

**“WELL  
LIVING”**  
through  
**VEGE-  
TABLE**  
products

2012-2013 Registration document



**Bonduelle**

# 2

# The Bonduelle Group's Corporate Social Responsibility

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## 2.1 Introduction

### 2.1.1 Message from Jean-Bernard Bonduelle

According to the United Nations, the world's population is projected to grow from 7.2 billion today to 8.1 billion in 2025 and climb to 9.6 billion by 2050. The challenge posed by this population trend is threefold: environmental, economic and social.

The environmental challenge arises as global demand for food increases and consumption patterns change, increasing pressure on the planet's resources, with the many consequences already in evidence: soil erosion, water pollution, increase in greenhouse gas emissions, higher volumes of waste and damage to biodiversity, to name but a few.

The economic, social and community challenges that arise in addition to these environmental issues include access to water, food safety for the most disadvantaged groups, nutrition and health.

Bonduelle recognizes these issues and places them at the core of its Corporate Social Responsibility (CSR) policy, which aims to strike a harmonious balance between economic performance and respect for the environment, People and society.

The launch of the visionary VegeGo! Initiative in 2012 reaffirms the group's aim to meet consumers' needs while limiting the impact of its activities on the planet.

We intend to be seen as a benchmark, not only for our performance, but also for our responsible approach to our employees, partners, customers and the environment. Being a world reference means that we never lose sight of our responsibility to lead the way and to play our part in building a better world.

### 2.1.2 The Bonduelle Group and sustainable development

Bonduelle, a family-run group established in 1853, is the global market leader in prepared vegetables. The Company has built its success on two pillars of growth: respect for the natural environment, which is essential for a group whose business is directly linked with the earth, and placing People at the heart of our long-term corporate plan. As part of our commitment, we aim to offer the best that nature can provide, guided by ethical principles formulated over six generations of involvement in agricultural production.

Bonduelle has been a pioneer in sustainable development, in line with the objectives defined by the group's family Shareholders: sustainability, independence and the development of employees. We take our responsibilities to sustainable development very seriously and in 2002-2003 formed a dedicated Sustainable Development Steering Committee to formulate policy and further strengthen the group's actions in this area.

2012 saw Bonduelle initiate a new phase in its development to define how the group will develop over the years to 2025. A process involving the family Shareholders, 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 program, the aim of VegeGo! is to position the Bonduelle Group as "the world reference in "well living" through vegetable products", wholeheartedly embracing its responsibilities to Shareholders, employees, partners, customers and the environment.

VegeGo! is structured around four pillars:

- **We respect the planet and our commitments to civil society**

Backed by our unique agro-industrial expertise, particularly in agricultural upstream, Bonduelle's proactive policy over the past 10 years demonstrates its determination to implement the very best business practices.

- **We promote the development of the men and women who work for us**

People matter most to Bonduelle and are placed at the heart of its corporate plan. This pillar demonstrates the group's intention of furthering its actions in the area of equal opportunity, diversity, internal mobility and safety, setting a target of zero accident.

- **We are developing our brands and vegetables in all their forms**

Bonduelle's brand portfolio enjoys international recognition. The group defined its international positioning in 2013 to create strong unity: "Bonduelle, your daily source of inspiration for cooking and eating delicious vegetables". This positioning focuses on how our products contribute to healthy living (health, nutrition, pleasure and taste) and demonstrates the group's intention of developing all its brands, across all channels and in all technologies.

- **Our organization serves our customers**

Bonduelle offers national brands and private label products, in line with the specific requirements of consumers in different markets. The group has a global presence in all distribution channels and prides itself on innovative products and services delivering differentiating value added.

The four essential pillars of VegeGo! (We respect the planet and our social commitments, we promote equality and encourage everyone to realize their full potential, we promote our brands and develop vegetables in all forms and customer service is the focus of our organisation) have led to the launch of 22 transformation projects, one of the major ones being the new group organization introduced in July 2013. This significant step is designed to adapt and shape Bonduelle's organization in line with the changing face of its business and its international expansion plans.

The Bonduelle Group is now organized into two geographic regions and four business segments (business unit):

1. **Bonduelle Europe Long Life (BELL)** covers all of the group's canned and frozen vegetable activities in Europe for the Bonduelle and Cassegrain national brands, as well for private label brands, in the retail and food service sectors;
2. **Bonduelle Fresh Europe (FRESH)** covers all the group's prepared fresh vegetables: fresh-cut bagged salad and prepared salad activities in Europe, for the Bonduelle brand and private label brands, in the retail and food service sectors;
3. **Bonduelle Americas (BAM)** covers all canned and frozen vegetable activities in North and South America for the Bonduelle and Arctic Gardens brands, and private label brands, in the retail and food service sectors;
4. **Bonduelle Development (BDV)** covers the group's activities and development in the rest of the world, particularly in Eastern Europe for the Bonduelle and Globus brands, and for private label brands, for all technologies and all distribution channels.

Included in the 22 transformation projects, seven are focusing on improving our sustainable development performance:

- Ecologically intensive agriculture;
- Eco-design of products;
- Enhancing safety at work;
- Participation in local community life;
- Developing networking;
- Investment in a community development and project;
- Promoting communication in the farming community.

## 2.2 Commitments to Corporate Social Responsibility

### 2.2.1 Challenges and outlook

#### ■ Challenges and outlook for 2013-2017

##### AGRONOMY

**Produce vegetables and promote responsible and sustainable cultivation methods, in partnership with farmers**

##### Encourage farmers to adopt environmentally-friendly practices

- Reduce the use of phytosanitary products
- Increase the number of signatories of the Sourcing charter V4 to 100% within five years
- Develop pilot farms implementing alternative cultivation methods in countries where Bonduelle is established
- Launch a plan to reduce waste upstream

##### Maintain and develop sustainable relations with producers

- Develop partner loyalty
- Support our partners in the use of innovative vegetable-growing techniques

##### NATURAL RESOURCES

**Optimize product design and production to achieve greater efficiency in resource use and recovery**

##### Optimize the use of non-renewable resources

- Continue to reduce water consumption, without compromising on product quality
- Continue to reduce energy consumption
- Have at least five projects using renewable energy in five years

##### Avoid, sort and recover waste

- Recover 80% of ordinary industrial waste in the period 2012-2015
- Achieve 100% recovery from green waste
- Launch a plan to reduce wastage of resources

##### Minimize packaging impacts

##### TRANSPORT – SUPPLY CHAIN

**Control and optimize the supply chain (transport and logistics) and purchasing**

**Reduce CO<sub>2</sub> emissions by 5,000 metric tons for the group's transport and logistics**

**Implement a transport plan using methods other than road, and trial it by business unit**

**Roll out the purchasing charter to all suppliers**

##### PEOPLE AND SAFETY

**Be an efficient company that listens to and ensures the development of its People in countries where Bonduelle is established**

##### Target zero workplace accident

##### Promote personnel training and development

- Target individual career development interviews for all personnel (100%)
- Give priority to internal promotion and encourage a policy of local recruitment

##### Distribute the ethics charter to all employees

**Share Corporate Social Responsibility principles in management and in the group's corporate culture**

**Promote diversity and comply with the principles of equality**

##### STAKEHOLDERS

**Be a company that is engaged with all its stakeholders across countries**

**Implement a community project at every site and in countries where Bonduelle is established**

**Engage with stakeholders in countries where Bonduelle is established**

**Undertake a group community development project**

##### QUALITY AND NUTRITION

**Offer safe products to our consumers and support them in developing a healthy, balanced and natural diet, based on vegetables**

##### Ensure maximum product quality and safety

- Target quality process certification for 100% of sites
- Reduce the complaints rate

##### Promote healthy and natural eating through our products

- Continue the action plan to develop and update recipes to optimize their nutritional value
- Reduce additives in product composition by 2017

##### Promote healthy and natural eating for all through our support and advisory actions

- Raise consumer awareness in countries where Bonduelle is established on the importance of a balanced diet and the inclusion of vegetables
- Support the initiatives of the Louis Bonduelle Foundation and research projects

## 2.2.2 CSR governance

Aligned with the new Bonduelle Group organization, the composition and operation of the Sustainable Development Steering Committee have been reviewed and responsibility for steering sustainable development policy now lies with each business unit. The Steering Committee therefore includes a representative from each of the Executive Committees of the four new business units, in addition to committee members from across the group's disciplines. The work of the Steering Committee is focused in six areas: agricultural upstream; food, nutrition and health; natural resources; supply chain, transport and purchasing; Employees and management; and, since 2013, the new focus on "commitment to stakeholders".

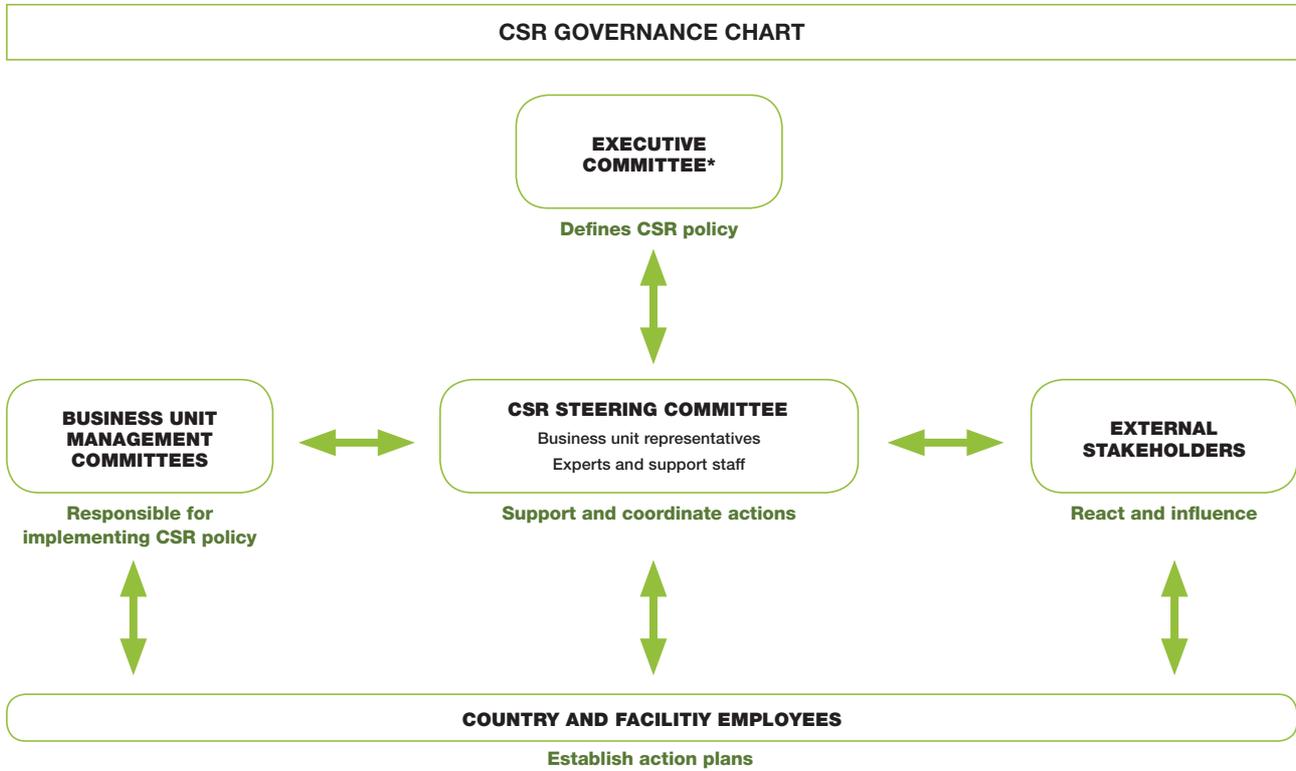
Environmental and social data are gathered at group level and used as the basis for defining improvement actions, which are updated and added to annually and which enable Bonduelle to improve its efforts. The revamped Steering Committee will improve roll-out of policy and achievement of sustainable development objectives at business unit level. Representatives of the business units are required to set precise CSR and group objectives.

The Steering Committee, which comprises the heads of these areas and representatives of the business units, ensures the flow of information between all parts of the Company, from functions and operations to management and Executive Management. It prepares

annual standardized reporting for all the group's plants, including data on natural resources, human resources, safety, agronomy, quality and nutrition. Reporting is consolidated in this way to assess the current status of issues and measure changes with reference to the history for each plant, business unit and at group level.

Bonduelle also makes progress reports to stakeholders during formal meetings. This working methodology was launched two years ago in France, was extended to Italy this year and will be rolled out in all countries where Bonduelle exercises an industrial and commercial presence.

"The participation of a representative from each business unit is the main change to the organization of the Sustainable Development Steering Committee. This is a key change, helping to ensure that aspects specific to the business units are taken into consideration in the definition of group-wide targets. Targets and challenges may vary between technologies and geographical regions, depending on the local context. In this way, targets become more realistic and better aligned with our communication channel between the group and its business units."  
**Pascal Piret, director of Operations, Bonduelle Development, member of the CSR Steering Committee.**



\* The Executive Committee is presented on page 58.

**Commitments to Corporate Social Responsibility**

## 2.2.3 History

Bonduelle's approach to sustainable development has moved forward over the years since our policy was formulated and launched:

### 2002-2003

- Definition of four focus areas: agricultural production, people, nutrition and quality, and natural resources;
- Definition of the priorities for progress;
- Improvement metrics;
- Publication of initial results;
- Awareness-building within the Company;
- Membership of the Global Compact.

### 2003-2004

- Unified indicators;
- Development of self-assessment tools;
- Implementation of action plans;
- Continued internal deployment of action plans;
- Response to the Carbon Disclosure Project (CDP).

### 2004-2007

- Sustainable development embedded in all subsidiaries' growth plans;
- Internal mobilization;
- Evaluation of the first phase;
- Launch of the Louis Bonduelle Foundation.

### 2007-2011

- Definition of a fifth focus: transport;
- Launch of pilot farms focused on reducing the use of pesticides and integrated production and signature of the French Institute for sustainable agriculture charter;
- Further actions to promote the inclusion of workers with a disability and safety in the workplace;
- Support for the launch of the World Responsible Economy Forum in Lille, France;
- Listing on the Gaia index, a listing of the best midcaps in terms of sustainable development.

### 2011-2012

- Increased involvement with stakeholders;
- Preparation of an ethics charter, an environmental responsibility charter, and the fourth version of the sourcing charter for growers;
- Adoption of the Global reporting initiative (GRI) guidelines and verification of CSR data.

### 2012-2013

- Launch of the VegeGo! program, the group's vision to 2025;
- Launch of the Bonduelle Sustainable Development website;
- Extension of the international reach of stakeholder dialog;
- The group responds to Article 225 of the Grenelle environment law on CSR reporting;
- Creation of the Bonduelle chair within the Edhec Group, to contribute to research in and teaching of marketing.

## 2.2.4 Internal requirements

### A. ETHICS CHARTER

In 2012, the Bonduelle Group produced its ethics charter conveying the values it has long been committed to and has worked to promote: integrity, confidence, simplicity, excellence, open-mindedness, fairness and people-minded. This charter demonstrates the group's intention to pursue continuous improvement. It supplements the Company's existing rules and regulations for employees, while encouraging individual ethical behavior in accordance with Bonduelle's values. The ethics charter will reiterate the group's commitment to Corporate Social Responsibility, particularly through its long-standing membership of the Global Compact (since 2003). This United Nations initiative requires signatories to apply ten basic principles in the areas of human rights, anti-corruption, environment and labor standards. The group's ethics charter defines the core principles of Bonduelle's stance as a corporate citizen, responsible, equitable and integrated company.

In the spirit of openness and trust synonymous with our Company, the group encourages dialog and discussion on ethical issues. An Ethics Committee was formed and commenced work in 2013, tasked with an advisory role to support the group's efforts. The distribution of this charter, started in 2012-2013, will be completed during the 2013-2014 fiscal year.

## BONDUELLE'S ETHICS CHARTER

### ETHICS CHARTER

#### *Ethics in action*

#### - Why have an ethics charter?

In 2012 Bonduelle decided to write a charter, drawing inspiration from our history, epitomizing our values and committing us to a process of continuous improvement. We are fully aware that while ethics cannot be regarded as absolute, they must inspire each and every one of us as stakeholders, both inside and outside the Company. Our ethics charter must lead us to do more in the Bonduelle spirit of corporate responsibility.

#### - Bonduelle's spirit and values

In this ethics charter, Bonduelle sets out to expand on the core values it intends to defend and promote: integrity, confidence, simplicity, excellence, open-mindedness, fairness and people-minded. Bonduelle is convinced that its success stems from its corporate culture and is intent on continuing to grow, underpinned by these values. The group is committed to living the "Bonduelle spirit" through ethical behavior that promotes sound practices. By acting with integrity, our Company engages with its stakeholders in a relationship built on trust. The challenge we face is to consolidate this connection, sharing and nurturing it in the long term.

#### - Ethics, how does it work?

This ethics charter supplements our existing rules and regulations for all employees. It defines the framework for the group's policies and helps to explain their rationale and intentions. The ethics charter is a tool. It can be used to challenge existing practices and aid in decision-making. The charter is inclusive, promoting individual ethical behavior in line with our corporate values. Ethical dilemmas can be complex and rarely have clear solutions. For this reason, and in the spirit of openness and trust synonymous with our Company, the group encourages dialog and discussion on ethical issues.

#### - Ethics Committee

An Ethics Committee has been formed and may be consulted on issues of general interest when no solution is proposed by general management, or the group's experts in Human Resources, Health and Safety or Purchasing. The role of the Committee is to support the Company on ethical issues, and to issue opinions in an advisory capacity. The Committee has four members, two appointed from within the Company and two external members, selected based on their experience, profiles and expertise. The Ethics Committee reserves the right to invite outside experts or submissions from employees on specific subjects.

The Committee will meet at least twice a year, and a secretary will be appointed.

#### - Responsible corporate citizenship

Back by a strong history and a commitment to the long term, the Bonduelle Group's undertakings in respect of Corporate Social Responsibility are clearly shown by our membership of the Global Compact.

#### PEOPLE FIRST

Bonduelle complies with the regulations of a number of international organizations. The group complies with the conventions of the International Labour Organization and is particularly stringent about ensuring respect for basic human rights in the workplace (freedom of association, the right to collective bargaining, the elimination of all forms of forced and compulsory labor, and the effective abolition of child labor).

#### BUILDING THE COMMUNITY

Bonduelle's international reach means that it respects communities and local cultures and seeks to add value and develop local areas wherever it operates. Reflecting this commitment, the Louis Bonduelle Foundation works with local authorities in areas where the Company operates, developing communities and supporting local associations. Bonduelle encourages its employees to play an active role in this type of project.

#### RESPECT FOR THE ENVIRONMENT

Bonduelle respects the environment and endeavors to reduce its carbon footprint, independent of its activities. The group is a major and committed sustainable development player. It takes responsibility for the impact of its activities, products and services on the rural and urban environment, as well as their broader environmental impact. We encourage all our employees to embody this commitment in their day-to-day lives. Bonduelle emphasizes this environmental responsibility to all its stakeholders and in particular, to agricultural producers and suppliers.

#### COMPLIANCE WITH REGULATIONS, CONVENTIONS AND INTERNATIONAL TREATIES

Bonduelle complies with all laws and regulations in its relationships with partners. The group complies with the conventions of the International Labour Organization and is particularly stringent about ensuring respect for and guaranteeing basic human rights in the workplace, namely freedom of association, the right to collective bargaining, the elimination of all forms of forced and compulsory labor, and the effective abolition of child labor. The Company is committed to respecting the European charter of fundamental rights in the organization. Bonduelle is meticulous in its attention to compliance with health regulations, quality control, food legislation and food packaging legislation. The group also respects communities and seeks to add value and develop local areas wherever it operates.

**Commitments to Corporate Social Responsibility****- An fair company****DIALOG IN THE COMPANY**

Dialog and openness in internal company relations are important for Bonduelle. 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. Bonduelle listens to its employees and engages an independent body to conduct international surveys to assess personnel satisfaction with working conditions.

**HEALTH AND SAFETY**

Each and every person working for or with Bonduelle has the right to a healthy and safe working environment, ensuring their physical, mental and social wellbeing. Bonduelle is committed to maintaining working conditions at the highest standards by developing policies to prevent negative impacts on health and working conditions. All employees must comply with Bonduelle's rules on health, safety and security in the workplace.

**WORK-LIFE BALANCE**

Bonduelle strives to offer conditions that ensure a healthy work-life balance. It promotes dialog between employees and management to optimize work organization in order to take individual obligations and requirements into account. The group aims to create a working environment where individual wellbeing is valued and nurtured.

**DISCRIMINATION**

Employee diversity is important for Bonduelle. We are committed to eliminating all forms of discrimination, either direct or indirect, in the workplace and in employee relations, including that based on age, color, civil status, disability, nationality, sexual orientation, ethnic or social origin, race, religion or gender. This anti-discrimination policy applies to all stages of employment, from hiring through an entire career. All employees are free to take part, in a personal capacity, in activities or organizations of a political or religious nature.

**HARASSMENT**

Placing People first is a key value for Bonduelle. Its policies protect employees from all forms of harassment, intimidation or victimization, be it physical, psychological or sexual. Any form of moral or sexual harassment is resolutely condemned. All

employees have the right to be respected, and to a positive, pleasant and professional working environment in which each person's ideas and contributions are valued. All employees must foster and respect this commitment by being open and clear in their relations with their fellow workers to maintain a culture founded on loyalty, trust and solidarity.

**TRAINING**

Excellence is the cornerstone of the group's success and competitiveness. Bonduelle aims to develop employees' skills at all stages of their career through a voluntary training and coaching policy. The Institut Pierre et Benoît Bonduelle was created to deliver training to all group personnel, validated by recognized professional qualifications.

**SUPPLIERS AND SUBCONTRACTORS**

Suppliers and subcontractors are key to ensuring the value of Bonduelle's products and play an important role in customer satisfaction. They are required to adopt behavior in keeping with Bonduelle's values, especially when making purchasing decisions. Bonduelle's suppliers and subcontractors must adhere strictly to all legislation regarding their activities and working environment. Moreover, the group encourages its suppliers and subcontractors to engage in ethical conduct and requests that they sign this charter. Purchasing decisions must be made based on all the values advocated by Bonduelle, and primarily, the values of excellence, open-mindedness and fairness. Relations with suppliers must take place in a climate of mutual trust, placing People first and simplicity. Purchasing decisions are based on an objective assessment of the reliability and integrity of the supplier or subcontractor, as well as the overall value of their offer relative to both short- and long-term considerations and objectives. Purchasers must also take into account their important role in the local ecosystem.

**- A trustworthy company****QUALITY PRODUCTS AND SERVICES**

For Bonduelle, providing high-quality and efficient products and services bears testimony to its commitment to and respect for consumers. The group is meticulous in its attention to compliance with health regulations, quality control, food legislation and food packaging legislation. The trust thus created is essential for the Company's reputation and long-term presence. The highest levels of food safety are guaranteed through advanced technologies and constant adaptation to new regulatory requirements.

**CONFIDENTIALITY**

Respect for confidentiality is a measure of Bonduelle's integrity and safeguards the relations of trust built up with our partners. Therefore, it is vital that each employee pays the strictest attention to safeguarding the confidentiality of Bonduelle's information. Information obtained by employees of the Bonduelle Group may not be used, either directly or indirectly, for the purposes of personal investment. The confidentiality of all information relating to the activities of the Company or its partners must be guaranteed in all roles and areas in which employees work. In particular, the level of information available to different employees is restricted and data is secured.

**SAFEGUARDING THE COMPANY'S ASSETS**

The purpose of Bonduelle's funds or assets is to ensure the group achieves its targeted results and safeguard its financial independence. Misuse or waste of these resources is potentially damaging; personnel must guard against any illicit use or use unrelated to the group's business. We each have a responsibility to safeguard Bonduelle's tangible and intangible resources, to protect against diversion of assets or their use other than for their original purpose by providing them to a third party. For example, information systems provided may not be used inappropriately. All Company assets remain the property of Bonduelle.

**TRANSPARENCY**

Honesty and fair dealing must at all times be exercised in relationships with customers, notably by providing accurate and transparent information on our products and services and by demonstrating openness on all related issues. The transparency of information provided to our stakeholders and employees is an integral part of the relationship of trust that Bonduelle wishes to establish and maintain.

It is our responsibility to ensure that Shareholders receive reliable, transparent, honest and timely information, with regard to the Stock Market Code of Conduct.

**CONFLICTS OF INTEREST**

We each have a responsibility to avoid situations where personal interests conflict or may conflict with those of Bonduelle or harm the group. Objectivity must be our guide in relations with the group's partners. Relations with partners may not involve or be influenced by personal factors. It is up to each one of us to ensure such objectivity is maintained at all times and in all long-term relations. All potential conflicts of interests must be disclosed so that the appropriate action can be taken to prevent or resolve the situation. Moreover, Bonduelle does all in its power to prevent corruption, reflected in its responsibility policy, defined in accordance with the rule of law.

**GIFTS AND INVITATIONS**

Bonduelle's marketing activities do not exclude the possibility of exchanging gifts and invitations, provided that these do not result in a conflict between personal gain and professional obligations. It is therefore our policy to ensure transparency when accepting gifts or invitations, which must not exceed a nominal or insignificant value. For example, such gifts may be accepted in line with the normal rules of courtesy or hospitality, but under no circumstances may they appear, be considered or interpreted to be complaisance or favoritism.

**POLITICAL SPHERE**

All employees are entitled to engage in political activities in a personal capacity, provided that they take place outside of working hours and do not involve any of Bonduelle's assets, and provided that it is clear that such activities are in no way representative of the Company. Bonduelle and its employees comply with all applicable laws and regulations governing contributions to political parties, regardless of the location of the Company's activities.

**REPRESENTING THE COMPANY**

Each and every employee is an ambassador for Bonduelle. It is therefore important to exercise good judgment in accordance with Bonduelle's values and interests and to ensure an explicit distinction between personal opinions and interests and those of the Company. All of our conduct may have an impact on the group's reputation and we must therefore ensure never to say or do anything that could damage Bonduelle's image.

## **RULES OF PROCEDURE FOR THE BONDUELLE GROUP ETHICS COMMITTEE**

### **Article I. Purpose**

The purpose of these rules of procedure is to define the composition, competence and operating rules of the Bonduelle Group Ethics Committee (hereafter the Ethics Committee).

### **Article II. Composition**

The Ethics Committee has four members: two from within the group, namely the CSR director and an employee; and two non-employees from outside, one a member of Bonduelle SAS's Board of Directors, and one a member of Bonduelle SCA's Supervisory Board.

### **Article III. Appointment of Ethics Committee members**

The Committee's members are appointed by the Chairman of the Bonduelle Group.

### **Article IV. Terms of office and attendance at meetings**

Members are appointed for a three-year period, renewable by a decision of the group's Chairman. Members may not be represented during Ethics Committee meetings.

### **Article V. Operating**

**Chair:** the Chairman is appointed by the group Chairman for a three-year renewable term of office.

**Executive:** at the first meeting and at each renewal date, the Ethics Committee constitutes an executive of two members for the Chairman. The agenda, prepared by the Ethics Committee executive, must be sent to the members called to the meeting, together with any preparatory documents and the minutes of the previous meeting, at least three days before the date of the meeting. The Ethics Committee makes decisions on a majority vote of the members present.

**Working groups:** the Ethics Committee may decide to form working groups on particular topics to carry out research in preparation for plenary sessions.

