



APPENDIX TO THE
INTEGRATED REPORT 2020

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WELLBEING



APPENDIX TO THE AGRIAL'S 2020 INTEGRATED REPORT

INCLUDING:


- ▶ Summary of Agrial's sustainable development issues and commitments. 3
- ▶ The methodology information note of Agrial's disclosure of non-financial information. 7
- ▶ The report of one of the statutory auditors, designated as an independent third party organisation, on the consolidated statement of non-financial information included in the Group's management report. 9

Financial year ending 31 December 2020.

OUR SUSTAINABLE DEVELOPMENT COMMITMENTS IN BRIEF

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.

COMMUNICATION
ON PROGRESS



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

« 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. »



Ludovic SPIERS
Chief Executive Officer of Agrial



Arnaud DEGOULET
Chairman of Agrial



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 KEY ISSUES	OUR AIM AND OBJECTIVES	2020
Promote ethics and fight corruption	<ul style="list-style-type: none"> Human rights at work Ethics and 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	<ul style="list-style-type: none"> Quality of life at work for farmers Sustainability of agriculture 	Monitor our farmer members support activities: <ul style="list-style-type: none"> Support young farmers through the three-year Agriboost assistance programme Offer farmer members strategic advice based on a global assessment of their farm 	1,538 beneficiaries of the Agriboost for young farmer members programme 496 beneficiaries
Ensure the safety, quality of life in the workplace and development of our employees	<ul style="list-style-type: none"> Health, Safety and Hygiene at Work 	Bring the frequency rate in the workplace involving lost-time down to 10 in 2025	13.2
	<ul style="list-style-type: none"> Quality of life at work for employees 	Offer training to two thirds of staff on permanent or temporary contracts each year (geographical scope: France)	66%
	<ul style="list-style-type: none"> Generational renewal 	Bring in 350 young people a year on day release or apprenticeship programmes by 2025	261
	<ul style="list-style-type: none"> Diversity 	Employ 20% more disabled employees by 2025 compared to 2019 (geographical scope: France)	4.18% (+2,5%)
	<ul style="list-style-type: none"> Social dialogue 	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	<ul style="list-style-type: none"> Food waste 	Monitor our local footprint and contribution: <ul style="list-style-type: none"> Food donations Average staff working in towns with less than 10,000 inhabitants (geographical scope: France) 	1000 tons 81%



PRESERVE THE EARTH AND THE LIVING THINGS



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



OUR COMMITMENTS	OUR KEY ISSUES	OUR AIM AND OBJECTIVES	2020
Preserve natural resources	<ul style="list-style-type: none"> Water scarcity Pollution (water, air, soil, etc.) 	Preserving water and protecting water quality: <ul style="list-style-type: none"> Reducing water consumption: target to be determined Achieving 100% conformity for the DBO/DCO assessments of our waste water 	94% / 90%
	<ul style="list-style-type: none"> Waste management 	Aim for 100% of our organic waste to be recycled or recovered	97.5%
Help fight climate change	<ul style="list-style-type: none"> Fighting climate change Energy resources Use of packaging and plastics 	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"> Percentage of Euro 5 or Euro 6 standard tractors (target: 100%) Percentage of electric tankers (target: 60% in 2021) 	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	<ul style="list-style-type: none"> Biodiversity Use of fertilisers and plant protection products 	Double sales of the AL'terre native range between 2018 and 2025	+41%
		<ul style="list-style-type: none"> 100% of the Florette salads production areas are LEAF-certified 100% of the orchards of our farmer members observe organic specifications or abide by the Agril Committed Apple Producers' charter ('Pomiculteurs engagés') 	100% 100%
Animal welfare	<ul style="list-style-type: none"> Animal welfare 	Protect livestock animals' quality of life : <ul style="list-style-type: none"> 100% of dairy farmer members signed up to the Best Farming Practices Charter 100% of goat farmer members signed up to the Soignon Good Practice Charter 100% of poultry farmer members have carried out an EBENE assessment 	94% 75% Ongoing training



PROVIDE SAFE AND HEALTHY FOOD FOR EVERYONE



Contributions to the SDGs under the United Nations Global Compact.



