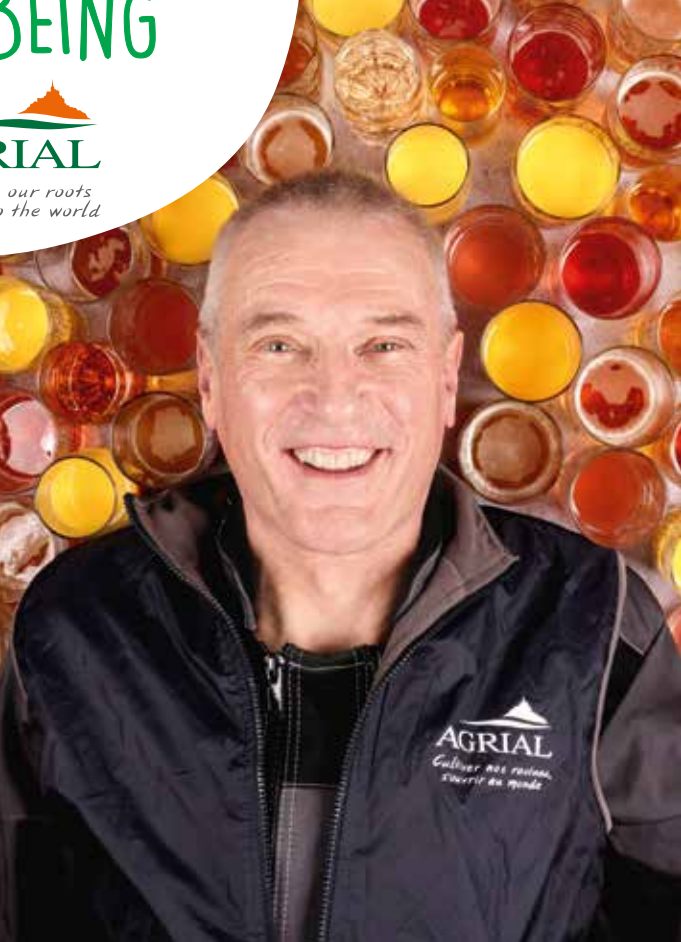




INTEGRATED REPORT 2020

**MORE COMMITTED  
THAN EVER  
TO YOUR  
WELLBEING**



At Agrial our mission is to always satisfy the **diversity of consumer** food needs as best as possible by developing an innovative co-operative, **creating shared value** and meeting the aspirations of our farmer members.

**12,000**  
FARMER  
MEMBERS

**21,200**  
EMPLOYEES

**€6**  
BILLION IN  
TURNOVER  
IN 2020

**€232**  
MILLION IN  
EBITDA IN 2020

## CONTENTS



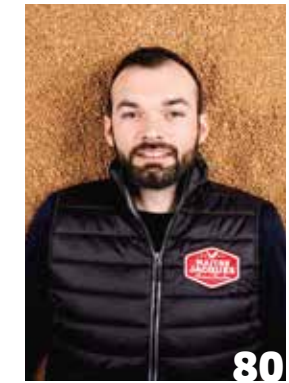
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24



56



80

### A CO-OPERATIVE COMMITTED FROM FARM TO FORK

- 06** A multi-specialist business model
- 08** A controlled value chain
- 10** Strong brands
- 12** Combining local roots and international development
- 14** Our governance
- 17** Horizon 2025
- 18** Proud of our values
- 20** Video call with the directors

### A CO-OPERATIVE COMMITTED TO THE AGRICULTURE AND FOOD OF ONE WELFARE

- 26** A cross-cutting commitment
- 28** The major challenges
- 30** Contribute to life in the company and our rural regions
- 40** Preserve the Earth and living things
- 50** Provide healthy and safe food for everyone

### A CO-OPERATIVE COMMITTED TO SUSTAINABLE AND HIGH PERFORMING SECTORS

- 58** Agricultural division
- 64** Dairy division
- 68** Fresh Produce division
- 72** Meat division
- 76** Beverage division

### A CO-OPERATIVE COMMITTED TO CREATING SHARED VALUE

- 82** Sharing the value created
- 83** Summary of the Agrial Group
- 85** Summary of the Co-operative



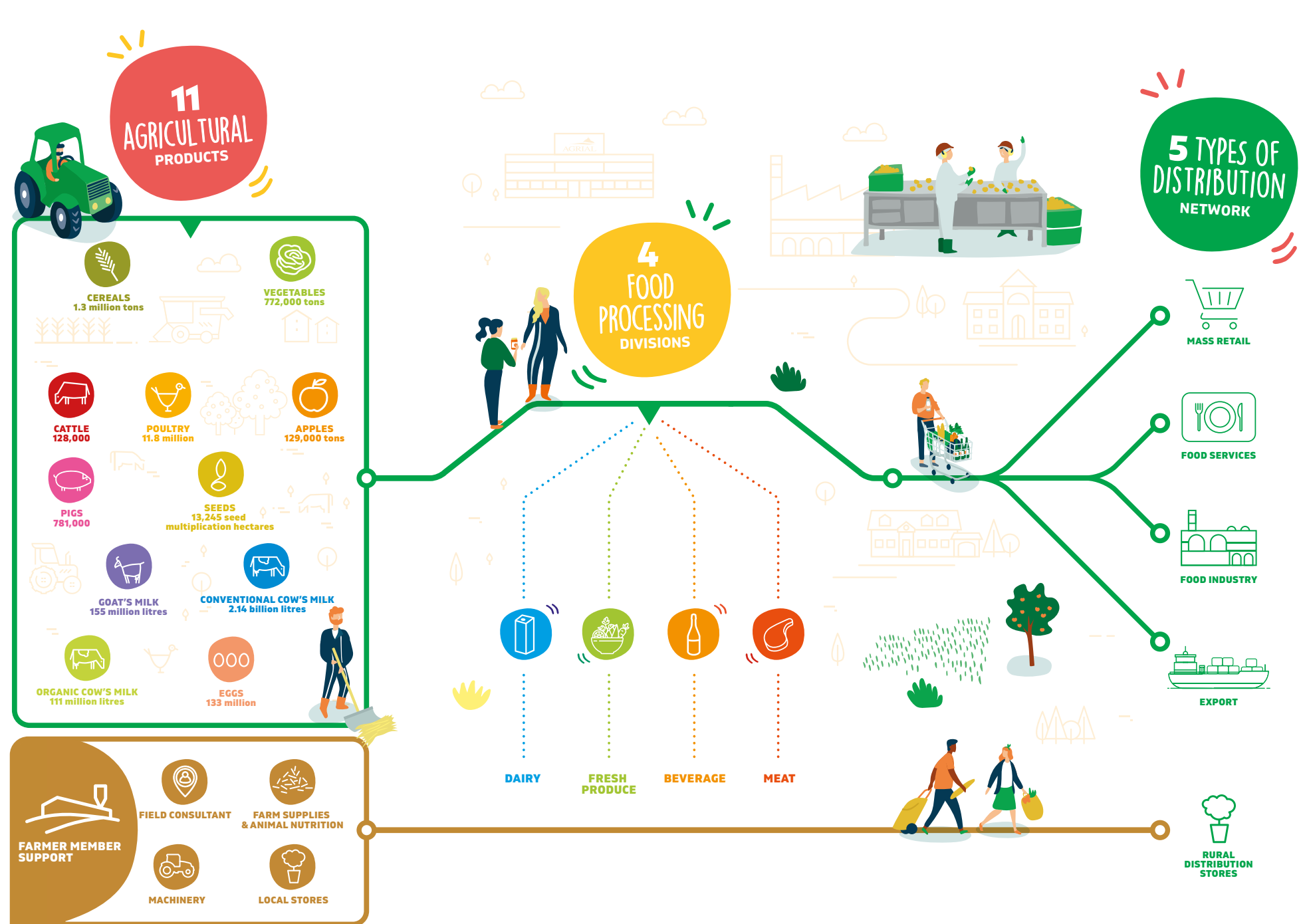
# A CO-OPERATIVE COMMITTED FROM FARM TO FORK

We are present from farm to fork and we add value to the agricultural raw materials produced by our farmer members thanks to the commitment of all our stakeholders in France and around the world. In a year that was marked by the COVID-19 epidemic, Agrial was able to rely on the expertise, effort and adaptability of each and every one of them. We were able to go on feeding our fellow citizens and defending our co-operative values from field to plate.

# A MULTI-SPECIALIST BUSINESS MODEL THAT GUARANTEES OUR BALANCE

We are building a sustainable business model founded on the complementary characteristics of our activities, creating value for all our stakeholders, from farmers to consumers.

The diversity of our businesses and our expertise throughout the production chain means we can help our farmer members add value to their produce whilst guaranteeing consumers safe, healthy and delicious food.





80% of Agrial's raw materials are processed locally, less than 200 kilometres from where they are produced or farmed.



Agrial buys 1.5 billion euros of raw materials from its farmer members every year.



## A CONTROLLED VALUE CHAIN FROM FARM TO FORK

Thanks to its products, Agrial feeds over six million consumers around the world\* every year.

(Calculation of our potential to feed according to the PerFillin method)

# OUR BRANDS

## DRIVE OUR GROWTH

Agrial has built its business model around strong brands with healthy and delicious products.

Through the passion and expertise of our farmer members and employees, we provide consumers with balanced, responsible food that is affordable for the greatest number, from breakfast to dinner.

5 DIVISIONS

57 BRANDS

900 PRODUCTS

### AGRICULTURAL DIVISION



### DAIRY DIVISION



### FRESH PRODUCE DIVISION



### MEAT DIVISION



### BEVERAGE DIVISION

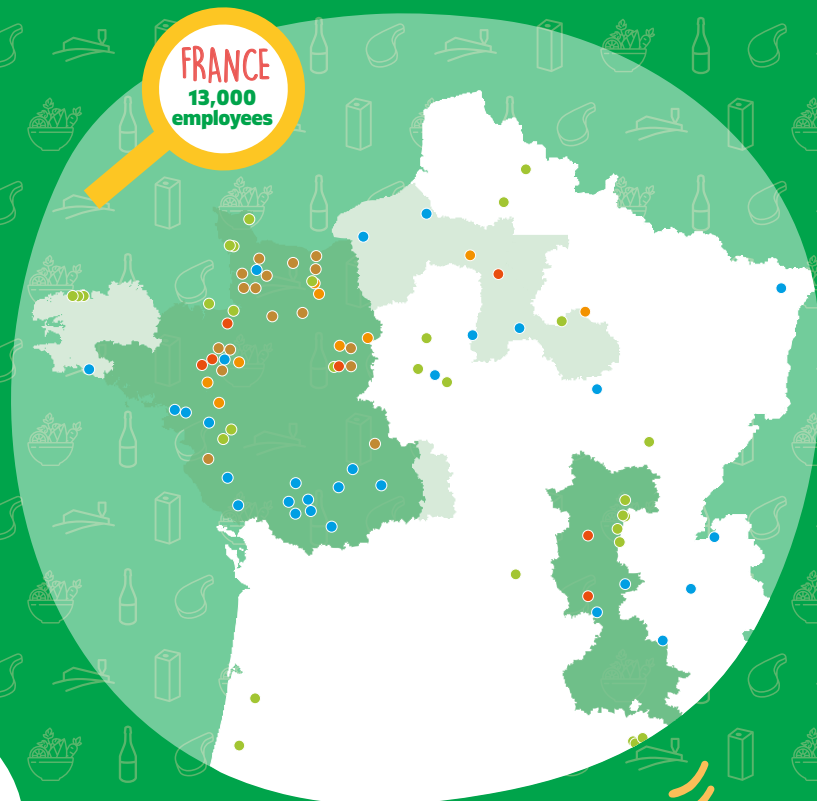


# COMBINING LOCAL ROOTS AND INTERNATIONAL DEVELOPMENT

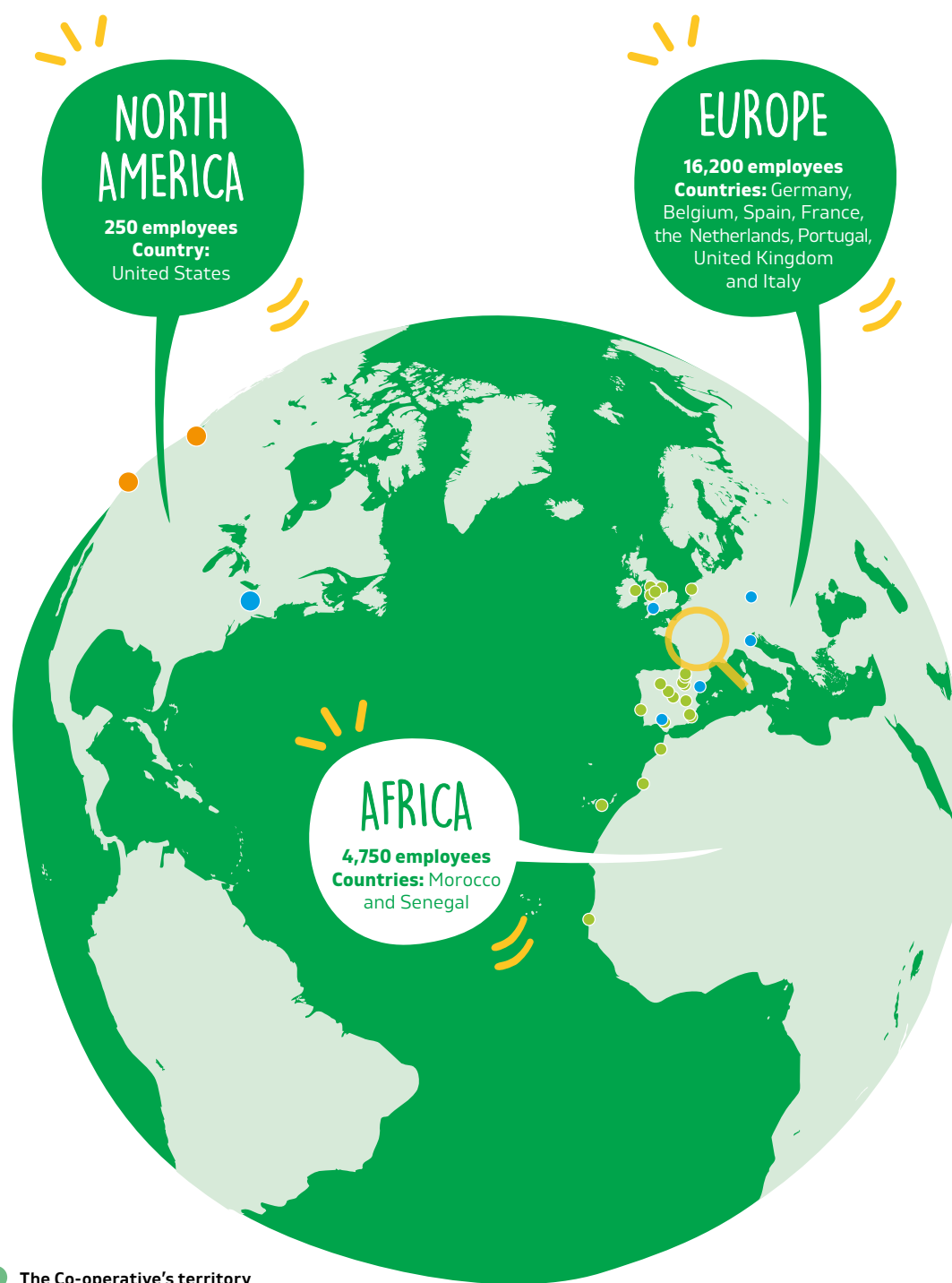
With roots in the west of France and the Lyon area, our Co-operative's territory is the foundation for the local relationships that unites us with our farmer members.

Our ambition to develop on value-creating markets drives us to establish industrial sites in Europe, Africa and North America.