The Ethics Committee meets as often as required to ensure the performance of its duties and at least twice a year. Its Chairman may decide to call meetings without notice.

The Ethics Committee may request the Bonduelle Group's Chairman to provide it with the assistance of any Executive Manager in the group, or any external person (who would then be bound by confidentiality) whose expertise might facilitate discussion of an item on the agenda. It may also have access to all documents deemed useful for its deliberations and may hear submissions from any group employee.

The members of the Ethics Committee may validly deliberate by video conference, telephone conference or in writing, including by mail or fax, provided that all the members agree to this expedient.

The Ethics Committee Chairman has the casting vote in the event of a tie.

Should a member of the Ethics Committee (including its Chairman) find themselves in a situation of conflict of interest regarding an issue handled by the Committee, they must abstain from participating in the discussion and be available to provide any information deemed necessary.

### **Article VI. Missions and competence**

The Ethics Committee is a multidisciplinary, pluralist, advisory and independent body, with a mandate from the group Chairman. It is a forum for discussion and is bound by confidentiality rules. It is tasked with dealing with all issues arising regarding compliance with the Bonduelle Group's ethics charter.

Its mission includes:

- 1 presenting recommendations on the ethics charter, issues taken up by the Committee independently, or issues submitted to it;
- 2 promoting discussion of ethical questions related to the group's business;
- 3 promoting compliance with the charter across the Bonduelle Group;
- 4 ensuring the dissemination and understanding of the ethics charter by all employees, according to the local context;
- 5 proposing modifications to the charter, where required;
- 6 issuing recommendations or guidelines based on case studies, specific questions or general topics;
- 7 distributing its opinions and recommendations inside the Company;
- 8 participating in preparing communications on the ethics charter with outside entities, as required;
- 9 the Ethics Committee reports to the group Chairman on its work and agenda.

The Ethics Committee may not be substituted for other Bonduelle decision-making and dialog structures, or for specific regulations. It is not competent to decide or examine disputes between individuals. It is bound by the rules of professional secrecy and confidentiality.

### **Article VII. Submission of matters**

The Ethics Committee may initiate debate on the issues of its choice within the scope of its mission and competence, by a majority decision of the members. Matters may also be submitted

to the Committee by writing to: the Chairman of the Ethics Committee, rue Nicolas Appert, PO Box 30173, 59653 Villeneuve d'Ascq Cedex, France, by:

1. the decision-making bodies in the Bonduelle Group;
2. an employee of any Bonduelle Group subsidiary receiving correspondence from a third party or from an employee that calls the subsidiary or the group into question;
3. any employee who encounters difficulties related to application of the ethics charter, when no resolution is proposed by hierarchical management and acting in good faith;
4. any stakeholder concerned by the ethics charter who becomes aware of a breach of the charter.

#### **Article VIII. Recipients and scope of the Ethics Committee's opinions and work**

The Ethics Committee answers all questions according to the principle of hierarchical organization, with a focus on dialog with the employee and having examined the case.

The Committee's opinions are purely advisory and for information. Opinions must respect the principle of anonymity and must comply with the rules of professional secrecy. The Ethics Committee guarantees that an opinion will be issued to the applicant.

An annual report on the Ethics Committee presents the issues referred to it, their nature and a summary of its non-confidential work and general opinions, based on an analysis of actual case studies. The report is included in the group's CSR report.

The Committee's opinions are collective opinions based on consensus.

#### **Article IX. Changes and amendments to the Ethics Committee's Rules of Procedure**

The Ethics Committee may change its operating methods, composition and missions, according to the terms and conditions specified by the Committee in its rules of procedure. All such changes are presented to the Bonduelle Group Chairman for approval.

## **B. ENVIRONMENTAL RESPONSIBILITY GUIDE**

In 2012, a team with representatives from across the organization (R&D, marketing, purchasing, communications, etc.) worked on preparing a Guide to assist teams to include environmental and social criteria at all stages of a product's life cycle. Its purpose will be to provide direction for the teams responsible for design, production and marketing. It will set out the core objectives for all Bonduelle products sold throughout the world (Bonduelle, Cassegrain, Arctic Gardens and Globus) and provide guidelines for improving responsibility, without compromising on aspects such as pleasure, taste and accessibility. Hand-in-hand with this Guide, Bonduelle is developing a tool to help teams to plan improvement actions based on their objectives and the requirements of consumers in their markets. The inventory and test phase is currently under way, prior to publication of the Guide and roll-out of the tool to all teams.

This Guide, to be finalized in 2014, will be informed by 10 basic principles:

1. measure the environmental footprint of our products and be transparent about their impacts;
2. ensure responsible sourcing according to our agronomy charter or sourcing contracts (covering vegetables, ingredients and packaging);
3. monitor cultivation methods to guarantee the safety of our products by controlling and minimizing the use of inputs for vegetable crops, anticipating regulatory changes and seeking alternative solutions;
4. limit distances traveled by our vegetables and other ingredients;
5. reduce environmental impacts, ensure socially responsible management and guarantee food safety during production;

6. devise nutritious recipes for our consumers;
7. reduce the use of additives;
8. optimize and develop low-impact packaging, while guaranteeing the quality and safety of our products;
9. limit the impact of transport by optimizing the loading rate and routes for road transport and by developing alternative transport solutions;
10. Provide consumers with recommendations for use, factoring in environmental and nutritional impacts and raise awareness of food waste.

## **C. NEW SOURCING CHARTER**

Bonduelle's sourcing charter sets out the group's requirements from our producer partners. Its main purpose is to limit agricultural production risks and to ensure the quality of vegetables.

The charter was revised in 2012. The first charter was launched in 1996, and the fourth edition will become the reference manual for all Bonduelle producer partners.

The latest version will reflect new environmental and social challenges for the sector (health and safety). It will support the group in expanding its international reach by defining a single reference base, which may be supplemented by any business unit, to reflect our sustainable development policy.

**Commitments to Corporate Social Responsibility**

## 2.2.5 External commitments

### A. TRANSPARENCY REQUIREMENTS

Bonduelle obtained Global reporting initiative (GRI) application level B+ in November 2012. It is one of the very few companies outside the CAC 40 index to have committed to applying the GRI reporting framework at this level, thus placing it among the best French companies also using this frame of reference. This assessment reflects the group's commitment to developing a standardized and credible approach to Corporate Social Responsibility. This result also reflects both the excellent work achieved by all of its teams (all the sites and business units are included, both in this GRI reporting framework and the sustainable development reporting) and Bonduelle's intention to meet its stakeholders' expectations in terms of non-financial reporting. The success is testimony to its policy of continuous improvement in sustainable development since 2003, based on the GRI's main guidelines.

In 2012, the Bonduelle Group submitted certain of its 2011-2012 CSR reporting indicators for verification by an independent third party, in this instance, Deloitte. The initiative anticipated the entry into force of Article 225 of the French law of July 12, 2010, known as Grenelle II. This new law is effective for fiscal years ended on or after January 1, 2013 and applies to all companies with a balance sheet total of more than €100 million, or with total revenue of more than €100 million and with more than 500 employees. This law requires that reporting on social, environmental and sustainable development indicators must be included in the management report and must be verified. In 2013 Deloitte was also appointed to carry out this work in respect of the 2012-2013 fiscal year.



## Statement GRI Application Level Check

GRI hereby states that **Bonduelle Group** has presented its report "2012-2013 Registration Document" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level B+.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines. For methodology, see [www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf](http://www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf)

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 8 October 2013

Nelmara Arbex  
Deputy Chief Executive  
Global Reporting Initiative



The "+" has been added to this Application Level because **Bonduelle Group** has submitted (part of) this report for external assurance. GRI accepts the reporter's own criteria for choosing the relevant assurance provider.

*The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. [www.globalreporting.org](http://www.globalreporting.org)*

**Disclaimer:** Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 26 September 2013. GRI explicitly excludes the statement being applied to any later changes to such material.

**Commitments to Corporate Social Responsibility****B. DIALOG WITH STAKEHOLDERS**

The Bonduelle Group has long engaged in active dialog with its stakeholders, both internally (employees and social partners) and outside the Company (farmers, suppliers, national and local public bodies, etc.). Bonduelle employees participate in the work of trade organizations, as committee members, directors or Chairpersons, to ensure the Company's active and responsible engagement in the sector and to defend its interests through the communications of these joint trade groups and federations with government bodies in France and in Europe. Areas of work include protection of the environment and agricultural production. The Bonduelle Group did not make any contributions to funding political parties in 2012-2013, either in France or abroad. In addition, the Company has a history of forging partnerships and initiating actions to share best practices, with an emphasis on pilot programs run in conjunction with public or private institutions and organizations. In his role as director of External Relations and Sustainable Development, Jean-Bernard Bonduelle is tasked with developing relations with a diverse range of stakeholders: trade federations, institutions, national, European and international regulatory bodies and agencies, NGOs, ratings agencies, local communities, the media, and teaching and research institutions, etc. Moreover, the Louis Bonduelle Foundation is particularly proactive in promoting lasting changes in eating habits against the backdrop of growing public health concerns related to poor diet, working in collaboration with its scientific and public partners and associations.

The Bonduelle Group also improved in dialog with its stakeholders. It expanded the scope of this dialog with the establishment of its CSR approach: extending dialog to new stakeholders (ratings agencies, solidarity associations, etc.), and incorporating new focus areas (to meet the demands of retail grocery markets, partnership on disability, and environmental projects such as the "frugal factory" project), which continue to enrich Bonduelle's corporate policy.

This new and dynamic approach to dialog, aligned with VegeGo!, is reflected in the increasingly constructive discussions with suppliers that approach Bonduelle regarding CSR audits. The group embraces this procedure, which consists of answering questions asked by its customers (distribution groups and commercial food service companies) on CSR.

In December 2012, a panel of stakeholders was invited to exchange ideas with Christophe Bonduelle, Chairman of the Bonduelle Group, Grégory Sanson, Chief Financial Officer, and members of the Sustainable Development Steering Committee.

Stakeholders were selected with a view to forming a representative panel encompassing general CSR professionals, experts in Bonduelle's priority areas and associations. The aim of the initiative, following the first meeting organized in 2011, was to challenge our sustainable development approach and how we communicate information about it. Stakeholders submitted ideas for further consideration, asked questions about published information, and requested more educational materials aimed at consumers regarding the group's sustainable development policy. This report takes into account considerations arising from these discussions.

Bonduelle also developed a Toolbox for its business units in 2012-2013 with the goal of fostering greater dialog with stakeholders in all countries in which the group operates.

The Toolbox provides each business unit and country with the general principles concerning:

- identification of local challenges and targets;
- content of corporate information and dialog;
- resources and tools for media relations;
- resources and tools for dialog with stakeholders;
- communication rules.

The Toolbox was formally introduced in 2012-2013 with a Bonduelle Open Day initiative in Italy, during which guests were able to learn about Bonduelle's CSR priorities, its history and its social and community objectives. The day ended with a press conference for specialist journalists on the themes of business and sustainability. The program is currently being developed in other countries, including Germany, Canada, Poland, Hungary, Brazil, the United States and Russia.

The table below shows Bonduelle's stakeholders by type and outlines the methods used to provide them with information and engage in dialog with them. This document includes the actions in Italy where Bonduelle rolled out its stakeholder relations policy during FY 2012-2013.

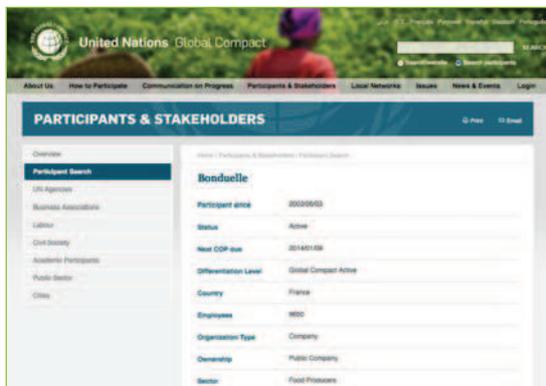
Stakeholders	Information and Communication	Dialog consultation	Agreements-partnerships-collaboration
<b>Employees/ Social partners</b>	<ul style="list-style-type: none"> <li>• Web-based communication tools (Intranet, Internet)</li> <li>• Brochures and reports</li> <li>• Displays (including dynamic displays on some sites)</li> <li>• Specific events</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> </ul>	Two agreements were signed in France in 2012-2013 (providence and medical insurance)
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Corporate Social Responsibility report in the registration document</li> <li>• Specific questionnaires</li> </ul>	<ul style="list-style-type: none"> <li>• Response to questionnaires and customer CSR audit – yearly</li> </ul>	
<b>Citizens/ Consumers</b>	<ul style="list-style-type: none"> <li>• Country-specific websites</li> <li>• Websites: www.developpementdurable.bonduelle.com and www.sustainability.bonduelle.com</li> <li>• Brochures and reports</li> <li>• Specific events, e.g. awareness-raising initiatives by the Louis Bonduelle Foundation</li> </ul>	<ul style="list-style-type: none"> <li>• Consultation with consumer panels: attitude and behavior survey and specific surveys – an average of one survey per month is carried out within the group</li> <li>• Louis Bonduelle Foundation in Belgium, France, Italy, the Netherlands and Canada. The Foundation's three objectives are: <ul style="list-style-type: none"> <li>• information and awareness building</li> <li>• field initiatives</li> <li>• support for research</li> </ul> </li> </ul>	
<b>Institutions/ National, European and international regulatory bodies and agencies</b>	<ul style="list-style-type: none"> <li>• Websites: www.developpementdurable.bonduelle.com and www.sustainability.bonduelle.com</li> <li>• Corporate Social Responsibility report in the registration document</li> </ul>	<ul style="list-style-type: none"> <li>• Participation of national and international institutions in the stakeholders' session in December 2012 in France – yearly</li> <li>• Participation in the Global Compact* – yearly</li> </ul>	
<b>Farmers under contract with Bonduelle</b>	<ul style="list-style-type: none"> <li>• Brochures and reports</li> <li>• Specific events, such as plant visits, for example</li> <li>• Websites: www.developpementdurable.bonduelle.com and www.sustainability.bonduelle.com</li> </ul>	<ul style="list-style-type: none"> <li>• Dialog and consultation – yearly, and permanent contact during the harvest period</li> </ul>	<ul style="list-style-type: none"> <li>• Sourcing charter</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Brochures and reports</li> <li>• Websites: www.developpementdurable.bonduelle.com and www.sustainability.bonduelle.com</li> </ul>	<ul style="list-style-type: none"> <li>• Awareness campaigns focusing on Human rights, working conditions and the environment – yearly</li> <li>• Evaluations and questionnaires – yearly</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainable development clause included in purchasing contracts (reminder of the ten principles of the Global Compact)</li> </ul>
<b>NGOs</b>	<ul style="list-style-type: none"> <li>• Websites: www.developpementdurable.bonduelle.com and www.sustainability.bonduelle.com</li> <li>• Corporate Social Responsibility report in the registration document</li> </ul>	<ul style="list-style-type: none"> <li>• Replies to queries</li> <li>• Meeting with NGOs – yearly</li> <li>• Participation of environmental and social associations in the stakeholders' session in 2012 in France – yearly</li> <li>• Participation of environmental and social associations in the first meeting with stakeholders in May 2013 in Italy – yearly</li> </ul>	

**Commitments to Corporate Social Responsibility**

<b>Stakeholders</b>	<b>Information and Communication</b>	<b>Dialog consultation</b>	<b>Agreements- partnerships- collaboration</b>
<b>Ratings agencies</b>	<ul style="list-style-type: none"> <li>• Websites: www.developpementdurable.bonduelle.com and www.sustainability.bonduelle.com</li> <li>• Corporate Social Responsibility report in the registration document</li> <li>• Specific questionnaires</li> </ul>	<ul style="list-style-type: none"> <li>• Response to questionnaires/queries – yearly</li> </ul>	
<b>Investors</b>	<ul style="list-style-type: none"> <li>• Quarterly financial information</li> <li>• Annual and interim results</li> <li>• Annual and interim reports</li> <li>• Corporate Social Responsibility report in the registration document</li> <li>• Letter to Shareholders</li> <li>• Specific events, including the Shareholders' Meeting and plant visits</li> </ul>	<ul style="list-style-type: none"> <li>• Financial calendar/analysts' 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>• Response to questionnaires/queries – yearly (for the CDP), e.g.: Bonduelle has answered the Carbon Disclosure Project (CDP) questionnaire since it was first introduced in 2003. Its responses are available on the CDP website (www.cdproject.net)</li> </ul>	
<b>Local communities</b>	<ul style="list-style-type: none"> <li>• Brochures and reports</li> <li>• Website</li> <li>• Specific events</li> <li>• Country-specific websites</li> </ul>	<ul style="list-style-type: none"> <li>• Dialog with local communities, on request, e.g.: On November 16, 2012, the Louis Bonduelle Foundation in Italy took part in the World Children's Rights Day in Medolla (Italy), a region hit by earthquake in January 2012. 50 children joined in the educational game, InOrto</li> </ul>	
<b>Media</b>	<ul style="list-style-type: none"> <li>• Press releases – at least once per year</li> <li>• Websites: www.developpementdurable.bonduelle.com and www.sustainability.bonduelle.com</li> <li>• Specific events</li> </ul>	<ul style="list-style-type: none"> <li>• Visit by the French press to salad-growing farms in Murcia (Spain) in July 2013</li> <li>• Presentation to the Italian press in May 2013 on Bonduelle's sustainable development initiatives in Italy</li> </ul>	
<b>Trade federations</b>	<p>One or more Bonduelle employees participate in the following trade organizations as a committee member, director or Chairperson, to ensure the Company's active and responsible engagement in the sector and to defend its interests: ADEPALE; FIAC; UNILET; ANIFELT; ANIA; UPPIA; CTCPA; PROFEL; ILEC; ECOPAR; SYNAFAP; SFPAE; AETMD; ANICC (for an explanation of these acronyms, please see Section 2.7 Glossary) – meetings during Board of Directors' meetings and Shareholders' Meetings.</p> <p>Together with 52 other European companies, Bonduelle is a signatory to the European Brands Association (AIM) charter on the "Role of brands for health and wellbeing".</p>		

Stakeholders	Information and Communication	Dialog consultation	Agreements-partnerships-collaboration
<b>Education and research</b>	<ul style="list-style-type: none"> <li>Initiatives in schools close to headquarters, subsidiaries and sites</li> <li>Websites: <a href="http://www.developpementdurable.bonduelle.com">www.developpementdurable.bonduelle.com</a> and <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/studies</li> </ul>	<ul style="list-style-type: none"> <li>Partnerships with schools</li> <li>€10,000 international research prize awarded by the Louis Bonduelle Foundation to a PhD student – yearly</li> <li>Launch of the Bonduelle chair within the Edhec Group in France in 2012. This teaching and research department investigates the impact of technological changes on marketing of food brands.</li> </ul>
<b>CSR experts</b>	<ul style="list-style-type: none"> <li>Websites: <a href="http://www.developpementdurable.bonduelle.com">www.developpementdurable.bonduelle.com</a> and <a href="http://www.sustainability.bonduelle.com">www.sustainability.bonduelle.com</a></li> <li>Corporate Social Responsibility report in the registration document</li> </ul>	<ul style="list-style-type: none"> <li>Response to questionnaires – yearly</li> <li>Participation in forums – yearly (e.g.: World Responsible Economy Forum in Lille, with Bonduelle as one of the major partners)</li> <li>Satisfaction surveys – yearly</li> <li>In Italy, Bonduelle was named as a national finalist in the 2012-2013 European Business Awards, in the category “The Millicom Award for Environment and Corporate Sustainability”</li> </ul>	

\* Membership of the Global Compact:



**Environmental commitments**

## 2.3 Environmental commitments

Held in June 2012, the Rio+20 Conference saw the 188 states represented commit to working towards a green economy with the goal of reducing poverty, developing sustainable economic growth, improving social integration and human well-being and creating decent employment opportunities for all. These challenges must be met while ensuring that the planet's ecosystems are allowed to function healthily.

In his opening address at the World Forum held in Lille in November 2012, an event the Bonduelle Group has been involved in since 2007, Jeremy Rifkin – a world-renowned expert in future economic and scientific trends and founder and President of the

Foundation on Economic Trends – also described the preservation of ecosystems as one of the key challenges facing us in the near future. According to Rifkin, the essential question that all countries and economic sectors must ask themselves is this: how can we ensure the sustainable growth of the globalized economy in the coming decades? Decades that will see the inevitable decline of the current energy system based primarily on fossil fuels – coal, natural gas and especially oil – the use of which is responsible for climate changes that threaten the future of human civilization and thus the planet's ecosystems.

**BONDUELLE'S ENVIRONMENTAL IMPACTS**

**Challenges**

**PROCESSES DERIVED FROM NON-RENEWABLE NATURAL RESOURCES**

*Fossil fuels / Water / Packaging / Soil*

- Map consumption
- Optimize and manage consumption
- Develop alternative resources or techniques

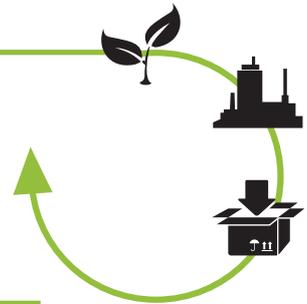


**Challenges**

**DISCHARGES INTO THE NATURAL ENVIRONMENT**

*Discharge into the Air / Water / Soil / Waste*

- Control the treatment process / Recovery from waste
- Reduce discharges



**Challenges**

**OVERALL ENVIRONMENTAL IMPACT**

*Global warming / Biodiversity*

- Measure and reduce greenhouse gas emissions
- Promote biodiversity

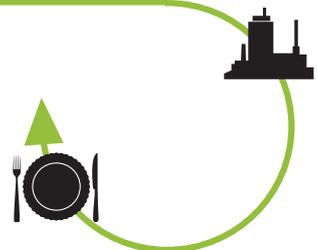


**Challenges**

**OVERALL IMPACT ON SOCIETY**

*Consumers / Local communities / Employees*

- Inform / Communicate / Train
- Take our local environmental impact into consideration



Environmental commitments

### 2.3.1 Agricultural upstream

The aim of the Bonduelle Group is to produce high-quality vegetables which are accessible to the public and grown according to the values of respect for the land and the environment in general. For Bonduelle, the land is not merely a resource, but a habitat for living organisms which must be protected. The group shares these challenges with all of its vegetable producer partners.

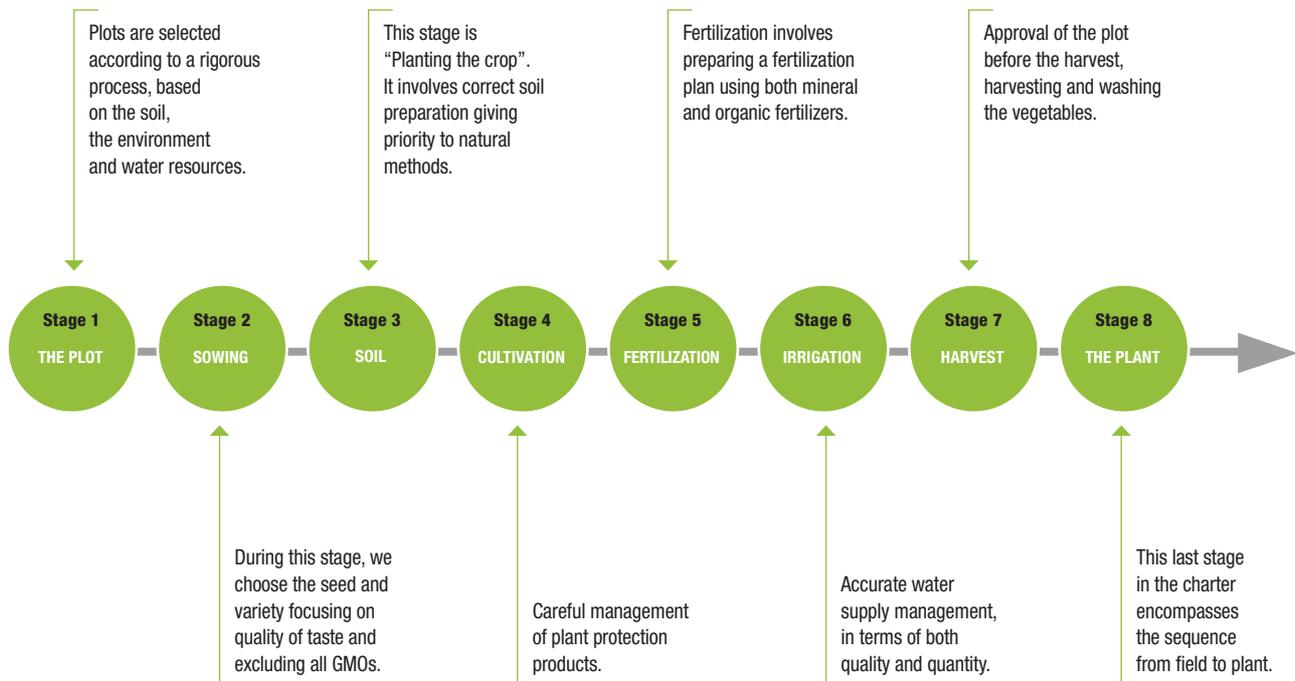
#### A. REMINDER OF OBJECTIVES

Environmental impact	Objectives 2012-2013	Highlights 2012-2013
<ul style="list-style-type: none"> <li>Protect the soil and biodiversity</li> <li>Reduce sampling from non-renewable natural resources</li> </ul>	<ul style="list-style-type: none"> <li>Finalize and circulate the 4th agronomy charter</li> <li>Reduce pesticide use by 20% in the period 2011-2014</li> <li>Measure the environmental impact of agricultural practices and introduce metrics</li> <li>Pursue agricultural research in more environmentally-friendly projects</li> </ul>	<ul style="list-style-type: none"> <li>Creation of the agronomy research and development division</li> <li>Launch of the VegeGo! working group on Ecologically Intensive Agriculture</li> </ul>

#### B. RESOURCES IMPLEMENTED

##### EIGHT KEY STAGES IN MONITORING VEGETABLE CULTIVATION

From seed to harvest, our Sourcing Charter tracks vegetable growing and sourcing in eight stages.



## SUPPORTING AGRICULTURAL UPSTREAM

Bonduelle maintains close relationships with its producer partners (3,687 grouped into producers' associations in some countries). These relationships help ensure the quality and yield required for its business and encourage the producer partners to limit their impact on the environment.

Our producer partners supply around 90% of the group's vegetables. Bonduelle does not produce its own vegetables, choosing instead to assign this task to trusted partners under contractual agreements, except in Russia, where it runs its own agricultural operations, and Spain and Canada, where it operates farms producing part of its needs.

This approach allows the group to concentrate on its core business of vegetable preparation. Bonduelle also works with service providers able to take care of transport, planting, harvesting and other cultivation activities. This avoids producers having to invest heavily in special equipment.

For other sources of vegetables, the group requires its suppliers to comply with all laws and regulations in force related to their activity and their professional environment. The rules and standards are set out in our sourcing charter, which all producer partners are required to sign. This charter is an exclusive contractual commitment covering the process from seed to harvest to ensure that Bonduelle's specifications are strictly adhered to, from selection of plots of land and seed selection to cultivation methods, etc.

91% of our producer partners have signed the sourcing charter, which was first launched in 1996. The fourth edition will be published in 2014. It will take into account the group's international expansion and specific factors encountered in the various geographical regions and production chains. It will also emphasize new topics such as water conservation and protection for the people working in the fields. This charter is the result of a participatory process led by Agronomy Managers in various countries and business lines. The charter is testimony to Bonduelle's ongoing commitment to using environmentally-friendly farming techniques.

