

# SHARED VALUE(S)

2021 INTEGRATED REPORT





**A FAMILY-OWNED,  
INTERNATIONAL  
GROUP**

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AND PROFITABLE**

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**A SHARED  
AMBITION,  
FROM EMPLOYEES  
TO LEADERS**

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# **WE BELIEVE THAT ACCESS TO HEALTHY AND SUSTAINABLE FOOD IS A FUNDAMENTAL RIGHT.**

**As growth of the world's population collides with the need to preserve the planet and the desire to consume better, we have made belief our mission and expressed it as a collective motto:**

*For All. For Good.*

**Determined and daring, we are taking up the challenge of inventing a new food model that is able to feed 10 billion people while preserving the Earth's major ecological balances.**

**Optimistic and caring, we believe in our ability to mobilize all our stakeholders to rethink the value of food and its positive impact, both now and for future generations.**

**Confident and committed, we are developing new fruit- and plant-based segments alongside dairy, and accelerating our decarbonization efforts.**

## **THIS IS HOW WE ARE PREPARING FOR THE FUTURE.**

## **A SUSTAINABLE AND RESPONSIBLE FUTURE.**

## **LIKE BEL'S.**



# A FAMILY- OWNED, INTERNATIONAL GROUP



Bel is a family-owned company with more than 150 years of history, and a major international player in the food industry. The Bel Group offers dairy, fruit- and plant-based products in individual portions with the goal of championing healthier and responsible food for all. With its roots in local communities, the Group operates state-of-the-art industrial equipment that is increasingly innovative and sustainable. As part of a continuous improvement process that involves its entire ecosystem, Bel aims to respond to major social and environmental challenges with a new food model that has a positive impact for all generations.

# THE BEL GROUP IN 2021

**5TH**  
generation of  
family managers

3 values:  
**DARING,**  
**COMMITMENT,**  
**CARING**



  
**11,800**  
employees  
68% M / 32% W

  
**5,100<sup>(1)</sup>**  
suppliers

  
**1,400**  
dairy producers

  
**120**  
countries where sold

  
**29**  
production sites

  
**57**  
subsidiaries in 32 countries

  
**30+**  
brands  
including 6 international

  
**74%**  
sales  
of positive products<sup>(2)</sup>

  
**93/100**  
gender equality index<sup>(3)</sup>

  
**TOP 1%**  
with a score of 79/100  
and a Platinum medal  
in the EcoVadis assessment

  
**SILVER AWARD**  
at the Grand Prix de  
la Good Économie 2021,  
for "Establishing  
responsible and  
ethical governance"<sup>(3)</sup>

(1) With annual revenue of over €10,000. (2) Products having at least one of the following characteristics: organic, Bel Nutri+ certified, containing no more than one additive, originating from non-GMO fed animals. (3) In France.

**€3,379m**  
revenue in 2021

**€2,713m**  
Global (mature) markets



**OUR MARKETS**

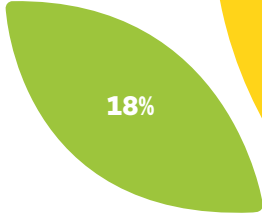
**€666m**  
New territories  
(MOM, Sub-Saharan Africa, China)



**€609m**  
Fruit- and plant-based products

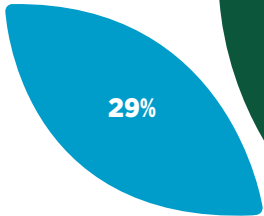
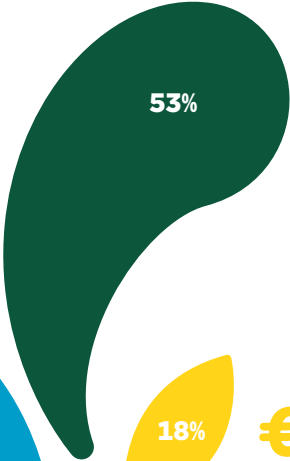


**€2,770m**  
Cheese and dairy products



**OUR PRODUCTS**

**€1,789m**  
Europe



**€975m**  
Americas, Asia-Pacific



**OUR GROWTH AREAS**

**€615m**  
Middle East, Greater Africa



# A FAMILY BUSINESS

... THAT IS MEETING THE CHALLENGES OF ITS ENVIRONMENT



JULES BEL

**1865**  
Cheesemaking know-how and national ambition

REGIONAL EXPANSION AND INFLUENCE



AN ICONIC BRAND, AND A UNIQUE FORMAT



LÉON BEL

**1921**  
Creation of **THE LAUGHING COW®** Marketing know-how and respect for nature

ACCESSIBILITY, INDUSTRIALIZATION AND NUTRITION



**1958**  
1<sup>st</sup> TV COMMERCIAL



**1958**  
1<sup>st</sup> R&D center

POP QUIZ: IN WHAT YEAR...?