**FRANCE**  
13,000 employees



**21,200**  
EMPLOYEES  
**11**  
COUNTRIES



**NORTH AMERICA**

250 employees  
Country:  
United States

**EUROPE**

16,200 employees  
Countries: Germany, Belgium, Spain, France, the Netherlands, Portugal, United Kingdom and Italy

**AFRICA**

4,750 employees  
Countries: Morocco and Senegal

- The Co-operative's territory
- Co-operative farmer members outside of our regions
- Agricultural division
- Dairy division
- Fresh Produce division
- Beverage division
- Meat division

# A DEMOCRATIC GOVERNANCE BRINGING TOGETHER LONG-TERMISM AND PROXIMITY

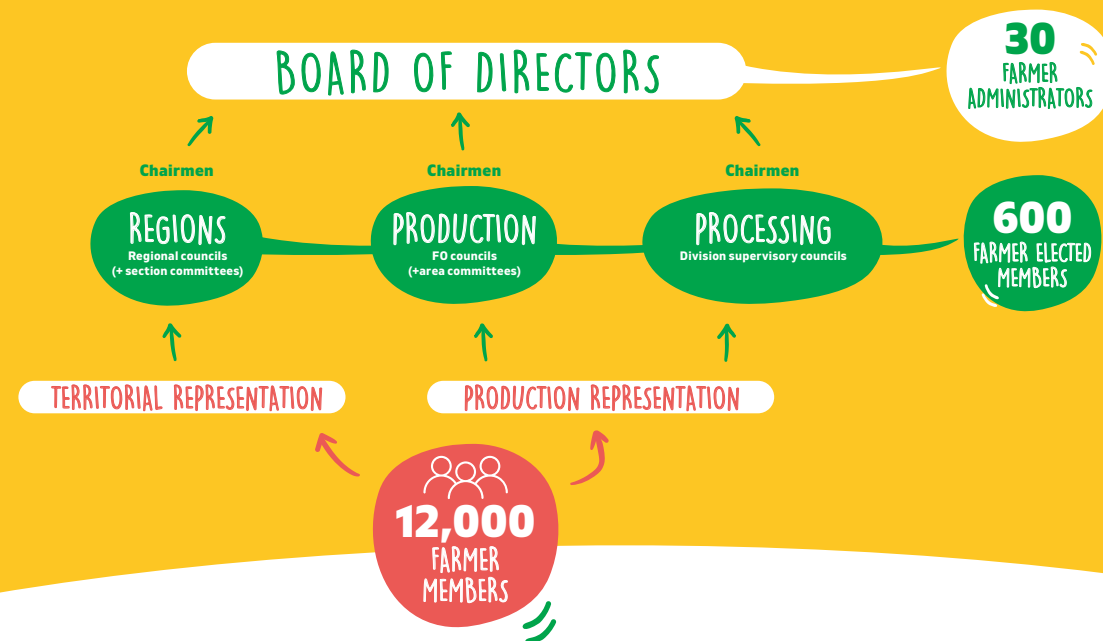
As a co-operative, Agrial's governance is based on the democratic principle of 'one person = one vote' alongside our basic values: long-termism, proximity, solidarity, boldness. It is founded on a strong bond between farmer members and their representatives, a constant search for balance and consensus, and clear definitions of the responsibilities of elected members and the Executive team.

The Board of Directors is chaired by Arnaud Degoulet, a farmer based in Sarthe (in France), and is made up exclusively of farmers elected from the Co-operative's various governance bodies. The role of the Board of Directors is to lead, validate and monitor Agrial's strategic policy and large projects. Throughout its long history, our

Co-operative has always given equal representation on its governance bodies to its territories and its product areas. Alongside our 14 regions, which guarantee geographical proximity to our members, the fact that we are organized into nine production areas with five divisions means that we ensure we have advanced expertise available in all our productions.

Every farmer member can make their views heard and play a role in the life of the Co-operative. We have over 50 discussion forum where the 600 elected members of the Co-operative shape the organisation's development.

## A governance structure which gives equal importance to territories and production areas



## BOARD OF DIRECTORS

### Office

- Arnaud DEGOULET**  
Chairman
- Bernard GUILLARD**  
1<sup>st</sup> Vice-Chairman
- Jean-Luc DUVAL**  
2<sup>nd</sup> Vice-Chairman
- Pascal LE BRUN**  
3<sup>rd</sup> Vice-Chairman
- Philippe MARIE**  
4<sup>th</sup> Vice-Chairman
- Philippe POTIER**  
Secretary

### Mickaël LAMY

- Treasurer
- Sonia BOUDET-GUTH**
- Sébastien CHEVALIER**
- Bruno MARTEL**

### Other members

- Pierre-Joseph AUFRANC**
- Richard BOYER**
- Sébastien CANTET**
- Pascal CARREAU**

### Jean-Luc CHÉREAU

- Éric COIGNARD**
- Benoît DROUIN**
- Didier DUCLOS**
- Fabrice FORTIN**
- Éric GUELLAFF**
- Pascal HEURTEL**
- Jacques LABORDE**
- Frédéric LECERF**
- Catherine LEFFRAY**
- Éric LEMONNIER**

### Alain LOUVET

- Dominique MARQUER**
- Sébastien NOGUES**

### Youth commission representatives

- Roseline LECUISINIER**
- Guillaume LOUVEL**



\*Photo taken before the COVID-19 epidemic.



## COMMITTED TEAMS CREATING ADDED VALUE

Made up of managers employed by Agrial, the Executive committee proposes and adjusts the Co-operative's strategy, which is validated by the Board of Directors. The Executive

team is led by Ludovic Spiers and manages the 21,200 employees in France and around the world who work to support our farmer members and feed people every day.

### EXECUTIVE COMMITTEE



**Ludovic SPIERS**  
Chief Executive Officer of Agrial



**Nicolas LAIGLE**  
EVP of the Agricultural division



**Gilles RABOUILLE**  
EVP of the Dairy division



**Bertrand TOTEL**  
EVP of the Fresh Produce division



**Stéphane POJAC**  
EVP of the Meat division



**Marc ROUBAUD**  
EVP of the Beverage division



**Yves JACOBS**  
Chief Financial and Operations Officer



**Sarah DEYSINE**  
Chief cooperative project, CSR and communication officer



**Thomas GUERTON**  
Chief Human Resources Officer

## HORIZON 2025 A STRATEGIC PROJECT, BOTH STRUCTURED AND STRUCTURING

Horizon 2025 was launched in 2017 and is, first and foremost, a process involving men and women, farmers and employees, who are proud of their professions, deeply committed and open to progress. It is broken down into divisions and functions and provides a framework to stimulate further growth.

### 5 STRATEGIC PILLARS



Strengthening and modernizing our co-operative project



Conquering markets that generates value



Cultivating operational excellence



Being at the forefront of new models



Deploying the agriculture of one welfare

### A KEY CHALLENGE



Developing talented people

### A COMMITMENT



Acting collectively in favor of sustainable development

# MORE THAN EVER, PROUD OF OUR VALUES

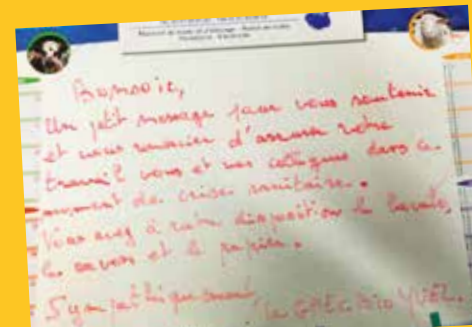
In 2020, throughout the COVID-19 crisis, Agrial's farmer members and employees demonstrated unfailing mobilisation to ensure the continuity of the Co-operative's agricultural and agri-food activities, illustrating the values that guide us on a daily basis: long-termism, proximity, solidarity and boldness. Here are a few examples of this collective commitment in pictures.



To maintain the democratic life of the Co-operative, many meetings have had to be digitalised. Agrial has even taken the bold step of being the first French co-operative to hold its General assembly entirely digitally and live!



During the first lockdown, employees in remote working or on short time working showed their solidarity with their colleagues mobilised in the factory or on the road, through the "#frigochallenge".



During the first lockdown, farmer members shared messages of solidarity with the Co-operative's drivers, with whom they were no longer able to communicate directly. Here the GAEC Bio Yvel, in Mauron.



Several colleagues from our network of LaMaison.fr stores, which were closed during the first weeks of the lockdown, came to help other Group sites that were in full operation. Here Claude, usually an advisor and delivery driver for the La-Haye-du-Puits store, came to help his colleagues at the Carquebut silo.



From the very first days of the crisis, all our sites adapted to comply with health measures and preserve the food chain. This is the Soignon plant in Saint-Maixent-l'École.



In order to maintain proximity and the link with all the major key players in the Co-operative, new means of communication were tested. For example, 26 videos called "Actus'Coop" made it possible to share information with each farmer member according to his region and production.



In a show of solidarity, food donations from our various facilities were particularly numerous in 2020. For example, our Florette brand donated fresh produce to the nursing staff of the Bon-Sauveur foundation in St Lô.

## LONG-TERMISM

We develop our model over the long term while preserving our co-operative identity, that respects both nature and people. As a multi-specialist company, we anticipate changes in our environment and consumer expectations, to guarantee the continuity and sustainability of our activities.

## PROXIMITY

Our daily presence from field to fork ensures close relationships with all of our stakeholders: farmer members, employees, customers, consumers and partners. Our activities help to energise the rural areas where we are present, driving the development and their appeal, in France and around the world.

## SOLIDARITY

We have built a co-operative business model that puts farmer member solidarity at the very heart of our actions. We are utterly convinced that we are stronger together. Faced with the challenges of a rapidly changing world, our multi-specialist model represents a real guarantee of resilience and stability.

## BOLDNESS

Our success is the result of our ability to innovate, invent and undertake with humility, curiosity and ambition. Together, farmer members, employees and partners cultivate a desire to move forward and grasp the opportunities generated by a changing world.

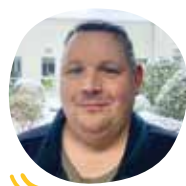
# VIDEO CALL WITH THE DIRECTORS

This year, a farmer member, an employee and a consumer, representing the rich human capital of our co-operative, interviewed the Chairman and the Chief Executive Officer of Agrial online. A video conference marked by an open, convivial discussion on the impact of the health crisis and developments in the agricultural and agri-food sectors.

**Arnaud Degoulet**, Mixed crop-livestock farmer in Noyen-sur-Sarthe (72) and Chairman of Agrial  
**Ludovic Spiers**, Chief Executive Officer of Agrial



Although we very much missed our friendly physical meetings, the democratic life of the co-operative was able to continue!



**Amandine**, mixed crop-livestock farmer in La Chapelle-Launay (44)  
**Sébastien**, Processing and packaging Lead at the Florette de Lessay site (50)  
**Léa**, Consumer of the Co-operative's products

**Amandine: What's your assessment of this year? I imagine it was very difficult to manage.**

**Arnaud Degoulet** – Yes indeed, 2020 was a particularly unpredictable year for our business, both for health and climate reasons. For agriculture,

the year ended better than it began for vegetables. The excellent autumn harvest, good sowing conditions and encouraging prices gave us reason for optimism even though the disastrous summer harvest was still affecting us. Uncertainty continued

to reign across livestock farming, however, from dairy to pigs, poultry and cattle. World markets are highly unpredictable, consumption is hard to predict, and epidemics like African swine fever and bird flu are also having an effect.



**Ludovic Spiers** – In the context of this crisis, Agrial is lucky to belong to the food and agri-food sectors, which are key to feeding the population. Lockdowns have had a significant impact on our markets, particularly on catering, which accounts for almost a quarter of our business. Although overall sales to major retailers remained stable throughout the year, there were significant differences between products and they don't entirely make up the shortfall in other markets. Our robust results over the last few years and the stability provided by our multi-specialist model make us resilient and mean we needn't worry too much, but we must keep up our efforts as we still have many challenges ahead of us. What's more (and we are very proud of this), this crisis has highlighted the commitment, solidarity and talent of all Agrial's employees in new and unexpected ways.

**Sébastien: Thank you for those kind words for the employees. I'm proud of doing a useful job which helps to feed people. What were your priorities as directors in the early days of the crisis?**

**LS** – In operational terms, our first priority was to take all measures necessary to protect the health and safety of the employees, at a time when there was a lack of masks and factories had to be re-organised in the course of a few days. The second step was to get daily and then weekly crisis meetings going at all levels of the organisation and in every country so that we could be as responsive as possible and keep the whole Group working.

**AD** – The key challenge was to guarantee flows of agricultural raw materials. At a time when farmers were out working in the fields, we did everything possible to reduce the impact of the first lockdown on

them to zero. We're very pleased that all Agrial's services went on working throughout the year despite the crisis. It's true that we were a little concerned about the dairy business, when dairy production was about to reach its peak and our Luçon factory had had a fire a few weeks earlier, but luckily the national measures taken by CNIEL allowed us to reduce production. On that subject, I'd like to thank our dairy farmers members, who really played the game and did their bit in that arrangement.

**Amandine: How did you protect democracy at the Co-operative?**

**AD** – We basically used videoconferencing to keep our co-operative governance functioning despite the headwinds in all regions and all production areas, right up to the Board of Directors. We even took the bold step of being the first French co-op-

erative to hold all our section meetings and our General assembly entirely digitally from June onwards. We also launched several new tools for our farmer members, for example the Mon Agrial portal and the AgrialPro.fr e-commerce website. Although we very much missed our friendly physical meetings, the democratic life of the co-operative was able to continue!

**Léa: As a consumer, I've completely changed my habits since the pandemic began. Do you think there has been an overall effect on consumer trends?**

**LS** – It's true that after the pandemic consumers will have a different relationship with food. They are likely to have higher expectations around sustainable development. Existing trends are accelerating: they pay more attention to their health, they want more certainty about the origin of their food, about how their food is produced and its impact on the planet. In 2020, consumers also went back to wanting to cook for themselves and chose healthier, less processed products. But make no mistake, the health crisis is becoming an economic crisis and purchasing power will become a factor we cannot afford to ignore...



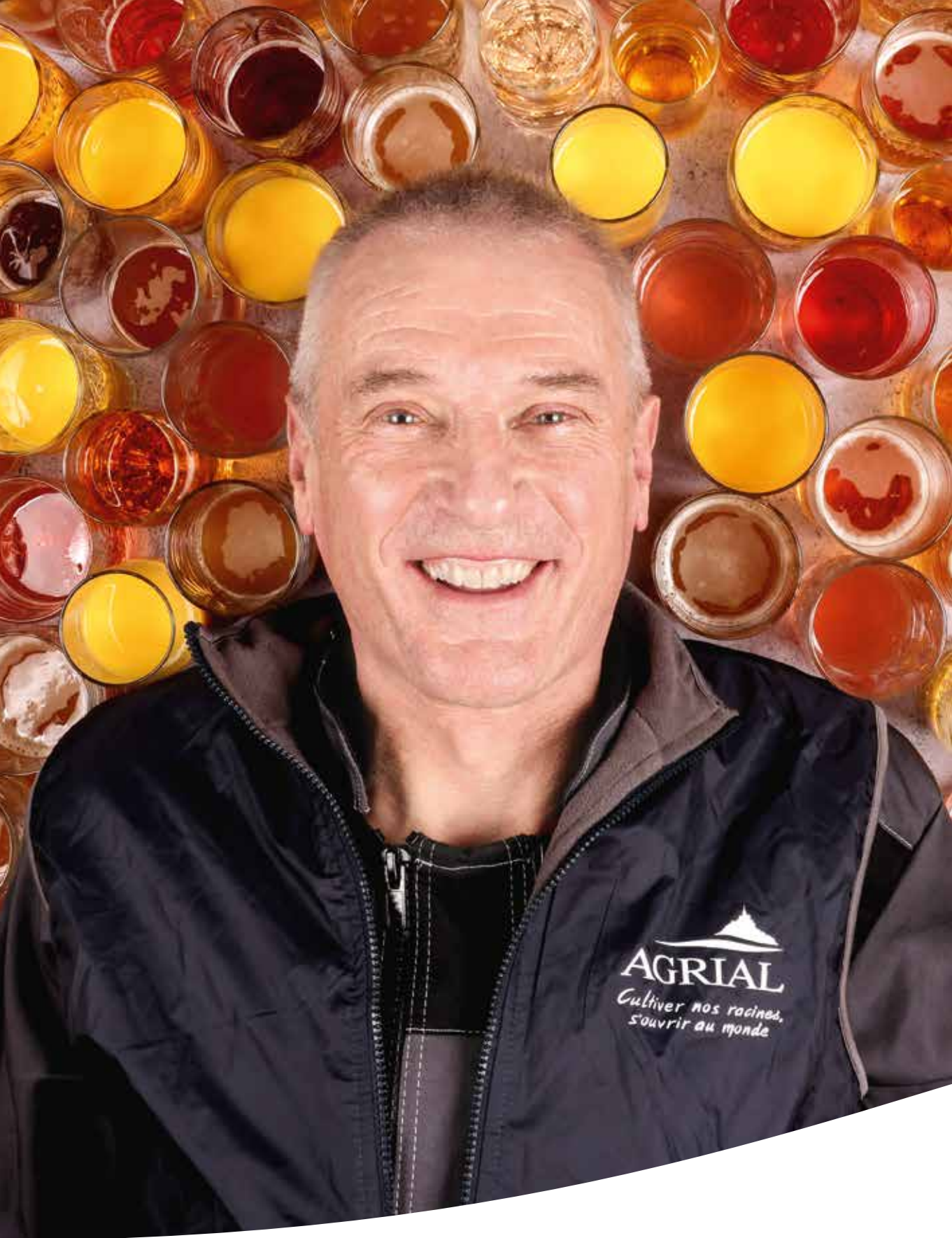
**AD** – Absolutely! We must remember that our mission is to offer healthy, tasty, high quality products which are affordable for as many people as possible. It's a difficult balance to strike, but I think that as a co-operative we are well placed to provide solutions. We are the only ones who connect farmers so directly to consumers and guarantee the traceability of our products from seed to plate.

