, Hungary and France, often in connection with research into substitutes for fossil fuels.

EYEWITNESS ACCOUNT

Rallying all employees

You achieved a 33% reduction in your consumption per metric ton of product produced: how do you explain this?

This clear improvement is attributable, above all, to the motivation of the teams in the energy department, the involvement of the plant employees and the optimization of our facilities. For example, we equipped our sterilizers with counters and modified their external cooling circuits.

With results like that, do you think there is room left for improvement?

Of course! Our work is part of a continuous improvement policy. We will maintain our efforts. Our new heat exchangers, which let us recover energy from hot water, coupled with our planned expenditure to optimize the existing machines will enable us to reduce consumption further.

What drove you to achieve energy savings?

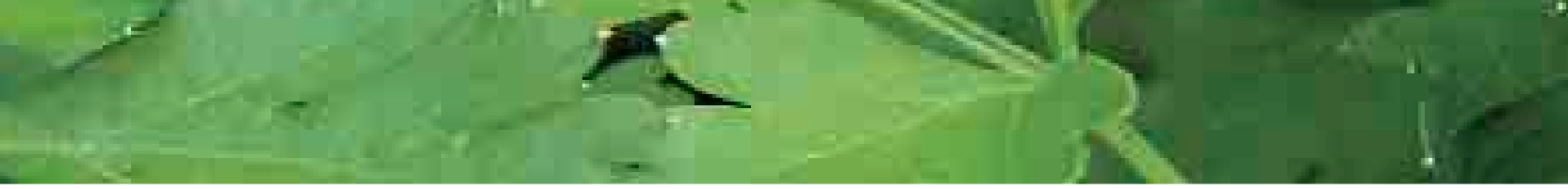
Two points: the local version of the sustainable development action plan and our assigned objectives made us aware of this issue, and the recent increase in energy costs was also a factor.

Is there one thing you have learned about reducing energy consumption that you would like to pass along?

Design simple changes! We truly attribute our success to my employees' efforts to simplify things.

Jean-Yves Dahéron

Director, Russy-Bémont plant (France)



Ordinary industrial waste

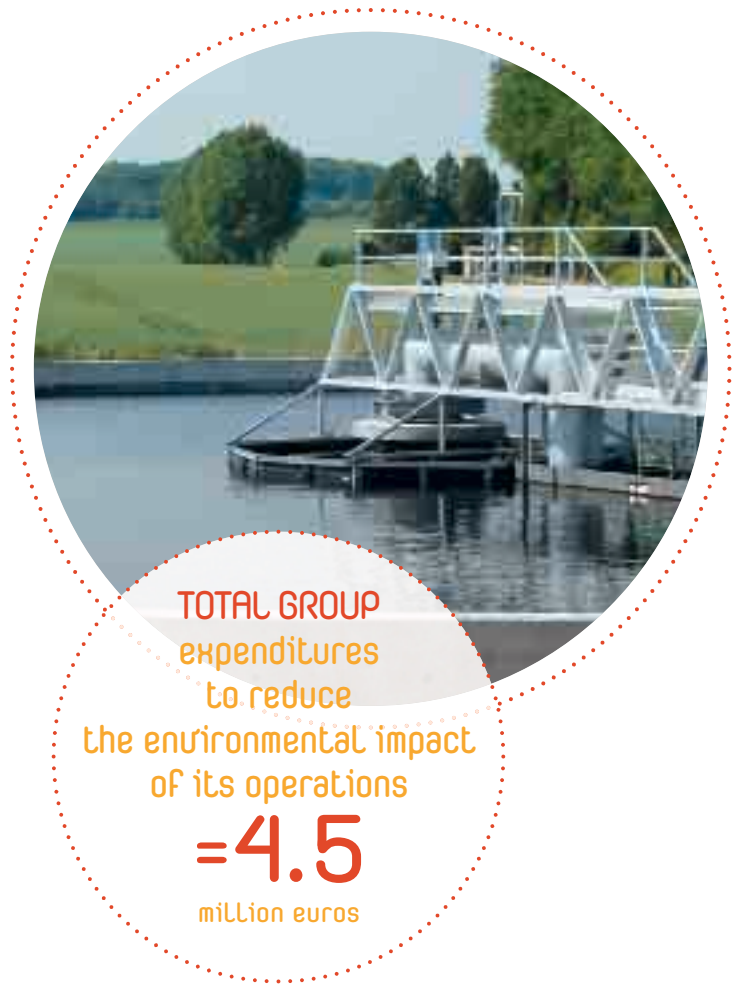
2005/2006	2006/2007
38.8kg per metric ton of product produced	32.3kg per metric ton of product produced