To meet the needs and challenges of our countries and markets, the group's agronomy organization is broken down by business unit, with each being responsible for their own agricultural policy. Their sales forecasts determine the activities of their agronomy departments for each business segment. The agronomy departments manage a range of issues, including: selection of the areas and amount of land to be sown, signature of contracts and relationships with producers and producers' associations, selection of varieties according to the sowing plan, monitoring of crops and vegetable maturity, harvest date and choice of equipment to be used by specialist providers, and transport logistics to the plant. They are responsible for ensuring compliance with the specifications, before the vegetable preparation process. Our field supervisors are the link between Bonduelle and its producer partners and play a key role in ensuring application of Bonduelle's principles.

**“As a Partner of Bonduelle for more than 16 years, my relationship with the group is mainly seen in my discussions with the field supervisor. Together, we examine the areas to be planted according to Bonduelle's needs. I also know I can count on him for technical crop monitoring. The dialog is very open and covers things like controlling disease and weeds amongst the crops, new products and pilot tests being carried out in the sector. In addition, he shares other farmers' experiences of planting techniques, weeding and pesticide use with us.”**  
**Philippe Fourdinier, Bonduelle producer partner**

In 2013, an agronomy research and development division was created. As well as research and development, its mission consists of identifying the best agronomy practices observed in the areas where the group operates, circulating them and sharing them. The division also manages the International Agronomy Network and provides the business units with specialized agronomy advice.

## PREVENTION

Monitoring crops and providing support to producers are key aspects of Bonduelle's agricultural policy, with prevention being viewed as key. By selecting the most suitable land for different vegetable varieties and ensuring regular crop rotation, we avoid exhausting the soil of nutrients, while promoting biodiversity and improving yields.

The introduction in 2012 of geo-referencing of land in France is a major advantage, since it provides an “agronomy database” of cultivated areas (varieties, planting and harvesting dates, yield, qualitative analysis, etc.), aiding optimization of crops and soil from year to year.

This initiative supplements the predictive testing method already in place to enable prevention of diseases that could endanger seedlings, thereby reducing the risks of crop failure and waste of commodities (seeds, fertilizer, water, etc.). According to the same principle of early detection, observation networks have been established to operate as early-warning systems if pests are detected.

For example, in France, based on the information gathered, producer partners receive recommendations on the best techniques to use to control these risks. This initiative forms an integral part of the biological monitoring system established by the French Ministry of Agriculture, which has been run by industry professionals since 2010.

**Environmental commitments****PROTECTING THE SOIL AND BIODIVERSITY**

Soil protection and biodiversity are constant guiding principles of the group's policies. For Bonduelle, the land is not merely a resource, but a habitat for living organisms which must be respected. We also seek to optimize the protection of crops and aim to reduce pesticide use by 20% over three years.

**SEED SELECTION**

Optimum seed selection constitutes the genetic lever of Bonduelle's pesticide-reduction policy. The group works with national and international seed producers to identify the varieties with the highest resistance to disease, water and climate stress using traditional cross-cultivation methods. Bonduelle also takes part in testing new varieties to measure their suitability and behavior in different geographies.

**C. RESULTS AND KEY FIGURES**

<b>Biodiversity</b>	Almost 500 vegetable varieties distributed in the group's various ranges. 199 varietal collections enabled 942 plant varieties to be observed in 2012-2013.
<b>Agronomy workforce</b>	239 employees (full-time equivalent agronomy department employees, including administrative staff, seasonal staff, trainees and those on permanent and fixed-term contracts).
<b>Sourcing charter</b>	91% of farmers and suppliers have signed.
<b>Farmers and suppliers assessed</b>	54% of farmers and suppliers have been assessed (through a process aimed at carrying out an annual review according to a pre-established grid).
<b>Soil analysis</b>	98% of nitrogen fertilizing has been calculated using residual method analysis.
<b>Farming intensity</b>	28.7 hectares of vegetables grown by each producer on average.
<b>Security network</b>	168 trapping networks.
<b>Global Gap *</b>	100% of Bonduelle's salad production is certified by Global Gap.

\* *Global Gap is a protocol of best agricultural practices that sets the standards that agricultural and horticultural companies worldwide have to meet in terms of food safety, sustainability and quality.*

**D. TOMORROW'S AGRICULTURE**

For Bonduelle, agriculture is a vital link in the prepared vegetables value chain. This is why the group has committed, through its VegeGo! program, to favoring environmentally-friendly farming with the goal of protecting the environment while maintaining high levels of crop productivity and profitability.

The "Ecologically Intensive Agriculture" project, which forms part of the VegeGo! initiative, is an overall process comprising three stages:

1. defining the scope of the project by carrying out an in-depth review of the agronomy possibilities and customer expectations;
2. establishing clear goals that reconcile customer expectations and agronomy possibilities;
3. drawing up action plans designed to achieve these goals.

The first stage, which is essential for the success of the project, is already underway. It calls for the scope of possibilities to be clearly defined, taking into account the diverse geographical, technological and behavioral factors. Three action areas have been selected: identifying applicable agronomy practices, determining and formalizing customer expectations and formalizing agri-food initiatives that have already been implemented.

This project is consistent with the actions undertaken to promote sustainable development. New seeding techniques, alternative mechanical weeding methods, research on optimizing soil activity, testing the contribution of mushrooms or bacteria to stimulate plant root systems and protect against parasites, controlled irrigation through capacitive probes, etc. are just some of the increasing number of pilot projects run by Bonduelle and its partners to promote sustainable agriculture using natural techniques and control mechanisms that are as close as possible to those occurring naturally in nature.

The principles of **Ecologically Intensive Agriculture** have been deployed in the region of Murcia (Spain), where Bonduelle grows 18 salad varieties over 142 hectares. To reduce the use of pesticides, various solutions have been implemented, such as insect traps and the use of beneficial micro-organisms that help strengthen plants' natural defenses. To limit the impact on natural resources and reduce our consumption of water and fossil fuels, an investment plan has been implemented with the goal of doubling

working widths. This initiative has helped cut tractor passes by half for some operations, leading to 10,000 liters of diesel being saved in 2013. The controlled fertilization plan has allowed us to reduce nitrogen fertilizer volumes and reduce CO<sub>2</sub> emissions to 392 kg per hectare. Soil restoration and enhancement is also a clear area of improvement, involving the application of organic raw materials to maintain soil fertility, crop rotation, summer fallow, etc.

In 2009 Bonduelle and its partners began investing in a pilot program for the integrated crop management of field-grown vegetables. The initiative is conducted in collaboration with producers' organizations in northern France that supply our facilities in Picardy, the Chambers of Agriculture in that region, Agro-Transfert, the *Institut National de la Recherche Agronomique* (French National Institute for Agricultural Research - INRA), the *Union interprofessionnelle des légumes en conserves et surgelés* (UNILET), and the *Fédération régionale contre les organismes nuisibles de l'agriculture* (French Regional Federation Against Harmful Organisms in Agriculture - FREDON), and is being run on eight farms.

Bonduelle presented the initial findings of the program, primarily on weed control, at a pilot farm in July 2012. After three years' work on vegetables and biological pests (adventitious plants, diseases, pests, etc.), practical advances enable us to recommend new practices to the benefit of the industry and enabling us to produce higher quality and healthier vegetables for the consumer. The mechanical tools tested have resulted in the optimization of machines and a reduction in certain pesticide treatments. As part of this program, Agro-Transfert published a brochure (*Le désherbage mécanique des légumes en région Picardie* - Mechanical weed control of vegetables in the Picardy region) reporting on this new approach. It will be distributed to all producers in the area.

Another example of our commitment is the visit in September 2011 to the Woestyne farm, the birthplace of the Bonduelle Group and now operating independently. Woestyne is still operated by members of the Bonduelle family using innovative farming techniques (direct seeding under plant cover with intermediate crops, limited use of pesticide products, etc.) and constantly testing ideas and best practices to ensure, once again, that the healthiest vegetables are available to consumers. Bonduelle promotes and develops farming innovations and shares the lessons learned to encourage the most environmentally-friendly practices in the field.

In Russia, the group has launched a test protocol for simplified cultivation techniques, avoiding the use of plowing and encouraging the re-use of the plant cover from the previous crop. This method, known as the strip-till technique, avoids land erosion, limits the use of tools thus helping to reduce fuel consumption, reduces the need to purchase often costly equipment and, above all, improves soil fertility. A further illustration of Bonduelle's long-term commitment is the creation and management of a network of approximately forty farmers in the Picardy region already applying Strip-Till cultivation techniques. The goal is to foster interaction and encourage the implementation of best practices on a much larger scale.

In Canada, mainly on the St. Lawrence Plain, Bonduelle is encouraging the development of environmentally-friendly farming that favors soil and water conservation. Yves Duquet, the group's Agriculture Manager (Québec Province Section) in Canada and Jocelyn Michon, a Bonduelle producer partner, explain the advantages of this approach.

**In your opinion, what are the challenges of environmental conservation agriculture?**

**Jocelyn Michon:** "Ecologically Intensive Agriculture" (EIA), or "conservation agriculture" as we call it here, is about ensuring both soil quality and protecting natural resources, especially water. This cultivation method allows us to meet two key challenges, one economic and the other environmental. It means producing more and better, using less fertilizer and reducing soil compaction by farming machinery – mainly tractors, which consume a lot of diesel – and so on.

**How is the Bonduelle Group helping to develop these new cultivation practices?**

**Yves Duquet:** As Jocelyn said, soil conservation is not only an organic and environmental issue. It must also allow yields to be increased using proven methods that the group promotes to its producer partners, mainly on the St. Laurent Plain within a 100-kilometer radius of Montreal. Agricultural conferences also give producers the opportunity to share their experiences and

learn about the benefits of practices that are less harmful to the land and the environment.

**What practices does environmental conservation agriculture consist of?**

**J. M.:** The basic rule consists of keeping at least 30% of the residue from the old crops on the soil after planting. This therefore means that plows cannot be used, as they bury the residue. Some practices, such as direct seeding, take this principle even further. The goal with direct seeding is to keep up to 80 to 85% of the residues on the surface of the soil. This method helps prevent soil erosion while maintaining a very rich habitat for living organisms through natural biological activity. Living soil encourages water infiltration and high yields. Furthermore, eliminating the plowing phase allows us to cut fuel expenditure by three-quarters and, in the long-term when biological activity has been fully restored, consume half as much fertilizer. This helps to significantly reduce greenhouse gas emissions.

**Environmental commitments**

## 2.3.2 Natural resources

With its unique agro-industrial expertise, Bonduelle is keen to strike a balance between high performance and protecting the environment. For more than a decade, the group has implemented a proactive policy to reduce its environmental footprint.

The green economy topics presented at the 2012 Rio Conference included some aspects covered by Bonduelle's environmental strategy:

- incorporating environmental criteria into the design and production of products and services;
- discontinuing, over the next few decades, the use of fossil fuels in consumption and production practices;
- promoting renewable energy;
- aiming for high quality construction;
- recycling mineral and material commodities;
- returning organic matter to the soil for agricultural land.

Testing planning tools to incorporate collective targets (including reducing greenhouse gases and consumption of commodities).

**When assessing the group's performance in terms of the preservation of natural resources**, two key aspects must be taken into account: the change in the group's geographical scope and the characteristics of the last harvest, which can vary according to the area in question. As regards its international growth, in 2011-2012 Bonduelle acquired the agricultural, industrial and commercial assets of the French co-operative group Cecab in Russia and the Hungarian company Kelet-Food. The purchase of three processing plants and one packaging facility for frozen vegetables belonging to the American firm Allens also provided a major growth channel for Bonduelle's activities in the United States. This change of scope naturally had an impact on the group's use of natural resources. The various new entities were trained in reporting and monitoring the group's standard indicators. As well as the widening of its scope, weather

conditions also affected the group's performance in terms of natural resources. The summer of 2012 was marked by a drought in Spain and Italy, while the winter saw heavy rainfall. These poor conditions were also observed in northern France, where the spring of 2012 was particularly wet, which led to difficulties with lifting root vegetables. As a result, the harvest was extended and the production programs required a substantial change to the mixes.

Overall, taking into account the change of scope, the group's production in 2012-2013 (metric tons of manufactured product, TMP) increased by around 6.5% compared with the previous year.

The integration of new canned and frozen entities will make 2012-2013 a new benchmark year for measuring plant performance.

### A. REMINDER OF OBJECTIVES

Environmental challenges	Objectives 2012-2013	Highlights 2012-2013
<ul style="list-style-type: none"> <li>• Reduce sampling from non-renewable resources</li> <li>• Increase the use of renewable energy</li> <li>• Control and minimize discharges into the natural environment</li> <li>• Understand and manage the overall impact of the group's activity on the environment and society</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce energy consumption by 5% per year between 2011 and 2014 and reduce water consumption by 3% per year between 2011 and 2014</li> <li>• Launch five alternative energy projects in five years</li> <li>• Recover 80% of ordinary industrial waste in the period 2012 to 2015</li> <li>• Roll out the Guide to Environmental Responsibility and develop tools to measure environmental impact</li> </ul>	<ul style="list-style-type: none"> <li>• Energy consumption reduced by 2% in 2012-2013*</li> <li>• Water consumption reduced by 4% in 2012-2013</li> <li>• Launch of two projects in 2012-2013, the first year of the program: construction of a biomass-fueled steam plant near Estrées-Mons (France) and the operational re-use of biogas on the Nagykörös site (Hungary)</li> <li>• Recovery of 76% of ordinary industrial waste</li> <li>• The eco-design process launched in 2011-2012 was incorporated into the VegeGo! program</li> </ul>

\* The scope and definition of the thermal energy consumption ratio are detailed in Section 2.6.4 Indicators, on page 81.

## B. RESOURCES IMPLEMENTED

In order to optimize the use and management of natural resources, the Bonduelle Group encourages networking between its plants, business units and central departments. "Operating network" meetings are organized for this purpose on an annual basis. These cross-company meetings on energy and the environment provide the forum for sharing best practices and monitoring the roll-out of the group's strategic priorities.

The participants vary according to the topic being discussed, from equipment operators to subsidiary Technical directors. This approach is in line with the challenges facing our societies, and more specifically, with issues closely related to the group's activities, namely, increasingly scarce natural resources, volatile energy prices, metrics to measure environmental impact, etc. The method, applied to each field relating to the management of natural resources, consists of shifting from short-term management to a longer-term dynamic vision that ensures industrial and environmental sustainability, as part of a program deployed in four complementary and consecutive phases:

1. measuring in order to set priorities;
2. continually improving performance;
3. anticipating technological and economic constraints;
4. explaining, informing and educating internal stakeholders.

### 1. MEASURING IN ORDER TO SET PRIORITIES

**The measurement and breakdown of consumption and emissions is the basis of efficient short-term management. To achieve this, Bonduelle has implemented a mapping system with a view to identifying the areas that consume the most natural resources.**

This system, which is standardized throughout the group and promotes a benchmark to be used by its various entities, consists of implementing specific tools such as the networking of meters, regularly making use of data and analyzing performance according to past TMP ratios and the targets set.

This approach was applied in 2012-2013 on the Estrées-Mons site in France, which drew up a complete map of its water and energy meters for its frozen vegetable production in order to compile a database of historical consumption ratios according to each production type.

Meanwhile, the Saint-Mihiel site, also in France, developed monitoring tools designed to supervise the water and electricity used by its production lines and optimize the washing process by using just the right amount of natural resources.

## 2. CONTINUALLY IMPROVING PERFORMANCE

**Once meter readings have been taken, the management of natural resources consists of making use of the accumulated data so as to correct deviations as quickly as possible, drawing up specific action plans and fostering topic-based discussions within the group.**

Two major initiatives were launched in this area in 2012-2013:

- creation of a Water and Energy Steering Committee at two key plants of the BELL business unit - Estrées-Mons frozen foods and Renescure (France) - involving all management with periodic reviews to prioritize actions;
- launch of an energy management process meeting international standard ISO 50001, with the creation of pilot initiatives to assess the implementation methods best suited to Bonduelle's activity and assess the effectiveness of the process based on the results obtained.

The Estrées-Mons frozen foods plant was granted ISO 50001 level 1 certification (2011 version) in July 2013 (according to standardized operation form IND-SE-01, issued through the ministerial order of March 28, 2012). Meanwhile, the Straelen site in Germany carried out a study on how best to align the necessary means with its activities. These two initiatives will help define the conditions for deployment on the group's other sites.

**In 2012-2013, the amount of investment devoted to protecting the environment came to €7.3 million.**

### 3. ANTICIPATING TECHNOLOGICAL AND ECONOMIC CONSTRAINTS

**The development of new, frugal practices and technologies is an essential part of the Bonduelle Group's natural resources preservation strategy.**

Its work in 2012-2013 included:

- a study prior to the implementation of a tri-generation system at the Reutlingen plant in Germany. Combining an absorption motor with electricity co-generation, this system will be installed in 2013-2014 and will improve the facilities' overall energy efficiency;
- the continuation of the program to deploy heat recovery systems based on coolant from refrigerated unit compressors. In 2012-2013, Bonduelle installed this type of machine at its Santarém (Portugal) plant (generation of hot water for line washing operations and reheating of the water supplied to the boiler) and on the French Rosporden site (generation of hot water for heating cloakrooms).

**Environmental commitments**

To support this ongoing equipment improvement process, Bonduelle has undertaken ambitious research programs on groundbreaking technology. These programs are derived from the “Frugal Factory phase 1” project.

The “Frugal Factory phase 1” project was undertaken in partnership with EDF Research & Development and the Center for Energy and Processes (CEP) of the *École des Mines* de Paris from 2009 to 2011. Supported by the French Environment and Energy Management Agency (ADEME), the “Frugal Factory” initiative set out to analyze the energy-related issues presented by the various technologies (Canned, Frozen, Fresh-cut) used within the group. To begin with, the analysis, carried out on three representative pilot sites, identified possible optimization actions based on proven technological solutions that are currently being implemented. Secondly, overall “breakthrough” solutions relating to several key stages of our processes underwent concept studies. These solutions arose from the implementation of the “energy integration” method. Some of these pre-study phases, carried out in 2011-2012, led to the development of laboratory or industrial pilots. Their purpose is to test the reliability of the models developed by research partners and to try out these models on prototypes produced by other partner equipment suppliers. Project status meetings are scheduled for 2013-2014 to assess the industrial and economic appropriateness on a semi-industrial scale. These forward-looking projects relate mainly to the key thermal stages of our processes.

The group’s involvement in European projects such as **FRISBEE (Food Refrigeration Innovations for Safety, consumers’ Benefit, Environmental impact and Energy optimisation along the cold chain in Europe)** demonstrates its commitment to environmental issues. Bringing together 15 research, development and consulting partners, the aim of FRISBEE is to reduce the environmental impact of the cold chain in Europe by improving food technology, quality and safety.

Bonduelle is involved in the process for compiling European databases of cold chain profiles observed from the industrial stages (storage of raw materials, production monitoring, storage of finished products) through to transfer logistics and storage by the distributor and consumer.

#### 4. EXPLAINING, INFORMING AND EDUCATING STAKEHOLDERS

**The mobilization of every participant is a key factor in ensuring the success of the natural resources preservation program launched by Bonduelle over a decade ago, which is structured around Energy, Environment and Purchasing networks.**

- **The Energy network:** active over the group’s entire scope, the energy network brings together business unit representatives, industrial directors, technical Managers, plant directors and Purchasing Managers and is coordinated by the group’s Energy Manager. It encourages the sharing of best practices in terms of coordination, management, technology and investment choices. It meets once a year.
- **The Environment network:** also active over the group’s entire scope, the environment network brings together environmental Managers from all sites and, depending on the topic in question, is open to manufacturing, quality and safety Managers and plant directors. It meets to discuss sustainable development best practices, investment, waste management, regulatory requirements and cross-departmental studies.
- **Appraisal visits** are organized across the entire group scope by the Energy and Environment Managers or a specialist service provider. These visits are scheduled according to current issues and plant requests. Their purpose is to put forward prioritized action plans in the field of energy, disseminate group recommendations in the field, ascertain best practices in order to spread them and provide support and corporate culture standards for recently-integrated sites. Overall, around 40 visits were organized in 2012-2013.
- **Internal technical reference guides** draw on assessments of the current situation in order to produce recommendations. They emphasize the efforts made by the teams and provide a document that is ready for operational use and presented at network and business unit technical meetings.  
  
Various guides have been produced on, for example, boilers, cold rooms, drinking water supplies, compressed air and technical water management.
- **Training:** managed by the group’s internal university – the Institut Pierre et Benoît Bonduelle –, training programs are offered in various fields such as industrial cold optimization, thermal optimization of sterilization processes, the management of plant drinking water supplies and technical water management.
- **Technical seminars:** These events are organized by the business units and deal mainly with energy-related issues.

**C. REDUCING SAMPLING FROM NON-RENEWABLE RESOURCES****ENERGY EFFICIENCY**

This policy, illustrated by the various initiatives taken in the fields of electricity, gas and steam, achieved the following results:

Group CSR	Total energy kWh of electricity per TMP	Electricity kWh of electricity per TMP	Thermal (fossil + renewable) kWh GCV per TMP*
2012-2013 scope	885	355	530
2011-2012 scope	901	343	558
Change in ratios in 2012-2013 versus 2011-2012	-2%	+3.5%	-5%
Target	-5%	-5%	-5%

\* Three new frozen food operating sites in the USA were integrated at the start of the energy consumption optimization initiative in 2012-2013.

The amount invested to save energy in 2012-2013 came to €3.2 million, i.e. 45% of all investment devoted to the management of natural resources.

**ELECTRICITY**

- Continuation of the cold room energy consumption optimization program, based on the benchmarking of best practices. The overall freezing cold room energy consumption ratio was stabilized in 2012-2013 over the BELL and BAM scope at a value 25% lower than 6 years ago (2006-2007 base). This represents a saving of 46 GWh, equivalent to the annual consumption of 5,700 French people;
- Installation of low energy-consuming lights in the refrigerated warehouses and packaging rooms of the Canadian plants of Ingersoll, Strathroy and Tecumseh;
- Action taken to improve pre-tunnel cooling at the plants recently acquired in the United States.

**GAS AND STEAM**

- Injection of steam into the heating processes and sharing of best practices between the sites of Ruchocice, Gniewkowo (Poland), Renescure (France) and Saint-Denis (Canada), with audits designed to improve equipment.

**WATER CONSUMPTION EFFICIENCY**

Water consumption in 2012-2013 amounted to 12,434,274 m<sup>3</sup>, which represented a ratio per metric ton of manufactured product of 11.8 m<sup>3</sup>/TMP and a 4% reduction from the level observed in 2011-2012.

Group CSR	Water m <sup>3</sup> per metric ton of manufactured product (TMP)
2012-2013	11.8
2011-2012	12.3
Change in ratios in 2012-2013 versus 2011-2012	-4%
Target	-3%

In 2012-2013, a number of initiatives improved the group's performance in this area:

- program to assess treatment technologies for the re-use of water: created in 2012-2013 and piloted by the Saint-Césaire plant (Canada), this program will enter the test phase in 2013-2014;
- installation on the Santarém site (Portugal) of a hot water station benefiting from heat recovered from ammonia compressors;
- continuation of water monitoring and management programs: in line with the measurement and definition of management targets, the sites check their consumption ratio on a daily basis in order to identify deviations as quickly as possible.

**Environmental commitments****D. INCREASING THE USE OF ALTERNATIVE ENERGY**

The implementation of alternative solutions in our processes and the development of renewable energy sources are two channels for improvement with respect to sustainable development.

**ALTERNATIVE SOLUTIONS TO THE USE OF WATER**

- Renovation of the cold production room at the Saint-Mihiel plant (France) in 2012-2013, switching to air cooling;
- Full renovation plan for the Timashevsk plant (Russia), switching to dry transport for vegetable conveying.

**ALTERNATIVE SOLUTIONS TO FOSSIL FUELS**

- Purchase of biomass-based steam for the Estrées-Mons site (France). Under this project, scheduled for late 2014, one of our partners will build a biomass co-generation boiler near to the plant, which will be able to provide 90% of the plant's steam requirements. The project will also contribute to the creation of a wood-energy system in Picardy;
- Recovery of biogas produced in anaerobic treatment plants. Since 2012-2013, the Nyiregyhaza plant in Hungary has been equipped with a methane digester, with the biogas produced being recovered directly to the plant's boiler;
- Construction by a specialist company, of a process for the methanation of agricultural by-products, close to the Bordères plant (France). This project, named EGISOL, is part of a consortium created in 2011 with the goal of increasing the production of non fossil-based electricity and meeting the objectives of France's national energy policy. Bordères will provide 40% of the necessary biomass thanks to its corn by-products.

**E. CONTROLLING AND MINIMIZING DISCHARGES INTO THE NATURAL ENVIRONMENT****CONTROLLING THE QUALITY OF DRINKING WATER SUPPLIED IN PLANTS**

Bonduelle is increasing its use of chemical-free technologies, as demonstrated by the initiatives carried out in:

- Gniewkowo (Poland): construction and activation of a water purification station with 100% organic technology;
- Bedford (Canada): project to enhance the reliability of the plant's water supply distributed by the town with a water purification stage using ozone and UV.

**REDUCING ORGANIC POLLUTION AT SOURCE**

Reducing the amount of waste to be treated allows plants to increase their treatment capacity, limits purification costs and the production of sludge and helps reduce odor emissions caused by organic fermentation:

- improving management practices during the key stages of the process (Ruchocice plant, Poland) in terms of the production of chemical oxygen demand (COD), leading to a reduction in pollution ratios;
- filtering of carrot pulp from the peeling stage (Russy plant, France), allowing the material to be removed in dry form for animal feed instead of in solubilized form as it enters the water treatment plant. The effluent to be treated on exiting the plant thus has a lower COD (the organic pollution is dissolved) and contains less suspended matter (particle pollution).

**CONTINUALLY IMPROVING OUR INDUSTRIAL EFFLUENT TREATMENT PRACTICES AND FACILITIES**

The industrial effluent generated by the plants is treated in the following facilities:

- 25 independent ventilated biological treatment plants managed by Bonduelle. 6 sites have a treatment stage using an anaerobic biological reactor (production of biogas);
- 12 plants use urban infrastructures for the full or finishing treatment of their effluent;
- 11 production facilities have an agricultural wastewater recycling system, after varying degrees of physical or biological treatment.

The group's environment department rigorously control and monitor the quality of plant effluent before it is discharged into the natural environment:

- 85% of wastewater transits through urban wastewater plants or a Bonduelle treatment plant;
- 12% of effluent is treated using agronomy methods (fertigation, spreading);
- 3% of effluent is good quality and is returned directly to the natural environment.

In 2012-2013, effluent generated from industrial activities represented approximately 24,600 metric tons of biochemical oxygen demand. 99.4% of this amount is treated through operating process controlled directly by Bonduelle (treatment plants and agricultural spreading).

Wastewater treatment generated around 1,936 metric tons of biological sludge dry matter (DM) in 2012-2013. The sludge is used for controlled agricultural spreading, compost or methanation. In a drive to reduce the organic load of effluent at source and to reduce waste treatment downstream, production facilities are developing a range of actions.