**Amandine: Thank you for a very interesting conversation. I'm afraid I have to go now. My cows are waiting to be milked...**

**AD & LS:** Thanks very much to the three of you!



**This crisis has highlighted the commitment, solidarity and talent of all Agrial's employees in new and unexpected ways.**



A CO-OPERATIVE COMMITTED   
**TO THE AGRICULTURE  
AND FOOD OF ONE  
WELFARE**

Every day, the men and women of Agrial work responsibly, humbly and expertly towards a shared aim: to feed you well by providing good products. We are committed to developing a safe, healthy range of food products for all, creating shared value for everyone, from farmer to consumer, whilst reducing our impact on the environment. At Agrial, sustainable development is not an optional extra but a key challenge which informs our whole business model.

# A CROSS-CUTTING COMMITMENT TO THE AGRICULTURE AND FOOD OF ONE WELFARE

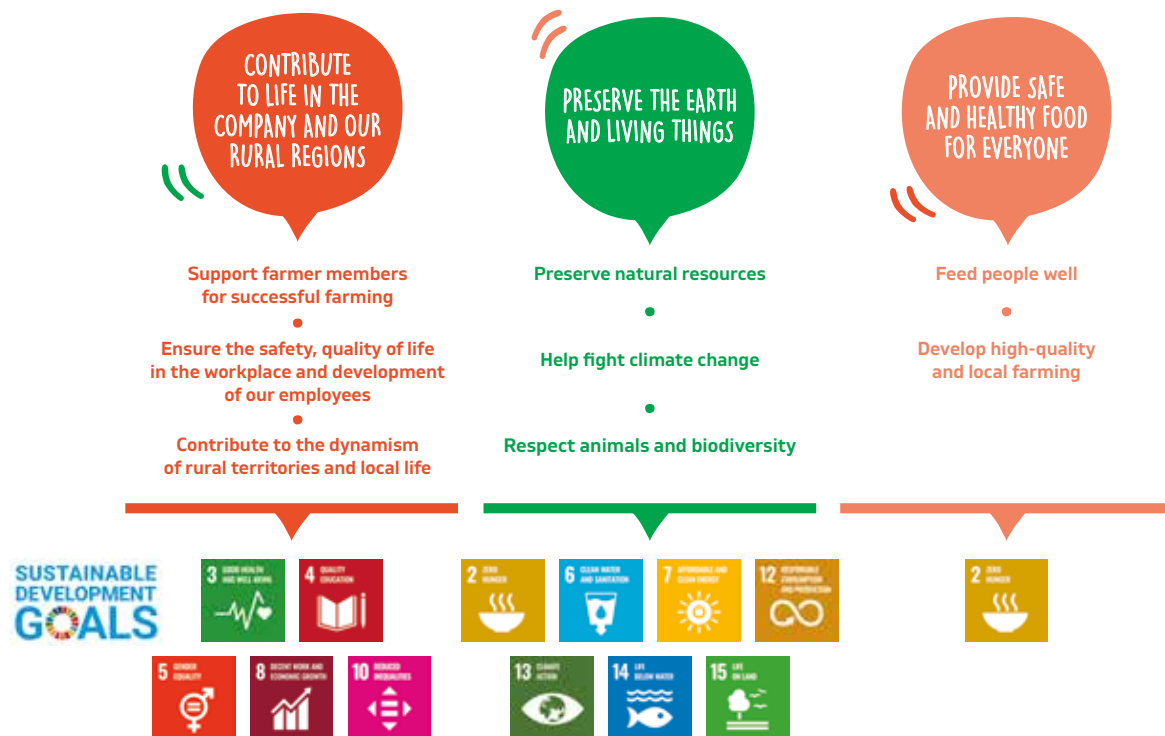
In the context of the new environmental and societal challenges which have been made more acute by the COVID-19 epidemic, consumers' expectations are changing faster than ever. These changes are a real challenge for our businesses with their long-term approach, but they also offer opportunities for our co-operative model.

To follow up on its commitments on sustainable development, Agrial has adopted a cross-cutting approach to bring together our farmer members, employees and partners in building a sustainable future for all. The approach is broadly based on the key concept of agriculture

and agri-food of one welfare and is built around three axes that cover the whole of the value chain: contributing to life in the company and territories, protecting the planet and nature and providing safe, healthy food for all.

In adopting these aims, Agrial is supporting the United Nations' Global Compact and contributing to their Sustainable Development Goals.

## Our approach towards agriculture and food of one welfare



## 3 QUESTIONS TO...

Anne Larroquette & Mickaël Lamy



Anne Larroquette, Director of sustainable development



Mickaël Lamy, farmer member in Chênehutte-Trèves-Cunault (49), Agrial Administrator and Chairman of the sustainable development committee

### How does CSR governance work at Agrial?

Anne Larroquette – Drafting and following up on our roadmap for sustainable development was a collective commitment, part of our strategic Horizon 2025 plan. Each division uses our joint strategy and incorporates additional objectives based on its own activities. A CSR operational committee meets every two months to ensure this is happening. And a Sustainable development committee made up of elected members' representatives meets several times in a year to steer and support our CSR approach.

### What role does the Sustainable development committee play?

Mickaël Lamy – Ethics and sustainable development are amongst the key themes that have been identified as being essential to the success of the Agrial project and they are carefully monitored by elected representatives, who keep a critical eye on these challenges and our Co-operative's aims in relation to them. So the Sustainable development committee gives us a chance to better grasp CSR challenges and discuss how they will be dealt with at Agrial before the Board of Directors meets. It is made up of farmer members of all ages and from all farming sectors.

### What are farmer members' expectations on sustainable development?

Mickaël Lamy – Given the challenges we are facing in terms of population and the environment, farming must keep making progress as it always has. As farmers, we expect our Co-operative to provide the support and solutions we need to adjust our farming practices and offer products that meet consumers' evolving expectations. That's how farmer members can contribute to Agrial's sustainable development approach.

# THE MAJOR CHALLENGES THAT SHAPE OUR SUSTAINABLE DEVELOPMENT APPROACH

Since 2016, Agrial has been assessing the risks and challenges associated with its businesses on the basis of internal and external surveys, research and studies. These assessments are reviewed every year and our commitments are reaffirmed or adjusted as a result. Around 30 issues are looked at and 15 are prioritized and grouped under a number of headings which form the basis of our commitments and measures to be taken.

## Abundant, high quality food is one of Agrial's highest priorities

The most important challenge identified in Agrial's risk assessments is product safety and we pay close attention to this issue both at the processing stage and earlier in the chain, during food production. By extension, the nutritional quality of food and its affordability are key expectations, which underpin the commitment of Agrial and its divisions to continuous quality improvement and the development of local farming sectors.



*'From research into new solutions based on agricultural science to making the most of by-products, from packaging to new nutritional solutions, from saving energy to process efficiency, our approach to innovation aims to respond sustainably to the challenge of feeding a growing world.'*

**Patrice Breuil,**  
Director of Innovation,  
Research and Development

## Long-termism in farming is a central challenge for a growing world

Agriculture is changing. It needs to respond to unprecedented global demand for food, whilst also facing multiple environmental and economic threats. It's a huge challenge for farmers to produce more, better food with less resources. As a co-operative, Agrial is there to support them. The technical and economic performance of farms, rolling out resource-saving modes of production, adapting to climate change, protecting the environment, sharing added value... These are all features of the agriculture and food of one welfare advocated and used by Agrial.

## Agrial's business activities are both victims and causes of as well as solutions to climate and environmental challenges

Farming and food are necessities of life, yet they are facing major environmental challenges and are affected by, causes of and solutions to global warming. Agrial is playing its full role in addressing this twenty-first century priority using many tools, for example by saving water, fighting waste and developing better waste, packaging and plastics management policies.



*'The Co-operative has been working on finding innovative technical solutions both for livestock farming and for crops for many years now. We have two priorities: improving farm profitability and addressing climate change.'*

**Sébastien Lemaistre,**  
Director of the Agriculture  
department

## Men and women, vital links in Agrial's value chain

The teams that work for or alongside Agrial are a precious resource for the success of our co-operative project. So they are at the heart of our materiality assessments. Human rights at work, ethics, social dialogue, safety, health and quality of life at work are subject to action plans and objectives to improve working life within the organisation.

## Ethics and fighting corruption through the way we do business

Agrial's Code of conduct brings together the Group's ethical principles on preventing corruption, respecting competition law, policy on donations, conflicts of interest, confidentiality, but also respect for the men and women who work at Agrial, our partners, suppliers, customers and consumers. It also covers the Co-operative's commitments to protecting the planet and the environment. The Code of con-

duct must be shared with all of Agrial's associates both in France and around the world. By the end of 2020, it had been rolled out to 95% of registered staff. Companies that had recently joined the Group and subsidiaries that were being restructured accounted for the remainder. Agrial's responsible purchasing charter reflects the ethical principles set out in our Code of conduct. We began rolling it out to the Group's main non-raw-materials suppliers in 2018. Currently, all contracts concluded by Agrial and one of these suppliers include the Charter.



*'The principles set out in Agrial's Code of conduct directly reflect Agrial's fundamental values. The Code actually brings together a set of rules and good practices which are shared by all the teams and partners of the Co-operative, allowing us to set a good example and act ethically and responsibly in our daily lives.'*

**Véronique Le Bras,**  
Director of compliance  
and consolidation

# CONTRIBUTE TO LIFE IN THE COMPANY AND OUR RURAL REGIONS

Whether they are farmer members or employees, the men and women who work for Agrial's success every day are at the heart of our project. Working together pragmatically yet ambitiously, we are building a sustainable, solidarity-based co-operative model which adds value and helps to energise our rural areas. By helping our farmer members to succeed, supporting our employees' personal and professional development and contributing to local life, we are helping to achieve several of the United Nations' Sustainable Development Goals.



## Mathilde, CO-OPERATIVE EMPLOYEE for 5 years.

Just as in all our 135 LaMaison.fr stores across the Co-operative's territory every day, Mathilde welcomes farmers and the general public with a smile, as our stores play an important role in local life in rural areas. Almost 50 years after our first self-serve farming store was opened in Pontorson in La Manche, 2021 is the start of a new phase for the LaMaison.fr brand, which has launched an e-commerce website, linking its physical stores to its digital presence in a new 'phygital' model.

*Mathilde, Sales Advisor at the LaMaison.fr store in Flers (in the Orne department in Normandy)*



CONTRIBUTE TO LIFE IN THE COMPANY  
AND OUR RURAL REGIONS

## Support farmer members for successful farming

Agrial is a co-operative that was created and is governed by its farmer members. Therefore, its main aim is to ensure there are outlets for their produce in the long term. By using common tools, logistics and trading arrangements, farmer members are better equipped to succeed on volatile, competitive markets. The Co-operative also helps farmer members with the technical and economic aspects of their specialism and encourages generational renewal through its advisers and experts on the ground.

### Supporting farms' long-term viability

In addition to support for each type of production, Agrial offers farmers solutions intended to optimise the economic management of their farms. Farmer members who use our technical-economic analysis receive objective management indicators and suggestions for improvement and also benefit from an outsider's view of their farm and the opportunity to compare themselves to their peers with a view to making progress.

Since 2017, the Co-operative has also offered strategic consultancy services based on an overall analysis of the farm and the farmer's plans for the future. Close to 500 farmer members benefited from this regular support in 2020. In addition, on request, the service offers full farm audits: 240 were carried

out in 2020 in addition to the 400 done in previous years. As a state-recognized training body, Agrial also offers farmer members training in their various sectors on a variety of topics ranging from farming techniques to bio-security and cash flow management for example.

### Supporting young farmers

Supporting the next generation of farmers is also essential to ensure farms are viable in the long term. Since 2001, the Co-operative has been offering a support programme for young farmer members to help them set up. The programme was strengthened in 2018 and is now called the Agriboost plan for young farmer members. It includes a welcome and introduction to the Co-operative, training courses, discussion groups, study trips and financial support to help young farmer mem-

bers get together the equity for their businesses and to provide them with technical and economic support. Each sector of the Co-operative adds its own specially tailored measures to this package. In 2020, 1,538 young members, of whom 377 were in their first year with the organisation, benefited from the plan.

### Strengthening and modernising life in the Co-operative... under very difficult circumstances

In 2020, Agrial had to adapt to the pandemic and innovate to allow collaboration, which is vital to our common co-operative project, to continue. When the first lockdown was imposed, the 18 section assemblies due to be held in March, a key moment for taking stock of the past year, preparing for the General

assembly and exchanging views with other producers, had to be postponed and eventually held in the form of videoconferences. The General assembly took place at the end of June and went entirely on-line for the first time, making Agrial the first French farming co-operative to hold its General assembly in a live, distance format! Many other solutions were found to stay in touch during this unusual year. Our policy-making bodies met in videoconference format, there were webinars and a series of videos called 'Coop News', which allowed farmer members to get up to date with events in their region or production division in a few minutes. Though these were far from being as enjoyable as physical meetings, they nevertheless allowed us to ensure that farmer members were provided with regular updates.



## 'MY AGRIAL', the new digital tool for Co-operative farmer members!

As part of its Horizon 2025 strategic project and its rollout of phygital tools, Agrial's Board of Directors has chosen to completely redesign the Co-operative's old extranet portal. Since December 1<sup>st</sup>, 2020, farmer members have been able to access the new Mon Agrial portal. This new tool was developed in close co-operation with farmer members and elected representatives and can be accessed via smartphone, computer or tablet. It makes it easier for farmer members to manage their daily work by allowing them to access all their farm's data and documents in real time alongside all the Co-operative's other digital solutions.

## 500 farmer members

supported by the Co-operative's strategic advisory programme

## 1,538 young farmer members

benefited from the Agriboost plan in 2020

## First French farming co-operative

to hold its General assembly live online in 2020

CONTRIBUTE TO LIFE IN THE COMPANY AND OUR RURAL REGIONS

## Ensure the safety, quality of life in the workplace and development of our employees

Attracting, developing, talking to and protecting our teams are key commitments in our daily work at all the group's sites. Agrial practices fair, responsible human resource management in line with the fundamental values set out in our Code of conduct.



## ROLLING OUT HEALTH AND SAFETY CULTURE across the business

In September 2020, a large number of awareness-raising workshops on health and safety culture were organized across the Group's businesses and over 80% of permanent staff were able to attend. In the Meat division, for example, an escape game was offered to employees of Brient, Tallec and Maître Jacques, with the aim of analysing all the possible causes of an accident at the workplace. In the Beverage division, factory employees had to carry out an accident investigation and identify the circumstances that led to an accident. In both cases the aim was to get employees thinking about all the potential causes of accidents in their daily work so that they would adopt a preventative behaviour.

### Keeping people healthy and safe at work

More than ever before, the health and safety of Agrial's associates was at the heart of everything we did in 2020. All of the protective anti-COVID measures were strictly applied at all of the Co-operative's sites both in France and around the world based on local regulations, and everything possible was done to protect employees and adapt to the various constraints (childcare, people at risk, etc.). What's more, in addition to the measures that were implemented directly to manage the COVID-19 pandemic, vigilance is required at all times in the complex farming and agri-food business and this is all the more true in such a rapidly-changing, morally complex situation.

Significantly reducing the number of accidents in the workplace was one of the priorities of the Horizon 2025 strategic plan. Agrial therefore set itself the objective of bringing the frequency rate for lost-time accidents in the workplace down to 10 in 2025. Each division set out its own action plan to contribute to that overall goal. The scope of the analysis was extended in 2020 from French employees on open-ended and fixed-term contracts to Agrial's international teams and temporary workers. The rate stood at 13.16 in 2020, and health and safety culture has been strengthened across the company. This was celebrated with all employees at the first Agrial Safety 2020 event in September. The Fresh Produce division was a pioneer in this area and was the first to achieve the Group's Horizon

2025 objective, meeting and beating it, last year with a frequency rate below seven in 2020.

### Promoting diversity and encouraging social dialogue

Treating employees fairly and fighting all forms of discrimination are amongst the basic principles underpinning Agrial's Code of conduct. To ensure that this happens, the Group monitors a variety of indicators annually, including indicators of equality between women and men and disability. In line with the legislation, since 2018, Agrial has been measuring the male/female diversity index for all its French subsidiaries employing over 50 people and puts in place an action plan whenever the index falls below 75/100. In 2020, Agrial's subsidiaries in France

(which account for 79.2% of the average number of staff excluding temporary staff) had an average index of 79.15/100.