OUR COMMITMENTS	OUR KEY ISSUES	OUR AIM AND OBJECTIVES	2020
Feed people well	<ul style="list-style-type: none"> Product health quality Origin and transparency Composition of the products Nutritional quality of the products 	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	<ul style="list-style-type: none"> Support for certified or local farmers 	Increase sales of organic products by 100 million euros between 2018 and 2025	+44M€
		Support high-quality and local sectors: <ul style="list-style-type: none"> • PDO, AOC, BBC or organic cow milk • PDO, AOC or organic goat's milk • AOC, PGI or organic apples • LEAF and Global GAP certified Florette salads • Pigs certified Label Rouge, PGI, organic, Porcristal or other private standards • Organic, free-range, Label Rouge (or other alternative) eggs • Poultry certified Label Rouge, free-range, PGI or other private standards • Cattle certified organic, Label Rouge or other private standards 	% of volume collected from our members <ul style="list-style-type: none"> 25% 13% 72% 100% 77% 69% 26% 8%



METHODOLOGY INFORMATION

NOTE ON THE CONSOLIDATION OF AGRIAL'S DISCLOSURE OF NON-FINANCIAL INFORMATION

In compliance with the European Directive 2014/95/EU and the French ruling No. 2017-1180 of 19 July 2017 concerning the publication of non-financial information by large companies, Agrial is publishing this disclosure of non-financial information included in its integrated report for the financial year 2020. This report includes:

- ▶ A description of Agrial's business model;
- ▶ The statement of the main risks generated by the company's activities and by its business relations, products and services in terms of a list of CSR topics;
- ▶ The description of the policies applied to these risks or the justification of the absence of policies and, where necessary, the description of the procedures of due diligence implemented to prevent, identify and reduce the occurrence of these risks;
- ▶ The results of these policies, including key performance indicators.

A. TIME PERIOD

The period covered for the analysis, collection and consolidation of the non-financial information is the calendar year 2020, as is the case for Agrial's consolidated financial accounts. Some environmental data, dependent on the receipt of third-party justification, is collected either for the nearest available twelve-month period, or in real-time over an available period and estimated for the missing period. The general goal is to generate the most relevant indicators possible over twelve months.

B. SCOPE

In general, all companies based in France or outside France, held by the Co-operative at more than 50% or as a minority shareholder with operational management or full consolidation, are included in the scope of consolidation in proportion to the integration method specified in the Agrial management report. Subsidiaries held as minority interests without operational management by the Group are excluded from the consolidation of indicators.

Particular characteristics of the international scope: Agrial has launched its progress initiative for sustainable development in all its subsidiaries and businesses outside France that share all the

Group's values and the strategic Horizon 2025 plan. Agrial tracks their initiatives and social, corporate and environmental policies. The main objectives are shared but some indicators and action plans are not tracked in a standardised way in some business units outside France. This does not allow for reliable and rigorous consolidation of the indicators in question. Thus, some business units are excluded from consolidation, in particular:

For social indicators, in general terms Transagrial is excluded from the scope because of a lack of adequate operational management and Ouestmin is taken into account in its entirety.

Business units outside France are not covered for frequency rate, training, disability and employment rate in rural areas. Other specific cases: for training indicators in France, the following companies are excluded because of a lack of reliable available data: Hautbois, Avigros, Sibert et Fils, La Bresse, Delyss Agro.

For environmental indicators, the business units that entered or left the scope during the financial year have been excluded. In addition, due to a lack of reliable and sufficient source data, the Seattle Cider subsidiary in the United States in the Beverage division, the Saladexpress subsidiary in the Fresh Produce division and the Sibert and La Bresse subsidiaries in the Meat division are not included. A few administrative sites are also excluded, given their low weight in relation to the other activities, as well as companies in which minority interests are held without sufficient operational management, in particular Nantial in the Fresh Procude division and Sama in the Machinery department. For waste, co-products and water data, the German subsidiary of the Milk division, VOU Senegal and Salade to Go of the Fresh Produce division and the Bioréa plant commissioned in 2020 are excluded. Finally, the foreign subsidiaries of the Beverage division are excluded from the scope for the local raw materials indicator, as are the Spanish agricultural production sites of the Fresh Produce division for co-products and waste. Furthermore, the inventory of co-products, by-products and waste within the Group, while improving in completeness from one year to the next, may contain approximations. In particular, in the Agricultural division, the waste indicators

for the 500 silos and warehouses are extrapolated from a representative sample of 10% of the sites concerned in 2019. These sites were identified according to their size so as to represent the same proportions of small, medium and large sites. In total, except in specific cases specified previously in the methodological note or on a case-by-case basis in the declaration, the scope covered by the social data reporting is 99% of the Group's average workforce. For the environmental section, the coverage rate is 99% of turnover.