The activities carried out by our facilities evolve substantially over time: tonnages, the types of vegetables handled, industrial processes and so on. The composition of the effluent produced during the manufacturing process changes as a result. The treatment plants built on the basis of original circumstances can, over time, suffer capacity shortfalls or see their equipment age, both of which hinder their efficiency or make them no longer able to adapt to changes in regulatory requirements in this field. As Bonduelle manages the vast majority of its effluent treatment processes, the Company is very careful to ensure that its facilities continue to comply with its obligations. The actions undertaken on the treatment plants are of two types:

#### Facility improvements

- The facility at the Strathroy plant (Canada) has benefited from a complete refurbishment of its ventilation system and the facility at the Russy plant (France) has had its storage and treatment basins reprofiled;
- After the rate of activity at Soleal's plants changed during the 2012 harvest, the Bordères and Labenne treatment plants in France were unable to fulfill the totality of their tasks. A large-scale renovation program was launched in 2012-2013 that includes studies and the construction of a comprehensive plan with the support of an external expert. This project is supported by a multi-year investment program. In order to anticipate similar situations, studies of the same type are underway on various sites.

The investment made in improving water treatment facilities in 2012-2013 amounted to €3.7 million, i.e. 52% of investment devoted to the environment.

#### Optimization of management principles

In addition to investment programs, the plants are drawing up strategies to improve their management:

- development of the separate management of pollution streams at the Gniewkowo plant (Poland) in order to adapt to its various outlets: biological treatment facility and agricultural fertilization;
- development of new test management methods at the two French plants of Russy-Bémont and Renescure, for the treatment of their residual phosphorus content at low operating speeds;
- improvement of management practices for coolant systems and boilers applied on the sites of Russy (France) and Gniewkowo (Poland).

#### QUALITATIVE RECOVERY OF PLANT BY-PRODUCTS

- Bonduelle's activities generated 576,361 gross metric tons of green waste (GW - plant or mushroom by-products) in 2012-2013, equating to a ratio of 546 kg plant matter (PM) per TMP;

Based on the 2011-2012 scope, with five fewer plants, the production ratio falls to 470 kg PM/TMP, which represents a 5% increase compared with 2011-2012 (448 kg PM/TMP);

- In 2012-2013, 96% of this tonnage was reused for animal feed, methanation or standardized composting products (NF 44-051). Other agricultural uses accounted for the remaining 4%.

#### INDUSTRIAL WASTE: REDUCING CONSUMPTION AND IMPROVING THE RECYCLING RATE

In 2012-2013, the group produced 43,802 metric tons of ordinary industrial waste, equating to a ratio of waste generated per metric ton of manufactured product of 41.5 kg, a rise of 15% compared with the previous year.

Recycling of industrial waste is another key priority, with a target recycling rate of 80% by 2015, to be achieved by selective sorting at source and a specific sourcing policy.

The group's overall performance in terms of the recovery of energy or recycling improved in 2012-2013, with a rate of 76% compared with 73% in 2011-2012. Our production facilities worldwide are continuing their campaigns to raise employees' awareness and optimize the efficiency of sorting at source, either internally or by subcontractors.

In 2012-2013, the group generated 262 metric tons of special industrial waste (SIW) (i.e. 0.25 kg/TMP), which was disposed of through a specialized waste management provider. The scheduling of disposal operations explains the annual variations in the ratio and tonnage produced (239 metric tons and 0.24 kg/TMP, in 2011-2012).

A diagnostic process, supervised in France by the group's Purchasing department and an external firm with the goal of identifying economic and organizational synergies in relation to industrial waste management, was carried out on 20 plants in 2012. The resulting report was used to streamline the number of service providers and treatment processes and thus optimize purchasing and disposal costs in order to ensure a greater environmental benefit.

## F. UNDERSTANDING AND MANAGING THE OVERALL IMPACT OF THE GROUP'S ACTIVITY ON THE ENVIRONMENT AND SOCIETY

### INTEGRATING THE GROUP'S INDUSTRIAL ACTIVITY INTO ITS LOCAL ENVIRONMENT

#### Human environment

Sensitivity to odors, road transport and noise is one of the key issues facing Bonduelle's efforts to integrate its plants into their environment. The group addresses this issue in two ways, with each plant director managing his or her own action plan to suit local needs as closely as possible:

- investing in technical solutions: improving equipment, optimizing management, implementing additional treatment, applying specific solutions;
- opening up to residents by organizing discussion sessions in town halls, creating odor monitoring panels comprised of independent volunteer residents, organizing public open days, measuring and studying impacts in order to assess complaints objectively.

**Environmental commitments****Biodiversity**

In 2012-2013, Bonduelle launched an initiative to identify all of its local issues relating to sustainable development. Its implementation at group level will allow it to review the current situation and draw up suitable action plans to respect biodiversity in the areas where Bonduelle operates. This Toolbox is presented in Section 2.2.5.B of this report.

The following sites, all of which belong to Bonduelle, are located in areas deemed to be biodiversity hotspots:

- Mediterranean basin: Santarém, Torre-Pacheco;
- Caucasus; Timashevsk, Novotitarovskaya;
- Cerrado (Brazil): Cristalina.

To qualify as a hotspot (source: conservation.org), a region must meet two strict criteria:

- it must contain at least 1,500 species of vascular plants (with vessels through which the water drawn up by their roots is circulated) and endemics (plants that only exist spontaneously in that area), i.e. more than 0.5% of the world's total;
- it has to have lost at least 70% of its original habitat.

**COMBATING CLIMATE CHANGE****Measuring the group's CO<sub>2</sub> impact**

The greenhouse gas emissions produced by the group's industrial activity (purchase of fossil energy, refrigerant fluid leaks, electricity consumption) in 2012-2013 amounted to 192,034 TEQ CO<sub>2</sub> (metric tons of carbon dioxide equivalent), of which 1.3% originated in refrigerant fluid harmful to the ozone layer, one-third consisted of indirect emissions from electricity and two-thirds consisted of direct fossil fuel emissions.

**GREENHOUSE GAS EMISSIONS - EUROPEAN QUOTAS**

Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading within the European Community applies to the Bonduelle Group in respect of four sites: Estrées-Mons, Vaulx, Renescure and Russy (France).

The quota allocation for the 2008-2012 period is 355,115 TEQ CO<sub>2</sub>.

Annual emissions in the period were:

- 2008 = 49,460 TEQ CO<sub>2</sub>;
- 2009 = 43,473 TEQ CO<sub>2</sub>;
- 2010 = 45,566 TEQ CO<sub>2</sub>;
- 2011 = 47,045 TEQ CO<sub>2</sub>;
- 2012 = 48,615 TEQ CO<sub>2</sub>.

Given the low visibility provided by the EU in terms of the management of quotas beyond 2013, the stock of excess quotas of almost 121,000 TEQ CO<sub>2</sub> was retained. For the 2013-2020 period, under the ETS (Emissions Trading System), two sites were able to reduce the power of their boilers thanks to the energy optimization of their processes and thus no longer be subject to the regulation. In 2013, Bonduelle will therefore have only two sites (Estrées-Mons and Renescure) required to comply with European greenhouse gas emissions quotas.

**APPLICATION OF ARTICLE 75 OF THE GRENELLE ENVIRONMENT LAW FOR THE MEASUREMENT OF GREENHOUSE GAS EMISSIONS PRODUCED BY INDUSTRIAL ACTIVITIES (FRANCE)**

Article 75 makes a scope 1 and 2 carbon footprint assessment mandatory for companies with more than 500 employees. The results have been published on Bonduelle's sustainable development website:

- Bonduelle Traiteur International = 3,124 TEQ CO<sub>2</sub>;
- Bonduelle Conserve International = 39,712 TEQ CO<sub>2</sub>;
- Bonduelle Surgelé International = 12,309 TEQ CO<sub>2</sub>.

**VOLUNTARY MEASUREMENT OF THE GROUP'S CARBON AND WATER FOOTPRINTS FOR 2011-2012 SCOPE**

Data collection is based on life cycle analysis (LCA), as described in ISO 14040. Net greenhouse gas emissions for 2011-2012 were estimated at approximately 1,800,000 TEQ CO<sub>2</sub>, equivalent to the average annual emissions of about 235,000 Europeans (ADEME – 8.8 TEQ CO<sub>2</sub>/Western European/year).

The stages in the life cycle analysis are as follows:

- cultivated and purchased food commodities: emissions for production, growing and supply to our production facilities: 42%;
- non-food commodities, such as packaging: emissions for production, supply, end-of-life and emissions avoided through reuse: 34%;
- industrial processing: direct and indirect energy emissions relating to scope 1 and 2 GHG Protocol emissions, and emissions from the treatment of ordinary industrial waste: 10%;
- transport of intermediate and finished products: emissions generated by inter-site flows and customer deliveries to the distributor's warehouse: 13%;
- transport of employees and work-related travel: 1%.

Direct and indirect water consumption calculated in 2011-2012 for the manufacture of input materials is estimated at 87,500,000 m<sup>3</sup> per year, broken down as follows:

- agricultural production (for food crops): 62%;
- manufacture of non-food materials, such as packaging: 23%;
- industrial processing: 15%.

These results were widely presented and commented on during the last quarter of 2012 to contributors, sector Managers and employees.

**Management of refrigerant fluid**

- The replacement of refrigerant fluid R22 by R134-A, in line with international recommendations on the protection of the stratospheric ozone layer, was completed on the FRESH sites of Saint-Mihiel (France) and Straelen (Germany);
- At Estrées-Mons (France), the removal of the 170,000 m<sup>3</sup> cold room allowed R22 to be replaced with ammonia

### Continuation of energy substitution

- Saint-Denis (Canada): replacement of fuel oil by natural gas in 2012 and conversion of the treatment plant to natural gas, replacing light oil and propane; energy conversion and improved energy performance led to a reduction of 6,000 TEQ CO<sub>2</sub> per year on this site, representing a 45% fall in industrial emissions from energy.

In 2012-2013, the share of thermal energy supplied by liquid fossil fuels (very low-sulfur heavy fuel oil and domestic fuel oil) was reduced fivefold compared with 2011-2012 and this year accounted for only 1.6% of the group's thermal energy mix.

The share of renewable energy in the thermal energy mix is comprised of two sources: wood and biogas. It was doubled from the previous year and now accounts for 2.2% of the group's thermal energy mix.

**For the past ten years, Bonduelle has responded to the international questionnaire issued by the Carbon Disclosure Project (CDP), specifying the main principles by which it seeks to combat climate change:**

- diversifying its agricultural sourcing regions and its production locations;
- implementing an industrial process that reduces its consumption of fossil fuels;
- offering the consumer product ranges that produce lower greenhouse gas emissions;
- developing expertise in quantifying the greenhouse gas emissions generated by its processes and products;
- working in partnership with external process operators.

Any provisions for environmental risks are included under Note 24 to the consolidated financial statements. Details of the amount of provisions and guarantees for environmental risks will be given in the 2013-2014 report.

## ENVIRONMENTAL RESPONSIBILITY TO CONSUMERS

### Environmental product labeling

In 2011, Bonduelle was one of the pilot volunteer companies as a member of ADEPALE in the national initiative in France to inform consumers about the environmental impacts of consumer products through environmental labeling. Currently on hold in France, environmental labeling receives much closer attention in the rest of Europe. Bonduelle therefore actively monitors this subject through the agri-food sector.

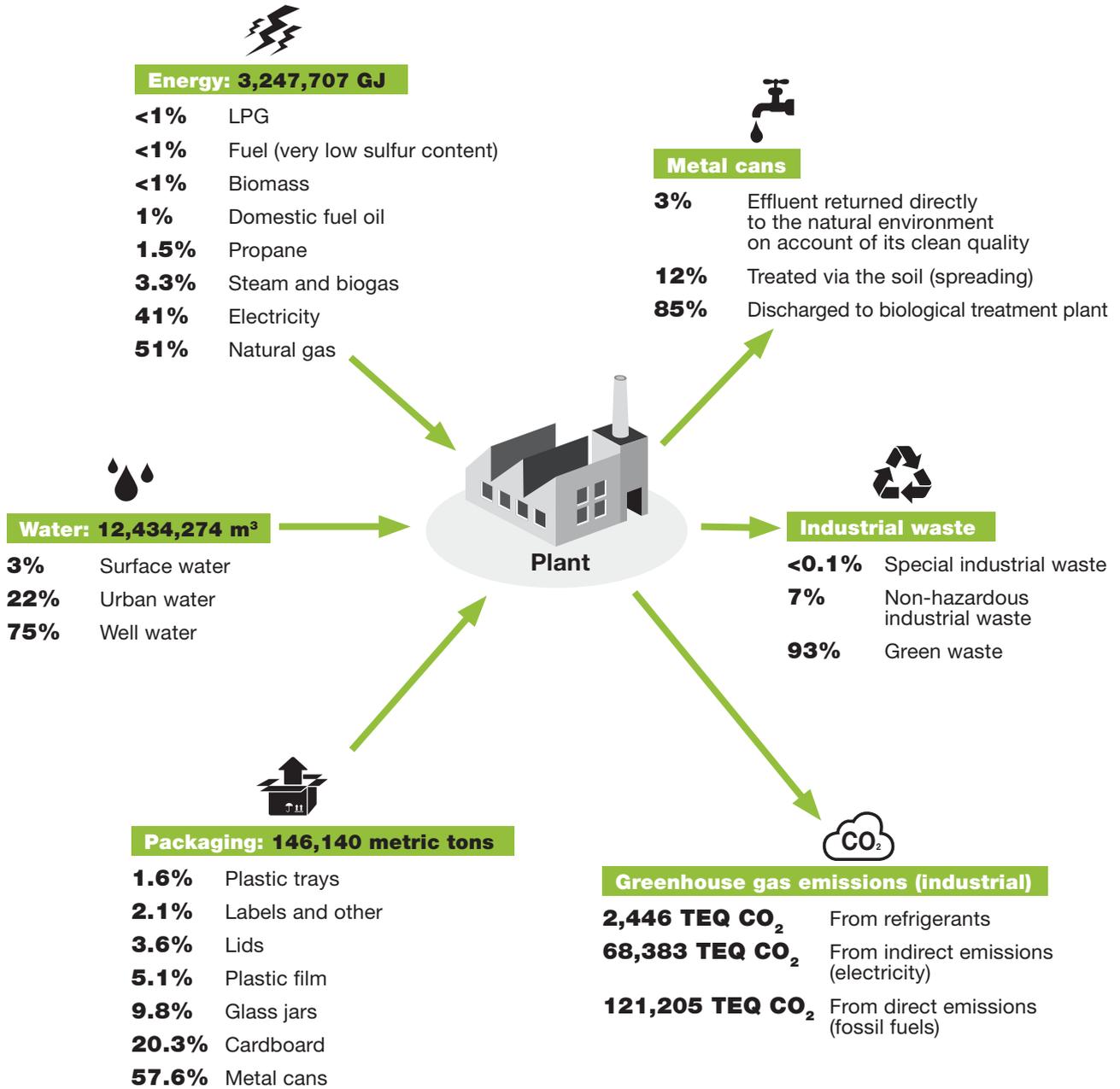
### Eco-responsibility charter

The creation of the eco-responsibility charter is fully integrated into the VegeGo! program. The assessment of the carbon footprint during the design of a new product is an important step in this initiative.

The characterization of environmental impacts (mainly greenhouse gas emissions at present) is part of the training given to raise awareness among the marketing and development teams. The group's expertise in measuring carbon is sought when assessing new products. Various measurement scenarios were studied in 2012-2013. Once the specifications have been validated by the Eco-team working group, the test phase can be launched over a pilot scope.

Environmental commitments

**BONDUELLE'S MAIN CONSUMPTION AND EMISSIONS**



**G. RESULTS AND KEY FIGURES**

The indicators below were prepared in accordance with our reporting framework, whose main components are summarized in the Methodology note on page 78 of this report.

<b>TMP</b>	1,055,837 TMP (metric tons of manufactured products)
<b>Water consumption</b>	12,434,274 m <sup>3</sup> consumed, i.e. 11.8 m <sup>3</sup> per TMP
<b>Water sourcing</b>	9,281,434 m <sup>3</sup> of well water 2,802,329 m <sup>3</sup> of urban water 350,510 m <sup>3</sup> of surface water
<b>Energy consumption</b>	<p><b>Overall consumption 3,247,707 GJ</b></p> <p>Electricity: 1,350,776 GJ Natural gas: 1,663,950 GJ Fuel (very low sulfur content): 2,082 GJ Propane: 48,744 GJ LPG: 6,275 GJ Domestic fuel oil: 39,749 GJ Biomass: 29,943 GJ Purchase of steam: 95,213 GJ Biogas: 10,975 GJ</p> <p><b>Electricity consumption by country:</b></p> <p>50% France 24% Canada 13% United States 4% Portugal 3% Poland 2% Hungary 2% Germany 1% Russia 0.5% Brazil</p>
<b>Production of ordinary waste</b>	43,802 metric tons, i.e. 41.5 kg/TMP
	<p><b>Treatment:</b></p> <p>Low-impact landfill site: 24% Energy recovery: 4% Recycling: 72%</p>
<b>Production of special waste</b>	262 metric tons, i.e. 0.25 kg/TMP
<b>Production of green waste</b>	576,361 metric tons, i.e. 546 kg/TMP
	<p><b>Use:</b></p> <p>Agricultural spreading: 3% Animal feed: 77% Energy recovery: 1% Marketable product: 19% Other (compost): 1%</p>

**Environmental commitments****Pollution discharge****Breakdown of treatment in m<sup>3</sup>:**85% m<sup>3</sup> discharged to treatment plant10% m<sup>3</sup> discharged for spreading after pretreatment2% m<sup>3</sup> discharged directly for spreading on crops3% m<sup>3</sup> discharged as clean effluent**Discharge of pollutants and proportion treated:**

24,591 metric tons BOD produced at industrial sites

84% of BOD treated at Bonduelle treatment plants

13% of BOD treated by the soil and plant cover (controlled agricultural spreading)

2% of BOD treated at external treatment plants

0.6% discharged into the natural environment in compliance with regulations

**Biosolids**

Production of 1,936 metric tons of dry biological sludge

Production of 1,591,006 Nm<sup>3</sup> of biogas**Packaging**

146,140 metric tons

**Breakdown by type of material:**

Metal cans: 57.6%

Cardboard: 20.3%

Glass jars: 9.8%

Plastic film: 5.1%

Lids: 3.6%

Plastic trays: 1.6%

Labels and other: 2.1%

**Expenditure for minimizing  
the impact of activities  
on the environment**

Wastewater and sludge treatment: €3,777,825

Industrial and green waste: €241,403

Air and energy: €3,253,175

**Greenhouse gas emissions  
(expressed in metric tons  
of carbon dioxide equivalent -  
TEQ CO<sub>2</sub>)**68,383 TEQ CO<sub>2</sub> from indirect emissions (purchase of electricity)121,205 TEQ CO<sub>2</sub> from direct emissions (purchase of fossil energy, biomass, refrigerant fluid leaks)**Emissions of ozone  
depleting gas**2,446 TEQ CO<sub>2</sub> for R22, R134A, R404A and R422A**EU GREENHOUSE GAS EMISSION QUOTAS**The quota allocation for the 2008-2012 period is 355,115 TEQ CO<sub>2</sub>.

Annual emissions in the period were:

- 2008 = 49,460 TEQ CO<sub>2</sub>;
- 2009 = 43,473 TEQ CO<sub>2</sub>;
- 2010 = 45,566 TEQ CO<sub>2</sub>;
- 2011 = 47,045 TEQ CO<sub>2</sub>;
- 2012 = 48,615 TEQ CO<sub>2</sub>.

### 2.3.3 Packaging

Faced with the particular issues presented by natural resources, packaging management is based on measuring and monitoring usage, seeking technical solutions and innovative technologies in production processes and raising awareness among internal and external operators.

For Bonduelle, packaging fulfills multiple functions:

- keeping products fresh;
- protecting the content against outside contamination;
- preserving the nutritional and organoleptic qualities;
- transporting, grouping and storing products in the best possible conditions.

Packaging design must also help to limit food losses and spillages, which can harm the environment in various ways. Each type of packaging is designed for different uses and preservation periods. Canned packaging allows products to be preserved for up to four years at ambient temperature and vegetables to be consumed throughout the year irrespective of seasonal harvests. Fresh packaging, meanwhile, ensures a preservation period of 10 to 14 days and allows green salad to be available throughout the year.

Bonduelle thus uses various types of packaging to ensure the best possible quality for its customers. These include:

- steel and aluminum for metal cans;
- glass for jars;
- flexible plastic for bags of frozen and fresh vegetables;
- rigid plastic for trays of 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.

#### OVERALL DESIGN

Bonduelle's goal is to package its vegetables with materials that preserve their organoleptic qualities and preserve them whilst limiting the environmental impact of the packaging. In Europe, the group thus encourages its marketing departments, sites and suppliers to work together to identify the packaging most suited to the product. Its approach using purchasing pairs, consisting of technical specialists and salespeople, allows the best initiatives to be shared and ensures compliance with the regulatory framework.

#### REDUCING QUANTITIES OF PACKAGING MATERIALS

Waste prevention is a regulatory obligation for packaging design as the basic requirements stipulate that it "must be designed and manufactured in order to reduce its volume and weight to the strict minimum necessary to guarantee a sufficient level of hygiene and security for both the product and the consumer" (2/ Article R. 543-44 of the Environmental Code and European Regulation 1462 EC). Waste prevention is thus an integral part of the design, optimization and renovation processes, as illustrated by the following examples:

- 2009-2011 optimization program consisting of assessing the value of frozen vegetable packaging. This program covered primary packaging (in contact with products), secondary packaging (bulk product) and tertiary packaging (pallets, transport packaging). The purpose of the program was to optimize frozen vegetable packaging. It consisted of reviewing the end-of-line process in order to optimize the fill-up rate and thus reduce the dimensions of the boxes used. This re-sizing allows the product to be used as a semi load-bearing item and means that the strength of the boxes can be reduced while improving their end quality. This initiative led to 155 metric tons of cardboard being saved in France in 2012;
- Bonduelle has also reduced the dimensions of some products packed in pouches, reducing the area of film per package by 11%;
- optimization program consisting of assessing the value of canned goods packaging, launched in 2012. This program relates to secondary packaging and aims to optimize the wrapping systems (shrink-wrap film, boxes, machinery) through various improvement methods: optimizing the thickness of the batch and unit shrink-wrapping films, reducing the dimensions of boxes (trays and cups), improving the wrapping machines so as to reduce the film thickness more easily and cut energy consumption;
- program to reduce the weight of canned packaging, using two methods:
  - an ongoing effort to reduce the wall thickness of metal cans, with the goal of limiting the quantity of steel or aluminum raw material used. This project, which has been underway for a number of years, involves a range of qualification tests designed to take into account the specific constraints of the various industrial processes and tools. Bonduelle thus managed to save 400 metric tons of metal in Europe between 2009 and 2012, across all ¼ (212 ml) and ½ (425 ml) formats,
  - a project dedicated to breakthrough innovations that lead to the design and use of innovative packaging with, for example, a specific process achieving a 15% reduction in the weight of the metal used in the two-portion can format.

The work undertaken also consists of improving the packaging tools and equipment while optimizing processes in order to limit waste and the use of different materials.

**Environmental commitments****ECO-RESPONSIBILITY: COMMITTING  
TO AN ONGOING IMPROVEMENT PROCESS**

The eco-responsibility initiative launched in 2011-2012 has been integrated into the VegeGo! program. The monitoring and comparison of packaging in identified families is one of the key pillars of eco-design processes. Bonduelle is working on establishing internal ratios for each coordinated product range in order to help its product development, marketing and sales teams determine the impact of packaging for the ranges marketed. This initiative will also allow new product designs to focus on using packaging that is necessary and sufficient for their use and to bring about an overall environmental and economic benefit.

**MONITORING: ANTICIPATING FUTURE  
TECHNOLOGICAL AND ECONOMIC  
CONSTRAINTS**

Bonduelle actively monitors environmentally-friendly packaging, examining all possibilities offered on the market, including materials based on recycled products and bio-sourced materials. The group is also working on implementing raw material consumption ratios for each type of packaging.

**RECYCLING: EXPLAINING, INFORMING  
AND EDUCATING THE PUBLIC**

The group is also committed to recycling which, in addition to prevention, is a means of reducing the environmental impact of packaging. In France, Bonduelle recently decided to implement the *Info-tri Point Vert* (waste recycling information) pictogram, created by the *Éco Emballages* organization, on most of its packaging. This pictogram encourages consumers to sort their household waste correctly by indicating how to dispose of the packaging.

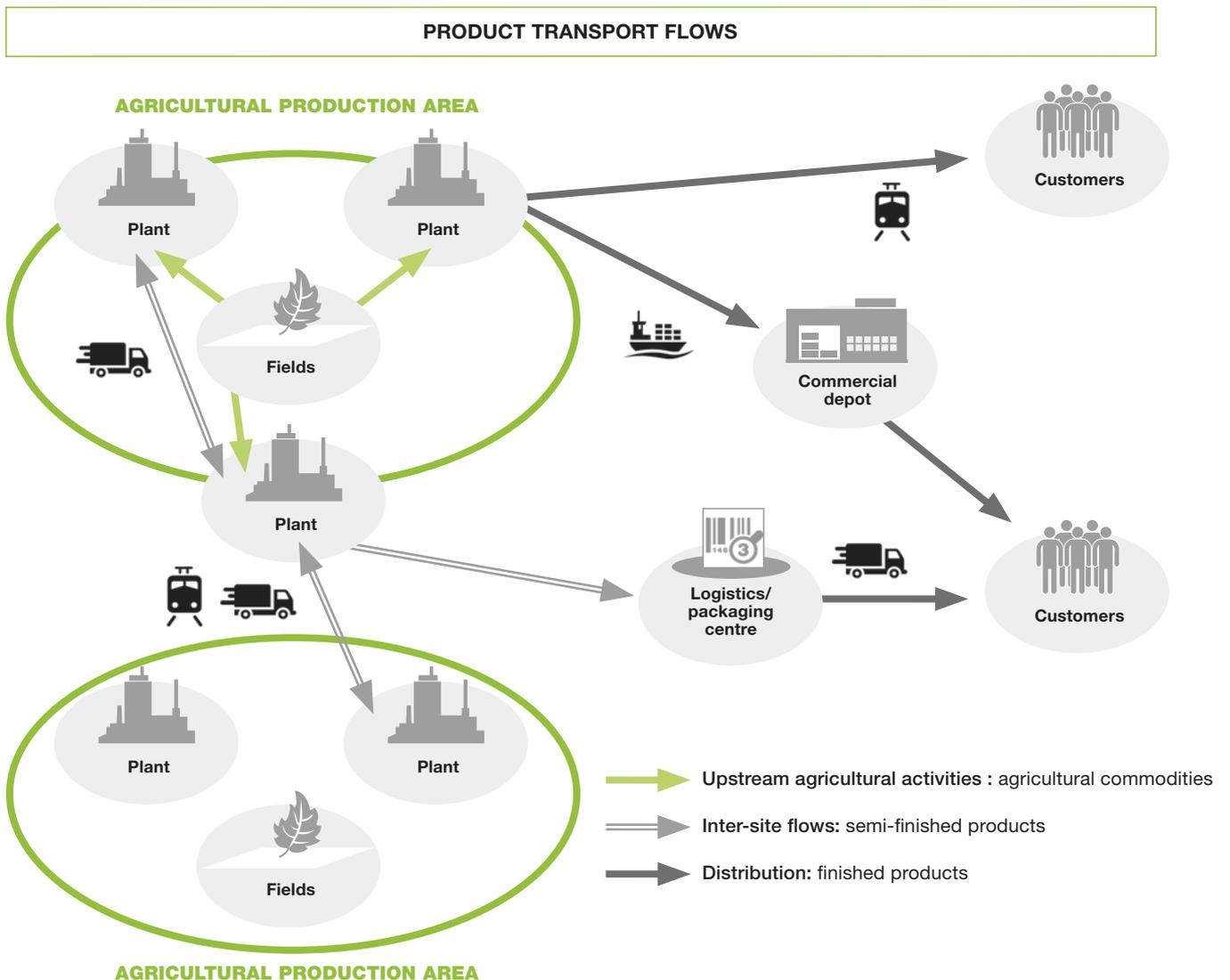
## 2.3.4 Transport

Transporting vegetables to production facilities and finished products to distribution points is central to Bonduelle's business. The group is implementing a wide range of projects to optimize flows and reduce the environmental impacts of transport and minimize greenhouse gas emissions.