**1960**  
Creation of **APERICUBE®**

DELICIOUS AND FUN



**1966**  
Creation of **KIRI®**

CONVENIENT AND EASY-TO-USE

BREAD AND...



**2007**  
Acquisition of **BOURSIN®**

SECTORAL AND SOCIAL INNOVATION



**2016**  
Acquisition of **MOM GROUP**

LA VIE EST BEL (LIFE IS BELTIFUL)



**2019**  
**NEW IDENTITY** for the Bel Group

**3 LEADERS, 3 VISIONS OF PROGRESS**

**LÉON BEL**

**OFFERING** the nutritional benefits of dairy products to a wider population through industrialization

**ANTICIPATING** a circular economy by introducing processed cheese, allowing for a longer shelf life





**1925**  
Creation of an in-house advertising department



**1929**  
1<sup>st</sup> international subsidiary (United Kingdom)



**1933**  
Creation of **BABYBEL®**



**1941**  
Industrial know-how and international expansion

BA, BA, BA...

ROBERT FIÉVET

**START OF INTERNATIONAL EXPANSION**

TOUT ROND, TOUT BON (ROUND AND TASTY)



**1977**  
Creation of **MINI BABYBEL®**

BERTRAND DUFORT



**1996**  
Stability and sound management

ANTOINE FIÉVET



**2001**  
Vision and CSR commitments



**2002**  
Acquisition of **LEERDAMMER® (1)**

**CORPORATE RESPONSIBILITY**



**2020**  
Acquisition of **ALL IN FOODS**  
**FLEXITARIANISM**  
Launch of **DAIRY-FREE BOURSIN**



**2021**  
Launch of **NURISHH®**



Launch of the 1<sup>st</sup> hybrid milk and plant-based products by **THE LAUGHING COW**

AND STILL WITH ALL HER TEETH

**IN 2021 THE LAUGHING COW CELEBRATED 100 YEARS**

(1) Sold in 2021.

**ROBERT FIÉVET**

**EXPANDING INTERNATIONALLY** beyond Europe, especially in Africa, the United States, Asia and the Middle East

**HIGHLIGHTING** creaminess with the launch of Kiri and the development of **SNACKING** with miniature formats

**STRENGTHENING** social commitments

**ANTOINE FIÉVET**

**ACCELERATING** CSR innovations and building the new mission, *For All. For Good.*

**DIVERSIFYING** into the fruit-and plant-based segments

**STRENGTHENING** the family shareholding

# AN INTERNATIONAL GROUP

## RESPONSIVE TO GLOBAL CHALLENGES

**The Bel Group follows a strategy of geographical growth and, social and environmental concerns diversification while responding to new consumption habits and social and environmental concerns. Strengthened by the health crisis, these trends are spreading to all the territories where Bel operates, confirming the need for an increasingly virtuous value creation model.**

### Products for all

Physical and financial access to food remains a major issue, intensified by the health and economic crisis. The single-serving portion—at the heart of the Bel Group’s model since its inception—is key to making its products accessible and affordable, whether in terms of consumption habits, distribution networks or income levels. Present in more than 120 countries, Bel strives to find just the right balance between price and nutritional benefits. It did this with La Vache qui rit Simply, fortified with calcium and vitamins A and D, which is sold in Algeria, Egypt and South Africa at 20% less than the original product. The health crisis also changed the way people consume food, as it became more complicated to go shopping and they spent more time at home. This led to the return of “homemade” food, driven by remote working and a new approach to out-of-home consumption. Bel responded to this trend by offering products such as the Kiri cooking cream and The Laughing Cow cheese sauce, which are used as ingredients for preparing balanced meals. The e-commerce market continues to grow, buoyed by travel restrictions. In 2021, online sales grew by 23%. Another trend is the preference for local products, with consumers paying more attention to the regional origin of products. In addition to developing a fairer and more sustainable agri-food model, the agreement between APBO (Bel West Producers Association) and the Group illustrates the Group illustrates Bel’s willingness to assure consumers of the local origin of the milk it uses.