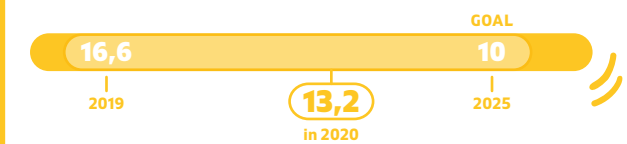
Reception and support for disabled employees is organized in all Agrial's divisions by making adjustments to the workplace. In France, Agrial's objective is to employ 20% more disabled employees by 2025 compared to 2019. In 2020, the figure reached 4.18%, which was an increase of 0.1 point compared to the previous year. Agrial's Dairy division has been especially active in this area and extended its disability agreement to all its subsidiaries in 2020, underpinning its commitment and improving reception conditions at all its sites.

Finally, wherever the Agrial Group is present, it is committed to respecting the principles of the United Nations

Global Compact, the fundamental conventions of the International Labour Organisation and local legislation. The mechanisms of social dialogue are encouraged in this context. At its French subsidiaries

with average staffing levels of over 10 employees, Agrial monitors the overall percentage of staff (excluding temporary staff) covered by a body representing the employees. In 2020 the figure was 99.7%.

### Lost-time injury frequency rate



### Increase in proportion of employees with disabilities in France





## APPRENTICESHIP at the heart of Agrial's philosophy

### Marie, 22 years old, is an example.

'When I was younger I used to help my father during the harvest and I got interested in the world of farming little by little. Then I started a technical diploma in biology and followed that with a one-year professional degree at the Technical College in Angers on day release at the Co-operative. I wanted to be part of a company where I could work in different sectors so day release at Agrial was a great opportunity. I was able to work alongside vegetable, dairy, arable crop, pig and cattle consultants. What I liked was the variety of working methods and being able to work on my relationships with farmer members and other consultants. I have now finished my studies and I'm proud to have been recruited as a vegetables production consultant. I still have a lot to learn, but I know that I can rely on the Co-operative's expertise and networks of advisers.'

\*Photo taken before the COVID-19 epidemic.

### Supporting development and welfare in the workplace

Access to training throughout working life is a key aspect of everyone's professional development and it is offered to all Agrial's employees, although the pandemic reduced access to training programmes in 2020. In France, over 7,300 people have been trained, which is close to 66% of the average workforce. This is in line with Agrial's aim of providing training for two thirds of its staff every year. These training programmes account for 1.4% of the total payroll.

A number of different approaches are used to measure quality of life in the workplace at the Group. They go hand in hand with plans for im-

provement which are rolled out and followed closely on the ground. To assess the rollout of such approaches, Agrial keeps track of the number of surveys sent to employees to find out what percentage of staff are covered. This indicator, which we have been working on since 2019, will be incorporated into the report from 2021.

### Attracting talent and encouraging generational renewal

Agrial works in farming and agri-food sectors where a number of specialisms are under considerable pressure and where attracting, recruiting and retaining talent is a

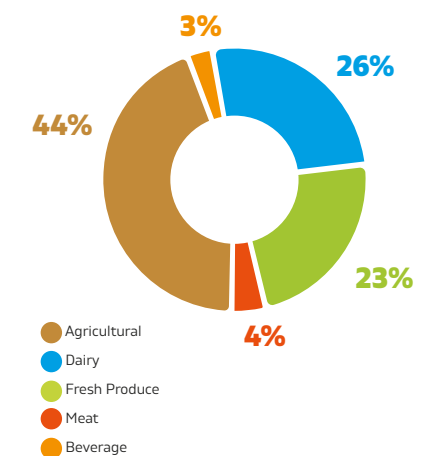
major challenge. In addition to training and career development arrangements, the Co-operative also pays careful attention to generational renewal and bringing young people into the business. Agrial has been very proactive in including students on day release and apprenticeship programmes.

Day release study is available for many specialisms and certificates at Agrial, working on the ground with our farmer members, in production or maintenance jobs in our factories and in support services such as Human Resources or Purchasing. We have even had an incubator for younger consultants working on day release at our Agricultural division for several years. It

generates the *esprit de corps* that comes from being an 'intake' and offers structured reception and integration of young people, supporting their development at the Co-operative. Although the pandemic has made it more difficult to bring people in, 261 young people joined the Group's various divisions on day release or apprenticeship programmes in 2020. The aim is to hire 350 yearly by 2025.

Agrial is also developing a reception scheme for international business volunteers through VIE at its international subsidiaries. This programme gives recent graduates a chance to experience working abroad for between six months and two years.

### Proportion of day release personnel at Agrial's divisions



CONTRIBUTE TO LIFE IN THE COMPANY  
AND OUR RURAL REGIONS

## Helping to energise our rural regions and local life

During this unprecedented year marked by the COVID-19 pandemic, Agrial's farmer members and employees managed to adapt and mobilise to keep the agri-food and farming activities we needed to meet people's food needs going. More than ever, the Co-operative's strong local roots helped support local life, particularly in rural areas, in line with Agrial's values of the long-termism, proximity, solidarity, and boldness.

### Long-termism and proximity are essential to keep the food chain robust at a time of unprecedented change

With its activities and that of its farmer members, Agrial provides employment either directly or indirectly for almost 50,000 people, mainly in rural areas. In France, over 81% of our average staff work in towns with fewer than 10,000 inhabitants, thus supporting local life and economic development.

At the onset of the crisis, Agrial had to adapt its organisation, posts and procedures to respect the preventative health protection measures and allow work to continue in record time. Continuing to support our farmer members was immediately identified as a priority: continuing to collect milk, prioritising vegetable purchases, pick ups from livestock farms, providing vital inputs for crops... all this as some markets were shutting down. Proximity to production areas, industrial tools,

logistics platforms and rural distribution outlets were certainly an asset under these circumstances. A business's commitment to CSR should also be measured in terms of its long-term vision, which is expressed primarily through its investments. In spite of the difficult circumstances, Agrial has maintained its proactive investment policy. For instance, it made the decision to rebuild the Luçon dairy (in the Vendée department in France), which was highly damaged by fire in February 2020. This was symbolic of the Co-operative's commitment to local areas and to its farmer members.

### Solidarity between colleagues and business areas but also with healthcare staff and vulnerable people

Constraints imposed on associates by childcare duties or the health of people at risk required exceptional arrangements right across the

business. Solidarity between employees, sites and divisions played a vital role in keeping our businesses going. So, people who would have needed to be put on partial furlough because their business area had stopped work were able to give colleagues at other sites a hand: work in farm silos, help in shops, extra hands on the production line, administrative support for workshops... New experiences, abilities and shared skills that helped create some wonderful personal stories under very trying circumstances. We also showed solidarity with healthcare workers during this unprecedented year. When there was a lack of masks and gowns, many Agrial sites donated protective equipment to healthcare facilities to protect healthcare workers at the height of the crisis and helped them go on caring for people. Agrial's agri-food subsidiaries already made frequent donations of food to charities and these were especially frequent in 2020. Since

restaurants and canteens suddenly closed and consumers' expectations were up-ended, several hundred tons of products were suddenly without an outlet. Vegetables, dairy products, meat, purées and compotes were given away in a spirit of solidarity during the first lockdown, both to healthcare workers and the growing numbers of vulnerable people who were having difficulty finding enough good quality food to feed their families. In 2020, Agrial's various businesses gave away over 1,000 tons of products.

### Bold enough to launch new tools at the height of the pandemic

Rather than resign itself to the situation, Agrial speeded up the move to digital technologies to better serve farmer members and energise rural areas, just as it was doing for co-operative decision-making. Before being introduced to the new 'Mon Agrial' solution at the end of



## FLORETTE PARTNERS WITH START-UP PHÉNIX to fight food waste!

In the Fresh Produce division, Florette Food Service, which is based in Torreilles (66) and specializes in out-of-home catering, established a partnership with Phénix, a start-up fighting food waste, to donate its unsold fresh produce stock. As a result of this partnership, over 30 tons of products, including salads, fruit and vegetables for McDonald's restaurants, have been donated to various non-governmental organisations. It's an innovative way of continuing the donations that were made spontaneously during the first lockdown and to make the most of unsold fresh produce to offer solidarity to those in need.

## 81% of Agrial's French employees

working in rural areas

## 1,000 tons of products

distributed as food donations

# PRESERVE THE EARTH AND LIVING THINGS

Agrial's farmer members work the land and living things whilst protecting the resources they use to preserve them for future generations. That's what being a farmer is all about. We therefore have a commitment to making our entire value chain environmentally-friendly, from farm to food distribution, including harvesting, collection and processing. The Co-operative is taking concrete steps to help meet a number of the United Nations Sustainable Development Goals by helping fight climate change, reducing waste, saving water, protecting the soil and biodiversity and reducing energy use. These measures are vital to guarantee high quality food for all now and in the future.



## Pascal, CO-OPERATIVE FARMER MEMBER for 30 years.

Pascal is a dairy farmer working in la Manche. He has always sought to improve his livestock-farming practices, balancing his farm's performance with respect for nature. With the support of the Co-operative, he carried out a carbon footprint assessment, which allowed him to assess the positive impact on the environment of practices that he had already begun to put in place, including fodder self-sufficiency, maintenance of grassland, hedgerow planting and the use of shredded wood from the hedgerows for bedding in livestock buildings. This assessment gave him a basis for examining the usefulness of new projects such as renewable energy generation, with his son Romain, who has recently begun farming. The assessment offers a different perspective on how to farm and shows that farms play a key role in protecting the climate and biodiversity.

*Pascal, dairy farmer member  
in Quettreville-sur-Sienne (in La  
Manche department in Normandy)*



## Protecting natural resources

From the farm to the finished product, at Agrial's businesses, we make the most of our natural resources, which we all do our best to use efficiently. Climate change makes conserving water and fighting waste vital issues both for the planet and for farmer members now and in the future.

### Preserving water and protecting water quality

The Co-operative is aware that water is a scarce resource and aims to reduce water consumption and protect water quality right along the value chain. In the agri-food industry, water is necessary for product hygiene, and is used for washing products (vegetables, fruit etc. ) and for cleaning equipment, consuming 8.4 million cubic metres per year. The Dairy and Fresh Produce divisions are the largest consumers of water by volume. They are both implementing action plans to monitor and reduce their water use. The Fresh Produce division has been following the Clean-Dry-Safe approach since 2017 with appreciable results.

Agrial monitors the quality of its waste water very carefully and is committed to ensuring that this

water does not represent a danger to the environment. 85% of the Co-operative's waste water is either treated on site or through the public sewerage system. The rest is made up primarily of clean water from milk evaporation processes or is water used to rinse apples in cider production. It is harmless and is generally treated on site and used for farm irrigation. The Group's sites also carry out regular testing on the quality of their waste water. Conformity rates have risen continually and stood at between 90% and 94% in 2020. A corrective plan of action is immediately applied wherever quality is found not to conform to expectations.

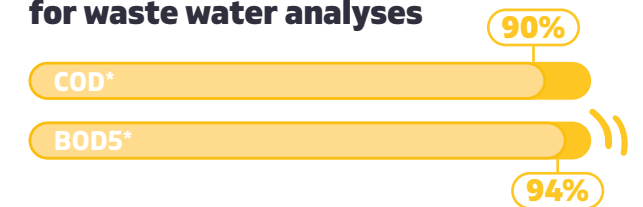
### Fighting waste of raw materials and products

Agrial aims to make the most of its farmer members' products and to

move towards zero waste. That's why the Co-operative is working on various research and development programmes aimed at finding ways to exploit by-products, thus reducing waste while also generating value. Once vegetables, fruit, meat-based and dairy products have been sorted and sometimes processed for other purposes than initially intended, they can be used not only in the agri-food sector, but also in pharmaceutical and cosmetic products, for example. The Dairy division has been developing a business adding value to milk by-products like whey since 2018. The Beverage division has also found outlets for its pips, marc and other by-products of apple pressing in recent years. In addition to finding new ways to create value, Agrial is also heavily involved with the food donation organisations such as the food bank network. And where

there is no way to use or donate raw materials, the Co-operative aims to reduce the proportion that is thrown away. 97,5% of the organic material is re-used for animal feed or farming uses (manure, green compost), for energy generation (anaerobic digestion) or recycled at specialist facilities.

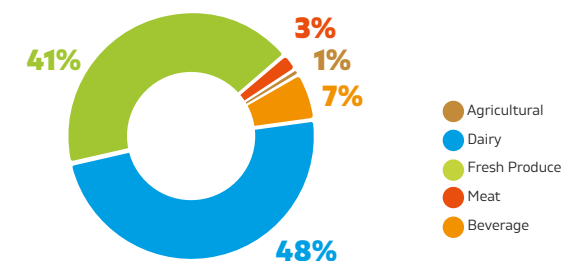
### Conformity rate for waste water analyses



### Proportion of organic waste recycled or reused



### Water use by division



\*BOD5 measures the quantity of oxygen consumed in 5 days at 20°C by living micro-organisms present in the water. COD represents almost all that is capable of consuming oxygen in water, for example mineral salts and organic compounds.



## Help fight climate change

The agricultural and the agri-food sectors have a key role to play in addressing the challenges of climate change while meeting the needs of consumers. From farm to fork, Agrial is working to reduce its carbon footprint and the carbon footprint of its products, help farmers to adapt to climate uncertainty and support farming practices which enable carbon sequestration.

## LOW CARBON, 100% renewable electricity in Spain

In 2020, the Spanish sites of the Dairy and Fresh Produce division have bought their electricity from a supplier 100% specialised in green energy. The Fromandal dairy, as well as six vegetables and two administrative sites now receive a decarbonated electricity. With a yearly consumption of about 40,000 MWh, Spain accounts for 10% of Agrial electricity consumption. Thanks to this newly acquired 100% renewable energy, more than 9,500 tons of CO<sub>2</sub> equivalent will be saved.\* On top of this, several of the sites mentioned have subscribed to the global energy saving programme called 'Franklin'. Its first outcomes should be assessed in 2021.

\* On the basis of average emissions factors in Spain (0.24 kg of CO<sub>2</sub> equivalent / Kwh) – Original source Ademe

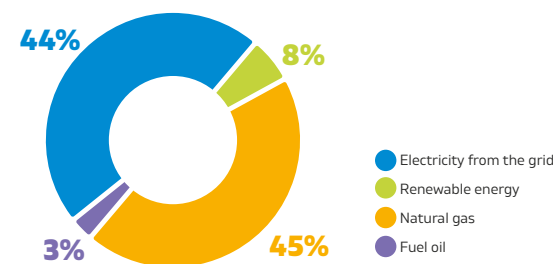
### Reducing the carbon footprint of Agrial's activities

In 2020, Agrial updated its 2019 carbon footprint\* to take into account direct and indirect greenhouse gas emissions linked to its businesses both in France and around the world. The Co-operative's direct and indirect emissions stand at 6.5 million tons of CO<sub>2</sub> equivalent and we're working actively on our carbon reduction plan in line with the Paris Agreement, France's national carbon reduction strategy and the European Union's carbon neutrality commitment. 15% of Agrial's gross direct and indirect emissions are generated by our agri-food logistics, processing and marketing operations alone. Programmes have been in place to reduce our carbon footprint in four broad areas for a number of years. Those areas are energy, goods transport, packaging and waste.

### Reducing electricity and gas use at our sites



### Agrial's energy mix



\*Scopes 1, 2 and 3

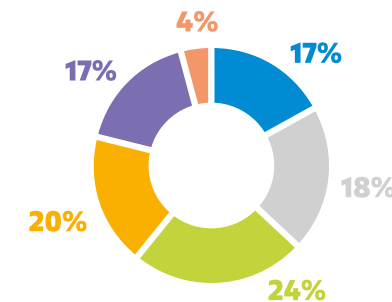
### Distribution of Agrial's carbon footprint (raw materials excluded)

REDUCING WASTE AND FIGHTING WASTEFUL PROCESSES

The first area that the IPCC recommends addressing in its climate report of August 2019 is food waste and reducing waste generally. This has the dual benefit of optimising the use of the raw materials and reducing the carbon intensity of the activity (see steps taken on pages 39 and 43).

OPTIMISING GOODS TRANSPORT

Whether agricultural and food products are transported by the producer or a third party, optimisation of transport equipment and logistics can be beneficial. For example, over half of the fleet of trucks used to collect milk for Agrial is equipped with an electric pump system that recharges while driving. Optimising flows between farms and collection or processing facilities is also one of our main priorities for the grain harvest and for deliveries of inputs to farmers.