Special industrial waste

2005/2006	2006/2007
0.22kg per metric ton of product produced	0.21kg per metric ton of product produced

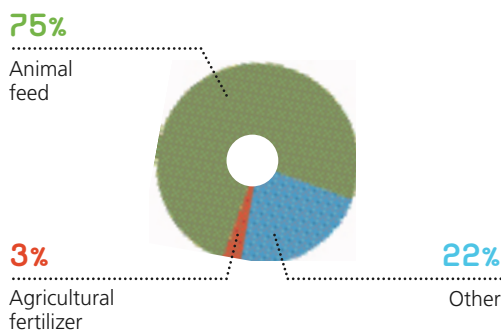
Packaging

Analysis of packaging materials (as % of total weight)	
Cardboard	21.8%
Metal cans	56.3%
Caps	0.4%
Laminated cartons	2.7%
Plastic films	9.3%
Glass jars	8.6%
Labels	0.9%
Total weight	110,705 metric tons

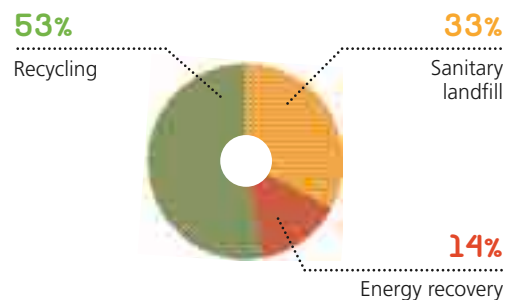


The work performed with the subsidiaries to optimize packaging has resulted thus far in a simplification of the number of SKUs per type of packaging. The next step will lead to reductions in the weight of packaging.

Recovery of green waste



Recovery of ordinary industrial waste



Strategic areas for improvement

- Formal documentation and implementation of a Group-wide quality policy
- Strengthening of information sharing network and industry watch
- Improvement of responsiveness to consumers' needs and of customer satisfaction
 - Implementation of the nutritional policy

Quality/Nutrition



Bonduelle has made a commitment to providing products whose safety and sensory qualities are beyond reproach. The Group is also responsive to its customers' new expectations, and seeks to find products that are more flavorful and healthy.

To meet these needs, the Group is maintaining its quality/nutrition policy, a commitment that is manifest in the increase in the number of its certified production facilities and the improved nutritional properties of its products.

Marc Grenier, Director of Quality, Bonduelle Surgel  International
Laurence Depezay, Group Nutrition Manager

Quality

Certification of the industrial sites

86% of Bonduelle's sites have now been certified by at least one of the following food safety and quality standard organizations –ISO 9001 (process management), BRC (Food Technical Standard, developed by Retail Consortium, a British group), or IFS (International Food Standard)– an 5% increase over the previous year, primarily in IFS and ISO 9001.

This recognition is a guarantee for Bonduelle and its customers that the Group maintains control over its processes and provides consumers with the highest-quality products.

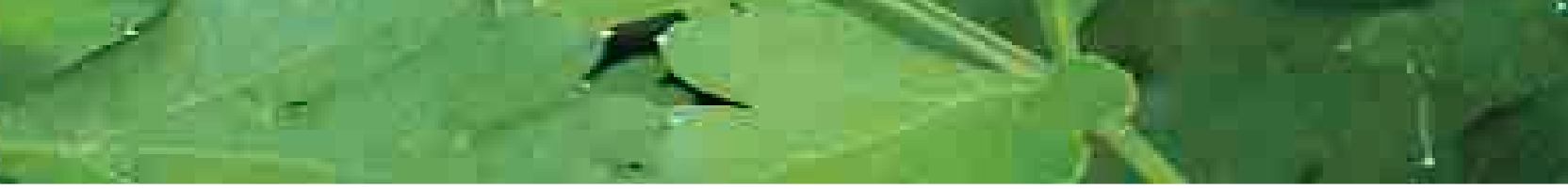
EYEWITNESS ACCOUNT

What is an allergen?

Food safety is a recurrent theme at the Renescure site. Controlling allergenic risk is therefore naturally one of our priorities.

We first had to go through an apprenticeship phase: What is an allergen? Who is affected? In what form are they allergens found in plants? After taking a detailed look at our operations, we took steps that included overhauling our storage system, establishing a new classification code and implementing a new storage organization. Once we had mastered the storage aspects, we focused on ingredients, conducting a major campaign to sensitize all our employees. Everyone now knows what an allergen is, and the rules that need be applied to minimize this risk.

 milie Penin
 Assistant Quality Manager,
 Renescure plant (France)



Strengthening of information sharing network and industry watch

Consumers are increasingly interested in products that are full of flavor and zest. Bonduelle responded by increasing its research into new ingredients that can bring a certain flair to its products. This addition of value to Bonduelle's recipes naturally caused the Group to step up its monitoring of ingredients suppliers.