### A. OBJECTIVES REMINDER

Environmental impact	Objectives 2012-2013	Highlights 2012-2013
<ul style="list-style-type: none"> <li>Understand and control the impact on climate change</li> </ul>	<ul style="list-style-type: none"> <li>Reduce CO<sub>2</sub> emissions by 3,000 metric tons</li> <li>Extend CO<sub>2</sub> emissions metrics to include all subsidiaries</li> <li>Identify and share pilot actions</li> <li>Optimize logistics and increase the use of alternatives to road transport</li> </ul>	<ul style="list-style-type: none"> <li>Sea highway</li> <li>Development of combined rail-road transport</li> <li>3,057 metric tons of CO<sub>2</sub> saved in 2012-2013, thanks to combined rail-road transport</li> </ul>

### B. RESOURCES IMPLEMENTED



## Environmental commitments

Since transport is a particular focus for Bonduelle, it has formed a Transport and Sustainable Development Committee to monitor strategy in this area. The members of the Committee include international representatives from sales and marketing, production facilities' logistics, supply chain, and Purchasing departments, as well as sustainable development officers.

The Committee is responsible for legislative intelligence in the sector, monitoring the progress of the French Environment Round Table (*Grenelle de l'environnement*), and researching long-term solutions to minimize the environmental impact of transport flows.

It has always been Bonduelle's policy to locate production facilities close to agricultural production areas to optimize product quality, allowing crops to ripen to maturity and reducing the time between harvest and processing. The selection criteria for crop-growing areas comprise soil and regional climate, but also proximity to markets. Careful location of production facilities not only minimizes the distance traveled by Bonduelle's products, but also promotes the development of local economies.

Bonduelle goes further and continually looks for new ways to optimize the transport of its products and supplies. One possibility being examined is the creation of larger-scale storage infrastructures. Logistics sites are also organized by geographical area and are responsible for selecting carriers for distribution to customers according to the most appropriate transport options.

In 2008, the group initiated a program of measuring CO<sub>2</sub> emissions at its Bonduelle Conserve International subsidiary (BCI, now integrated into the BELL business unit) to identify opportunities for improvement and ways of minimizing our carbon footprint. This pioneering measurement program for the agri-food sector was based on the calculation method developed by the ADEME (French Environment and Energy Management Agency) and approved by an independent firm of experts, Bio Intelligence Service.

Initially launched for product flows between BCI's French production facilities and logistics centers, the emissions measurement program was subsequently extended to all countries in Europe to which finished products are delivered. Progress was achieved by using combined rail-road transport, especially between production facilities located in the France South-West and North-Picardy regions. Combined rail-road transport is used for routes between North-Picardy and south-eastern France and Italy, as well as for flows from Hungary to Germany.

This measurement program is ongoing under the group's new organizational structure, which is now comprised of four business units for separate geographical areas. In 2012-2013, the scope covers almost all BELL, BDV and FRESH business units. In order to stimulate the process, the CO<sub>2</sub> performance of the BELL business unit is regularly reported on the group's collaborative platform. In addition to measuring the progress made, the purpose of this savings metric is to allow the results obtained to be shared with other business units and encourage them to develop their own specific, measurable actions that can be integrated into the overall program.

The use of combined rail-road transport has been increased (for the Hungary-France and Hungary-Belgium routes, for example) to improve our environmental performance. By favoring this alternative method of transport, Bonduelle exceeded its greenhouse gas emission reduction targets for 2012-2013. Originally forecast at 3,000 metric tons, these savings will eventually amount to 3,057 TEQ CO<sub>2</sub>, thanks to combined rail-road transport.

This performance was achieved by intensifying existing combined rail-road flows, leading to the following additional tonnages being transported:

- 2,450 metric tons via combined rail-road transport between North-Picardy and Italy;
- 1,000 metric tons from North-Picardy to south-eastern France;
- 9,000 metric tons between sites in the south of France, North-Picardy and Belgium;
- 2,900 metric tons from Hungary to North-Picardy and Belgium;
- 1,200 metric tons from North-Picardy and Belgium to Hungary.

Meanwhile, Bonduelle has developed new combined rail-road transport flows between Picardy and Spain, taking advantage of the standardization of rail widths in the two countries. In addition to this good performance, one of the highlights of the year for Bonduelle was the realization of a project that had been worked on for a number of years: the use of sea highways.

**From Zeebrugge to Bilbao via the sea highway.** Since April 2013, Bonduelle has been using this innovative solution for one load per week. A tractor and trailer depart from the group's heritage Renescure site. The trailer is loaded onto a ship. After a three-day journey, the cargo arrives in Bilbao, where the trailer is hooked up to a Spanish tractor and towed to the Bonduelle distribution center in Sesena, near Madrid, which serves the whole of Spain. This procedure has two advantages: it is more economical than road transport and it is more environmentally-friendly as the total CO<sub>2</sub> emissions produced amount to 1.34 metric ton, compared with 2.44 tons by road. The rate of shipments between Zeebrugge and Bilbao is expected to be ramped up in 2013-2014. Bonduelle is also examining other possible routes where the same solution could be used, such as between Boulogne-sur-Mer and Larvik, 60 km from Oslo, in order to serve Norway, Sweden and Finland.

In addition to combined rail-road transport, Bonduelle has teamed up with two of its long-standing service providers to deploy 44-ton loads for all inter-site road transport flows in France. This new system follows the official authorization given in France in 2011 permitting this type of trailer to be transported, with the goal of drastically reducing the number of trucks on the road.

## C. RESULTS AND KEY FIGURES (EXCL. CANADA AND THE UNITED STATES)

<b>CO<sub>2</sub> emissions (metric tons)</b>	Upstream agricultural transport, 15,657 TEQ CO <sub>2</sub>
	Inter-site, 16,716 TEQ CO <sub>2</sub>
	Distribution, 72,941 TEQ CO <sub>2</sub> i.e. 105,314 TEQ CO <sub>2</sub> (excl. Canada)
<b>Ratio of kg of CO<sub>2</sub>/ metric ton</b>	Upstream agricultural transport, 18 kg CO <sub>2</sub> emitted/metric ton transported
	Inter-site, 20 kg CO <sub>2</sub> emitted/metric ton transported
	Distribution, 75 kg CO <sub>2</sub> emitted/metric ton transported

## 2.4 Commitments to social responsibility and civil society

Bonduelle's aim is to be seen as a benchmark, not only for our performance, but also for our responsible approach to our employees, partners, customers and our societal environment. We view our commitments to social responsibility and civil society as essential to the group's vision and its growth in the long term.

### BONDUELLE'S IMPACT ON SOCIETY

2

#### Challenges

##### **RESPECT FOR STANDARDS OF BEHAVIOR: ETHICS**

*Workers / Economic partners / Local communities / Company / Consumers*

- Ensure fair marketing and communication
- Comply with the International Labour Organization's conventions
- Commit to the principles of the Global Compact

#### Challenges

##### **SAFETY AND WELL-BEING**

*Workers / Economic partners / Local communities / Company / Consumers*

- Control food safety throughout the product life cycle
- Commit to quality from end to end of the value chain
- Promote good nutritional practices
- Offer new recipes to encourage diversity
- Ensure workers' safety and protection against illness
- Promote diversity in the workplace

#### Challenges

##### **WEALTH CREATION**

*Workers / Economic partners / Local communities / Company / Consumers*

- Develop local employment
- Develop economic relations with local suppliers
- Strive to ensure economic sustainability for partners
- Ensure customer satisfaction
- Make products accessible

#### Challenges

##### **DEVELOP SKILLS AND KNOWLEDGE**

*Workers / Economic partners / Local communities / Company / Consumers*

- Develop employees' skills
- Disseminate best practices along the value chain
- Inform consumers and raise awareness
- Establish research programs

## Commitments to social responsibility and civil society

## 2.4.1 Commitments to social responsibility

In the past few years, Bonduelle has continued to strengthen its international presence and increase its global headcount. VegeGo!, the group's vision to 2025, includes a focus on people, to support the Company's future growth, through three complementary priorities: our international growth model, the creation of economic value, and the development of human capital, in line with our corporate values.

### A. OBJECTIVES

Social impacts	Objectives 2012-2013	Highlights 2012-2013
<ul style="list-style-type: none"> <li>• Safety of people</li> <li>• Developing potential</li> <li>• Diversity</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure safety at work, with a target of zero work-related accident</li> <li>• Promote our employees' personal development and training, conduct career development interviews with all personnel</li> <li>• Pursue initiatives aimed at ensuring equality, diversity and the inclusion of people with disabilities</li> <li>• Continue actions promoting gender equality</li> <li>• Finalize the ethics charter</li> </ul>	<ul style="list-style-type: none"> <li>• The work-related accident frequency rate fell from 18.76 in 2011-2012 to 11.75 in 2012-2013</li> <li>• Introduction of the STOP safety procedure</li> <li>• Agreements on providence, medical insurance and profit-sharing</li> <li>• Responsible Economy Trophy gold award</li> </ul>

### B. RESOURCES IMPLEMENTED

Social dialog, working conditions, training, diversity, and health and safety, are among the central concerns of the Bonduelle Group's human resources policy, which is founded on the seven corporate values: integrity, confidence, simplicity, excellence, open-mindedness, fairness and people-minded. The policy revolves around three core priorities:

- **the international growth model**, integrating skills development, increasing the internationalization of management and anticipating needs;
- **the creation of economic value**, through hiring high-potential employees, knowledge and skills transfer, and the management of value-creation with quantified targets;
- **the development of human capital**, including talent development, cohesion and a shared corporate culture, and embracing Bonduelle's corporate goals.

Bonduelle employs 9,758 people (full-time equivalent), 6,613 of them in permanent positions. 29% of our workforce is outside Europe, 24% in Europe (excl. France) and 47% in France.

### ORGANIZATION

Bonduelle's HR policy is led by the group Human Resources director, who participates in and contributes to all the group's strategic decisions. He has a team of four people, with responsibility for:

- defining group-wide policies and processes for Personnel development;
- developing and steering programs to enhance key competencies and management;
- designing and implementing international communication initiatives, in line with the challenges facing the group and designed to promote sharing and networking;
- steering the Bonduelle Group's compensation and benefits policy, and supporting the business units.

The group's Human Resources Division team meets with all the HR teams from the four business units (BAM, BDV, BELL and FRESH) during an international seminar, organized twice a year. Bonduelle's global human resources strategy is presented and the action priorities are identified for each business unit, the business units being responsible for human resources management within their own scope. Monthly coordination meetings between the four business units HR departments and the four group human resources Managers discuss vacant positions and available resources. This policy facilitates mobility for employees between the four business units. The policy is then approved by the Executive Committee \* and applied in each business unit, where the human resources contact leads a network of dedicated human resources correspondents.

\* The Executive Committee comprises the Chief Executive Officers of Bonduelle's business units (or business segments) in Europe and outside of Europe, as well as the group's Chairman, Chief Financial Officer and HR director.

The members are:

- Christophe Bonduelle, Chairman;
- Benoît Bonduelle, Chief Executive Officer, Bonduelle Development (BDV);
- Pascal Bredeloux, Chief Executive Officer, Bonduelle Fresh Europe (FRESH);
- Philippe Carreau, Chief Executive Officer, Bonduelle Europe Long Life (BELL);
- Bruno Rauwel, director of Human Resources;
- Grégory Sanson, Chief Financial Officer;
- Daniel Vielfaure, Chief Executive Officer, Bonduelle Americas (BAM).

## SAFETY

Each and every person working for or with Bonduelle has the right to a healthy and safe working environment, ensuring their physical, mental and social well-being and preventing occupational disease. Bonduelle is committed to maintaining working conditions at the highest standards by developing policies to prevent negative impacts on health and working conditions.

In November 2011, the group undertook a review of its safety organization to redefine responsibilities at all levels of the structure, and launched a large-scale awareness campaign on this vital issue at all its sites worldwide. Moreover, Bonduelle appointed an officer with responsibility for safety issues across the group, who attends Executive Committee meetings.

We have established a more robust reporting system with safety included as a mandatory point on the agenda for Executive Committee meetings, weekly production facility Management Committee meetings, monthly meetings between the Industrial directors of each subsidiary and Production Facility directors, and the quarterly meetings between subsidiaries' general management and country Managers.

To intensify employees' commitment to safety, the group's policy is designed to encourage Managers to include safety performance in the criteria determining variable compensation bonuses for operating personnel.

In addition, a safety network was created in May 2012 with site and subsidiary representatives. The network's purpose is to discuss best practices and priorities for action programs and investment. The work also includes a monthly reporting.

**As a result of this new safety network**, the group has already recorded significant progress. The accident frequency rate fell from 24.4 in 2010-2011 to 18.76 in 2011-2012 and 11.75 in 2012-2013. These results reflect the close care and attention by Bonduelle to safety issues at all sites around the world, such as in Strathroy (Canada) which has recorded zero accident for the past five years.

In addition to measures undertaken in the business units, BELL and FRESH are set to roll out the STOP (Safety Training Observation Program) program developed by DuPont. Deploying STOP is as one of the 22 VegeGo! initiatives. Its target is to achieve zero accident with job interruption by 2025. The STOP program draws on the experience of DuPont, which implemented solutions to achieve an accident-free workplace. Bonduelle Fresh Europe presented the method during technical training days early in June 2013 in Italy. Employees will be trained to manage and deploy the method at their sites. The business unit's target is to cut the frequency rate by half in the next fiscal year and to have zero accident within three years. BELL will start rolling

out STOP at its Renescure, Estrées-Mons (frozen products division), Bordères and Labenne facilities. The feedback from these plants will then guide implementation at the business unit's other French and European sites. Training has begun with the Estrées-Mons frozen products teams. 15 staff will start behavior observation visits in the manufacturing sector. The "BELL attitude" will be gradually extended to other departments in the plant with the aim of reducing the frequency rate to ten in the next fiscal year, and to zero within four years. 45 people will be trained in the next six months.

**The STOP method (Safety Training Observation Program)**, developed by DuPont de Nemours, is based on a preventive behavior observation approach. It enables employees to integrate the safest working practices into their work culture, to optimize safety performance and reduce or eliminate injury and occupational illness. Participants are trained in methods to provide them with the skills, tools and motivation to work more safely. They then return to their workplace and pass on these skills to their co-workers to ensure that safety is the responsibility of everybody, every day.

## SOCIAL DIALOG

Bonduelle promotes an open culture and dialog with people inside the Company, in accordance with its ethics charter, communicated to directors and officers in 2012-2013 and to be rolled out across the group in 2013-2014. 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. The group had no labor disputes during the 2012-2013 fiscal year. During this period, it signed 41 agreements with employee representative bodies in the countries in which it is present.

The European Works Council (EWC) meets at least once a year for a presentation on the group's strategic direction and a report on the fiscal year just ended in Europe. The French group Works Council is the representative body for Bonduelle's five product segments in France (canned, frozen and fresh products and prepared foods).

The group Works Council provides French employee representative bodies (47% of the workforce) with additional information, above and beyond its legal obligations, on Bonduelle's activities in Europe and outside of Europe.

The dynamic of social dialog in the Bonduelle Group was illustrated in 2012-2013 by the signature of a number of different agreements:

- collective agreement establishing supplementary disability and death benefits. This agreement is in force in France and standardizes these benefits in the Company;

**Commitments to social responsibility and civil society**

- company agreement on the compulsory group “Medical expenses reimbursement” system for all employees. This agreement is in force in France and introduces a single family system.

These signatures follow on from the agreements in 2011-2012:

- amendment to the agreement on older workers;
- amendment to the working conditions agreement;
- gender equality agreement;
- workplace stress agreement;
- “Handipol 3” (disability) agreement.

**WORKING CONDITIONS**

Human resources activity during fiscal year 2012-2013 concentrated on implementing the agreements signed during the prior year. The objective of the workplace stress agreement negotiated with the social partners in June 2012 is to protect all employees from stress in their jobs (physical stress, aggressive environment, pace of work). It sets four guidelines: reducing exposure of employees to multiple risk factors, adapting and fitting workstations, improving overall working conditions and acting to reduce sources of stress, stress-prevention and training. Efforts to reduce stress take a four-pronged approach:

- building risk awareness;
- integration of prevention modules in workstation technical training;
- awareness training for supervisory personnel;
- campaigns to increase professionalism for employees working at stressful jobs.

Bonduelle intends to dedicate 10% of its training budget in France to safety-stress in order to reach these objectives. The three-year agreement provides for one or two annual monitoring meetings with a report on the outcomes of actions, as well as consultation on the basis of the report prepared by the Health, Safety and Working Conditions Committee at each site.

The amendment to the working conditions agreement aims to reinforce awareness and understanding of workplace stress and psychosocial risks by the Company, employees and representatives, by anticipating risks that may arise in specific situations related to work organization (substantial changes to health and safety conditions, introduction of new technologies, etc.) and by providing employees with a framework to detect, prevent and deal with possible cases of workplace stress.

**SALARY AND OVERTIME**

Bonduelle’s wage policy in all its four business units is based on offering wages in line with the average for the industry, above and beyond the minimum levels in force in each activity sector.

**LOCAL EMPLOYMENT**

These agreements signed by Bonduelle continue its long tradition of initiatives in this area, including specific actions aimed at seasonal workers. 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 19% of all Bonduelle Group’s contracts (full-time equivalent). We develop loyalty through an attractive remuneration policy and employment contracts by type of harvest, affording them work that is compatible with other seasonal employment. At some sites, Bonduelle works with employer groupings to pool skills, provide regular seasonal work and offer specific training, such as a fork-lift truck operator qualification. Another aspect of this policy, in the United States and Canada, is the provision of good quality accommodation for seasonal workers. The group also offers specific video-based training courses for seasonal workers with little or no English. In Italy, for example, dedicated programs are run for seasonal workers with limited knowledge of the local language, and in Hungary, Bonduelle runs a bus service for workers so that they save on the cost of travel to their place of work. All of these measures help to ensure the loyalty of our seasonal workers.

Depending on the employment areas in which its sites are located, Bonduelle focuses on local employment or opportunities for people from areas with few economic prospects. Hiring procedures focus on recruiting local employees and Managers, following the example of Hungary where the majority of employees and management staff are Hungarian (with only two French expatriates).

**SUPPORTING AND DEVELOPING POTENTIAL**

At Bonduelle, we offer our people the support and opportunities to develop their potential. Indeed, learning and development are a core priority of the group’s HR policy. For the group to continue its international expansion and seize opportunities for growth, it must be able to rely on the best skills in each country in which it operates. This international vision underpins the group’s HR policy as a whole. Training is all the more essential as our headcount continues to grow: 9,758 employees in 2012-2013 compared with 8,971 in 2011-2012 (full-time equivalent).

Bonduelle’s training policy gives priority to providing support, enhancing safety in all our activities, developing skills, learning about the Bonduelle culture, integration within the group and developing new talents. The training rate stands at 1.57% (training expenditure as a percentage of payroll) and the average length of training is 23 hours.

Launched in 2002, the **group's university, the Pierre et Benoît Bonduelle Training Institute (IPB)**, was set up to accelerate skills development and the group's human dimension. It is open to all company employees.

The institute works to achieve three objectives:

- share the Company's values and culture, for example, by organizing "Know your company" seminars and language immersion programs to help new hires to successfully integrate into the group's culture;
- develop know-how and expertise specific to the group's business segments, such as seaming techniques training modules for the group's canned food plants;
- develop relationship and managerial skills. The most recent program developed by the institute, the Bonduelle Executive Program, trains Managers to detect and develop new talent in the Company to prepare for the managerial organization of the future. A new personal development module was added to the BEP training program in 2012-2013.

The amendment to the strategic and preventive workforce planning agreement, signed in France in 2008 and extended at the end of 2011, provides for assessing foreseeable developments in jobs and the employment market in relation to the Company's needs, and for promoting awareness of this agreement with the aim of informing employees and building accountability throughout the organization. It plays a role in guiding a number of training actions by identifying:

- the need for more personnel, anticipating requirements in terms of training, retraining, recruitment, etc.;
- declining workforce needs. In addition to natural attrition, some jobs are under threat, and reconversion and training actions, etc. need to be anticipated;
- stable workforce needs, but with a substantial rate of natural attrition requiring corrective measures to guarantee availability of key resources and skills;
- significant changes to content that call for new skills and appropriate training policies.

In 2012-2013, the group focused on three major priorities for its training policy:

- corporate culture: develop management skills, implement and share values, integrate and support employee development;
- business expertise: capitalize on and develop skills (agronomy, industry, quality, supply chain, marketing, sales, product innovations, etc.);
- social responsibility: improve safety and security at work, improve employability;

- safety: analyze the causes of accidents, improve workstation safety and improve ergonomics, develop a system of warm-ups before starting work, etc.

## 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 anti-discrimination policy applies to all stages of employment, from hiring through an entire career. It is underpinned by programs to promote diversity. The group signed a gender equality agreement in 2011-2012, concentrating on four main areas:

- recruitment;
- working conditions;
- actual remuneration;
- balance between work and family responsibilities.

Bonduelle launched an action plan along with this agreement to:

- forge partnerships with schools and/or approved training centers to encourage job applications;
- produce three guides and a film presenting careers in the Company;
- organize an open day at four industrial sites, targeting students;
- analyze job requirements with a view to adapting job frameworks and training;
- analyze training actions required before employees return to work after taking parental leave.

Bonduelle continued to increase the number of women in management in 2012-2013 with the appointment of a female Chief Executive Officer for Brazil, a female Production Manager at the Cristalina (Brazil) site and a female Marketing director in Poland. In 2011-2012 the group appointed a female director to head up one of the group's largest production sites at Renescure in Northern France, and two female Chief Financial Officers in Poland and Spain.

Signature of the Handipol 3 (disability) agreement in 2011-2012 is set to further embed existing programs in place for a number of years with new awareness actions inside the Company and the involvement of all employees. In France, the group is committed to:

- increase the percentage of workers with a disability to 6% \* or higher;
- provide each subsidiary with the appropriate objectives and resources in this area;
- adopt forward planning measures to deal with possible aptitude issues with a view to promoting long-term employment;
- take into account the consequences of an aging population at the group's sites.

\* The percentage of employees with a disability at Bonduelle (permanent staff) went from 7.76% in 2010-2011 to 10.65% in 2011-2012 and to 2.38% (full-time equivalent) in 2012-2013. These figures do not reflect a reduction in the number of workers with a disability employed by Bonduelle, but rather result from a change in the method of calculation: the group uses the definition of disability set out in French law, which is very specific in this area, and not the definition in each of countries where Bonduelle is established.

### Commitments to social responsibility and civil society

The Bonduelle Group has embarked on numerous initiatives to support its disability policy:

- creation of the Disability Mission in the HR department in France, with a pilot unit in each facility and a group-wide joint monitoring committee;
- creation of a “Handipol 3” coordinator;
- organization of information and awareness-building campaigns for employees with a disability rating of 10% or more;
- regular communication on actions through the Company newsletter and the Intranet;
- recruitment on permanent contracts of two employees with a disability at the end of the agreement’s term;
- 13 permanent employees obtained recognition of their status as workers with disabilities;
- opening up of all accessible positions to people with disabilities;
- possible tutoring with the agreement of the disabled employee;
- training and raising awareness amongst those directly involved in disability policy on the specific needs of employing people with disabilities;
- developing a program for trainees from the sheltered employment sector.

Bonduelle won the **Responsible Economy Trophy gold award (Trophée d’Or de l’Économie Responsable)** in July 2013, in recognition of its policy to integrate workers with disabilities. Organized by the *Réseau Alliances* (northern France) every year, the Responsible Economy Trophies reward the efforts of companies that integrate Corporate Social Responsibility into the core of their strategy. In the category of companies with over 500 employees, the trophy was presented by Pierre De Saintignon, vice-President of the *Conseil Régional du Nord – Pas-de-Calais* to Christophe Bonduelle, the group’s Chairman, and to Hélène D’Huyveter, director of the Renescure plant, the pilot for the group’s integration policy. Since 2008, the historic site and cradle of the Bonduelle Group has employed three workers with intellectual disabilities on permanent contracts. After extensive preparatory work in collaboration with the “Papillons Blancs” Hazebrouck ESAT (French disability employment and support agency), a selection procedure was established by the plant’s Human Resources department, together with training for three Bonduelle liaison employees tasked with facilitating and supporting their integration. This initiative strengthens ties between the Bonduelle factory at Renescure and its environment. The site had 613 employees (FTE) including 41 employees with disabilities in 2012. Diversity in its labor force, including the integration of employees with disabilities initiated more than five years ago at Renescure, is integral to the group’s CSR strategy. Our approach to integration was initially developed at all Bonduelle sites in France where the employment rate of people with disabilities is 8.14%, before being extended throughout the group as a whole.

In addition, Bonduelle signed an amendment to the 2009 agreement with its social partners on the employment of older workers highlighting three key principles: forward career planning, development of skills and qualifications and access to training, dissemination of knowledge and skills and the development of coaching. Under this agreement, the percentage of older workers over 55 employed by the group was due to exceed 11% by December 31, 2012. As at June 30, 2013, the percentage of permanent employees aged over 55 was 14.6%.

### HUMAN RIGHTS

Bonduelle complies with international labor laws. It is committed to respecting the European charter of fundamental rights in the organization. The group also lays particular emphasis on respecting and promoting the seven fundamental conventions of the International Labor Organization (ILO): the elimination of discrimination in respect of employment and occupation, freedom of association and the recognition of the right to collective bargaining, the effective abolition of child labor, and the elimination of forced or compulsory labor. The majority of countries in which Bonduelle operates as an employer are signatories to these conventions. Bonduelle’s internal commitments ensure compliance with these conventions, over and above countries’ commitments. The countries that are not signatories are:

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

All countries in which Bonduelle operates have ratified the following conventions:

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

Under its ethics charter, Bonduelle requires all employees, suppliers and subcontractors to strictly adhere to all laws regulating their activities and working environment. We encourage our subcontractors and suppliers to commit to ethical conduct.

Bonduelle has been a member of the Global Compact since 2003. This United Nations initiative launched in 2000 encourages companies to adopt fundamental values according to ten universal principles derived from the Universal Declaration of Human Rights, the International Labor 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.

**C. RESULTS AND KEY FIGURES****TOTAL EMPLOYEES**

- 6,736 permanents.
- 9,758 on permanent, fixed-term, seasonal and other contracts (FTE).