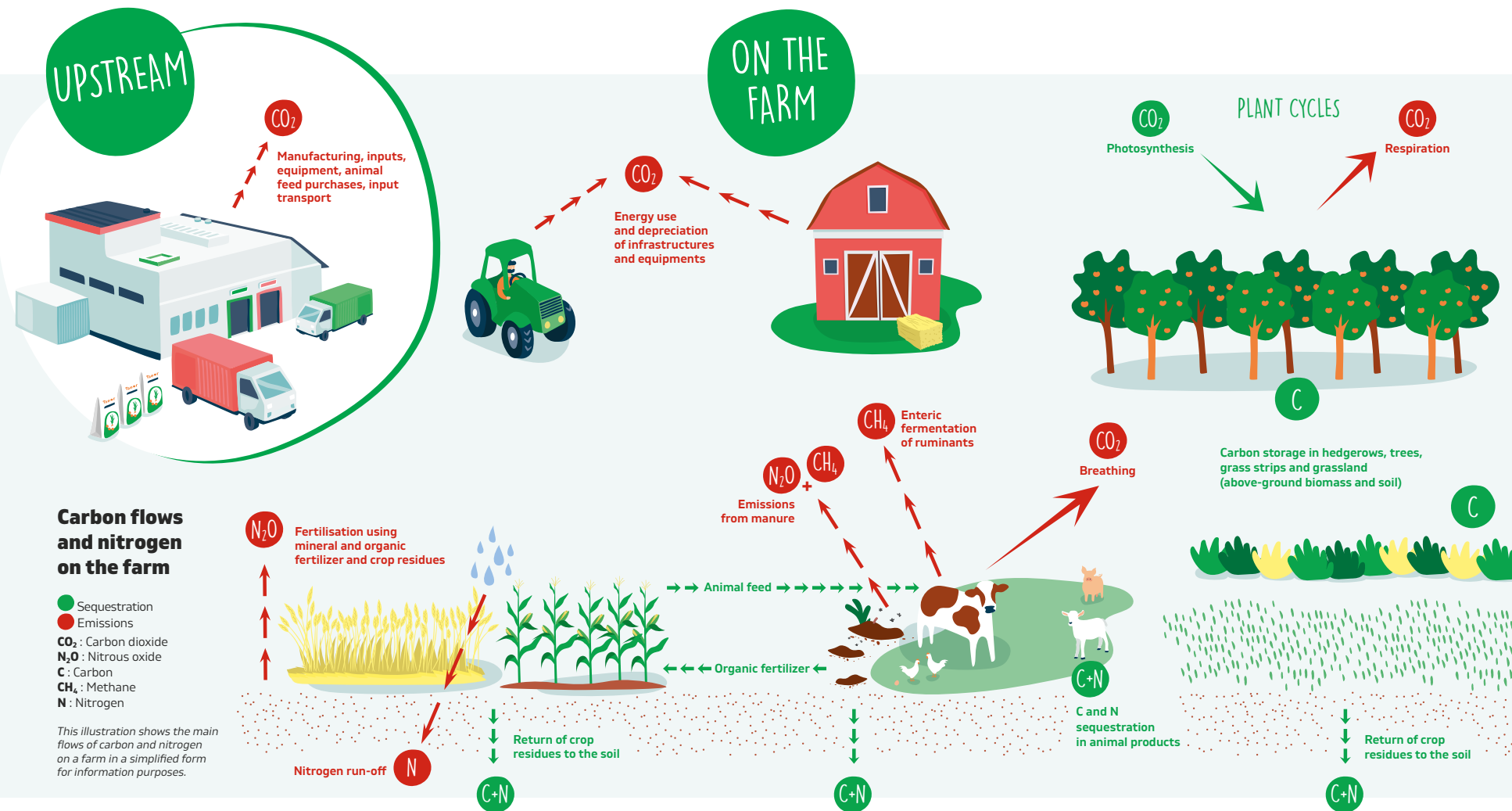
REDUCING THE IMPACT OF PACKAGING

Packaging is essential to food product safety and Agrial is taking steps to reduce the impact of its packaging. Continuing the work done in 2019, the Fresh Produce division's Reduce, Re-Use, Recycle policy reduced primary packaging by 274 tons in 2020. It has continued to improve the recyclability of its packaging and is using more recycled material to help build a circular economy. The Dairy division aims to ensure 100% of its packaging is eco-designed and recyclable. It has just launched an organic milk called Agrilait in a carton made of FSC wood pulp and plastic made of organic materials, produced from sugar cane. Because 82% of this packaging comes from plants, its carbon footprint is 14% lower than a standard carton's.

REDUCING ENERGY USE AT OUR SITES

Agrial is working to reduce the amount of electricity and gas used by its industrial facilities by 10% in 2025 compared to 2016. This is a first step towards a sustainable energy transition. The Group has reduced its energy use by 41,488 MWh and avoided emitting almost 6,000 tons of CO<sub>2</sub> equivalent through its equipment optimisation and modernisation programme. To stay on track towards low carbon use, Agrial will gradually replace fossil fuels with low carbon energy sources. In 2020, 8% of Agrial's energy, in addition to what is contained in the mix of its gas and electricity suppliers, came from renewables.

- Waste
- Packaging
- Travel
- Goods transport
- Energy use
- Other purchases and fixed assets



## AL'TERRE NATIVE: Agrial's solutions for effective farming which respects people, the environment and nature

Since 2018, Agrial has been developing its AL'terre native range with the aim of supporting the agriculture of one welfare, one of the priorities of its Horizon 2025 strategic plan. It is made up of a range of solutions which help to reduce the use of synthetic inputs and protect biodiversity, fight climate change and protect nature. From selecting crop varieties to identifying natural feed supplements for animal health, biocontrol agents and varying the range of fodder seeds used, Agrial researches, tests and selects the most effective solutions to offer its farmer members through the AL'terre native range.

### Doubling sales of the AL'terre native range by 2025



### Fighting climate change shoulder to shoulder with farmers

Farming is a key factor in the fight against climate change, starting with the necessary and complex adaptation to changes in weather patterns to ensure we produce enough food. Farmers need to change their practices to reduce emissions, but they are also vital to carbon capture. Agrial is aware that 85% of its broader carbon footprint is linked to its production of agricultural commodities and is therefore developing a range of solutions

which are accessible for all its farmer members. In 2020, it carried out a programme of experiments and assessment of a number of adaptation, mitigation and greenhouse gas storage methods for farms. The whole approach is organised around four major challenges in the fight against climate change: analysis, adaptation, reduction and storage.

**• Analysis:** Agrial has been carrying out on-farm carbon footprint assessments since 2011. Over 150 CAP2ER assessments were carried out on dairy farms between 2016 and 2020 using expertise that the

Co-operative's advisers and experts had built up on the ground. In 2020, Agrial also carried out a programme of more in-depth assessments on 30 farms of all types. These allowed us to identify methods for making further progress on greenhouse gas storage.

**• Adaptation:** To provide the best possible conditions for farmers to do their work, the Co-operative's agricultural expertise department seeks out and tests the plant and seed varieties which are most resistant to changes in the climate. It is working on a variety of technical

systems, for example looking for the best inter-crops to protect the soil.

**• Reduction:** The main potential sources of reductions in greenhouse gas emissions that have been identified are management of flocks and herds of ruminants and soil fertilisation. Enteric fermentation in ruminants generates methane, so the Co-operative's experts in animal nutrition are carrying out a range of trials on feed formulations that can regulate and reduce levels of enteric fermentation in ruminants. In order to limit nitrous oxide emissions from nitrogen-based fertilisers, Agrial

offers its farmer members soil analysis tools, fertilisation forecasting plans, tools to help target fertilisation to ensure the right amount is applied, and solutions to improve mineral fertilisation particularly through storage and spreading of manure.

**• Storage:** Farming has significant potential for capture and storage of greenhouse gases, particularly through crops and grassland, hedgerows, orchards and forests. 40% of Agrial's farmers' land already consists of grassland, fallow land, hedgerows and other environ-

mentally useful surface cover. Agrial wants to make the most of these practices through schemes that recognise carbon sinks, such as the CarbonAgri low carbon mark, which the Dairy division offers its farms. To help its farmer members optimise these areas, Agrial has also developed a specific 'Paddock' range, which highlights the technical, economic, and environmental advantages of pasture, through the protein value of fodder, self-sufficiency in feed for farms and carbon storage in soils.





## Respect animals and biodiversity

**Agrial takes a gradual improvement approach both to crop and livestock farming to support its farmer members in using farming practices with the least possible impact on ecosystems. The Co-operative as a whole and each of its production sectors test and roll out pragmatic, responsible solutions, which respect humans, animals and the environment.**

### Protecting soils, plants and biodiversity

Agrial promotes solutions and techniques which reduce the impact of crop farming throughout the production cycle by protecting soil, plants and biodiversity. In 2020, 6,900 soil analyses and 4,500 residue analyses were carried out by Agrial at our farmer members' farms because knowing your soil is key to adjusting your cropping system, optimising inputs and making the most of your farm's agricultural potential.

The Co-operative's agricultural science unit has 'good experimental practice' certification and has conducted trials on over 8,800 micro-plots this year to select and suggest plant varieties on the basis of quality, performance, disease and pest resistance, suitability for specific soil and weather conditions and tolerance to changes in the weather. To model and prevent the risk of

diseases and pests, Agrial also offers its farmer members a range of decision-making support tools, which are now used on over 46,000 hectares. By helping farmers to use the right amount of product in the right place at the right time, these decision-making support tools significantly reduce the use of inputs. Reducing the use of chemical inputs is also one of the aims of the AL'terre native range (see previous page). It also offers organic pest control and organic stimulants such as trichogramma maidis against the corn borer, companion planting to deter pests and the planting of flowerbeds to encourage pollinisation. In addition to their crops, farmers maintain spaces that encourage biodiversity: hedgerows, spinneys, grass strips and fallow land for flowers that attract honey bees act as refuges. Organic pest control solutions also have the additional benefit of protecting water quality and biodiversity. Agrial estimates

that 450,000 hectares of land on its farmer members' farms contribute to the conservation of biodiversity.

### Protecting quality of life for livestock

Agrial uses various animal welfare standards with its livestock farmers. They are differentiated by sector but are all based on the five basic animal freedoms set out by the World Organisation for Animal Health (OIE): freedom from hunger; freedom from thirst; freedom from pain, injury or disease; freedom from discomfort, fear or distress and freedom to express normal patterns of behaviour for the species. The Co-operative offers its farmers training, analysis and identification of issues and support through action plans to apply good livestock farming practices. In the poultry farming sector, all our farmers were offered training on the use of the EBENE self diagnosis

## APPLE PRODUCERS COMMIT TO preserving biodiversity in their orchards

In 2020, all the farmer members of Agrial's Apple Farmers' Organisation are involved either in organic farming or in the Agrial Committed Apple Producers' charter ("*Pomiculteurs engagés*"). This commits cider apple producers to ensuring the conservation of biodiversity in their orchards. To support them, production technicians help them to identify and apply practices which encourage pollinators and other helpful organisms. Around 20 good practices are suggested to encourage these organisms, which also reduce the need to use phyto-sanitary products. In the same spirit, the Beverage division is partnering with the Normandy bird protection league and also helps to conserve bird habitats. Inspections of orchards are carried out annually to identify indigenous nesting and migratory species so that a set of measures which will attract and protect them can be put in place from 2021 onwards.

tool in 2020, with a view to rolling it out to all the organisation's poultry farmer members. The campaign was initiated by the trade body along with the Technical Institute for Poultry (ITAVI) and CIWF and offered versions appropriate for all species of poultry both for meat and egg farming.

In the dairy sector, a new version of the Charter of Good Livestock Farming Practices was developed in 2020 to be rolled out in 2021. It includes new criteria for animal welfare based on the 'Boviwell' standards. In the caprine sector, roll-out of the Soignon Charter continues with 75% of producers already signed up to the charter, which was launched in 2018. Amongst other things, it encourages giving animals access to pasture or outdoor grassed areas and environmental enrichment.

Finally, in the pig farming sector, all the Group's farms which have commitments under the Rouge Opale,

Porc Con fiance and Porcristal labels carried out an animal welfare assessment using the Tibena tool. In addition, Agrial has made it compulsory for farmers to do training on livestock animal welfare. Seventy of our farmers have already completed the training programme. Alongside all these measures, the Cooperative's experts in animal nutrition are working on another animal welfare project based on the quality of feed and balanced nutrition for animals, which is a requirement for good animal health. For example, Agrial is offering plant-based products which improve the digestion of ruminants. These food supplements stimulate the immune systems of dairy cows and goats and reduce the risk of mastitis. Following a study carried out as part of its work with INRA, the Institute for Agricultural Research, Agrial is also offering a range of ruminant feeds with essential amino acids (AADig) which improve digestion. The trials carried

out at several farms showed a general improvement in the health of the flock.

8,800 micro-plots

trials carried out by Agrial's agronomic teams

450,000 hectares

of biodiversity conservation areas carried out by the Co-operative's members

# PROVIDE SAFE AND HEALTHY FOOD FOR EVERYONE

'Ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, while preserving the environment'. This objective from the United Nations zero hunger Sustainable Development Goal could be said to describe our raison d'être and it is summed up in the first of our values: long-termism. But from farm to finished product, the men and women of Agrial strive at every point in the food chain to provide consumers with high quality, safe, healthy, ethically-produced food.



## Grégory, CO-OPERATIVE FARMER MEMBER for 16 years.

Grégory has been a producer of Agrilogique vegetables since 2019. It's a range of pesticide-free vegetables sold under the Florette and Priméale brands. He uses alternative farming practices on his farm, such as the use of plant varieties which are resistant to diseases and organic stimulants to strengthen plants' natural defences and limit the use of pesticides. He also supports biodiversity by using flower beds which attract honeybees. All these practices are his way of helping to meet consumers' new expectations.

*Grégory, Vegetable producer  
in Mont-Saint-Michel bay (in the  
Manche department in Normandy)*

PROVIDE SAFE AND HEALTHY FOOD FOR EVERYONE



## Feed people well

For Agrial, feeding people well means, first and foremost, offering safe products. It's a requirement of all our commitments on social responsibility. It also means having the humility to adopt a continual improvement approach so that we are constantly improving our recipes, promoting farm-to-fork traceability and meeting changing consumer expectations.

### Guaranteeing food safety from farm to finished product

Agrial uses food safety standards at various points along the value chain, starting with farms. So, 100% of our storage silos taking grain are certified under the grain industry's foremost standards framework, the CSA-GTP (*Charte Sécurité Alimentaire* – Good Trading Practices). All of Agrial's vegetable production sites are also certified IFS (International Features Standards) and/or Global GAP (Good Agricultural Practices), and all the Co-operative's Florette salad production is certified under LEAF (Linking Environment and Farming).

On the livestock side of the business, all milk collection managed by Agrial respects ISO 22000, the international standard dealing with food safety management systems.

On our pig and poultry farms, our farmer members are trained in biosecurity and respect their sector's livestock farming good practice guidance. The Co-operative then supports them in investing and equipping their farms appropriately. Where industrial and logistics activities are concerned, Agrial aims to ensure that each of its agri-food processing sites respects at least one set of standards on food safety and security, such as IFS, BRC, ISO 22000, etc. The same applies to the transport of finished goods to our customers. For example, our Eurial Logistique subsidiary in the Dairy division has been IFS Logistics V2 certified since 2013.

### Making sectors and products more natural

Making a finished product natural starts at the production stage. In

livestock farming, demedicalisation, through limiting or stopping the use of antibiotics and feeding animals non-GMO food are key factors. In the pig farming sector, Agrial is therefore rolling out demedicalisation (involving reducing antibiotic use to the minimum necessary according to veterinary advice) and non-GMO feeding to 90 and 88 committed farmers respectively. The Co-operative's aim is to increase the volume of feed sold without GMOs or antibiotics in the bovine, caprine and equine sectors by 50% between 2018 and 2025. A third of this target had been reached by the end of 2020.

At the other end of the food chain, Agrial is working on reducing salt and sugar content and other additives and preservatives, although most of the Co-operative's products already undergo little processing or use simple recipes. Over the last

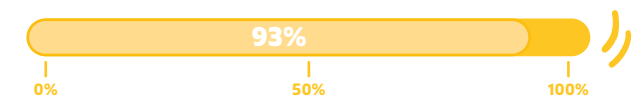
two years, work done by the Meat division has led to the revision of the recipes for around 50 meat and cold meat products including the removal of additives and preservatives or reductions in salt content. The Dairy and Beverage divisions are also working on reducing added sugars in their products. Having reworked Danao in 2019, the Beverage division reviewed the ingredients in its Bellot lemonades in 2020 to make them more natural. With a minimum of 49% fruit and no added sugar, the products in this range are now made entirely of natural ingredients.

## THE PORCRISTAL SECTOR or aiming to raise pigs without antibiotics from birth!

Agrial's Porcristal sector is run by 20 farmer members of the pig Farmers' Organisation, who committed to raising pigs without antibiotics from birth in 2018. Its products are sold under the Meat division's Brient cold meat brand as finest cooked ham, finest roast pork, traditional liver paste, traditional country-style pâté. For the consumer, this approach sets the products apart and for the producer it adds value. It has attracted interest from the division's customers and allowed them to develop solid partnerships around thematic retailers.