With the farmers that produce its vegetables, the Company forges partnerships that become formalized through the signature of the sourcing charter. That provides the Group with guaranteed vegetable quality. Bonduelle expects this same guaranteed quality from suppliers of ingredients. Therefore, all of the health and safety disclosures expected of suppliers have been reassessed. This review guarantees the Group that all of the ingredients used to make its products comply with its standards.

Meanwhile, to satisfy Bonduelle's stringent quality policy, suppliers made technological changes to some of the ingredients already present in Bonduelle's products in order to eliminate certain items such as fats whenever possible.



EYEWITNESS ACCOUNT

An accredited laboratory in Italy

With increasingly stringent food safety requirements, freedom of movement of foodstuffs in Europe, etc., more and more requests for inspection reports are being addressed to accredited laboratories. Bonduelle Frais now has a laboratory in Italy that is compliant with the UNI EN CEI ISO/IEC 17025 standard, placing it on the same level as university laboratories.

Five people work in the San Paolo d'Argon laboratory, in two different specialties: food microbiology and chemical analysis. More than 17,000 test results are processed each year. The laboratory has its own quality system: a quality manual; operating procedures and instructions; complete traceability of analyses; calibration of equipment; and certification of both equipment and staff. The quality system is audited each year by SINAL, an independent body, over a two- to three-day period. Any major discrepancy would lead to the suspension of the laboratory's accreditation to perform certain analyses, or even its discontinued use. The accreditation provides proof of the accuracy of the results, validated by a good repeatability of analyses and by the professionalism of its organization.

Catherine Contat-Grandperrin
Quality Manager, Bonduelle Frais International

Attentive to consumers

In order to guarantee that only healthy, high-quality products are offered to customers and consumers at all times, this year Bonduelle carried out a major health alert management training review and simulation program for all members of the subsidiaries' management committees.

A new application for entering and processing information requests from our consumers was deployed in all Group subsidiaries, so that consumer contacts may be tracked far more exhaustively in real time.

Quality/ Nutrition

Nutrition

In addition to the measures to guarantee food safety and quality, Bonduelle continues its efforts to improve nutrition, providing consumers with the most nutritious products possible.

Nutrition research

The Group has made a special effort to improve its understanding and management of the amount of time between the harvest of the vegetables and their processing. We studied peas, green beans, spinach, and mache, and the results confirmed that our vegetables are processed under the best possible conditions to limit any risk of nutritional loss due to an excessively lengthy period between the harvest and processing.

Bonduelle continues to study vegetable processing methods: the blanching, cooking, and flash freezing processes are all examined very closely from a nutritional standpoint. These processing stages, along with the at-home cooking of fresh products, are widely acknowledged nutritional hot spots, and it is very important that nutrient retention be optimized during these stages.

Finally, the Group has initiated several long-term scientific studies that will provide the bases for the Bonduelle Group's product development going forward. These studies are carried out in association with public and private sector scientific partners, in order to generate synergies between the particular expertises of each.



EYEWITNESS ACCOUNT

New nutritional recipes

The steps we took to improve the nutritional value of our existing recipes resulted in the elimination of 185 metric tons of salt from our products. Equally important, these reductions were not achieved at the expense of taste. We always strive to improve the quality of our product ranges without changing any of their flavors!

Sophie Clavel
Nutritional Engineer



Louis Bonduelle Foundation

The Louis Bonduelle Corporate Foundation was created in 2004 to promote sustainable change in eating habits.

This year, the Foundation focused on both people in need and its own international expansion.

The Louis Bonduelle Foundation partnered with the Secours Populaire Français charitable organization to organize a major awareness-raising campaign targeting the neediest segments of society as to the importance of eating vegetables as part of a balanced diet.

The operation was handled through Secours Populaire's local departmental chapters, for their beneficiaries, and centered on a series of practical workshops. The four workshops were designed to familiarize everyone with vegetables, explain just how important it is to eat them, and help people find ways to include vegetables in their diet without straining their budget or radically changing their eating habits.

The Foundation is expanding northward! First established in France in 2004 and then Italy in 2005, this year a Louis Bonduelle Foundation will be created for the Benelux countries. Belgium and the Netherlands are cooperating on a bilingual version of the Foundation, through its website, and the partnership will be inaugurated at the 10th Conference on Nutrition and Health in Brussels.

Learn more about the Louis Bonduelle Foundation:
www.fondation-louisbonduelle.org

FOCUS

The Louis Bonduelle Foundation has approved the launch of a financial aid project on a European scale to help promote local initiatives involving nutrition.