**■ Total employees by type of employment contract and geographical area (full-time equivalent)**

	France	Europe excl. France	Non-Europe	Total
Permanent	3,301	1,352	1,960	6,613
Non-Permanent	286	103	81	470
Seasonal	778	541	577	1,895
Other	268	314	198	780

**■ Total employees by gender, status and geographical area (permanent staff)**

	France	Europe excl. France	Non-Europe	Total
Women	1,349	618	683	2,650
Men	1,989	863	1,234	4,086
Executive	675	301	220	1,196
Non-Executive	2,663	1,180	1,697	5,540

**Seniority (permanent staff):**

- 0 to 3 years: 1,530;
  - 3 to 9 years: 1,571;
  - > 9 years: 3,635.
- Average seniority: 13.29.

**New hires, in number of contracts:**

- Permanent: 589;
- Fixed-term: 1,095;
- Seasonal: 4,986.

Workers with a disability (FTE): 232.

**Commitments to social responsibility and civil society****TURNOVER**

Total group turnover: 11.64%\*.

**■ Departures by type of contract**

	France	Europe excl. France	Non-Europe	Total	
Executive	Due to layoff – Executive	10	6	2	18
	Due to a death, retirement, agreed departure, etc. – Executive	13	6	2	21
	Due to the employee (resignation, end of probationary period, etc.) – Executive	32	7	7	46
	Due to transfer	39	0	2	41
Non-executive	Due to layoff – Non-executive	52	30	242	324
	Due to a death, retirement, agreed departure, etc. – Non-executive	74	66	24	164
	Due to the employee (resignation, end of probationary period, etc.) – Non-Executive	212	101	592	905
	Due to transfer	27	0	6	33

**■ Turnover by gender \***

	France	Europe excl. France	Non-Europe	Total
Turnover – Women	7.5%	6.4%	20.4%	10.59%
Turnover – Men	6.9%	8.9%	23.3%	12.37%
Departures – Women	145	65	213	423
Departures – Men	186	115	412	713

**■ Turnover by age \***

	France	Europe excl. France	Non-Europe	Total
Turnover of employees aged under 26	2.1%	2.6%	8.0%	3.90%
Turnover of employees between 26-35	1.9%	1.8%	4.4%	2.62%
Turnover of employees between 36-45	1.1%	1.8%	3.9%	2.07%
Turnover of employees between 46-49	0.2%	0.6%	1.3%	0.59%
Turnover of employees 50+	1.8%	1.0%	4.6%	2.45%
Departures of employees under 26	98	59	224	381
Departures of employees between 26-35	89	42	125	256
Departures of employees between 36-45	50	42	110	202
Departures of employees between 46-49	9	13	36	58
Departures of employees 50+	85	24	130	239

\* Scope: departures at the request of the employee, due to death, retirement or agreed departure.

**TRAINING**

- % of gross payroll: 1.57%.
- Number of training hours: 123,795.
- Average training duration per individual: 23 hours.
- Breakdown of training by gender: 39.08% of women and 60.92% of men.

**SAFETY CONDITIONS**

- Frequency of work-related accidents: 11.75.
- Work-related accident severity rate: 0.61.
- Severity rate of Occupational Diseases for France: 1.39.

**Breakdown of work-related accidents**

	France	Europe excl. France	Non-Europe	Total
Women – Frequency rate	17.87	11.31	4.34	12.26
Men – Frequency rate	16.32	11.89	5.22	11.43
<b>Frequency rate</b>	<b>16.95</b>	<b>11.65</b>	<b>4.92</b>	<b>11.75</b>
Women – Number of work-related accidents with lost time	51	17	8	76
Men – Number of work-related accidents with lost time	68	25	18	111
<b>Number of work-related accidents with lost time</b>	<b>119</b>	<b>42</b>	<b>26</b>	<b>187</b>
Women – Severity rate	1.14	0.15	0.60	0.74
Men – Severity rate	0.88	0.49	0.14	0.53
<b>Severity rate</b>	<b>0.99</b>	<b>0.35</b>	<b>0.30</b>	<b>0.61</b>
Women – Number of lost days due to work-related accidents	3,253	226	1,103	4,582
Men – Number of lost days due to work-related accidents	3,668	1,032	495	5,195
<b>Lost days due to work-related accidents</b>	<b>6,921</b>	<b>1,258</b>	<b>1,598</b>	<b>9,777</b>

	France	Europe excl. France	Non-Europe	Total
Women – Occupational disease severity rate	2.80	N/A	N/A	2.80
Men – Occupational disease severity rate	0.43	N/A	N/A	0.43
<b>Occupational disease severity rate</b>	<b>1.39</b>	<b>N/A</b>	<b>N/A</b>	<b>1.39</b>
Women – Number of lost days for work-related accidents and occupational disease	8,005	N/A	N/A	8,005
Men – Number of lost days for work-related accidents and occupational disease	1,780	N/A	N/A	1,780
<b>Number of lost days for work-related accidents and occupational disease</b>	<b>9,785</b>	<b>N/A</b>	<b>N/A</b>	<b>9,785</b>

*Data not available*

**INDUSTRIAL RESTRUCTURING**

Staff affected by industrial restructuring plans who have received outplacement support: 454.

**WORK TIME ORGANIZATION**

- Number of hours worked: 15,914,984.
- Absenteeism rate: 4.46%.

**REMUNERATION AND DEVELOPMENT**

- Total remuneration (permanent + fixed-term + seasonal contracts): €241,900,106 (€234,819,248 in 2011-2012).
- Percentage of employees receiving regular performance and career development reviews: 80.45%.
- Percentage of employees receiving regular performance and career development reviews by gender: 87.13% of women and 78.70% of men.

## 2.4.2 Commitments to economic partners

**Integrity, confidence, simplicity, excellence, open-mindedness, fairness and people-minded: these seven fundamental values form the core of the group's corporate plan, which aims to develop equitable and innovative collaboration with its economic partners.**

### A. OBJECTIVES

Social impacts	Objectives 2012-2013	Highlights 2012-2013
<ul style="list-style-type: none"> <li>Respect for ethical standards of behavior</li> <li>Consumer food safety</li> </ul>	<ul style="list-style-type: none"> <li>Set up indicators for monitoring Bonduelle's suppliers in terms of CSR commitments</li> </ul>	<ul style="list-style-type: none"> <li>Set up indicators to monitor signature by Bonduelle's suppliers of the principles of the Global Compact</li> <li>Creation of a CSR risk map of Bonduelle's suppliers</li> </ul>

### B. RESOURCES IMPLEMENTED

#### THE BONDUELLE GROUP'S PURCHASING POLICY

The Bonduelle Group's commitment to society is illustrated by its involvement in the value chain: sourcing policy, training and awareness-building incorporating environmental and social criteria.

The aim of Bonduelle's Purchasing department is to contribute to the group's long-term growth and development by implementing a purchasing policy according to a defined and consistent quality and a balanced price/quality ratio, by ensuring the resources required to control product safety and security, financial risks and technical requirements. These purchasing principles notably include constant research by the sector and competitive intelligence to ensure appropriate market prices.

Purchasing quality policy reflects the group's overall quality policy according to three key priorities:

- listen to and meet the needs and requirements of internal customers;
- ensure the quality of products and services purchased, in accordance with specifications and regulations;
- implement a dynamic continuous improvement process.

Bonduelle places strong emphasis on its founding values of excellence, open-mindedness and fairness during its purchases of supplies (metal cans, cardboard boxes and packing wrap, vegetables and ingredients used in its recipes and not grown or produced by the group, energy, animal products, advertising and communication, seeds, etc.), as well as for vegetables grown by our producer partners

(3,687, grouped into producer organizations), who are signatories of a particularly rigorous sourcing charter. Bonduelle's suppliers and subcontractors must adhere strictly to all legislation regulating their activities and working environment. Moreover, this purchasing policy is reflected in the inclusion of CSR criteria in purchasing contracts (either at group level or locally). For foodstuffs, Bonduelle has specific procedures to evaluate and control the relevant health risks. For packaging, it constantly seeks to optimize consumption of raw materials.

#### ENCOURAGE SUPPLIERS AND SUBCONTRACTORS TO COMMIT TO A SOCIALLY RESPONSIBLE APPROACH

As part of the contractual relation, suppliers undertake to respect the principles of the Global Compact (Bonduelle has been a member since 2003). This approach is currently being extended across the group. For example, in 2011-2012, 85% of contracts to purchase cans (by quantity) incorporated the principles of the Global Compact (cans account for 40% of all purchases by value).

Purchasing decisions are based on an objective assessment of the reliability and integrity of the supplier or subcontractor, as well as the overall value of their offer relative to both short- and long-term considerations and objectives. Buyers from the group's Purchasing department, with local contacts for some products, must also take the importance of their role in the local ecosystem into account. This is a core part of Bonduelle's activities.

Relations with suppliers are based on mutual trust, placing people first and simplicity. Bonduelle is committed to working with its partners to guarantee the best economic, qualitative and environmental performance in the long term.

Although the group's policy is to source supplies close to centers of consumption, some types of product may have to be sourced from countries further afield, in particular, in Africa. In this event, the Company selects partners to work with small producers, providing them with an additional revenue stream to their food producing activity. Bonduelle's partners are quality-certified. They support their producers to manage and minimize the use of pesticides. This long-term partnership is one way for Bonduelle to make an effective contribution to the local economy. One of its partners, for example, offers its small producers micro-credit solutions to fund such requirements as rental and labor costs, as well as health care for the employees in its production facilities. 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.

### HIGHLIGHTS OF THE YEAR

Bonduelle adopted new metrics in 2012-2013 to measure its suppliers' compliance with the principles of the Global Compact. These indicators take into account the proportion of suppliers that have embraced the principles of the Global Compact for purchasing. For example:

- 84% of suppliers under contract have signed the principles of the Global Compact for the category, purchases stocked in France;
- 86% of suppliers under contract have signed the principles of the Global Compact for the juices and concentrates product family in France.

The indicators also incorporate the proportion of revenue represented by suppliers who adhere to the principles of the Global Compact:

- 71% of revenue from purchases stocked in France comes from suppliers who have signed the principles of the Global Compact;
- 75% of revenue from the juices and concentrates product family comes from suppliers who have signed the principles of the Global Compact.

In all, in the scope as measured for 2012-2013 (excluding Brazil and Canada), 70% of the purchasing budget is covered by a commitment to the Global Compact.

Bonduelle also maps the CSR risks of its suppliers, based on a CSR questionnaire with 23 questions on four topics:

- the Company's CSR policy;
- the Company's CSR commitment;
- the Company's commitment to the community;
- environmental commitment.

In practical terms, the questionnaire gives Bonduelle information on its suppliers' commitments pertaining to:

- commitments to equal opportunity and anti-discrimination;
- incorporation of the principles of the Global Compact in contracts;
- measures undertaken to reduce the supplier's environmental footprint (reducing energy and water consumption, preventing pollution, reducing waste, promoting recycling, reducing transport distances).

Another highlight of the year was the ethical purchasing charter, taking its inspiration from the group's ethics charter. Approved by buyers in November 2012, it was signed in spring 2013 by all group buyers.

## C. RESULTS AND KEY FIGURES

### % SIGNATURE OF THE GLOBAL COMPACT (BASED ON 91% OF THE SCOPE)

- 86% of the purchasing budget relates to framework agreements;
- 88% of the budget for these framework agreements for which the Global Compact has been signed;
- 2% of the budget non-related to the framework agreements for which the Global Compact was signed.

	France	Hungary	Poland	Germany
% of the purchasing budget related to framework agreements (A)	88%	89%	77%	57%
% of these purchases under framework agreements for which the principles of the Global Compact have been signed (B)	88%	97%	84%	54%
% of the purchasing budget concerned by framework agreements and for which the principles of the Global Compact have been signed (AxB)	77%	86%	65%	31%
% of the purchasing budget not related to framework agreements (C)	12%	11%	23%	43%
% of these purchases outside of framework agreements for which the principles of the Global Compact have been signed (D)	0%	0%	22%	8%
% of the purchasing budget not related to framework agreements and for which the principles of the Global Compact have been signed (CxD)	0%	0%	5%	3%
Proportion of the budget accounted for with commitment to respecting the principles of the Global Compact	77%	86%	70%	34%

**Commitments to social responsibility and civil society**

### 2.4.3 Commitments to civil society

**As a responsible corporate citizen, Bonduelle intends to play a full role in current issues in society to promote healthy eating habits and confirm its commitment to the communities in which its facilities operate.**

#### **PROMOTE LONG-TERM HEALTHY EATING: THE LOUIS BONDUELLE FOUNDATION**

Created in 2004, the Louis Bonduelle Foundation was born of the group's desire to contribute to the debate on healthy eating and to demonstrate its commitment to nutrition. The aim of the Foundation is to contribute to long-term change in eating habits by focusing on vegetables and their benefits.

The Company's Louis Bonduelle Foundation has launched an appeal for projects every six months since 2007, to support local initiatives improving eating habits. These appeals, open worldwide, have already resulted in support for 112 projects, with more than 260,000 individual beneficiaries for a total budget of €330,000.

Similarly, each year since 2005, the Foundation has awarded a €10,000 research prize for a thesis on a subject related to nutrition, also open to researchers around the world. The Louis Bonduelle Foundation has committed more than €1,160,000 to supporting research. The Foundation's website features theoretical and practical information on changing eating habits. The site is currently available in English, French, Italian and Dutch, with Portuguese and Spanish due to be added during 2013-2014.

The Louis Bonduelle Foundation is administered by a Board of Directors with seven voluntary members: three independent members chosen for their expertise in the areas in which the foundation works (Béatrice de Reynal, Nutritionist, Marie-Laure Frelut, Pediatrician and Secretary of the European Childhood Obesity Group, Jean-Charles Fruchart, President, International Atherosclerosis Society), and four representatives of the Bonduelle Group: Christophe Bonduelle, Chairman of the Louis Bonduelle Foundation and Chairman of the Bonduelle Group, Jean-Bernard Bonduelle, director of External Relations and Sustainable Development, Laurence Depezay, Nutrition Manager, and Christophe Château, director of Corporate Communications and Marketing.

#### The three pillars of the Foundation's work are:

- inform and raise awareness, providing practical tools and information on vegetables on its website, [www.fondation-louisbonduelle.org](http://www.fondation-louisbonduelle.org) for teachers, health professionals, journalists and the general public;
- support research, with a research prize awarded to support work on a thesis each year, as well as a prize awarded jointly with the European Childhood Obesity Group. The Foundation is also the co-founder of the *Fondation Coeur et Artères* (Healthy Heart and Arteries Foundation), recognized for its work in the public interest;
- initiatives and support on the ground to improve eating habits, carefully targeted at groups most in need, such as children or disadvantaged groups, to make sure that vegetables form an important part of a healthy diet.

Key stages in the history of the Louis Bonduelle Foundation:

#### 2004-2005

- Launch of the Foundation in France;
- Launch of Vegetable Day;
- Launch of the Louis Bonduelle Research Prize;
- Launch of the Foundation's website;
- Co-founding of the *Fondation Coeur et Artères* (Healthy Heart and Arteries Foundation), recognized for its work in the public interest.

#### 2005-2006

- Launch of the Foundation in Italy;
- First initiatives to raise awareness of healthy eating amongst Bonduelle employees;
- Launch of *Les Robins du potager* ("Heads of the Vegetable Garden") for children (aged 9 to 11) in France;
- Launch of *Amici per la Tavola* for children (aged 6-12) in Italy.

#### 2006-2007

- Launch of the Foundation in Belgium and the Netherlands;
- Launch of *Het Groente & Fruit Lab* in the Netherlands for children aged 4 to 12;
- Launch of *Légumes 2000* (Vegetables 2000) for young adults in France;
- Nutridor prize awarded to the Foundation for communication of information on nutrition.

**2007-2008**

- First international calls for proposals;
- First Louis Bonduelle Foundation Conference organized in Paris;
- Launch in France of initiatives in partnership with the *Secours populaire français*, the *Ronde des légumes* (Vegetable Round) project for vulnerable groups;
- Launch of “5ive” for children (aged 6-12) in Italy.

**2009-2010**

- Launch of the European Childhood Obesity Group and the Louis Bonduelle Research Prize;
- Extension of the Louis Bonduelle Foundation in France for a period of 99 years;
- Lunch-discussion at the European Parliament in Brussels;
- Collaboration with Age Platform Europe;
- Launch of *Orto in Condotta* for children (aged 6-14) in Italy.

**2010-2011**

- Launch of the Foundation in Canada;
- Conclusion of a partnership with the *Fédération Nationale des Maisons d'accueil rurales pour personnes âgées* (Rural retirement homes federation) in France;
- Foundation recognized by health professionals <sup>(1)</sup>.

**2011-2012**

- Exhibition and conference at the European Parliament in Brussels in November 2011 to present the Foundation's aims and actions. The conference was sponsored by MEP Sophie Auconie on “Eat well to live well?” examining the impact of new eating habits and lifestyles on health;
- Fifth Louis Bonduelle Foundation Conference entitled “Food and Healthy Aging”;
- Louis Bonduelle Research Prize was awarded to Eloise Remy, at the *Centre des sciences du goût et de l'alimentation* (Center for Taste and Food Science) at the French National Institute for Agricultural Research (INRA) in Dijon, for the study entitled “Factors influencing children's eating behavior and food preferences”, and to Nathalie MICHELS, department of Public Health, University of Ghent in Belgium for the “Longitudinal Study to assess the influence of stress on eating habits and body composition in primary school children”;
- ECOG (European Childhood Obesity Group) and Louis Bonduelle prizes awarded to the team in the Nutrition department at John Moores University in Liverpool (UK) for its research into the eating habits of children in Liverpool;

- Agreement of a partnership with the French Ministry for Agriculture, Agri-foods and Forests;
- Launch of the Art and Nature project with the *Fédération Nationale des Maisons d'accueil rurales pour personnes âgées* in France. The workshops received the recognition of the French Ministry for Agriculture, Agri-foods and Forests, and the project was awarded the PNA (French National Program for Food) logo;
- Launch in Italy of *Il Gioco di in Orto*, an educational game designed to introduce children (aged 6 to 12) to the world of vegetables and learn how to create a vegetable garden.

**2012-2013**

- Sixth Louis Bonduelle Foundation Conference, under the patronage of the Minister for Agriculture, Agri-foods and Forests. Three experts, Nicoletta Diasio, Marie Marquis and Claude Fischler, presented new approaches to healthy eating during the pivotal adolescent years;
- The 2013 Louis Bonduelle research prize was awarded to Filipe de Vadder, University of Lyon 1, for the “Role of soluble edible fiber and short-chain fatty acids in inducing intestinal gluconeogenesis and energy homeostasis”;
- ECOG and Louis Bonduelle research prize awarded to the Elisabeth Ardelt-Gattinger team (at the University of Salzburg) for its work to find a system of measurement for infant obesity using interdisciplinary variables. A second team, led by Hélène Thibault, was recognized for “Improvement of food supply in middle and high schools of the Aquitaine Region – Southwest of France”;
- Launch of the Gustaterrium project with the Ministry of Agriculture and Agri-foods, for the development of an educational program to create a portable vegetable garden with children or adults;
- Stand at the Sustainable Diet and Food Security Conference organized in Lille in May 2013 by French, Belgian and British nutrition societies. The Foundation was also present during the *Journées Francophones de Nutrition* (nutrition days) held in Lyon in December 2012 and at the *Regards croisés sur l'obésité* (Perspectives on Obesity) conference in Wattrelos in June 2013. The Foundation also prepares information packs to be included in conference kits, such as during the Nutri-Débat in Paris during November 2012, and for the Annual Meeting of the International Society of Behavioral Nutrition and Physical Activity (Ghent, Belgium, May 2013);
- Three new scientific case studies, available on the Foundation's Website; which now has in excess of 50,000 visitors every month:
  - healthy eating for healthy aging,
  - dietary behavior of 11 to 15 year-olds in Europe,
  - dietary magnesium in plants.

(1) *Opinion Way study conducted in France for the Louis Bonduelle Foundation in October 2009 and again in May 2011. Aided brand awareness up 16 points to 49%. Favorable opinion up 19 points to 100%.*

**Commitments to social responsibility and civil society****COMMITMENTS TO LOCAL COMMUNITIES**

Reflecting Bonduelle's ambition to fulfill its commitments to society in all countries in which it has a presence, the Foundation regularly expands its international reach, which now includes Canada and several European countries. It initiates actions on a national level in these countries, for example:

- in France, the Foundation works to raise awareness of healthy eating amongst disadvantaged groups, in a campaign known as *Ronde des légumes* (Vegetable Round);
- in Italy, the foundation has turned its attention to children aged 6 to 14 to teach them about a balanced diet and where our food comes from through the *Orto in Condotta* campaign.

The Foundation runs its own field initiatives and also provides financial support for local projects. In 2012-2013, it launched two international calls for proposals. Reduction of food waste is the theme of the second call.

In addition to the Foundation's work, Bonduelle has made participation in the local life of its local communities a priority under its VegeGo! program. VegeGo! sets a number of complementary objectives:

Develop a brand image in line with the group's values, increasing sites' and employees' involvement in the local life of the community

through projects aimed at community development and improving living standards, while embracing the specific characteristics of each area. Each location aims to initiate at least one social project with local partners. To ensure the success of the program, the group will issue calls for proposals open to all employees. Topics for calls for projects will include agriculture, sustainable development, disability, education, eating habits or social actions. Projects may be rolled out through educational initiatives in schools, activity programs in retirement homes, sponsorship or support for young people in difficulty and participation in charitable works. This project continues the tradition of initiatives in this area by the group and its entities, including food donations, donations to clubs and associations, and organization and participation in events.

**FOOD DONATIONS**

Bonduelle donated 2,031 metric tons of food in 2012-2013 in France, Italy, Poland and Hungary, including canned, frozen and prepared foods, and fresh-cut salads.

## 2.5 Responsibility to consumers

Being a world reference entails wholeheartedly embracing responsibilities. Bonduelle has created numerous initiatives to help consumers enjoy cooking and eating vegetables.

### 2.5.1 Quality

The Bonduelle Group's quality policy ensures the Company fulfills its commitment to its customers, individuals and food service companies and is continuously being updated internally as well as with suppliers.

#### A. OBJECTIVES

Product-related impacts	Objectives 2012-2013	Highlights 2012-2013
<ul style="list-style-type: none"> <li>Consumer food safety</li> </ul>	<ul style="list-style-type: none"> <li>Extend the sourcing charter to all fruit and vegetable suppliers</li> <li>Reduce the complaints rate</li> <li>Maintain certifications and recognition by external bodies</li> </ul>	<ul style="list-style-type: none"> <li>49,000 quality control tests on canned goods, 18,000 on frozen foods</li> <li>Testing of alternative coatings to bisphenol A</li> <li>Review of all recipes to decrease or limit the amount of additives</li> <li>DNA testing on recipes containing meat products</li> </ul>

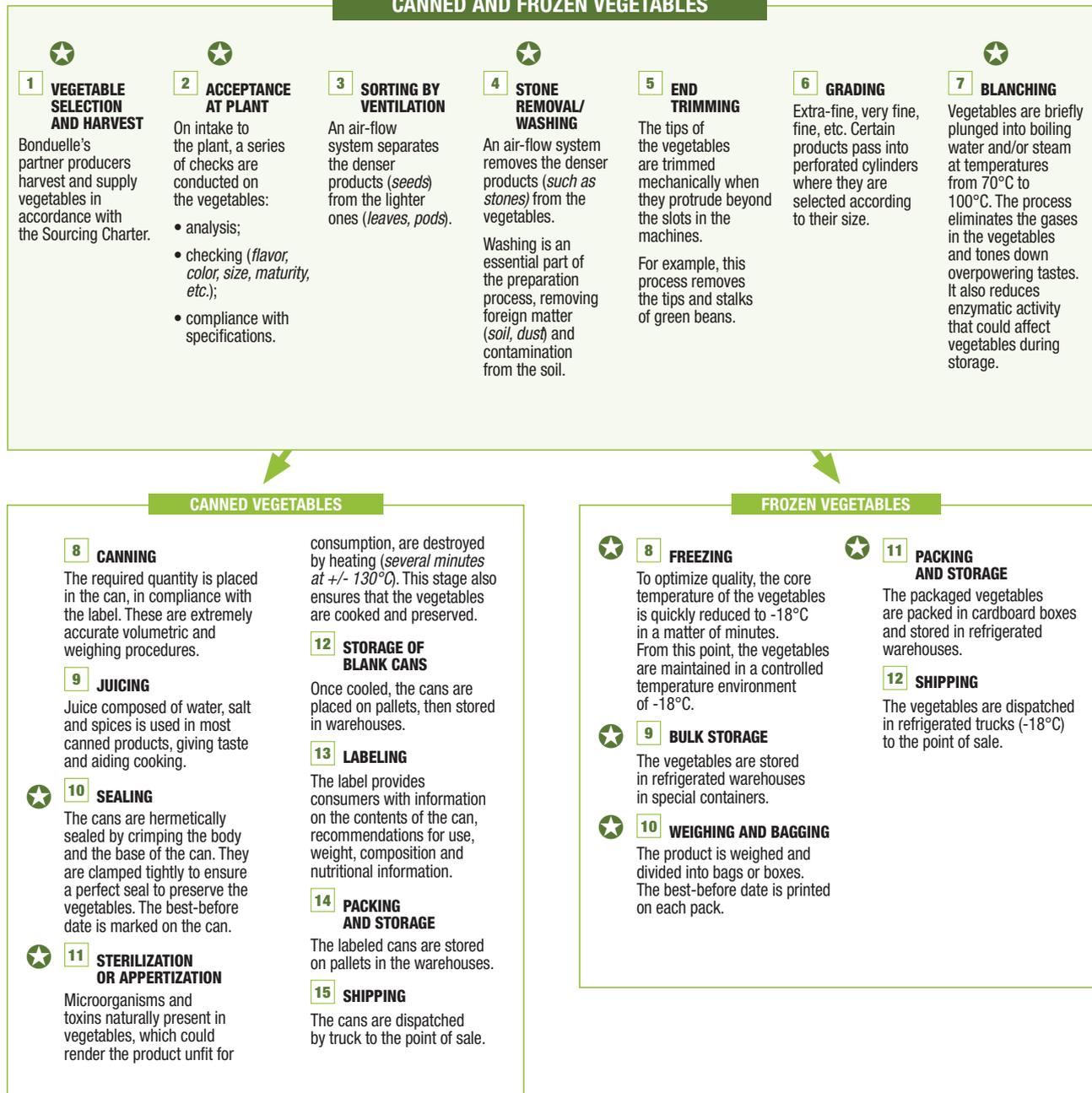
## Responsibility to consumers

## B. RESOURCES IMPLEMENTED

## MANUFACTURING PROCESSES

Dozens of quality control inspections are carried out from initial reception to storage of the products, including temperature, bacteriology and weight. Bonduelle's quality control system provides full traceability from field to dispatch, ensuring we can react swiftly in the event a quality problem is detected. The charts below show the main checks conducted throughout the production process.

## CANNED AND FROZEN VEGETABLES



Quality control checks

**READY-TO-USE FRESH VEGETABLES (BAGGED SALADS) AND READY-TO-EAT FRESH VEGETABLES (SEASONED, PREPARED)**

**1** **VEGETABLE SELECTION**  
 Bonduelle's partner producers harvest and supply vegetables in accordance with the Sourcing Charter.  
 Harvesting is a delicate operation for all fragile vegetables, especially salads.

**2** **ACCEPTANCE AT PLANT**  
 From this point, the vegetables are maintained in a controlled temperature environment at +4°C.  
 On intake to the plant, a series of checks are conducted:

- analysis;
- checking (*flavor, color, size, maturity*);
- compliance with specifications.