C. ORGANISATION OF DATA COLLECTION, VERIFICATION AND CONSOLIDATION

The basic entity for collecting information is the subsidiary for social and societal information and the site for environmental information. For each of these three areas, internal referents are responsible for consolidating the information from the sites or subsidiaries that make up their branch. The consolidated information is sent to Agrial's sustainable development and human resources departments after being checked and validated. They in turn carry out a consistency check and consolidate the information.

The tools used to collect and process information differ from one topic to another. For the collection of societal information, forms are sent to the various contributors and consolidated by the CSR referents before being sent to the sustainable development department. A CSR reporting system is mainly used for the environmental and safety aspects. For the social component, the human resources department uses the Group's accounting and financial consolidation software.

D. PROTOCOL

The details of the scope and methods of this organisation are specified in a protocol drawn up by Agrial's sustainable development department and shared with the internal referents concerned. It is also sent to the external verification body, in addition to the declaration itself. The key elements of the protocol are set out in this methodological note. It is available on written request to the attention of Agrial's Sustainable Development department via the address contact@agrial.com.

E. METHODOLOGICAL LIMITATIONS

The organisation set up to monitor Agrial's Sustainable Development Strategy has certain limitations that the management will correct over the coming years, mainly:

- ▶ Difficulties in understanding, implementing and monitoring certain indicators in newly integrated sites or those located outside France.
- ▶ These entities are identified for support in the following exercises.
- ▶ The definition of certain indicators and common objectives is complex for various activities or businesses and is the subject of regular work with the transversal internal committees concerned in order to complete Agrial's sustainable development roadmap for Horizon 2025.

F. EXTERNAL VERIFICATION OF THE DISCLOSURE OF NON-FINANCIAL INFORMATION

Agrial has had the conformity of its extra-financial performance declaration and the sincerity of the information it contains verified by PricewaterhouseCoopers, an independent third-party auditor that already acts as Agrial's auditor. Its assurance report and reasoned opinion on the compliance and fairness of the information published in this statement are available on the following page. Given the regulatory context, the scope of the audit includes social, societal and environmental data. The verification work focused on the quality of the processes and the reliability of the information selected for the calculation of key performance indicators.



TRANSLATED REPORT

FROM THE INDEPENDENT THIRD-PARTY ORGANISATION

Report of one of the statutory auditors, designated as an independent third party, on the consolidated non-financial performance statement in the Group's management report.

FINANCIAL YEAR ENDING 31ST DECEMBER 2020

Dear Shareholders,

As auditors of the company Agrial Société Coopérative Agricole (hereafter "the Company"), a designated independent third-party organisation, accredited by the COFRAC under number 3-1060 rev.2 (scope of the accreditation available here: www.cofrac.fr), we present our report on the disclosure of consolidated non-financial performance covering the financial year ending 31st December 2020 (hereafter "the Declaration"), presented in the Group's integrated report in application of the legal and regulatory provisions of articles L. 225-102-1, R. 225-105 and R. 225-105-1 of France's Commercial Code.

COMPANY RESPONSIBILITY

The Board of Directors must draw up a Declaration in compliance with legal and regulatory requirements, including a presentation of the business model, a description of the main non-financial risks, presentation of the policies applied to these risks and the results of these policies, including key performance indicators.

The Declaration has been written using the Company's procedures (hereafter "Reference system"); the associated significant information is presented in the Declaration.

INDEPENDANCE AND QUALITY CONTROL

Our independence is defined by the provisions of article L. 822-11-3 of France's Commercial Code and Code of Professional Ethics. Furthermore, we have set up a quality control system that covers the documented policies and procedures to ensure compliance with ethical regulations, professional standards and the applicable legal and regulatory texts.

RESPONSIBILITY OF THE AUDITOR AS AN INDEPENDENT THIRD-PARTY ORGANISATION

It is our responsibility, on the basis of our work, to formulate a reasoned opinion expressing a conclusion of moderate assurance on:

- ▶ the Declaration's compliance with the provisions of article R. 225-105 of France's Commercial Code;
- ▶ the sincerity of the information provided in application of 3° of I and II of article R. 225 105 of France's Commercial Code, meaning the results of policies including key performance indicators and actions concerning the main risks, hereafter "Information".