### Proportion of our agri-food sites with at least one certification

Quality, hygiene, safety (IFS, BRC, organic, ISO 22000, etc.)



### Increasing volumes of feeds sold with no GMOs or antibiotics by 50%

Cattle, goats and horses



PROVIDE SAFE AND HEALTHY FOOD FOR EVERYONE

## Develop high-quality and local farming

PDOs, PGIs, Label Rouge, organically-farmed, Global GAP, LEAF and other sectoral standards along with Agrial's own standards and labels recognise the expertise of our farmer members and our processing facilities. With a view to promoting a range of farming types, the Co-operative supports all these labels, which meet the expectations of a broad range of customers, encouraging the quality and traceability of products and creating shared value.

### Developing internal and external quality charters



Our "Free-range Normandy poultry" respect the Label Rouge standards and are sold by our subsidiary Avigros in Rungis.



The Fresh Produce division has been using the LEAF certificate on all of its salads for several years.



The dairy products sold under our Agrilait brand come from farms which have signed up to the Bleu-Blanc-Cœur mark, which works to improve omega 3 content in food.

### [AGRI]logique

The Fresh Produce division's new Agrilologique range guarantees zero pesticide residue.



Cider apple farmer members adopted their new standard entitled 'Responsible Apple Growers' in 2020.

LES POMICULTEURS ENGAGÉS



Our Kerisac ciders are proud of where they come from and are labelled 'Made in Brittany'.



625 of our dairy farmers, accounting for 20% of our cow milk (excluding organic milk) by volume, have a European PDO or French AOC.



91 of our goat farmers, accounting for 10% of our goat's milk by volume, are covered by a PDO or French AOC.



### Developing organic products

In line with its slogan, 'sell to produce', Agrial has made developing organic farming one of the key objectives of its Horizon 2025 strategy. In order to promote organic ranges to consumers, the Co-operative supports its farmer members through organic conversion assistance plans, specific technical advice and solutions for sourcing agricultural supplies and animal feed that are certified organic.



At the Fresh Produce division, Créatine, Florette and Prim'bio (Priméale's organic range), offer organic ranges.



Within the Meat division, our Tallec brand has launched an organic range of hams, pâtés, puddings and roast meat.



Our Les 300 laitiers bio brand added new yoghurts and fromage blancs and a camembert in 2020.



Our Ecusson cider brand is now 100% organic.

## 80% of Agrial's raw materials

are processed locally, within 200km of where they're produced.

### Increasing sales of organic products by €100 million

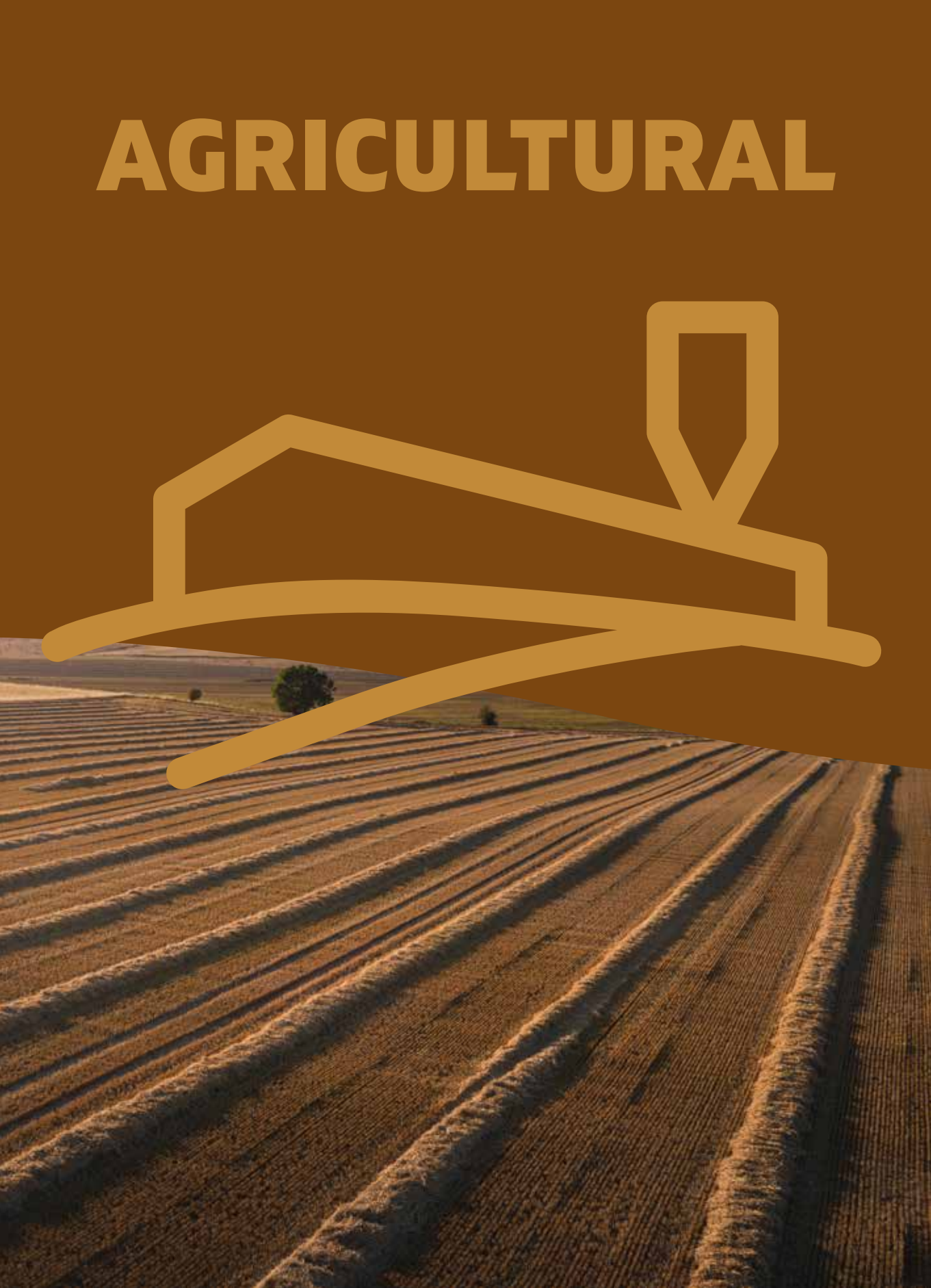




A CO-OPERATIVE COMMITTED   
**TO SUSTAINABLE  
AND HIGH PERFORMING  
SECTORS**

**Our principal value, long-termism, demands both competitiveness and a desire for sustainable development. That's why 'sell to produce' has always been the motto of Agrial's farmer members, who know that the vital link between producer and consumer is the cornerstone of our model. As a multi-specialist co-operative, our organisation is built on the foundation of our five divisions. Brand development, innovation, developing our sectors, competitiveness and international expansion are their priorities.**

# AGRICULTURAL



The pandemic ended up having a positive impact on rural distribution in 2020, but climate change and a very poor harvest hit farms' performance. Nevertheless, our teams mobilised their many skills and the Agricultural division was able to go on supporting the Co-operative's farmer members without interruption throughout the year.

**€1.3 billion**  
in turnover in 2020

-  
**7,800**  
cereal farmer members

-  
**2,800**  
cattle farmer members

-  
**690**  
seed farmer members

-  
**3,000**  
employees

## Agriculture department

Like the rest of the division, the agriculture department was hit by a dual crisis in 2020: firstly, chaotic weather had a major impact on the harvest, and then, of course, the COVID-19 epidemic upset the cattle trade and required a significant effort to adapt on the part of all our employees.

In crop production, the summer harvest of 2020 was one of the weakest ever recorded and was almost 500,000 tons below the figure for 2019, a fall of over 35%. This was partly due to a significant reduction in surface area sown in the very rainy conditions of autumn 2019, and partly due to the disappointing, not to say disastrous, yields on most farms as a result of drought. Fortunately, a good autumn harvest, when over 200,000 tons of corn were brought in, partly made up for the poor summer yield, although yields were very variable across regions.

Given the difficult conditions, the mobilisation of all the Co-operative's teams to support farmers during the harvest was universally welcomed.

In farm supplies, the roll-out of alternatives to synthetic chemicals continues under the AL'terre native brand as pressure from regulators and the public grows constantly. This year was also marked by preparations to separate phyto-sanitary product sales from consultancy.

**1.3**  
million tons of cereals collected

-  
**10%**  
the percentage of plant protection products belonging to the AL'terre native range



*More than ever after the year 2020, our control of the entire food chain from seed to plate is a unique asset that we must now value. Despite repeated extreme weather events, the Co-operative is doing everything in its power to help its farmer members move towards a way of farming that balances competitiveness, value creation and sustainable development. In times of great change, the success and fulfilment of each and every one of our farmer members is at the very heart of the Agrial project.*

**Philippe Marie**  
Vice-Chairman of Agrial



**128,000**  
cattle sold

**625,000**  
tons of food  
manufactured  
by our factories

**326,000**  
tons of compound  
feed for cattle and  
goats marketed

Agrial made the decision to take the sales route a long time ago and the separation took place on the 1st of January, 2021.

Finally, the digitalisation of the agriculture department's offering continues, with the new 'raw materials exchanges' being rolled out on the new Mon Agrial portal from autumn onwards.

In animal nutrition, there was a sustained increase in manufacturing of compound and mineral feeds everywhere, confirming the technical competence and economic competitiveness of the Co-operative's feed production facilities. Use of straight feedingstuffs, however, fell, due to supply difficulties and the increase in raw materials prices in the autumn as a result of China's insatiable appetite. In response to strong demand from customers, the year was marked by the growth of the

Tracéal range and the placing of tags on farmer members' silos to provide increased guarantees of traceability. A significant amount of work was done in co-operation with Agrial's Dairy division (the Grand Fermage project, the protein plan, etc.).

The health crisis hit the cattle trade as a result of repeated closures of restaurants and instability on international markets. Agrial's cattle farming activity was, therefore, gloomy in 2020, mainly as a result of a drop in the introduction of weaned calves (10% down on the 2019) and lower prices than expected. However, the cattle Farmers' Organisation was able to complete its roadmap with a view to reorganising the business, diversifying its outlets and permanently establishing the sector as part of the Co-operative.

### Seeds department

2020 was a mixed year for the production of seeds. The production was affected by the weather conditions and saw a drop in volumes. Yields for fodder, small grain cereals and corn were well below the multi-annual reference rates, which had a negative effect on both the income of our seed farmer members and on the competitiveness of seed facilities.

Following an exceptional year in 2019, the volume of small grain cereal seeds multiplied by the Co-operative in 2020 was affected by two climate factors. Heavy rains in autumn affected sowing and led to the return of 1,800 tons of seeds produced in 2019. Providing this service to farmer members had a significant impact on the seeds department's results but was, nevertheless, especially useful and

appreciated given the difficult circumstances. The summer heat-wave then affected yields: net field productivity fell by 28% in the south and 12% in the north.

The sowing of fodder seeds was also affected by the heavy rainfall in autumn 2019, with a reduction of 16% on the surface area harvested in 2020. The summer heat also affected grain production potential, particularly for red clover, lucerne and most grasses. The seed multiplication network's expertise and support for farmer members on the ground did, however, help to significantly improve production quality.

Finally, for corn seeds, 2020 was another trying year. As in 2019, yields were historically low at 71% of the multi-annual reference rates. Following a 14% increase in surface area last year, the Co-operative will,

therefore, once again need to look for additional seed multiplier members to meet demand from customers.

**13.245**  
hectares of seed  
multiplication,  
including 144 hectares  
of organic seeds.





*The Agricultural division's good results in 2020, which was such an unusual year, is certainly due to the quick response, multiple skills and commitment of all our teams; from silos to stores, from factories to concessions, from hubs to seed stations, from support services to farms, we can all be proud of having managed to provide our farmer members with uninterrupted support.*

**Nicolas Laigle**  
EVP of the Agricultural division

## Rural distribution department

In a context marked by the closure of all stores due to the lockdown in France and by an exceptional level of activity, the rural distribution department had a very good year 2020. The new LaMaison.fr brand, has taken off and attracted new customers.

In mid-March 2020, all stores were required to close to the public and were only allowed to sell animal feed and provide services to our farmer members. Almost 1,000 employees were therefore placed on short time working and the opening of the four new stores in Vendée and Deux-Sèvres (Thouars, Parthenay, Bressuire and Les Herviers) was interrupted. Three weeks later, rural distribution stores were finally

classified as essential and were able to open with a very strict health protocols to protect customers and employees. Business immediately shot up and stayed high throughout the year with an increase of over 10 % in sales to the general public. Our young brand, LaMaison.fr, also benefited from French customers' interest in DIY and gardening and attracted new customers who liked how close the stores were and the advice provided by the staff.

This year was also marked by the opening of three new stores in Brittany: Malansac, Montauban-de-Bretagne and Malestroit. Major investments were also concluded in Condé-en-Normandie and Carpiquet (14). Great opportunities to bring our goods and services closer to farmer members right across the geographical area we cover and to develop the LaMaison.fr brand.

Finally, as part of our Horizon 2025 strategy, this year we concluded the roll-out of two new e-commerce tools (the AgrialPro.fr website for farmers and professionals and the LaMaison.fr website for the general public), making the rural distribution department's phygital ambitions a reality. We expect them to come fully into their own in spring 2021.

**135**  
LaMaison.fr stores

## Machinery department

Following a rather slow start to the year, particularly during the first lockdown, the machinery department activity experienced a strong recovery that continued throughout the year both in agricultural machinery and in livestock equipment.

In spite of fears raised by the lockdown announcement, agricultural machinery was not much affected by the public health, environmental or economic crises in 2020. On the contrary, sales of harvesting equipment were boosted by the new range of Lexion combine-harvesters from Claas. As a result, overall activity was sustained from spring onwards order backlog in 2020 even exceeded that of the previous year.

Services also did well, with the addition of the new "LOCA3" range of second-hand equipment rentals.

On the livestock equipment side, the success of the "GEA DairyRobot R9500" milking machine continued, building on nearly 30 machines sold in 2020, which was a record figure. Although they fell compared to the previous year, orders for Elevance were good, while for Lactamat the picture was less encouraging. Although difficulties with hiring are still having a negative impact, sales of services are holding steady at Elevance and rising at Lactamat. In addition, V3Pro's business continues to grow both on new and second-hand equipment as a result of the success of the JCB brand.

More generally, machinery remains an essential tool to support producers in moving towards precision farming, which saves on inputs and can balance effective farming with sustainable development. This is why we have the department in the Co-operative: to better serve farmer members and customers.

**€156M**  
in turnover in 2020





# DAIRY



Against a background of global uncertainty for dairy produce due to the pandemic, Agrial's Dairy division had a rather satisfactory year. While catering and export markets were heavily impacted, sales through the major retailers were brisk from the first lockdown onwards, thanks mainly to French consumers increasingly enjoying cooking. Above all, in 2020 the division went on building its ability to add value for the Co-operative's farmer members.

**€2.4 billion**  
in turnover in 2020

–  
**3,200**  
farmer members in  
conventional cow's milk

–  
**600**  
farmer members  
in goat's milk

–  
**320**  
farmer members in  
organic cow's milk

–  
**5,200**  
employees

In 2020, over 4,100 members brought milk to the Co-operative (3,200 conventional cow's milk producers, 600 goat's milk producers, and 320 organic cow's milk producers). In total we collected 2.4 billion litres. The amount of organic milk collected went on rising in response to demand from growing markets, while the support facility established by the French dairy organisation CNIEL in spring allowed the amount of conventional cow's milk collected to be restricted given the COVID-19 epidemic.

Even before the pandemic began, however, for Agrial, the beginning of the year had been marked by a fire at our plant in Luçon (85). A large part of the plant was destroyed on 14<sup>th</sup> February but fortunately made no wounded. In addition to the effect of the fire on the plant's 130 employees, the accident meant that the division had to deal with two challenges. Firstly there was the logistics challenge of continuing to collect and process the 130 million

litres of milk from producer members in the area that are usually processed at the plant. This became even more difficult when the general lockdown was imposed one month after the fire. The second challenge was to decide what would become of the site in a very short time. This was far from easy given the extent of the damage. Agrial's Board of Directors decided to rebuild the plant on the same site aiming at developing the business, sending a strong signal about dairy production in the southern Loire area and about local jobs. By 2020, the Luçon plant's capacity will be increased to 24,000 tons of mozzarella (compared to 16,000 previously) from 200 million litres of milk. With a view to generating added value, the plant will produce primarily small runs of products to supplement what's produced at the Herbignac plant and will be able to cater to the French supermarket sector and out-of-home catering and to export markets.