### Putting health and well-being first

Consumers’ relationship with food continues to evolve, as they seek healthier food, more natural ingredients and shorter ingredient lists. This awareness of food as a health factor is reinforced by public action (information, regulations) and the availability of nutrition applications for the general public. To meet these expectations, the Bel Group offers products with simplified recipes whenever possible and ensures optimal food safety. For example, Bel has developed a new recipe for The Laughing Cow using only four dairy ingredients. And in 2021, 28 production sites were Global Food Safety Initiative-certified. Eating better also means eating a healthier, more balanced diet; Bel is responding to this trend by expanding its activities across its three territories: dairy, fruit-and-plant-based products. As consumer trends shift toward more committed, flexitarian, vegetarian and vegan diets, the Group is developing and democratizing its organic and plant-based offerings.

### Businesses, drivers of change

Confronted with the challenges posed by health crises, climate change and resource scarcity, businesses in France are taking action to reduce the impact of their activities and adopt more sustainable and virtuous production and consumption habits.



The Group is thus committing its corporate responsibility efforts to addressing five priority farm-to-fork challenges: contributing to healthier food, promoting sustainable agriculture, designing responsible packaging, fighting against climate change, and keeping its products accessible and affordable.

### **An innovation-driven organization**

Mindful of new trends and focused on consumer benefits, Bel's innovation team develops solutions and experiences is notably centered on a range of plant-based products and the

design of responsible packaging. At Group level, the Development Committee steers the innovation road map. The Research, Innovation and Development division, comprising 180 employees, identifies and analyzes medium- and long-term macro trends and monitors the eating habits of each local population. They develop and test prototypes with consumers. They collaborate with a partner ecosystem in order to broaden their approach and shorten the time to market. Innovation across the brands focuses on better understanding the competitive environment, creating synergies between them and meeting consumer expectations in each market.



**The Laughing Cow, a unique and global brand, fully embodies Bel's ability to develop its products to meet consumer expectations and needs, as well as to address social and environmental challenges.**

**MARIANA PAULA CORONEL**  
Chief Global Brands Officer



## **100 YEARS OF DARING AND STILL NOT A WRINKLE!**

The Laughing Cow, an iconic and positive brand, is now 100 years old. On its 100<sup>th</sup> birthday, the brand generated 1.7 billion views on the TikTok social network! While its format and its laugh remain the same, the brand has always been in tune with new social expectations. The brand is sold in 120 countries and adapts to the local markets.

The Laughing Cow® Blends responds to the demand for greater integration of plant-based ingredients in some regions of the United States by offering portions combining cheese, legumes and spices.

The Laughing Cow 4 essentials, fortified with vitamins and minerals, helps to fight certain nutritional deficiencies (sold in South Africa, Algeria, Saudi Arabia, Ivory Coast, Egypt, Morocco, Tunisia, Vietnam, and, as of 2022, India).

# A STRONG ECOSYSTEM OF STAKEHOLDERS



**Having a positive impact on its ecosystem and creating value for all its stakeholders: this is what motivates all of Bel's actions across the world. By paying close attention to the expectations of its stakeholders, Bel builds trusting, long-term relationships with each of them.**

## Farmers and dairy producer partners

want to be treated fairly and to be supported in the ecological transition of their farms. They are looking for long-term visibility, transparency and economic security. Bel is responding by engaging in regular dialog and long-term partnerships to co-construct sustainable agriculture, such as the one it maintains in France with APBO, the Bel West Producers' Association.

## Local authorities

expect to benefit from the socio-economic impact of businesses located in their area. Close to its suppliers and consumers, Bel is committed to having a long-term presence in the areas where it operates, whether through plants or subsidiaries. Bel's activities generate jobs, promote economic vitality and enhance the attractiveness of these areas, especially when its plants are located in rural areas, as with its presence in the Jura region.

## Governments and institutions

The Group has established a Code of Good Business Practices that sets out the principles, values and rules of good business conduct that it expects its employees and partners to adhere to all around the world and in all circumstances. The Group has also established a responsible lobbying policy that requires the highest standards of integrity, honesty, transparency and professionalism in all interactions between its employees and public authorities. Bel discloses its actions and interests in the EU and French lobbying transparency registers.

## Customers and retailers

seek relationships based on cooperation and creating shared value. Bel's relationship with these stakeholders is more than just a business one - it is a partnership, particularly on issues of social responsibility, which are common challenges we share. As examples, Bel partners with Carrefour to promote accessibility and healthy eating in France. With its loyalty program, *Inaya*, Bel provides its retailers with access to health insurance services. Launched in Morocco in 2019, the program was extended to Egypt and Jordan in 2021.



### Suppliers and subcontractors

need to establish long-term business relationships governed by clear rules of conduct. To share its commitments and as part of a continuous improvement process, Bel promotes good social and environmental practices among its suppliers. Bel also supported its suppliers during time of crisis, as the Group did, for example by adapting its payment terms during the health crisis.