**FRESH VEGETABLES**

**3** **CUTTING**  
 Salads are cut, sorted and carefully inspected before they are sent for washing.

**4** **WASHING**  
 The salad leaves are thoroughly washed to remove soil and insects, without damaging the leaves.

**5** **SPINNING OR DRYING**  
 Excess water is carefully removed after washing by draining or ventilation.

**6** **WEIGHING AND BAGGING**  
 The salad is weighed and packed in bags or trays. The best-before date is printed on each pack.

**7** **PACKING**  
 The bags and trays are placed in boxes, taking care to avoid shocks or crushing the produce.

**8** **STORAGE**  
 Before shipping, the products are stored for a maximum of several hours, at +4°C.

**9** **SHIPPING**  
 A constant temperature of +4°C is maintained throughout the entire logistics chain and to the point of sale using refrigerated trucks.

**PREPARED VEGETABLES**

**3** **ORDERING AND RECEPTION**  
 Seasoned, prepared salads have a short shelf life; therefore they are only supplied and produced on receipt of the customer order.

**4** **PREPARATION**  
 Vegetables are rinsed, cut, grated and drained.

**5** **ASSEMBLY**  
 Each recipe has its own ingredients, which are prepared before the order is produced.

**6** **MIXING**  
 The ingredients for the recipe are combined. Bonduelle ensures careful measurement of the ingredients in each recipe so that the end product is well-balanced.

**7** **WEIGHING AND BAGGING**  
 The salads are measured out and weighed in the different types of packaging.

**8** **LABELING**  
 The lid is pressured sealed and the label affixed giving the contents, storage and consumption instructions and the best-before date.

**9** **STORAGE**  
 Before shipping, the products are stored for a maximum of several hours, at +4°C.

**10** **SHIPPING**  
 A constant temperature of +4°C is maintained throughout the entire logistics chain and to the point of sale using refrigerated trucks.

## Responsibility to consumers

**CONTROLLING PROCESSES**

The policy implemented by Bonduelle to ensure maximum product quality is based on a process and management system under the control of a Quality Manager in each business unit. Working in a network, these Quality Managers report to a general coordinator and meet once a year. Each business unit has a quality plan tailored to their specific technological needs (canned, frozen or fresh food), and the requirements - particularly regulatory - applicable to their locations.

Quality plans are implemented at all production sites, broken down into three main aspects: incoming quality control of vegetable commodities and all other supplies, production line quality control, and quality control of end products before dispatch. Bonduelle also operates a continuous monitoring system. In 2012-2013, almost 49,000 quality control tests were carried out on canned foods and 18,000 on frozen or prepared products.

Moreover, the group is continuing its annual policy of renewing and upgrading optical sorters to detect the presence of foreign bodies during the vegetable preparation process. These investments are part of our program to reduce the use of pesticides and to promote greener farming methods, which necessarily entail sorting of vegetables on receipt.

Bonduelle undergoes a thorough and rigorous certification process for its production facilities, requiring each one to be at least ISO 9001 certified or certified under an equivalent system. In addition to such certification, it also complies with other standards (IFS, BRC) related to its industry, operating regions, or at its clients' requests (McDonald's, etc.).

97% of Bonduelle's production facilities have at least one certification, i.e. 99% of the group's tonnage. Of our quality-certified facilities, the majority are certified by several bodies:

- 17 have obtained ISO 9001 certification.  
*(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);*
- 1 site is ISO 22000-certified.  
*(This standard specifies the requirements for food safety management systems and aims to improve customer satisfaction by effectively controlling food safety hazards);*
- 34 units are IFS and/or BRC certified.  
*(IFS: Private international food standard, owned by the French Food Retail and Wholesale Federation (FCD - Fédération des entreprises du commerce et de la distribution) 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): Private standard, owned by the British Retail Consortium, and very similar to the IFS. The current version is BRC V6);*

- 4 are FSSC 22000 accredited and four American sites SQF (Safety Quality Food) accredited  
*(Private international standard owned by the Foundation for Food Safety Certification, based on ISO 22000 and PAS 220 for food producers).*

Regular audits are carried out to keep certification up to date: every three years, and every year for IFS, BRC and FSSC. ISO certification also requires an annual audit.

The Company's quality designations also include other specific areas ("organic"), or client-specific requirements, which are also audited by the appropriate accredited external bodies.

**SOURCING OF COMMODITIES**

Sourcing of commodities is central to the group's Quality policy. Our vegetable producer partners sign a specific charter with the group guaranteeing compliance with the cultivation specifications for each vegetable species. The third version of this charter, first established in 1996, was published in 2007. A new charter was drafted in 2012-2013 and will become applicable in 2014.

As part of our policy of continuous improvement, Bonduelle drew up in 2010 a dedicated sourcing charter for suppliers of food products used in the composition of its recipes, but not grown directly or indirectly by the group. In addition to signing this charter, the suppliers may be subject to an audit to check their performance and measure compliance with their commitments.

Bonduelle requires that the suppliers of its vegetables, ingredients and products guarantee their quality and picks out a sample from the supplier once a year to conduct quality tests. In addition, its suppliers in Africa must each have quality process certifications.

**From January 1, 2015, the use of bisphenol A (BPA) in food packaging will be banned under French law.** Bonduelle is unquestionably affected by this regulatory change: BPA is one of the materials used in the coatings which protect the inside of its metal packaging from oxidation. For more than three years, Bonduelle has been working with packaging manufacturers to find BPA substitutes in preparation for the regulatory change. Different types of coatings were tested and large batches of cans were made in 2012-2013 to try out these alternatives. The group's goal is to start the transition during the 2014 manufacturing season so as to be compliant with the law as of January 1, 2015.

**C. RESULTS AND KEY FIGURES**

**Total quality control personnel** 589 employees (full-time equivalent), of which:

- 8.3% in the subsidiaries' quality control departments and in the Purchasing department
- 35.9% in the plants' quality control departments
- 40.4% in quality control on the production lines
- 18.1% in final receiving controls

**Certified factories**

- 17 are ISO 9001 certified
- 1 site is ISO 22000 certified
- 23 facilities are IFS-certified
- 4 are FSSC 22000-accredited
- 17 are BRC-certified (British Retail Consortium)
- 4 are SQF-accredited
- 9 produce certified "organic" goods

**Customer services** 1 customer services department operates in each country

**Fruit & vegetable purchasing**

- 78 suppliers have signed the simplified charter (i.e. 32%)
- 277 phyto and TME analyses carried out, of which 96% were in compliance
- 44 suppliers have been audited (i.e. 18%)
- 126 suppliers have been assessed (i.e. 51%)

## 2.5.2 Product composition and nutritional quality

**Bonduelle constantly endeavors to incorporate sound nutritional principles and environmentally-friendly practices in its products. In line with this priority and to supplement its quality policy, the group introduced a product development charter in each of its business units, exceeding regulatory requirements.**

These charters were reviewed during FY 2011-2012. They include a list of ingredients and additives that Bonduelle has banned from use in its products. For example, Bonduelle's products do not contain any GMOs in accordance with applicable legislation. Palm oil is no longer used in products manufactured or sold by any Bonduelle Group company.

Another project initiated during the past fiscal year is also aimed at reducing or limiting additives used in recipes. Based on the categories defined by the program, Bonduelle either bans certain additives or works to minimize others. All recipes were reviewed in 2012-2013.

Nutritional quality is a key priority for the group. 2008 saw the launch of *Visa Santé*, a continuous improvement initiative built around reviewing and optimizing our products. This program demonstrates Bonduelle's commitment to having a voluntary and transparent communications and marketing code.

*Visa Santé* is organized around four essential points:

- a nutritional audit of the Bonduelle product range: the group's nutrition department has prepared a reference framework of nutritional values related to recommendations on the quantity and quality of salt, sugar and fat content in food. 1,158 products – from across the range – were analyzed by the group's nutrition department to determine if they were in line with the recommended nutritional values;
- classification of products into three "nutrition" groups, according to their levels of certain nutrients:
  - "raw products, that have undergone minimum processing",
  - "lightly cooked vegetables",
  - "prepared and gourmet products";
- reformulating recipes: the 200 recipes that did not meet the nutritional standards were reviewed by the development departments in the respective business units;

- all new vegetable products developed must meet a number of minimum criteria defined by *Visa Santé*.

The *Visa Santé* initiative ensures that Bonduelle offers products whose nutritional quality is carefully controlled, by reducing salt content across all product ranges, eliminating palm oil, reducing the fat content in salad dressings, etc. All of the products in the Bonduelle Group brands were audited (2009 scope).

The program's objectives also include the development of well-thought out, simple, transparent and objective nutritional communication. The group will therefore not put nutritional claims on the packaging of "prepared and gourmet" foods.

*Visa Santé* was launched by general management and, in addition to the nutrition department, now involves engineers in the quality department, R&D and subsidiary marketing departments. In all, more than 100 employees are involved in this mature, cross-disciplinary project, which constitutes one of the group's ongoing, day-to-day commitments.

Guided by the same principles, MARELLE ([www.marelle-repasequilibres.com](http://www.marelle-repasequilibres.com)) was launched in May 2012 as a tool for planning balanced meals and menus in accordance with the recommendations of the GEMRCN (*Groupe d'étude des marchés de restauration collective et de nutrition* - French Working Group on institutional food service contracts and nutrition) for school catering. These efforts have been recognized by the French Ministry of Agriculture, Agri-Food and Forestry and the logo of the National Food Program (*Programme National pour l'Alimentation* - PNA) was awarded.

Along with *Visa Santé* and MARELLE, the *Mistral Gagnant* program is the third pillar of the nutritional tool box developed by Bonduelle. *Mistral Gagnant* has led to the implementation of *Nutrigo*, which provides Bonduelle's teams with all the necessary elements for the communication of nutritional information. The data, derived mainly from the group's research, is made available to Bonduelle teams on an IT platform.

**Listening to consumers' expectations** is key for Bonduelle. Tastes vary from one country to another and from culture to culture. To be able to satisfy its customers' greatest expectations, Bonduelle conducts tests relating to both sensory perception and enjoyment, enabling it to select the most appealing ingredients and to adjust its recipes.

### 2.5.3 Consumer information and satisfaction

**This approach goes hand in hand with the actions undertaken to communicate transparently on products and their health benefits. In addition to high food quality, pleasure, taste and Corporate Social Responsibility are fundamental principles for Bonduelle in producing its products.**

All Bonduelle products provide the consumer information required under European law. To ensure transparency, in 2004 Bonduelle voluntarily started to add nutritional labeling to its products listing the following items: energy value, amounts of protein, carbohydrate and fat, saturated fatty acids, sugars, dietary fiber and sodium. In 2012-2013, more than 80% of the Bonduelle Group brand products had nutritional labeling. The goal is to reach 100% in 2014.

All of this information is now mandatory under the European Food Information Regulation, No. 1169/2011, which became effective on December 13, 2011. The general provisions of the regulation will be applicable in 2014. Bonduelle goes further and presents the RDA (Recommended Daily Allowance) of minerals and vitamins on the majority of its containers (size of container permitting) to encourage a varied diet and a healthy lifestyle.

The Bonduelle Group keeps ahead of the evolving demands of society. For example, it is participating in the national initiative in France to inform consumers about the environmental impacts of consumer products through environmental labeling. Bonduelle is one of the volunteer companies in this pilot program as a member of ADEPALE.

In each country where it has a presence, Bonduelle's customer service departments focus on customer satisfaction, respond to complaints from consumers and feed information back to the Quality Managers. Each label provides a toll free number that customers may call at any time to speak to a customer service representative whether to make a complaint or request information.

Complaints may relate to such items as the presence of a foreign object, an uneven proportion of vegetables in a mix, packaging anomalies, etc. The group has developed a tool to monitor these complaints at an international level so that it may implement the necessary corrective measures as soon as possible.

**The issue relating to the use of horse meat as a substitute for beef** in prepared dishes did not in any way concern Bonduelle, whose business and products are for the most part vegetable-based. Nevertheless, conscious of the ethical, commercial and food safety concerns, the group decided to test and screen for DNA the recipes including meat additives: fried bacon, poultry pieces, etc. These tests did not reveal any anomalies. This period in which legal issues (fraudulent food labeling) came to the fore, has given the group the opportunity to demonstrate the quality of its production chain which is based on the use of reliable and regularly audited partners.

Bonduelle is committed to fighting against food waste. The group offers its consumers different packaging to allow them to make informed decisions based on their household and way of consumption. Practical tips can be found on its sustainable development website, such as regarding the use-by date which applies to all products that could present a health risk after a short time period, and the best-before date which relates, in particular, to canned goods and frozen foods.

In addition to such tips, Bonduelle participates in specific studies related to this issue, such as a study conducted at the end of 2012 in a school in the city of Lyon. This project provided insights on how to better understand food waste, particularly vegetables, in school cafeterias and, most importantly, how to describe the waste in both qualitative and quantitative terms as well as the reasons it was not consumed. This study was conducted in collaboration with Bonduelle, the Research Center of the Paul Bocuse Institute (*Centre de Recherche de l'Institut Paul Bocuse*) and the food service company Elior.

**The "summer 2013" call for proposals by the Louis Bonduelle Foundation addressed the issue of food waste.**

This is a major issue as French people throw away an average of 20% of the food that they buy each year, including 7 kg of unopened and unconsumed food! This problem can be seen across the whole of Europe: in Belgium the equivalent of €174 in food is thrown away per inhabitant each year. In the United Kingdom, 25% of food purchased is thrown out. This waste not only impacts household budgets, but is harmful to the environment. This call for proposals aims to support actions to reduce consumer household waste.

In a similar vein, during Veggi'Week, Bonduelle and the Paul Bocuse Institute organized a challenge based on food waste at school cafeterias. The program's objective was to have students in the Culinary and Innovative Master Management Program at the Paul Bocuse Institute reflect on the following question: "how can we prevent food waste while promoting the eating of vegetables in cafeterias?" Backed up by Bonduelle's experts, the students constructed a program of strategic and operational recommendations for cafeterias. The goal is both nutritional and environmental: to improve children's nutritional balance by encouraging them to eat vegetables, to help school cafeteria cooks to prevent waste and to raise awareness among everyone involved of the environmental impacts of certain behaviors.

## 2.6 CSR Reporting: note on methodology

### 2.6.1 Context and objectives

The analysis of Bonduelle's sustainable development performance is reported annually in this registration document.

Bonduelle set out its commitment to progress in sustainable development 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. Relevant Managers have drawn up lists of indicators for Bonduelle's sustainable development priority areas, in association with their exchange networks and approved by the operating departments. These indicators have been chosen on the basis of a combination of Bonduelle's sustainable development commitments and GRI version 3 guidelines, and have led to the development of Bonduelle's own reporting guidelines.

Since 2011, Bonduelle has brought together a panel of stakeholders each year to review the group's CSR communication and reporting. This initiative led the group to set itself the target of improving reporting and obtaining the GRI B+ application level in 2012. In 2013 the group examined its priority commitments in light of its stakeholders' expectations. Based on the feedback from regular dialog (2.2.5 External commitments - Section B - Dialog with stakeholders, p. 32) through consumer surveys, attention to the requests of distributor clients and stakeholder panels (4.1.7 Highlights, p. 116), Bonduelle redefined its challenges and priority commitments during an in-house seminar attended by delegates from across the group. Each challenge considered to be relevant in light of the group's business and location was assessed according to its importance for stakeholders, the Company and Bonduelle's vision to 2025, defined in the VegeGo! program. The priority actions fundamental to the group's approach were redefined and a new pillar added, bringing the total number to six.

Stakeholder engagement and dialog is essential to inform Bonduelle's dynamic CSR strategy. Tools are provided to business units to facilitate consultation with local stakeholders.

The group has issued a review of operations and sustainable development report since 2002-2003, based on the fiscal year, namely this year from July 1, 2012 to June 30, 2013. The indicators published in the registration document cover the year just ended.

The primary aim of comprehensive reporting is to enable the group to enhance sustainability management. With this in mind, the findings are analyzed by the Sustainable Development Steering Committee and the Bonduelle Executive Committee to determine the objectives for the following year.

The 2012-2013 registration document was prepared in accordance with the level B+ requirements of the GRI and Article 225 of the French Grenelle II law of July 12, 2010.

The GRI association verified the registration document (version 3.1 of the GRI Food Sector Supplement - its certificate can be found on page 31).

For this fiscal year, the audit firm Deloitte, Joint Statutory Auditors, also verified the Corporate Social Responsibility report, the reporting procedures and a selection of indicators, to meet the certification requirement of the Grenelle II law, and to provide an external verification of the reliability of the reporting, as required in order to obtain a B+ rating (see the assurance report on page 84).

### 2.6.2 Procedures

The group's director of Sustainable Development is responsible for oversight of reporting, in addition to the Managers of the five areas concerned (transport, quality-nutrition, agriculture, natural resources, People and safety).

A multi-lingual guide, available in seven languages and uniformly applied throughout the group, includes indicators that have been retained in accordance with the requirements of the GRI (Global Reporting Initiative) and the Grenelle law, specific issues related to the Bonduelle Group's business and requests made by stakeholders.

The data is collected annually by the correspondents on the sites and in the subsidiaries. The group's management consolidation department checks and consolidates this data.

Since 2011-2012, the data has been collected via the group's Intranet exchange platform, "e-space". The following data-collection tools are available on the platform:

- a reporting matrix (Excel table);
- the guidelines defining the reporting indicators (available in the correspondent's language).

As part of the commitment to continuous improvement, the guidelines were compiled into a common structure: name of indicator, indicator's objectives, scope, unit, definition and calculation rules.

For quality and natural resources, consistency checks are performed at several levels: plant, business unit, group, and field head:

## SITE LEVEL

The correspondent who collects the indicators performs consistency checks using historical information (current year's result versus previous year).

For certain indicators, the site's management control is also involved in the data collection and validates the indicators.

The plant director has responsibility for the collected data.

## BUSINESS UNIT LEVEL

The business unit's management control performs consistency checks for all of the business unit's sites.

## GROUP LEVEL

The group's Management Consolidation department consolidates and checks the consistency of the group's data. Specialist experts also check the consistency of the indicators relating to their area of expertise across all sites.

The group's Sustainable Development Steering Committee validates all of the (group-level) indicators in September.

For upstream agricultural activities, reporting is performed by production area (France North-Picardy; France South-West; Fresh Europe; Hungary; Poland; Russia; Portugal; Quebec; Ontario; USA). The Agriculture Managers of these areas are responsible for ensuring that the data is reported. Each production area performs consistency checks prior to the group-level controls (Management Consolidation department and specialist experts).

Supply chain services conduct the reporting on transportation. Each subsidiary verifies its indicators before they are consolidated by the group (management control + specialist experts).

Reporting data for People and safety are provided by the human resources contacts at each site for consolidation and validation by the Managers of the three areas, France, Europe excluding France and Non-Europe. The data is then further consolidated by the People and safety Manager.

## THE IN-HOUSE REPORTING TOOLS

The Bonduelle Group chooses its indicators according to the group's specificities and business, allowing it to have a reporting matrix comprised primarily of operating indicators. For example, in natural resources, energy consumption is monitored weekly and waste production is monitored monthly.

The supply chain use the database tool COGNOS for transportation reporting.

The method for computing greenhouse gas emissions was developed in partnership with ADEME (French Environment and Energy Management Agency) in 2009-2010, based on the carbon footprint calculator, Bilan Carbone® V-6 2010. It was reviewed by Bio intelligence service in 2011. The calculation covers the transport of goods (fuel combustion and consumption of refrigerants for

refrigerated transport) by road (truck), rail or sea freight, but does not take into account truck manufacture and depreciation.

The assumptions used are:

- road transport: The maximum payload for trucks is taken to be 25 metric tons for a 40-metric ton road tractor and 28 metric tons for a 44-metric ton vehicle, with the following two exceptions: for upstream agricultural activities, the maximum payload was taken as the maximum vegetable tonnage transportable, according to the density and crush resistance of the produce, for refrigerated transport, a maximum useful payload of 22.5 metric tons was used to take account of the weight of the refrigeration system; for distribution, 21% was taken as the rate of unladen return (the part of the run when the vehicle is empty);
- sea transport: for inter-continental ocean transport, we took an average tanker for which the Ecoinvent database gives the emission factor, for other transport, Bonduelle uses roll-on/roll-off vessels (ADEME emission factor);
- rail transport: for countries in Europe (France, Germany, Belgium, Spain, Italy, Luxembourg, the Netherlands, Portugal and the United Kingdom), it was assumed that rail transport is powered by electricity, for other countries, we assumed that trains are powered mainly by diesel.

The in-house tools used for social reporting are:

- database tools: COGNOS;
- training management tool: FOEDERIS;
- payment platforms: ARCOLE, HOROQUARTZ, CEGID, ADP GSI.

CSR reporting involves approximately 200 correspondents in various roles across the group's production facilities: quality control experts, environmental experts, supply chain, etc. To facilitate communication, a newsletter has been launched to keep this correspondents' "network" up to date on reporting issues and current events in sustainable development. The goal is to create a virtual community on the group's new Google tool in order to improve the sharing of documents and best practices.

## 2.6.3 Scope

Sustainable development reporting extends to all Bonduelle Group sites and business units (see 1.6 Group organization structure on page 14). The reporting scope is governed by the following rules:

- new sites and business units acquired during the fiscal year ended will be included within the scope for the following year;
- 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 (see Note 31 of Section 5.5 Notes to the annual consolidated financial statements on page 176). List of group companies) are excluded from the scope. Their activities are reported as external purchasing;

## CSR Reporting: note on methodology

- logistic centers are also excluded from the reporting scope, with the exception of transport, and People and safety;
- the registered offices of fully consolidated companies (see Note 31 of Section 5.5 Notes to the annual consolidated financial statements on page 176). List of group companies) are excluded from the scope, with the exception of People and safety.

**The following changes to the scope took place during the 2012-2013 year:**

The new production facilities in the United States: Bergen, Oakfield, Brockport and Fairwater, Timashevsk (Russia) and Nyiregyhaza (Hungary) were included in the reporting scope in 2012-2013.

The scope is presented on page 14 (1.6 Group organization structure).

Transport has been included in Bonduelle's sustainable development strategy since 2007-2008. Data will be added to group-wide data on a gradual basis. Accordingly, the operational scope of reporting for transport in 2012-2013 is defined as:

	Frozen	Canned	Mushroom	Fresh	Prepared	Canada
<b>Upstream agricultural activities</b>	France North-Picardy France South-West	Hungary France North-Picardy France South-West	Mushroom picking Saumur (France) region	France Italy Germany	France	-
<b>Inter-sites</b>	France Poland Portugal	Hungary France North-Picardy France South-West	France Poland	France Italy Germany	France	-
<b>Distribution</b>	France Spain Italy Benelux Germany/Austria	France Europe Russia Brazil Export	Poland France Belgium Spain Italy Germany	France Italy Germany	France	-

Since 2011-2012, the canned goods supply chain has added the upstream agricultural activities in Hungary as well as the new plant there. For frozen foods distribution, the supply chain has added Italy, Benelux and Germany/Austria to its reporting. The scope remains unchanged for other technologies.

For upstream agricultural activities, the production areas that have carried out the reporting are:

France North-Picardy; France South-West; Fresh Europe; Hungary; Poland; Russia; Portugal; Quebec; Ontario. Only the plant in Fairwater, USA is included in the agronomy segment (the other plants only make purchases). The "agriculture" reporting procedure has not yet been set up here and we are allowing the site the time necessary to put in place appropriate structures in order to ensure the reliability of data.

## 2.6.4 Indicators

The quantitative reporting indicators are found on page 242 (8.4 Cross-reference tables). In addition, a cross-reference table lists the GRI indicators and their correlation to the Grenelle initiatives.

### DESCRIPTION OF INDICATORS VERIFIED BY DELOITTE

#### HUMAN RESOURCES INDICATORS

##### Total employees by type of employment contract, age and geographical area (full-time equivalent)

###### SCOPE

Includes permanent staff (open-ended contracts), temporary staff (fixed-term contracts) and seasonal and other (trainees and external workers).

Scope includes France, Europe (excluding France) and Non-Europe.

##### Hiring during the fiscal year

###### SCOPE

Includes permanent staff (open-ended contracts) and temporary staff (fixed-term contracts).

Scope includes France, Europe (excluding France) and Non-Europe.

###### DEFINITION

##### Number of hires

Number of individuals having their start date falling within the reference fiscal year.

The following cases are not included in the indicator:

- employees on fixed-term contracts who have been offered permanent contracts;
- renewal of fixed-term contracts;
- intra-group transfers of employees requiring a new work contract;
- returns after extended leave of absences.

## Departures and Transfers

### SCOPE

Includes permanent staff (open-ended contracts), temporary staff (fixed-term contracts) and seasonal and other (trainees and external workers).

Scope includes France, Europe (excluding France), Non-Europe.

Takes into account departures:

- at the employee's request (resignations);
- at the employer's request (layoffs);
- due to death, retirement or agreed departures;
- due to transfer to another group company.

## Turnover

### SCOPE

Includes permanent staff (open-ended contracts), temporary staff (fixed-term contracts), seasonal and external workers (trainees and external workers).

### DEFINITION

Turnover is calculated by dividing the total workforce by the number of departures (at the request of the employee, due to death, retirement or agreed departure), expressed as full-time equivalents (FTE).

## Absenteeism rate

### SCOPE

Includes permanent staff (open-ended contracts), temporary staff (fixed-term contracts) and seasonal and other (trainees and external workers).

### DEFINITION

Percentage of the hours of absence for a work accident, a commuting accident, occupational sickness, unjustified or unpaid absence justified at the last minute (authorized or unpaid absence) based on the number of theoretical hours worked during the given period.

## Frequency of work-related accidents

### SCOPE

Includes permanent staff (open-ended contracts), temporary staff (fixed-term contracts) and seasonal workers.

### DEFINITION

Number of work-related accidents during the fiscal year leading to at least one full day off work per million hours worked.

## Severity rate of work-related accidents

### SCOPE

Includes permanent staff (open-ended contracts), temporary staff (fixed-term contracts) and seasonal and other (trainees and external workers).

### DEFINITION

Number of days lost as a result of work-related accidents per million hours worked. Days lost which relate to accidents that occurred prior to the fiscal year (before July 1, 2012) and which continue into the subsequent fiscal year are included in the calculation. Figures concern calendar days. Lost time occurring after the end of a contract is not included.

## Number of training hours (hours)

### SCOPE

Includes permanent staff (open-ended contracts), temporary staff (fixed-term contracts) and seasonal workers.

### DEFINITION

#### *Continuing Professional Development*

Gaining and developing knowledge and skills within one's professional activity. Work-study contracts are considered to be continuing professional development.

To be considered as training, **the session must be at least four hours long (continuous or not).**

## NATURAL RESOURCES INDICATORS

Indicators are the result of quantitative measurements (invoices, weight, meter readings, etc.). If no direct quantitative measure is available, data may be estimated according to calculation rules duly described and validated by the production facilities.

Subcontractors' energy consumption, such as the boiler operators, is included in the volume of gas consumed by the relevant production sites, and not in the volume of steam consumed by the plant.

Renewable energies (for example, the biogas produced on site or close by) consumed by on-site boilers are included along with fossil fuels.

## Thermal energy consumption rate

### SCOPE

Consumption of natural gas, which is the chief energy source used in our industrial processes, plus the major energy source for sites not supplied with natural gas (very low sulfur content fuel, propane and steam purchases).