*In a year when Agrial was heavily affected by the Luçon fire and the COVID-19 health crisis, I can only highlight the common commitment of our farmer members, who showed understanding and pragmatism, and our employees, who have an extraordinary ability to adapt to circumstances. In 2020, solidarity and co-operative values really came into their own.*

**Pascal Le Brun**  
Vice-Chairman of Agrial



“  
**The operational excellence saved €14 million in 2020.**

Where the major retailers were concerned, this was a very busy year for the division. There were unprecedented peaks in consumption for certain product types during both lockdowns. The butter and cheese businesses were especially dynamic as consumers adopted new habits. The same is true of goat's cheese, which is easy to use in the kitchen. Our Soignon brand, which celebrated its 125<sup>th</sup> birthday in 2020, also continued moving up the national Kantar Brand Footprint ranking. It reached 25<sup>th</sup> place on the list of consumers' favourite brands with the 3<sup>rd</sup> highest growth of the year. In the cow's milk market, the situation also benefited our Agrilait and Grand Fermage brands. The latter also benefited from a brand makeover. The work on repositioning the brand began in 2019 and was a collaboration with a group of farmer members, which

allows us to better share the brand's history, the Co-operative's values and the producers' commitment to biodiversity. Finally, the ultra-fresh businesses had a good but variable year in 2020. While private labels ultra-fresh cow's milk was dynamic, branded alternative ultra-fresh suffered as the market was strongly penalised by the economic situation and by a reduction in the number of references stocked by retailers during the first lockdown.

The Dairy division's international performance was encouraging in 2020. Thanks to a great deal of hard work from the team, Eurial Italy has got back into profit in recent months despite the difficult situation in the first European country to be affected by the COVID-19 pandemic.

In Germany, a year on from its acquisition, Rotkäppchen is growing. The year was marked by restructuring, the formation of a new management team, extra support from the division's industrial teams, and sharing of sales staff for the supermarket sector with Florette Germany. In Belgium, our subsidiary Capra held up well in a growing market and managed to go on working despite high rates of absenteeism. What's more, 2020 saw the launch of our new commercial subsidiary Agrial Nordics, which will increase exports of dairy products to northern Europe.

The Ingredients and Nutrition department turned in a steady performance. It was obviously a difficult year for out-of-home catering, but mozzarella for pizzerias was a little less severely affected by the closure of restaurants than other kinds of products, thanks to take away and delivery sales. The department was

also helped by rather favourable commodity prices despite the situation, particularly for casein. The pace of investment remained high, in line with the division's roadmap, in order to increase product innovation, improve technology at our sites and continue to develop added value dairy ingredients.

More generally, across all market segments, the Dairy division handled the exceptional hazards of the COVID-19 crisis so well partly due to its on-going approach to controlling industrial and logistics costs, a road on which it set out several years ago and which was supplemented in 2020 with a very proactive plan to keep fixed costs down. The operational excellence that the division has adopted has not only brought a new perspective on the processes and methods we use, but also saved €14 million in 2020 alone.



*2020 tested the division to its limits. Nevertheless, we produced satisfactory results, showing that we are robust, responsive and agile. I would like to thank all the division's employees. They faced unprecedented challenges yet worked shoulder to shoulder to keep the food chain delivering food to our citizens.*

**Gilles Rabouille,**  
**EVP of the Dairy division**



# FRESH PRODUCE

In 2020 the Fresh Produce division's markets were seriously affected by the pandemic. Changes in consumers' habits and the interruption to out-of-home catering, which makes up 25% of the division's turnover, affected all countries to varying degrees. However, thanks to our teams' hard work, the division managed to adapt and innovate to reduce the impact of the crisis.

**€1.4 billion**  
in turnover in 2020

**150**  
vegetable farmer members

**772,000**  
tons of vegetables sold

**10,500**  
employees

Against the background of an unpredictable market, farmer members of Agrial's vegetable Farmers' Organisation brought 97,000 tons of vegetables to the Co-operative. The year saw the blossoming of a number of ambitious labels which started out a few months ago, beginning with Agrilogique, the range of pesticide-residue-free vegetables first launched at the end of 2019 for the 1<sup>st</sup> range and early in 2020 for the Florette brand. Agrilogique now already accounts for almost 90 hectares of Agrial's vegetable Farmers' Organisation surface area (salads, carrots, turnips and leeks). The high environmental value label (HVE) and conversions to organic farming are also progressing, with three HVE3-certified farmer members and four new organic carrot producers.

Reorganising in this way allowed us to further our work on operational efficiency and premiumisation of various ranges of vegetables. Priméale France now has 21 industrial premises, processes 500,000 tons of vegetables, turns over €500 million and is one of Agrial's largest business units.

More generally, business held up well for the 1<sup>st</sup> range as consumers rediscovered the attractions of cooking. Carrots had a satisfactory year, while potatoes, leeks and seasonings were seen as essential goods in spring, though they suffered as a result of the warm weather at the end of the year. Van Oers, our Dutch subsidiary, has off-season production in Morocco and Senegal and continued serving customers, doing brisk business despite the difficulties thrown up by the epidemic.

Where organisation of the division is concerned, the major event of 2020 was the setting up of Priméale France's Business Unit (BU), which now brings together all production, processing and marketing activities for the 1<sup>st</sup> range in France.



*In what was a very unusual year for all of us, I can only highlight the commitment of the division's farmer members and employees. Under these circumstances, Agrial's vegetable Farmers' Organisation must reassert itself as the heart of the division's strategy by supporting the development of labels which add value and by investing on the ground to preserve its expertise and its terroirs as has been done at the FO's carrot station in Saint-Georges-de-Gréhaigne.*

**Bernard Guillard**  
Vice-Chairman of Agrial



**Florette joined the rankings of France's 50 favourite food brands.**

The Dinterloord factory in the Netherlands opened in November 2018 and is now functioning at full capacity. Van Oers, therefore, came out of 2020 strengthened, led by a new management team.

The 4<sup>th</sup> range was badly affected by the opening and closing of out-of-home catering across Europe, although larger fast food restaurant chains held up better than other companies. However, Florette sales in supermarkets were brisk in France as consumers turned to familiar brands during the crisis. Thanks to our teams' creativity and ability to adapt to changing consumer habits, the growth in click-and-collect and people paying more attention to where products came

from also played in its favour, though the fresh cut market segment had a difficult time. The Florette brand as a whole increased its market share in 2020 and joined the Kantar list of France's 50 favourite Food Brands. Créaline, on the other hand, had a difficult year on the fresh soup and purée markets, despite growing recently on the institutional catering market (hospitals and care homes, etc.)

The 4<sup>th</sup> range business had mixed fortunes on the international market. In Germany, where most sales are to supermarkets, Florette had an excellent year and spread to new regions and new customers. In Benelux, the situation was similar, with little activity in the restaurant



sector. Our British subsidiary had a more difficult time, as price wars between the large UK supermarkets began again and the company was very exposed to out-of-home catering (30% of its turnover). The same is true of Spain, where business is usually led by growth in salad meals and these were hard hit by remote-working and changing consumer habits. Finally, the revival of our Canadian subsidiary, Salad-express, continued in 2020 despite the situation.

Overall, 2020 will be recorded as the year when the Fresh Produce division met its goals on safety at work. The accident frequency rate fell to 7, well below the target of 10 set over five years ago. This is proof of the

growing awareness, on both a collective and individual level, of a challenge that is at the heart of Agrial's Horizon 2025 strategy. Another key project which the division is pursuing is the very proactive environmental management policy for packaging entitled the 3 Rs (for Reduce, Recycle, Re-use). Having redesigned the Florette Aperitif tray and saved 300 tons of packaging in 2019, in 2020 the thickness of the division's salad bags was reduced, saving a further 200 tons of plastic.

*In this very unusual year, we should salute the commitment of all the producers and employees who contributed to the division's work. We can all be proud of the work we did! Together we have proved our resilience, adaptability and ability to innovate, relying on our values and our brands to keep the food chain moving and share our tasty fruit and vegetables with all our consumers.*

**Bertrand Totel,**  
EVP of the Fresh Produce division

# MEAT

Agrial's Meat division had a satisfactory year in 2020 given the public health situation and restructuring continues. Butchery performed particularly well but the trade and charcuterie sectors were harder hit by restaurant closures and the difficulties for traditional supermarket departments. The global situation also affected activities upstream of the division.

**€515 million**  
in turnover in 2020

-

**360**  
pork farmer  
members

-

**160**  
poultry farmer  
members

-

**50**  
egg farmer  
members

-

**1,200**  
employees

The spread of African swine fever affected Agrial's pork production much more than the COVID-19 epidemic in 2020. This was the case across Europe starting with Germany. In France, pork prices were steady in the first half of the year but collapsed in the second and were a long way from the exceptional levels of 2019. In spite of this volatility, the pig Farmers' Organisation continued to support its farmer members by developing its quality labels and strengthening ties with the Meat division's processing facilities. Over three quarters of the Farmers' Organisation's 781,000 pork pigs were sold with quality labels: 20% were sold as suckling pigs, 13% as Label Rouge, 2% as organically farmed and 6% under the internal initiative 'Porcristal', launched two years ago with the commitment to giving no antibiotics from birth.

The poultry group, which was formed when the poultry Farmers' Organisation and the egg Farmers' Organisation came together in 2019, continued to grow.

Agrial's egg business sells largely to supermarkets using the 'L'oeuf de nos villages' brand led by our partner, Avicole de l'Ouest (AVO), and benefited from French consumers taking an interest in cooking again, particularly during the first lockdown. The same applies to the poultry business, where demand was solid both for standard poultry and for Label Rouge birds. This business growth led the poultry group to seek out new premises in 2020. Two new buildings for eggs were opened, increasing facilities for standard poultry by 5% and for poultry with a quality mark by 2%. The poultry group remains vigilant, however, given the spread of bird flu.

Downstream, Maître Jacques had an exceptional year with unprecedented peaks of production. The Brittany-based firm sells almost exclusively into supermarkets and business was particularly good during the lockdown periods when French consumers cooked more.



*While 2020 was certainly marked by the COVID-19 pandemic, our upstream activities were also affected by two other major epidemics: African swine fever reached the French border and bird flu spread worryingly quickly. Given all this turbulence, we must be especially vigilant about the health situation and resolutely confident about French livestock farming.*

**Arnaud Degoulet**  
Chairman of Agrial



“  
**Maître Jacques had an exceptional year with unprecedented peaks of production.**

The warm weather in the spring boosted sales of barbecue products. The extension to the Maître Jacques factory began in autumn 2020 against this background, with the aim of supporting the steady growth of the business and providing employees with optimum facilities throughout the year. The dispatching hub will therefore be extended by 1700 m<sup>2</sup> and there will be 1500 m<sup>2</sup> more of social area. The extension should be finished by the summer of 2022.

The division's wholesale trade, led by Avigros in Rungis, was seriously affected by the closure of Parisian markets and out-of-home catering for many months. However, growth on the butchers, charcutiers, delicatessens circuit was noteworthy, in particular during holiday periods. In these uncertain times, moving upmarket remains the firm's priori-

ty, for instance by developing the 'Free-range Normandy poultry' brand, which was created in partnership with Agrial's farmer members, but also by continuing to develop the halal ranges and alternatives to the restaurant and catering market.

The long break in out-of-home catering, which makes up almost a quarter of its turnover, also affected the division's charcuterie business. The vitality of the traditional network of small businesses, butchers, charcuterie and delicatessens, only partly made up for the loss of earnings in restaurants and catering. In the supermarkets, many delicatessen counters were closed during the first lockdown. What's more, competition from packaged products in the self-service section and the click-and-collect boom drove footfall at delicatessen counters down significantly throughout the

year. The performance of our charcuterie products was therefore lacklustre in 2020, although traditional products such as traditional ham, puddings and head products held up rather well.

But the year was marked mainly by the successful integration of Sibert and La Bresse, two charcuterie firms based in the Ain department. The Meat division's charcuterie business unit is now made up of four firms: Brient, Tallec, La Bresse and Sibert and has ambitious plans both on the commercial and marketing side and on logistics and operational synergies. Their whole approach is organised around the Winston project, which will bring the four companies together and offers good growth potential through their acknowledged expertise and quality marks.

In response to strong public expectations, the Meat division has also continued to work on key issues like reducing or even completely removing additives and reducing packaging and making it recyclable. A number of important operational excellence processes were put in place in several of our factories in 2020 as part of Agrial's Horizon 2025 strategy. These aimed to make better use of by-products, reduce waste and improve ergonomics on production lines. Finally, our first Safety at work day was held on all the division's sites as part of the common Agrial safety event to raise everyone's awareness of these issues.



*As we leave this trying year behind us, I would like to congratulate each and every one of the division's employees. Thanks to their unfailing solidarity, their adaptability and their scrupulous adherence to the preventive measures, we did not have to stop production at any time during the crisis. We can all be proud of having reacted so quickly and shown our ability to recover and find alternative markets to partially make up for the loss of business.*

**Stéphane Poyac**  
 EVP of the Meat division



# BEVERAGE



Agrial's Beverage division had a very uneven year in 2020. In France, markets were severely affected by the pandemic, hampering the work on promoting cider which started several years ago. Business held up better on international markets however, both in the United Kingdom, which saw a solid performance from Aston Manor, and in the United States with the development of Manzana.

**€377 million**  
in turnover in 2020

**600**  
cider fruit  
farmer members

**129,000**  
tons of apples  
collected

**1,100**  
employees

In France, the pandemic made 2020 an especially difficult year for the Beverage division. The long closure of bars, crêperies and restaurants severely affected results. Sales to major supermarkets did not make up for the lost business as happened with other products. Instead, they were badly affected themselves. Cider is a product that people share and is consumed basically in large bottles at festivals and parties, so consumers did not support the product during lockdowns.

In the cider market, which is facing structural decrease, the epidemic interrupted the Beverage division's work to win back market share just as it was beginning to bear fruit. Following the launch of the new Loïc Raison ranges in 2019, the Écusson brand was supposed to be at the heart of 2020 with an ambitious goal: making the whole range (except for the rosé cider) organic. The first lockdown coincided with the change to the products on supermarket

shelves, which prevented the sales teams from doing their job and severely affected the launch. As a result, the launch was postponed until the end of the year, but that was also disrupted by another lockdown.

To compensate for the international situation, a great deal of work was done to reduce overheads and postpone certain investments. What's more, against this background, which was difficult for everyone working with us, safety in the workplace remained our daily priority. This was emphasized at the Agrial safety event, with a day entirely dedicated to this key issue, using awareness raising workshops on all our sites. Our teams also threw themselves into winning back lost markets as quickly as possible. At the end of 2020, for example, the sales force went out to bakeries and pastry shops, a sector that the division had not previously focused on.



*In a particularly difficult year due to the impact both of COVID-19 and the inclement weather, I can only thank the division's farmers and employees for their solidarity and teamwork on behalf of the cider sector and its recovery. I would also like to highlight how well our international business performed, creating added value for the Co-operative's farmer members.*

**Jean-Luc Duval**  
Vice-Chairman of Agrial

“  
**Our teams are throwing themselves into winning back lost markets as quickly as possible.**

On the production side, although a bumper apple harvest was expected at the start of the year, the summer weather ended up bringing it down to 129,000 tons, which is average for the last four years but well below the harvest that is potentially possible. Repeated poor harvests have hit farmers' finances and worried the apple Farmers' Organisation team, but also reduced the division's stocks and avoided a production glut, given the fact that consumption was seriously affected by the COVID-19 epidemic.

The division's international business prospered in 2020. Against all expectations, exports from France did well, despite national lockdowns, travel restrictions and a temporary boycott of French products in the Middle East in autumn. The year

was particularly marked by the launch of the Loïc Raison brand in Japan as the Japanese cider market expanded. We also did brisk business across the Atlantic. Despite some operational difficulties in meeting demand, our Californian company Manzana did booming business thanks particularly to 100% organic cider vinegar, which many Americans felt had protective properties.

Of all the division's firms, Seattle Cider has the largest presence in the catering sector (70% of its business) and it therefore had a more difficult year although it did receive support from local authorities. The teams did their utmost to find alternative solutions, which led to the rapid growth of e-commerce and click-and-collect operations.



In the United Kingdom, Aston Manor proved its resilience in 2020, achieving growth in spite of the pandemic. The British cider maker is less exposed to the catering sector than many of its competitors and it used its excellent service level to strengthen the relationship of trust with its main distribution customers. The firm now intends to further develop activities that supplement cider. This is the reason for its investment in a second canning line, which went into operation in autumn 2020. In addition to Aston Manor's own products, it allows the firm to do contract packing for new clients seeking to diversify.

In addition to these businesses, at the end of 2020, Agrial announced that it would increase its stake in Phare Ouest, where it has been a minority shareholder since 2010.