It is not our responsibility, however, to express an opinion on:

- ▶ the company's compliance with other applicable legal and regulatory provisions, in particular in terms of vigilance and the fight against corruption and tax evasion;
- ▶ the compliance of products and services with applicable regulations.

NATURE AND SCOPE OF THE WORK

Our work described below has been carried out in compliance with the provisions of articles A. 225 1 et seq. of France's Commercial Code determining the methods by which the independent third-party organisation manages its mission and according to the professional standards of the Compagnie Nationale des Commissaires aux Comptes concerning this dossier and the international ISAE 3000 standard - *Assurance engagements other than audits or reviews of historical financial information*.

The work we have carried out allows us to appreciate the compliance of the Declaration with the regulatory provisions and the sincerity of the information:

- ▶ we have carefully examined the activities of all the companies included within the scope of consolidation, the report of the main social and environmental risks associated with this activity and its impact in relation to human rights and the fight against corruption and tax evasion as well as the policies that it generates and their results;
- ▶ we have assessed the appropriate character of the Reference System in terms of its pertinence, exhaustiveness, reliability, neutrality and intelligibility taking into account, where necessary, the sector's best practices;
- ▶ we have checked that the Declaration covers every category of information provided for in III of article L. 225 102 1 in terms of social and environmental issues as well as respect for Human Rights, the fight against corruption and tax evasion;
- ▶ we have checked that the Declaration presents the business model and main risks associated with the activities of all the companies included within the scope of consolidation, including, when relevant and commensurate, the risks created by its business relations, products or services as well as policies, actions and results including key performance indicators;
- ▶ we have checked, when pertinent in terms of the main risks and policies presented, that the Declaration presents the information provided for in II of article R. 225-105;

- ▶ we have assessed the selection and validation process for the main risks;
- ▶ we have made enquiries about the existence of internal control and risk management procedures implemented by the Company;
- ▶ we have assessed the consistency of the selected results and key performance indicators in relation to the main risks and policies presented;
- ▶ we have checked that the Declaration covers the consolidated scope, meaning all of the companies included within the scope of consolidation in compliance with article L. 233-16;
- ▶ we have assessed the collection process implemented by the Company targeting the exhaustiveness and sincerity of the information;
- ▶ for the key performance indicators and other quantitative results that we considered the most important, see attached list, we have implemented:
 - analytical procedures to check the correct consolidation of the collected data and the consistency of its development;
 - detailed tests based on surveys, to check the correct application of the definitions and procedures and to reconcile the data with elements of proof. This work was undertaken with a selection of contributing companies, and covers between 15 and 27% of the consolidated data from the key performance indicators and results selected for these tests ;
- ▶ we have consulted documentary sources and carried out interviews to corroborate the qualitative information (actions and results) that we considered to be the most important, see attached list;
- ▶ we have assessed the coherence of the complete Declaration in relation to our knowledge of all the companies included within the scope of consolidation.

We believe that the work we have carried out by exercising our professional judgement enables us to draw a conclusion of moderate assurance; assurance of

Neuilly-sur-Seine, 23rd February 2021

One of the Auditors
PricewaterhouseCoopers Audit

Olivier Destruel
Associate

Sylvain Lambert
Sustainable Development
Department Associate

For environmental information: Eurial BF Bellevigny (France), Coralis dairy plant - Cesson Sévigné (France), Eurial UF Lorris (France), Florette GMS plant - Isle s/ Sorgue (France), Vegetables FO (France), Domagné (France), Brient - Mordelles (France), Scunthorpe (United Kingdom), Florette Murcia vegetable plant (Spain), Iberica - Torre Pacheco - Murcia (Spain), and on energy indicators only Agrial - Cereals (France) et Distribution - Stores (France).

For safety information: Eurial BF Bellevigny (France), Coralis dairy plant - Cesson Sévigné (France), Eurial UF Lorris (France), Florette GMS plant - Isle s/ Sorgue (France), Vegetables FO (France), Domagné (France), Brient - Mordelles (France), Agricultural division (France), Beverage division (France), Dairy division (France), Fresh Produce division (France), Meat division (France).

For social information: Machinery (France), Eurial Dairy (France), Guilloteau (France), Coralis (France), Eurial Logistique Est (France), 1st range France (France), Tallec (France), Aston Manor (United Kingdom), Manzana (USA), Eurial Italia (Italy), and Agrial Fresh Produce (United Kingdom).

a higher level would require more extensive verification.