### DEFINITION

The consumption of natural gas, steam purchases, bio gas recovered for boiler, propane at the Saint-Benoist site, very low sulfur content fuel at the Saint-Denis site (expressed in Megawatt Hour Gross Calorific Value), divided by the tonnage of manufactured product for the scope.

## Water usage and sourcing (m<sup>3</sup>)

### SCOPE

Drilling water.

Surface water.

Drinking water distribution network.

## CSR Reporting: note on methodology

**Quantity of pollution generated and treated at the production facility in metric tons of Biological Oxygen Demand (TBOD) produced and TBOD treated****SCOPE**

- BOD treated at Bonduelle's treatment facility;
- BOD treated by the soil and plant cover (controlled agricultural spreading);
- BOD treated at external treatment facilities;
- Discharge into the natural environment in compliance with regulations.

**DEFINITION**

BOD: Biological Oxygen Demand. When measured BOD data is unavailable, BOD is estimated using Chemical Oxygen Demand (COD) measurements and a proportionality factor selected for each plant. In the event that such factors are unavailable, a ratio of two is used upstream of treatment plants and five downstream (Bonduelle expert data).

**Generation of "green waste" and recycling (gross metric tons/year)****SCOPE**

Tonnage weighed upon exiting from plant (gross weight) or where a weighing is not possible, calculated according to a rule to be established by each plant.

**Generation and recovery of ordinary industrial waste (OIW) (gross metric tons/year)****SCOPE**

Tonnage = gross weight invoiced by the service providers for the fiscal year.

**DEFINITION**

OIW = non-hazardous industrial waster as classified under European waste terminology, with disposal carried out by companies licensed to process waste. For example, paper, cardboard, wood, plastic, glass, food oils, discarded food, factory rejects, etc.

**Generation of special industrial waste (SIW) (kg/year)****SCOPE**

Tonnage = gross weight invoiced by the service providers removing the special industrial waste during the fiscal year.

**DEFINITION**

SIW definition: environmentally-hazardous industrial waste as classified under European waste terminology, with disposal carried out by companies licensed to process special waste. For example, technical oils and greases, solvents, barrels of chemical products, medical waste, neon, ink cartridges, etc.

**Electricity consumption in Megawatt Hour (MWh)****SCOPE**

All consumption at the production facility is included: production, storage, treatment plant, etc. This consumption corresponds to the total invoiced at the facility.

**Natural gas consumption in MWh Gross Calorific Value (GCV)****SCOPE**

The total consumption of natural gas expressed as MWh.

**Metric tons of packaging used and packaging type (T/yr)****SCOPE**

Primary, secondary and tertiary packaging of goods supplied during the fiscal year.

Packaging used in production is excluded from the scope.

**TYPE OF PACKAGING**

**Primary packaging:** packaging in contact with the goods (boxes, plastic films, plastic trays, bags, cans, etc.).

**Secondary packaging:** bulk boxes used in palletization.

**Tertiary packaging:** plastic films for palletization and transport.

**Greenhouse gas emissions directly related to plants (expressed in metric tons of carbon dioxide equivalent - TEQ CO<sub>2</sub>)****SCOPE**

Emissions related to the consumption of fossil fuels, electricity and burning biomass at the production facilities.

**DEFINITION**

Conversion of total quantities of energy consumed at the facilities using the corresponding ADEME emissions factors, except in the case of Canada for which more detailed emission factors by state have been used (source: *Environnement Canada*).

**Greenhouse gas emissions (GHG) directly related to transporting our goods (TEQ CO<sub>2</sub>)****SCOPE**

Direct emissions during the transport of goods.

Variable scope in relation to the subsidiary.

As a minimum:

- inter-site transport: between Bonduelle plants;
- distribution transport: from Bonduelle plants to our customers.

**DEFINITION**

The methodology used was developed in partnership with ADEME in 2010 and approved by Bio Intelligence Service in 2011.

## 2.6.5 2013 reporting schedule

Date	Action	department
March	Update of the reporting matrix incorporating the requirements of GSI and Article 225 of the Grenelle law → Indicators	Area Managers and reporting coordinator
April	Update of definition guidelines	Area Managers and reporting coordinator
May	Review of definition guidelines by Deloitte	Deloitte
April	Translation of reference frameworks and data-collection tools and update	Reporting coordinator
June	Transmission of data-collection tools to the reporting correspondents	Reporting coordinator
July	Gathering and escalation of information	Subsidiary sites/areas to the subsidiary coordinator
August	Escalation of information	Subsidiary coordinator to group management control
August	Consolidation at group level by area and validation of consolidation	Group management control to area Managers
August	Reporting audits at the production facilities	Production facilities audited and Deloitte
September	Audit of the group consolidation	Group management control and Deloitte
September	Meetings with area Managers: audit of the Sustainable Development Policy	Area Managers and Deloitte
September	Review of the registration document for GRI certification and regulatory compliance with the Grenelle law	GRI & Deloitte
September	Validation of the registration document and detailed management charts	Area Managers to group communications and group management control

For all questions relating to the content of this report, please contact: [www.developpement\\_durable@bonduelle.com](mailto:www.developpement_durable@bonduelle.com). The most recent published sustainable development report is included in the Bonduelle Group's registration document, available on [www.bonduelle.com](http://www.bonduelle.com) as of October 25, 2012.

## 2.6.6 Assurance Report

### Attestation of completeness and limited assurance report of one of the statutory auditors on social, environmental and societal information published in the management report

Fiscal year ended on June 30th, 2013

*(This is a free translation into English of the original report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France)*

#### TO THE SHAREHOLDERS,

At the request of the Group and in our capacity as Statutory Auditor of Bonduelle, we hereby present you with our report on the consolidated social, environmental and societal information presented in the management report prepared for the fiscal year ended on June 30th, 2013, pursuant to Article L. 225-102-1 of the French Commercial Code (Code du commerce).

#### RESPONSIBILITY OF THE COMPANY

The Management Board of Bonduelle is responsible for preparing a management report including the CSR Information provided for by Article R. 225-105-1 of the French Commercial Code (hereinafter the "CSR Information"), prepared in accordance with the reporting criteria used by Bonduelle (the "Reporting Criteria") and available for consultation on request, of which a summary appears in the management report.

#### INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by regulatory texts, the profession's Code of Ethics as well as by the provisions set forth in Article L. 822-11 of the French Commercial Code. Furthermore, we have set up a quality control system that includes the documented policies and procedures designed to ensure compliance with deontological rules, professional standards and the applicable legal texts and regulations.

#### RESPONSIBILITY OF THE STATUTORY AUDITOR

Based on our work, our responsibility is:

- to attest that the required CSR Information is presented in the management report or, in the event of omission, is explained pursuant to the third paragraph of Article R. 225-105 of the French Commercial Code (Attestation of completeness);
- to express limited assurance on the fact that, taken as a whole, the other CSR Information is presented fairly, in all material aspects, in accordance with the adopted Reporting Criteria (Limited assurance report).

We have called upon our Corporate Social Responsibility experts to assist us in our work.

(1) Water consumption; electricity consumption; natural gas consumption; waste production: green waste; production of ordinary industrial waste (OIW), production of special industrial waste (SIW); metric tons of packaging used; metric tons of BOD discharged (treated in external treatment plants + released into the natural environment in accordance with regulations); CO<sub>2</sub> emissions (Scope 1); CO<sub>2</sub> emissions (Scope 2); CO<sub>2</sub> emissions (transport related); permanent employees at 30 June: by gender, age, region; seasonal employees (FTE); number of departures by reason (employee's request, employer's request, transfers); permanent and temporary hirings; number of training hours; hours worked; rate of absenteeism; frequency rate of work-related accidents with lost time; work-related accident severity rate.

#### 1. ATTESTATION OF COMPLETENESS

We conducted the following procedures in accordance with the professional guidelines applicable in France:

- we compared the CSR Information presented in the management report with the list set forth in Article R. 225-105-1 of the French Commercial Code;
- we verified that the CSR Information covered the consolidated scope, i.e., the company and its subsidiaries within the meaning of Article L. 233-1 of the French Commercial Code and the companies that it controls within the meaning of Article L. 233-3 of the French Commercial Code, subject to the limits set forth in the methodological note presented in the management report;
- in the event of omission of certain consolidated information, we verified that explanations were provided in accordance with the provisions of French Order no. 2012-557 of April 24th 2012.

Based on our work, we attest to the completeness of the required CSR Information in the management report.

#### 2. LIMITED ASSURANCE REPORT

##### Nature and scope of procedures

We conducted our work in accordance with ISAE 3000 (International Standard on Assurance Engagements) and the professional guidelines applicable in France. We conducted the following procedures in order to provide limited assurance that the CSR Information does not contain any material anomalies likely to call into question its fairness, in all material respects, in accordance with the above-mentioned Reporting Criteria. A higher level of assurance would have required more extensive work.

We performed the following procedures:

- we assessed the appropriateness of the Reporting Criteria with respect to its relevance, completeness, neutrality, clarity and reliability, by taking into consideration, when relevant, the sector's best practices;
- we verified the set-up within the Group of a process to collect, compile, process and check the CSR Information with regard to its completeness and consistency. We familiarized ourselves with the internal control and risk management procedures relating to the compilation of the CSR Information. We conducted interviews with individuals responsible for the CSR Information preparation;
- we selected the consolidated information to be tested <sup>(1)</sup> and determined the nature and scope of the tests by taking into consideration their significance with respect to the social and environmental consequences related to the Group's activity as well as its corporate commitments:
  - concerning the consolidated quantitative information that we considered to be most significant:

- for the consolidating entity and controlled entities, we set up analytical procedures and verified, using sampling techniques, the calculations as well as the consolidation of this information,
- at the sites that we selected<sup>(1)</sup> based on their activity, their contribution to consolidated indicators, their location and a risk analysis, we:
  - conducted interviews to verify the proper application of procedures,
  - conducted substantive tests, using sampling techniques, to verify the calculations performed and reconcile data with supporting evidence.The sample selected represents an average of 15% in terms of headcount and between 10.1% and 41.7% (depending on the indicators) in terms of the quantitative environmental information tested,
- concerning the consolidated qualitative information that we considered to be most significant, we reviewed the related source documents and conducted interviews to corroborate this information and assess its fairness;

- regarding the other published consolidated information, we assessed its fairness and consistency in relation to our knowledge of the Group and, where necessary, through interviews or by consulting documentary sources;
- Finally, we assessed the relevance of the explanations relating to, where necessary, the absence of certain information.

## CONCLUSION

Based on our work, we did not identify any material anomaly likely to call into question the fact that the CSR Information are presented fairly, in all material aspects, in accordance with the Reporting Criteria.

Notwithstanding the conclusion expressed above, we wish to draw your attention to the fact that certain specific methodological assumptions have been made for the calculation of the CO<sub>2</sub> emissions related to transport. They are mentioned in the Note of Methodology.

Signed in Lille, October 2nd, 2013.

The Statutory Auditors

**Deloitte & Associés**

Gérard BADIN

(1) Bordères, Renescure, Saint Benoist, Straelen, Tecumseh.

CSR Reporting: note on methodology

## 2.6.7 Overview of indicators

### ENVIRONMENTAL COMMITMENTS

#### AGRICULTURAL UPSTREAM

<b>Biodiversity</b>	Almost 500 vegetable varieties distributed in the group's various ranges. 199 varietal collections enabled 942 plant varieties to be observed in 2012-2013.
<b>Agricultural headcount</b>	239 employees (full-time equivalent agronomy department employees, including administrative staff, seasonal staff, trainees and those on permanent and fixed-term contracts).
<b>Sourcing charter</b>	91% of farmers and suppliers have signed.
<b>Farmers and suppliers assessed</b>	54% of farmers and suppliers have been assessed (through a process aimed at carrying out an annual review according to a pre-established grid).
<b>Soil analysis</b>	98% of nitrogen fertilizing has been calculated using residual method analysis.
<b>Farming intensity</b>	28.7 hectares of vegetables grown by each producer on average.
<b>Security network</b>	168 trapping networks.
<b>Global Gap *</b>	100% of Bonduelle's salad production is certified by Global Gap.

\* *Global Gap is a protocol of best agricultural practices that sets the standards that agricultural and horticultural companies worldwide have to meet in terms of food safety, vsustainability and quality.*

**NATURAL RESOURCES**

**TMP** 1,055,837 TMP (metric tons of manufactured product)

**Water consumption** 12,434,274 m<sup>3</sup> consumed, i.e. 11.8 m<sup>3</sup> per TMP

**Water sourcing** 9,281,434 m<sup>3</sup> of well water  
2,802,329 m<sup>3</sup> of urban water  
350,510 m<sup>3</sup> of surface water

**Energy consumption** **Overall consumption 3,247,707 GJ**  
Electricity: 1,350,776 GJ  
Natural gas: 1,663,950 GJ  
Fuel (very low sulfur content): 2,082 GJ  
Propane: 48,744 GJ  
LPG: 6,275 GJ  
Domestic fuel oil: 39,749 GJ  
Biomass: 29,943 GJ  
Purchase of steam: 95,213 GJ  
Biogas: 10,975 GJ

**Electricity consumption by country:**  
50% France  
24% Canada  
13% United States  
4% Portugal  
3% Poland  
2% Hungary  
2% Germany  
1% Russia  
0.5% Brazil

**Production of ordinary waste** 43,802 metric tons, i.e. 41.5 kg/TMP

**Treatment:**  
Low-impact landfill site: 24%  
Energy recovery: 4%  
Recycling: 72%

**Production of special waste** 262 metric tons, i.e. 0.25 kg/TMP

**Production of green waste** 576,361 metric tons, i.e. 546 kg/TMP

**Use:**  
Agricultural spreading: 3%  
Animal feed: 77%  
Energy recovery: 1%  
Marketable product: 19%  
Other (compost): 1%

## CSR Reporting: note on methodology

**Pollution discharge****Breakdown of treatment in m<sup>3</sup>:**

85% m<sup>3</sup> discharged to treatment plant  
 10% m<sup>3</sup> discharged for spreading after pretreatment  
 2% m<sup>3</sup> discharged directly for spreading on crops  
 3% m<sup>3</sup> discharged as clean effluent

**Discharge of pollutants and proportion treated:**

24,591 metric tons BOD produced at industrial sites  
 84% of BOD treated at Bonduelle treatment plants  
 13% of BOD treated by the soil and plant cover (controlled agricultural spreading)  
 2% of BOD treated at external treatment plants  
 0.6% discharged into the natural environment in compliance with regulations

**Biosolids**

Production of 1,936 metric tons of dry biological sludge  
 Production of 1,591,006 Nm<sup>3</sup> of biogas

**Packaging**

146,140 metric tons

**Breakdown by type of material:**

Metal cans: 57.6%  
 Cardboard: 20.3%  
 Glass jars: 9.8%  
 Plastic film: 5.1%  
 Lids: 3.6%  
 Plastic trays: 1.6%  
 Labels and other: 2.1%

**Expenditure for minimizing the impact of activities on the environment**

Wastewater and sludge treatment: €3,777,825  
 Industrial and green waste: €241,403  
 Air and energy: €3,253,175

**Greenhouse gas emissions (expressed in metric tons of carbon dioxide equivalent - TEQ CO<sub>2</sub>)**

68,383 TEQ CO<sub>2</sub> from indirect emissions (purchase of electricity)  
 121,205 TEQ CO<sub>2</sub> from direct emissions (purchase of fossil energy, biomass, refrigerant fluid leaks)

**Emissions of ozone depleting gas**

2,446 TEQ CO<sub>2</sub> for R22, R134A, R404A and R422A

**TRANSPORT (EXCL. CANADA AND THE USA)****CO<sub>2</sub> emissions (metric tons)**

Upstream agricultural transport, 15,657 TEQ CO<sub>2</sub>  
 Inter-site, 16,716 TEQ CO<sub>2</sub>  
 Distribution, 72,941 TEQ CO<sub>2</sub>  
 i.e. 105,314 TEQ CO<sub>2</sub> (excl. Canada)

**Ratio of kg of CO<sub>2</sub>/metric ton**

Upstream agricultural transport, 18 kg CO<sub>2</sub> emitted/metric ton transported  
 Inter-site, 20 kg CO<sub>2</sub> emitted/metric ton transported  
 Distribution, 75 kg CO<sub>2</sub> emitted/metric ton transported

**COMMITMENTS TO SOCIAL RESPONSIBILITY AND CIVIL SOCIETY****COMMITMENTS TO SOCIAL RESPONSIBILITY****Total employees**

- 6,736 permanents.
- 9,758 on permanent, fixed-term, seasonal and other contracts (FTE).

**Total employees by type of employment contract and geographical area (full-time equivalent)**

	France	Europe excl. France	Non-Europe	Total
Permanent	3,301	1,352	1,960	6,613
Non-Permanent	286	103	81	470
Seasonal	778	541	577	1,895
Other	268	314	198	780

**Total employees by gender, status and geographical area (permanent staff)**

	France	Europe excl. France	Non-Europe	Total
Women	1,349	618	683	2,650
Men	1,989	863	1,234	4,086
Executive	675	301	220	1,196
Non-Executive	2,663	1,180	1,697	5,540

**SENIORITY (PERMANENT STAFF)**

- 0 to 3 years: 1,530;
  - 3 to 9 years: 1,571;
  - > 9 years: 3,635.
- Average seniority: 13.29.

**NEW HIRES, IN NUMBER OF CONTRACTS**

- Permanent: 589;
  - Fixed-term: 1,095;
  - Seasonal: 4,986.
- Workers with a disability (FTE): 232.

## CSR Reporting: note on methodology

**TURNOVER**

Total group turnover: 11.64%\*.

**■ Departures by type of contract**

		France	Europe excl. France	Non-Europe	Total
Executive	Due to layoff – Executive	10	6	2	18
	Due to a death, retirement, agreed departure, etc. – Executive	13	6	2	21
	Due to the employee (resignation, end of probationary period, etc.) – Executive	32	7	7	46
	Due to transfer	39	0	2	41
Non-executive	Due to layoff – Non-executive	52	30	242	324
	Due to a death, retirement, agreed departure, etc. – Non-executive	74	66	24	164
	Due to the employee (resignation, end of probationary period, etc.) – Non-Executive	212	101	592	905
	Due to transfer	27	0	6	33

**■ Turnover by gender \***

	France	Europe excl. France	Non-Europe	Total
Turnover – Women	7.5%	6.4%	20.4%	10.59%
Turnover – Men	6.9%	8.9%	23.3%	12.37%
Departures – Women	145	65	213	423
Departures – Men	186	115	412	713

**■ Turnover by age \***

	France	Europe excl. France	Non-Europe	Total
Turnover of employees aged under 26	2.1%	2.6%	8.0%	3.90%
Turnover of employees between 26-35	1.9%	1.8%	4.4%	2.62%
Turnover of employees between 36-45	1.1%	1.8%	3.9%	2.07%
Turnover of employees between 46-49	0.2%	0.6%	1.3%	0.59%
Turnover of employees 50+	1.8%	1.0%	4.6%	2.45%
Departures of employees under 26	98	59	224	381
Departures of employees between 26-35	89	42	125	256
Departures of employees between 36-45	50	42	110	202
Departures of employees between 46-49	9	13	36	58
Departures of employees 50+	85	24	130	239

\* Scope: departures at the request of the employee, due to death, retirement or agreed departure.

**Training**

- % of gross payroll: 1.57%.
- Number of training hours: 123,795.
- Average training duration per individual: 23 hours.
- Breakdown of training by gender: 39.08% of women and 60.92% of men.

**Safety conditions**

- Frequency of work-related accidents: 11.75.
- Work-related accident severity rate: 0.61.
- Severity rate of Occupational Diseases for France: 1.39.

**Breakdown of work-related accidents**

	France	Europe excl. France	Non-Europe	Total
Women – Frequency rate	17.87	11.31	4.34	12.26
Men – Frequency rate	16.32	11.89	5.22	11.43
<b>Frequency rate</b>	<b>16.95</b>	<b>11.65</b>	<b>4.92</b>	<b>11.75</b>
Women – Number of work-related accidents with lost time	51	17	8	76
Men – Number of work-related accidents with lost time	68	25	18	111
<b>Number of work-related accidents with lost time</b>	<b>119</b>	<b>42</b>	<b>26</b>	<b>187</b>
Women – Severity rate	1.14	0.15	0.60	0.74
Men – Severity rate	0.88	0.49	0.14	0.53
<b>Severity rate</b>	<b>0.99</b>	<b>0.35</b>	<b>0.30</b>	<b>0.61</b>
Women – Number of lost days due to work-related accidents	3,253	226	1,103	4,582
Men – Number of lost days due to work-related accidents	3,668	1,032	495	5,195
<b>Lost days due to work-related accidents</b>	<b>6,921</b>	<b>1,258</b>	<b>1,598</b>	<b>9,777</b>

	France	Europe excl. France	Non-Europe	Total
Women – Occupational disease severity rate	2.80	N/A	N/A	2.80
Men – Occupational disease severity rate	0.43	N/A	N/A	0.43
<b>Occupational disease severity rate</b>	<b>1.39</b>	<b>N/A</b>	<b>N/A</b>	<b>1.39</b>
Women – Number of lost days for work-related accidents and occupational disease	8,005	N/A	N/A	8,005
Men – Number of lost days for work-related accidents and occupational disease	1,780	N/A	N/A	1,780
<b>Number of lost days for work-related accidents and occupational disease</b>	<b>9,785</b>	<b>N/A</b>	<b>N/A</b>	<b>9,785</b>

*Data not available*

**Industrial restructuring**

Staff affected by industrial restructuring plans who have received outplacement support: 454.

**Work time organization**

- Number of hours worked: 15,914,984.
- Absenteeism rate: 4.46%.

**Remuneration and development**

- Total remuneration (permanent + fixed-term + seasonal contracts): €241,900,106 (€234,819,248 in 2011-2012).
- Percentage of employees receiving regular performance and career development reviews: 80.45%.
- Percentage of employees receiving regular performance and career development reviews by gender: 87.13% of women and 78.70% of men.

CSR Reporting: note on methodology

**COMMITMENTS TO ECONOMIC PARTNERS****% Signature of the Global Compact (based on 91% of the scope)**

- 86% of the purchasing budget relates to framework agreements;
- 88% of the budget for these framework agreements for which the Global Compact has been signed;
- 2% of the budget non-related to the framework agreements for which the Global Compact was signed.

	France	Hungary	Poland	Germany
% of the purchasing budget related to framework agreements (A)	88%	89%	77%	57%
% of these purchases under framework agreements for which the principles of the Global Compact have been signed (B)	88%	97%	84%	54%
% of the purchasing budget concerned by framework agreements and for which the principles of the Global Compact have been signed (AxB)	77%	86%	65%	31%
% of the purchasing budget not related to framework agreements (C)	12%	11%	23%	43%
% of these purchases outside of framework agreements for which the principles of the Global Compact have been signed (D)	0%	0%	22%	8%
% of the purchasing budget not related to framework agreements and for which the principles of the Global Compact have been signed (CxD)	0%	0%	5%	3%
Proportion of the budget accounted for with commitment to respecting the principles of the Global Compact	77%	86%	70%	34%

**RESPONSIBILITY TO CONSUMERS****QUALITY**

**Total quality control personnel** 589 employees (full-time equivalent), of which:

- 8.3% in the subsidiaries' quality control departments and in the Purchasing department
- 35.9% in the plants' quality control departments
- 40.4% in quality control on the production lines
- 18.1% in final receiving controls

**Certified factories**

- 17 are ISO 9001 certified
- 1 site is ISO 22000 certified
- 23 facilities are IFS-certified
- 4 are FSSC 22000-accredited
- 17 are BRC-certified (British Retail Consortium)
- 4 are SQF-accredited
- 9 produce certified "organic" goods

**Customer services** 1 customer services department operates in each country

**Fruit & vegetable purchasing**

- 78 suppliers have signed the simplified charter (i.e. 32%)
- 277 phyto and TME analyses carried out, of which 96% were in compliance
- 44 suppliers have been audited (i.e. 18%)
- 126 suppliers have been assessed (i.e. 51%)

## 2.7 Glossary and acronyms

### GLOSSARY

#### Agronomy

Science of agriculture

#### Biodiversity

Biodiversity is a generic term used to refer to the diversity and richness in living species inhabiting the Earth, a region or an ecosystem. It is assessed in terms of the number of different genes, species and ecosystems in a given geographical area.

This notion applies to the different species of plants and animals, from monocellular organisms to the most complex organisms.

#### Biogas

Biogas is the gas resulting from the biodegradation of organic animal or plant matter when no oxygen is present. It is primarily comprised of methane and carbon dioxide. It is produced in waste storage facilities or in methane digesters. It is combustible and can be recycled as energy.

#### Biological oxygen demand (BOD)

Amount of oxygen necessary to break down organic matter (biodegradable) biologically (oxidation of biodegradable organic matter using bacteria). The biological oxygen demand (BOD) is an indicator of the level of pollution of water, which enables assessment of the biodegradable fraction of the carbon pollution load of waste water.

#### Biomass

Biomass is a term used in ecology to refer to the total mass of living organisms in a given biotope at a given moment. It can be measured by surface unit for a land environment or by volume unit for an aquatic environment.

#### Carbon Disclosure Project

The Carbon Disclosure Project (CDP) is an organization whose objective is to enlighten the investment decisions of its members by informing them of how “carbon constraints” and climate change can impact companies. Each year, the CDP sends major global corporations a questionnaire on how they are responding to climate change (strategy, risks and opportunities, etc.) and on their greenhouse gas emissions (GHG: direct, indirect and other indirect emissions, objectives and reduction policy, etc.). The CDP helps improve the quality of the information published by companies, by creating a worldwide database of GHG emissions.

#### Carbon footprint

The “carbon footprint” measures the volume of carbon dioxide (CO<sub>2</sub>) emitted by the burning of fossil fuels, by companies or living organisms.

#### Cleanlabel

Literally means clear, clean and understandable food labeling, which excludes technical terms as well as certain artificial ingredients.

#### Cogeneration

A simultaneous production method in which two different energy forms are produced in the same process.

#### Ecological footprint

The ecological footprint is a measure of the pressure being placed on nature by Humans. This tool is used to assess the productive surface required by a population to satisfy its consumption of resources and its requirements in terms of waste absorption.

#### Effluents

Usually refers to used domestic and urban waste water (effluents are received by Bonduelle’s waste water treatment plants) and, by extension, waste water from industrial processes.

#### Energy performance

The energy performance of an operation or a technology is measured by the ratio of the energy provided to the energy used. In energy techniques, energy performance can be used to ensure that more energy is recovered than has been used.

#### Environmental impact

Environmental impact refers to all qualitative, quantitative and functional environmental modifications (negative and positive) resulting from a project, process, procedure, one or more organisms and one or more products, from its conception to its end-of-life.

#### Enzymes

Molecules naturally present in vegetables, which are involved in chemical reactions and result in loss of color or the appearance of undesirable tastes.

#### Global Compact

The Global Compact was launched in January 2000 at the World Economic Forum in Davos by Kofi Annan, the then-Secretary-General of the United Nations. The goal of the Global Compact is to align the power of markets with individual ideals in order to place greater responsibility on businesses.

#### GRI Guidelines

The Global Reporting Initiative is an independent organization that brings together stakeholders from different backgrounds: companies, NGOs, universities, researchers, trade unions. The GRI develops the international directives intended to structure and standardize organizations’ management reports in terms of sustainable development. The GRI’s main contribution has been the definition of guidelines covering almost 80 (extra-financial) indicators used to