Phare Ouest was founded in 2002, has 53 employees and owns a factory in Plöermel (56). The firm produces around 70,000 hectolitres of beer (under the Lancelot, Duchesse Anne and Blanche Hermine brands) and 145,000 hectolitres of soft drinks (Breizh Cola). This steady increase in capital is no surprise and will strengthen the industrial and commercial synergies which already existed between the Beverage division and Phare Ouest, which is a Brittany-based success story whose strong identity will be preserved.

*Although the work to promote cider, which we began several years ago in France, was stopped by the pandemic, we remain determined and confident that we will succeed in carrying out this vital work. Above all, I am especially proud of the unity and resilience of the division's teams in France and around the world as they did everything possible to solve daily problems and find solutions for our clients.*

**Marc Roubaud**  
**EVP of the Beverage division**



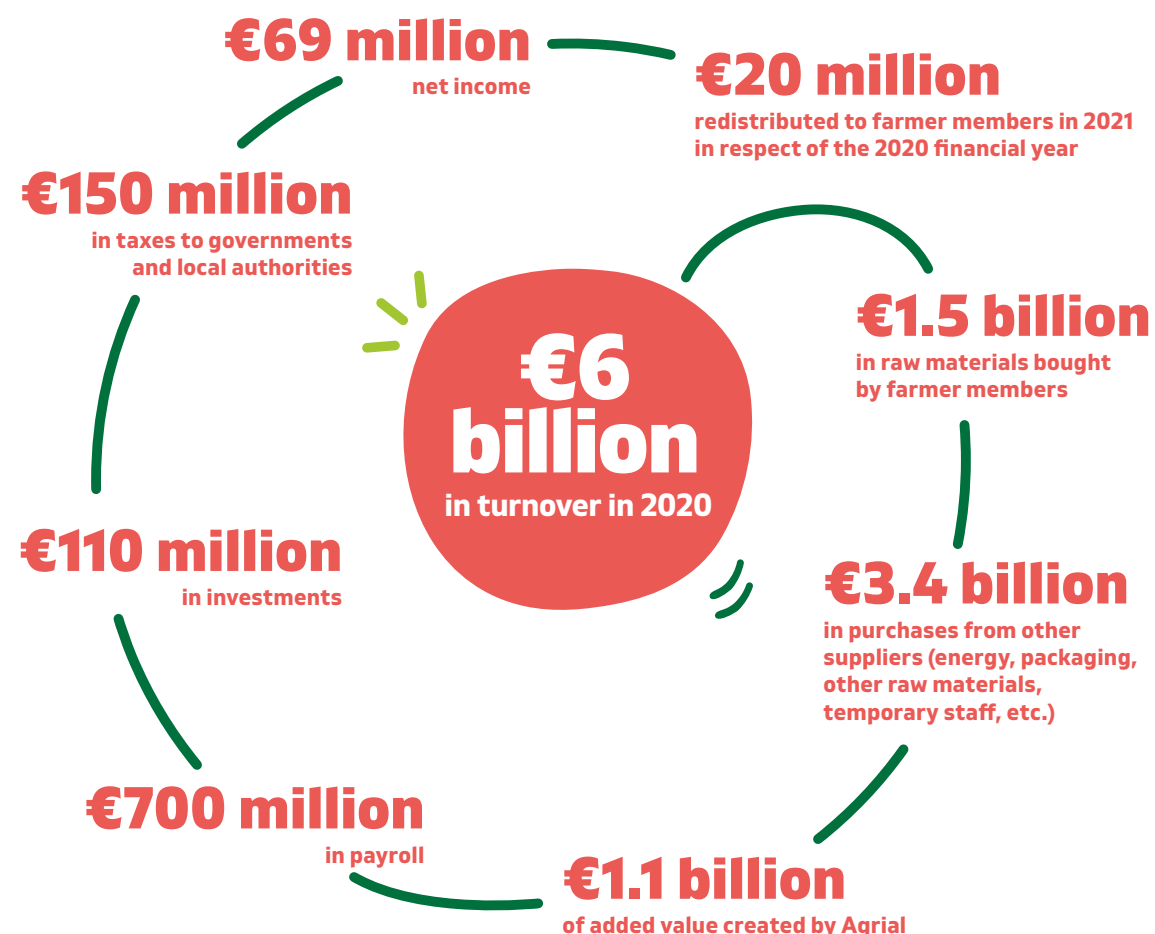


# A CO-OPERATIVE COMMITTED TO CREATING SHARED VALUE

We believe that the co-operative model makes more sense than ever today, given the complexity of the challenges the world is facing. We are especially mindful of the economic balance within Agrial, which guarantees our independence. We share and raise awareness of the value created with all our stakeholders, starting with our 12,000 farmer members and 21,200 employees.

# SHARING THE VALUE CREATED

Agrial uses through its relationship with its 12,000 farmer members, who own 100% of the Co-operative's share capital, with the 21,200 people it employs, its investments and its presence across its territory to share and promote understanding of the value that we and our stakeholders create every year.



## Consolidated income statement of the Agrial Group (in thousands of euros)

	31 DÉC 2020	31 DÉC 2019
• Turnover	5,957,358	6,090,154
• Other operating income	79,145	48,750
• Purchases used	-4,937,425	-5,078,323
• Staff costs	-701,223	-681,623
• Other operating expenses	-16,714	-14,825
• Taxes	-148,654	-138,669
• Net change in amortisations, depreciations and provisions	-121,878	-125,580
<b>Operating income</b>	<b>110,609</b>	<b>99,885</b>
• Financial income and expenses	-18,774	-22,442
<b>Income from consolidated companies before exceptional items</b>	<b>91,835</b>	<b>77,443</b>
• Exceptional income and expenses	-9,179	-11,990
• Income tax	-14,700	-14,044
<b>Net income for consolidated companies</b>	<b>67,956</b>	<b>51,409</b>
• Share of income of associated undertakings	822	748
• Goodwill amortisation	40	-57
<b>Consolidated net income</b>	<b>68,817</b>	<b>52,099</b>
• Minority interests	7,778	6,970
<b>Net income (Group share)</b>	<b>61,040</b>	<b>45,129</b>

# Consolidated Balance Sheet

## of the Agrial Group (in thousands of euros)

	31 DÉC. 2020			31 DÉC. 2019
	Gross Value	Depreciation and Provisions	Net Amounts	Net Amounts
<b>Assets</b>				
• Goodwill	614,924	-57,849	557,075	529,504
• Intangible assets	160,917	-75,999	84,918	71,407
• Tangible assets	2,679,446	-1,836,368	843,078	849,049
• Financial assets	134,160	-11,384	122,776	118,787
• Shares in associate undertakings	6,605		6,605	6,470
<b>Total non current assets</b>	<b>3,596,053</b>	<b>-1,981,600</b>	<b>1,614,453</b>	<b>1,575,218</b>
• Stocks and inventories	704,997	-17,849	687,148	668,393
• Trade receivables	580,490	-27,708	552,782	559,737
• Other receivables and accruals	242,119	-905	241,214	265,284
• Marketable securities	228		228	52,738
• Cash at hand	195,052		195,052	263,936
<b>Total Current Assets</b>	<b>1,722,886</b>	<b>-46,461</b>	<b>1,676,425</b>	<b>1,810,089</b>
<b>TOTAL ASSETS</b>	<b>5,318,939</b>	<b>-2,028,061</b>	<b>3,290,878</b>	<b>3,385,307</b>
<b>Liabilities</b>		Before distribution	Before distribution	
• Share Capital		118,232	118,423	
• Share premium accounts		11,614	11,614	
• Revaluation differences		9,817	9,817	
• Reserves, Group share		719,470	690,333	
• Net income, Group share		61,040	45,129	
<b>Total Shareholders' Equity, Group Share</b>		<b>920,173</b>	<b>875,316</b>	
• Minority Interests		63,814	69,048	
<b>Total Shareholders' Equity</b>		<b>983,986</b>	<b>944,364</b>	
• Other shareholders equity		113,245	113,321	
• Investment grants		27,911	24,519	
• Provisions for liabilities and charges		82,461	78,857	
• Loans and financial debts		926,847	1,111,031	
• Trade payables		803,501	805,700	
• Other debts and accruals		352,925	307,515	
<b>Total debts</b>		<b>2,083,274</b>	<b>2,224,246</b>	
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>3,290,878</b>	<b>3,385,307</b>	

# Income statement

## of the Co-operative (in thousands of euros)

	31 DÉC 2020	31 DÉC 2019
• Turnover	2,207,037	2,186,650
• Other products (including calculated on provisions)	16,674	18,574
• Purchases used	-2,110,368	-2,098,351
• Taxes and assimilated payments	-6,369	-6,076
• Staff costs	-67,469	-66,167
• Transfer to amortisations, depreciations and provisions	-15,708	-17,630
• Other charges	-4,862	-4,975
<b>Operating income</b>	<b>18,935</b>	<b>12,024</b>
<b>Income from financial operations</b>	<b>15,474</b>	<b>12,864</b>
<b>Income before non-recurring items</b>	<b>34,408</b>	<b>24,888</b>
<b>Exceptional income</b>	<b>8,190</b>	<b>17,213</b>
• Employee share of the profits expansion	-275	-154
• Taxation on profits	-1,772	-1,554
<b>Net income</b>	<b>40,551</b>	<b>40,393</b>

# Balance sheet

## of the Co-operative (in thousands of euros)

Assets	31 DÉC 2020		31 DÉC 2019	
	Gross value	Depreciation and provisions	Net amounts	Net amounts
• Intangible assets	16,790	12,355	4,436	2,879
• Tangible assets	373,275	279,101	94,174	98,330
• Long term investments	479,315	17,941	461,374	448,371
<b>Total fixed assets</b>	<b>869,381</b>	<b>309,397</b>	<b>559,984</b>	<b>549,580</b>
• Stocks and inventories	204,899	446	204,453	218,909
• Receivables from associates and associated accounts	34,927	9,268	25,659	27,717
• Customer receivables and associated accounts	155,079	2,741	152,338	142,125
• Other receivables	161,750	37	161,713	125,921
• Subscribed and called-up capital unpaid	2,214		2,214	1,879
• Cash	1,512		1,512	714
• Prepaid expenses	2,509		2,509	2,214
<b>Total current assets</b>	<b>562,890</b>	<b>12,491</b>	<b>550,399</b>	<b>519,479</b>
<b>Total assets</b>	<b>1,432,271</b>	<b>321,888</b>	<b>1,110,382</b>	<b>1,069,059</b>

## Liabilities

Liabilities	31 DÉC 2020	31 DÉC 2019
	Before distribution	Before distribution
• Share capital	118,232	118,423
• Merger premium	11,614	11,614
• Revaluation reserves	9,817	9,817
• Reserves	511,483	480,010
<b>Income</b>	<b>40,551</b>	<b>40,393</b>
• Investment grants	50	4
• Statutory provisions		
<b>Total equity capital</b>	<b>691,747</b>	<b>660,261</b>
<b>Total other equity</b>	<b>34</b>	<b>39</b>
• Provisions for risks	1,993	2,294
• Provisions for charges	16,071	15,390
<b>Total provisions for risks and charges</b>	<b>18,064</b>	<b>17,684</b>
• Loans and funding liabilities	74,185	74,538
• Payable to associates and associated accounts	194,318	184,539
• Payable and associated accounts	85,822	89,151
• Other liabilities	46,064	42,771
• Deferred income	148	76
<b>Total debts</b>	<b>400,537</b>	<b>391,074</b>
• Translation adjustments		
<b>Total liabilities</b>	<b>1,110,382</b>	<b>1,069,059</b>

# SUMMARY OF OUR COMMITMENTS TOWARDS SUSTAINABLE DEVELOPMENT

Since 2018, Agrial has been committed to the United Nations Global Compact on corporate social responsibility and to its ten principles on human rights, labour standards, the environment and the fight against corruption. We want to contribute to meeting the United Nations' Sustainable Development Goals through these commitments.



'In line with its values, Agrial supports and is committed to the United Nations Global Compact and its ten principles covering human rights, standards in the workplace, environmental protection and the fight against corruption. We have incorporated these principles in our Code of conduct, that we share with our employees, our suppliers, our partners and all our stakeholders.'

**Arnaud Degoulet, Chairman of Agrial and Ludovic Spiers, Chief Executive Officer**

## Contribute to life in the company and our rural regions

Contributions to the SDGs and to Principles 1, 2, 3, 4, 5, 6 and 10 of the United Nations Global Compact.



Our Commitments	Our Aims and objectives	2020
Promote ethics and fight corruption	Disseminate our Code of conduct to all our associates	95%
	Roll out our Responsible Purchasing Charter to all our main non-commodities suppliers in 2021	100% of new contracts
Support farmer members for successful farmings	Monitor our farmer members support activities:	1,538 beneficiaries of the Agriboost for young farmer members programme
	<ul style="list-style-type: none"> <li>Support young farmers through the three-year Agriboost assistance programme</li> <li>Offer farmer members strategic advice based on a global assessment of their farm</li> </ul>	496 beneficiaries
Ensure the safety, quality of life in the workplace and development of our employees	Bring the frequency rate in the workplace involving lost-time down to 10 in 2025	13.2
	Offer training to two thirds of staff on permanent or temporary contracts each year (geographical scope: France)	66%
	Bring in 350 young people a year on day release or apprenticeship programmes by 2025	261
	Employ 20% more disabled employees by 2025 compared to 2019 (geographical scope: France)	4.18% (+2,5%)
	Percentage of non-temporary staff covered by a body representing the employees (geographical scope: France)	99.7%
Contribute to the dynamism of rural territories and local life	Monitor our local footprint and contribution: <ul style="list-style-type: none"> <li>Food donations</li> <li>Average staff working in towns with less than 10,000 inhabitants (geographical scope: France)</li> </ul>	1,000 tons 81%

## Preserve the Earth and living things

Contributions to the SDGs and to Principles 7, 8 and 9 of the United Nations Global Compact.



Our commitments	Our Aims and objectives	2020
Preserve natural resources	Preserving water and protecting water quality <ul style="list-style-type: none"> <li>Reducing water consumption: target to be determined</li> <li>Achieving 100% conformity for the DBO/DCO assessments of our waste water</li> </ul>	94%/90%
	Aim for 100% of our organic waste to be recycled or recovered	97.5%
Help fight climate change	Reducing energy consumption on our sites by 10% between 2016 and 2025	-4.15%
	Increasing the proportion of energy-saving equipment used in our milk collection fleet <ul style="list-style-type: none"> <li>Percentage of Euro 5 or Euro 6 standard tractors (target: 100%)</li> <li>Percentage of electric tankers (target: 60% in 2021)</li> </ul>	99% 51%
	Roll out a climate plan which is in line with the recommendations in the national low carbon strategy	Ongoing
Respect animals and biodiversity	Double sales of the AL'terre native range between 2018 and 2025	+41%
	<ul style="list-style-type: none"> <li>100% of the Florette salads production areas are LEAF-certified.</li> <li>100% of the orchards of our farmer members observe organic specifications or abide by the Agrial Committed Apple Producers' charter ('Pomiculteurs engagés').</li> </ul>	100% 100%
	Protect livestock animals' quality of life <ul style="list-style-type: none"> <li>100% of dairy farmer members signed up to the Best Farming Practices Charter</li> <li>100% of goat farmer members signed up to the Soignon Good Practice Charter</li> <li>100% of poultry farmer members have carried out an EBENE assessment</li> </ul>	94% 75% Ongoing training

## Provide safe and healthy food for everyone



Contributions to the SDGs under the United Nations Global Compact.



Our commitments	Our Aims and objectives	2020
Feed people well	Increase the volume of feed for cattle, goats and horses sold with no GMOs or antibiotics by 50% between 2018 and 2025	+33%
	Move towards 100% quality, health and safety certification of sites and processes by 2025	93%
Developing high quality local sectors	Increase sales of organic products by 100 million euros between 2018 and 2025	+€44 million
	Support high-quality and local sectors <ul style="list-style-type: none"> <li>• PDO, AOC, BBC or organic cow milk</li> <li>• PDO, AOC or organic goat's milk</li> <li>• AOC, PGI or organic apples</li> <li>• LEAF and Global GAP certified Florette salads</li> <li>• Pigs certified Label Rouge, PGI, organic, Porcristal or other private standards</li> <li>• Organic, free-range, Label Rouge (or other alternative) eggs</li> <li>• Poultry certified Label Rouge, free-range, PGI or other private standards</li> <li>• Cattle certified organic, Label Rouge or other private standards</li> </ul>	% of volume collected from our members <ul style="list-style-type: none"> <li>25%</li> <li>13%</li> <li>72%</li> <li>100%</li> <li>77%</li> <li>69%</li> <li>26%</li> <li>8%</li> </ul>

An appendix containing a table summarising our commitments and challenges along with a description of the methodology used and the report from the Independent Third-Party organisation on the non-financial information included in Agrial's 2020 Integrated Report **is available on Agrial's website under the heading Publications.**



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