### Employees

seek to flourish in a meaningful job in pleasant, caring and safe surroundings. Bel cares about their personal and professional development, and we promote an innovative and inclusive workplace culture based on strong values. Bel continues to adapt its model to better meet the new needs of its teams. In 2021, we launched the “Your Voice” survey to enable continuous improvement based on employee suggestions, and implemented the “Hybrid Work” program for workplace flexibility.

### Consumers

are concerned with taste, quality, price, safety, origin, naturalness, and transparency about what goes into the products and how they are made. Anticipating, understanding and responding to these expectations requires that each brand stay close to consumers and interact with them often, as does Boursin in sharing recipes with its online community.

### NGOs, scientific experts and start-ups

count on Bel’s support and cooperation—whether human, technical, financial or technological—to tackle major challenges such as the fight against climate change, regenerative agriculture, sustainable packaging, and the proteins of the future. Initiatives Bel has joined include: the United Nations’ Race to Zero global campaign to significantly reduce CO<sub>2</sub> emissions by 2050; the Consumer Goods Forum’s global Collaboration for Healthier Lives to encourage better eating habits and healthier lifestyles; Too Good To Go’s pact regarding best before dates to combat food waste; and the Natural Capital Lab initiative of the World Wide Fund for Nature (WWF) to measure its biodiversity footprint.

### Family shareholders

seek a business model that fairly balances responsibility and profitability. Their vision is long-term, and they expect a recurring dividend and a balanced redistribution of the value created.

# A STRONG INDUSTRIAL FOOTPRINT

**With close to 30 production sites around the world, Bel is first and foremost an industrial group. The Group operates as close as possible to its markets and maintains long-term ties with its local partners. It continually upgrades its industrial equipment to enhance the safety and well-being of its employees, to accommodate innovations and to reduce the CO<sub>2</sub> emissions and environmental impact of its sites.**

## A local industry

Built in 1926 in Lons-le-Saunier, in the Jura region, The Laughing Cow's very first modern plant still houses the brand's production and its R&D center for processed cheeses. Bel has always favored long-term community rooting by building close partnerships with growers, dairy farmers and fruit producers. Many of Bel's 29 plants are located in sparsely populated rural areas and contribute to local employment and economic activity. These plants are part of the local industrial landscape and heritage with several generations of employees. With its Lons-le-Saunier and Dole sites, for example, Bel is the largest private employer in the Jura region. The Group has also been present in the United States and Morocco for over 50 years. This location strategy also contributes to the accessibility and affordability of our products, as they are made at the right price and according to local tastes.