RESOURCES

Our work required the expertise of 7 people and took place between November 2020 and February 2021 over a total period of 8 weeks.

Nous avons fait appel, pour nous assister dans la réalisation de nos travaux, à nos spécialistes en matière de développement durable et de responsabilité sociétale. Nous avons mené cinq entretiens avec les personnes responsables de la préparation de la Déclaration, représentant notamment les directions du Développement Durable Groupe et des Ressources Humaines.

To help us with our work, we used our specialists in sustainable development and corporate social responsibility. We held five interviews with the people responsible for writing the disclosure representing in particular the Group's Sustainable Development and Human Resources department.

CONCLUSION

On the basis of our work and given the limitations presented in the Methodology Information, we have not noted any significant anomaly that could challenge the fact that the consolidated disclosure of non-financial information complies with the applicable regulatory provisions and that the information taken as a whole is presented with sincerity, in compliance with the Reference System.

Appendix : List of the information we believe to be the most important

QUANTITATIVE INFORMATION (RESULTS, MAINLY KEY PERFORMANCE INDICATORS):

SUPPORT FARMERS FOR SUCCESSFUL FARMING

- ▶ Number of young farmers who joined the Agriboost Plan
- ▶ Ranking of French agricultural co-operatives to have held their General assembly remotely and live in 2020

ENSURE THE SAFETY, QUALITY OF LIFE IN THE WORKPLACE AND DEVELOPMENT OF OUR EMPLOYEES

- ▶ Lost time injury frequency rate for employees on permanent and fixed-term contracts and temporary workers in France and abroad
- ▶ Percentage of registered employees in France with disabilities
- ▶ Gender equality index in subsidiaries with more than 50 employees, share of subsidiaries concerned in the workforce, and average index for the Agrial Group
- ▶ Share of average workforce trained
- ▶ Share of training in total payroll
- ▶ Percentage of workforce excluding temporary workers covered by a staff representation body in France in subsidiaries with an average workforce of over 10

CONTRIBUTE TO THE DYNAMISM OF RURAL TERRITORIES AND LOCAL LIFE

- ▶ Share of French employees working in municipalities with fewer than 10,000 inhabitants
- ▶ Food donations in tonnes

PRESERVE NATURAL RESOURCES

- ▶ Waste in tonnes and breakdown by destination
- ▶ Water consumption
- ▶ Wastewater volumes and breakdown by type of treatment

HELP FIGHT CLIMATE CHANGE

- ▶ Energy consumption and energy mix
- ▶ Carbon footprint in 2019 and breakdown by emission category

RESPECT ANIMALS AND BIODIVERSITY

- ▶ Areas covered with decision support tools proposed by Agrial
- ▶ Percentage of Florette salad production areas certified LEAF / Global Gap (Fresh Produce)
- ▶ Share of dairy farms committed to the Charter of Good Breeding Practices
- ▶ Percentage of member goat farms committed to the Soignon Good Practice Charter
- ▶ Percentage of pig farms involved in a Label Rouge Opale, Porc Confiance or 'Porcristal' scheme that have carried out an animal welfare diagnosis

FEED PEOPLE WELL

- ▶ Volumes of feed for cattle, goats, horses without GMOs or antibiotics sold
- ▶ Percentage of agri-food sites with at least one Quality, Health and Safety (QHS) certification

DEVELOPING HIGH QUALITY LOCAL SECTORS

- ▶ Organic product sales

BUSINESS ETHICS AND ANTI-CORRUPTION

- ▶ Internal deployment rate of the Code of conduct in 2020
- ▶ Among new contracts, deployment rate of the Responsible Purchasing Charter to main suppliers excluding raw materials

QUALITATIVE INFORMATION (ACTIONS AND RESULTS) PRESENTED IN THE FOLLOWING SECTIONS:

- ▶ Support farmer members for successful farmings
- ▶ Ensure the safety, quality of life in the workplace and development of our employees
- ▶ Contribute to the dynamism of rural territories and local life
- ▶ Preserve natural resources
- ▶ Help fight climate change
- ▶ Respect animals and biodiversity
- ▶ Feed people well
- ▶ Developing high quality local sectors



APPENDIX TO THE
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2020

This Integrated report is written and published by the
Agrial Group's Communications Department and CSR Department.

4, rue des Roquemonts - CS35051
14050 CAEN Cedex 4
Tél. : +33 (0)2 31 45 43 43

www.agrial.com