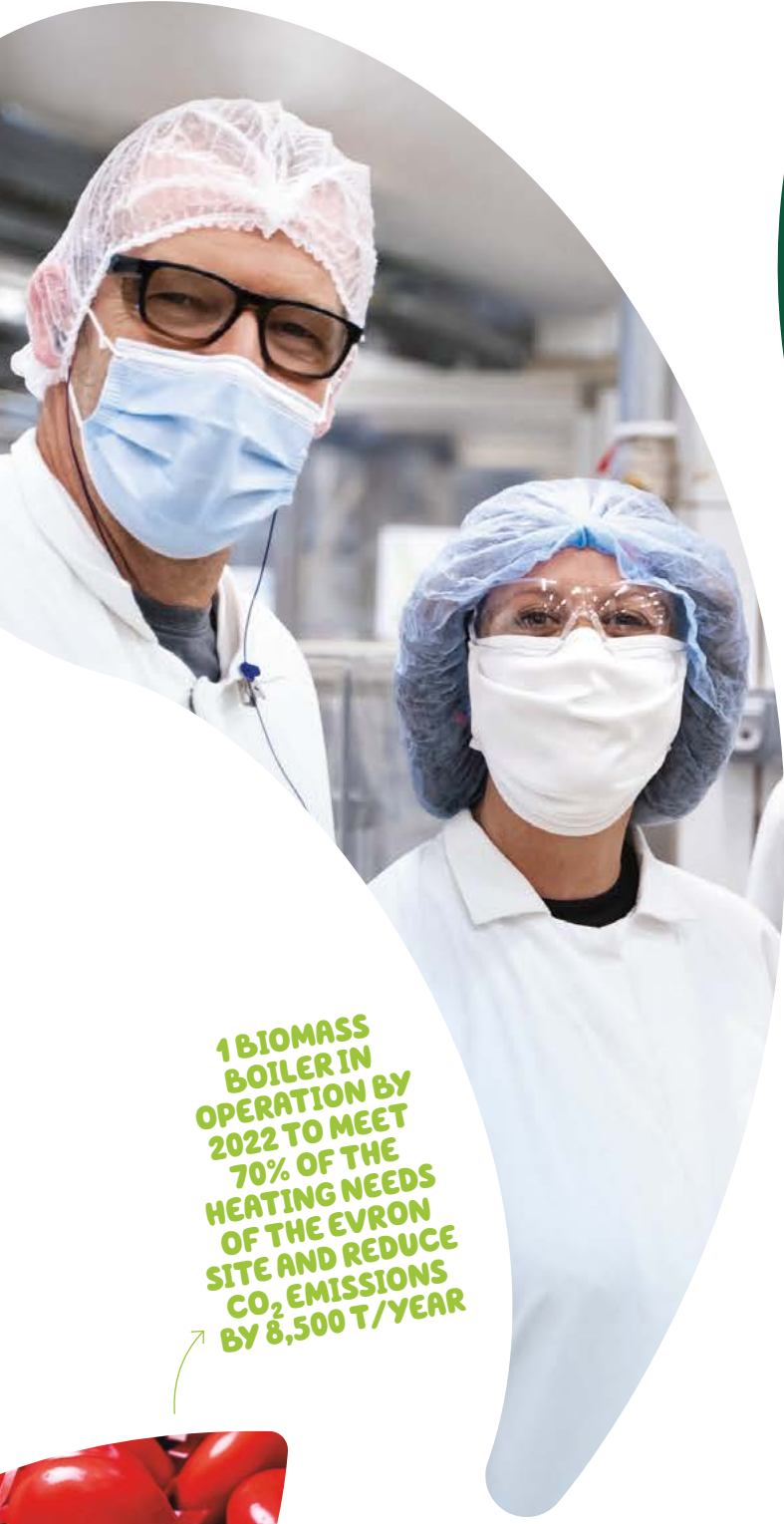
## An industry on the move

When the Group reaches a critical size in a market, it invests whenever possible in its own industrial equipment to produce locally. Bel's priority today is the fast-growing Americas region, with the opening of the Sorel-Tracy plant in Canada in 2020. To embrace the trend of naturalness without compromising quality, Bel is adapting its industrial equipment and upgrading the know-how of those who formulate its recipes.

This industrial momentum is reflected mainly in the increased focus on plant-based in the portfolio. In early 2023, the first 100% plant-based The Laughing Cow will come off the production lines at the historic Lons-le-Saunier site, where the original brand was born 100 years ago.

## A sustainable industry

All our plants are committed to reducing their environmental footprint. The Group has established ambitious targets for reducing energy use and is increasing the use of renewable energies. Today, 67% of the plants receive power from renewable energy sources. Bel identifies the most carbon-neutral fuels, taking into account locally available resources. In France, the Group uses biomass boilers at its Sablé-sur-Sarthe and Evron sites. In Morocco, olive cake (biomass) combustion will power the Tangiers plant in 2023. Everywhere, the Group is working to reduce its water consumption and improve the quality of its wastewater released into the natural environment. It is also taking action to reduce its transportation carbon footprint between the supply, production and consumption sites, in particular through the Fret 21 initiative in France and with its partner STEF at the European level.



**1 BIOMASS BOILER IN OPERATION BY 2022 TO MEET 70% OF THE HEATING NEEDS OF THE EVRON SITE AND REDUCE CO<sub>2</sub> EMISSIONS BY 8,500 T/YEAR**



**€973 MILLION  
IN CAPITAL EXPENDITURE  
OVER THE PAST TEN YEARS\***

**7,600 EMPLOYEES**

**17 ISO 14001-CERTIFIED  
INDUSTRIAL SITES**

**29 PLANTS  
WORLDWIDE**



**Bel's industrial footprint is a strong marker of its identity. Deeply rooted in our communities, we intend to develop with and alongside local players, contributing to the social, economic and environmental development and influence of these regions.**

**STÉPHANE DUPAYS**

Group Executive Vice President,  
Industrial and Technical Operations

\* Excluding MOM, before any subsidies.

# JOINT INTERVIEW



**CÉCILE BÉLIOT**

Group Executive Vice President

**ANTOINE FIÉVET**

Chairman and Chief Executive Officer



## What do you expect from the Group's new, separate governance system, which the Board of Directors will vote on in May 2022?

**A.F.** This change is the result of a lengthy process of reflection, and it is necessary to guarantee the Group's stability and sustainable growth. It comes at a symbolic moment as we mark The Laughing Cow's 100<sup>th</sup> anniversary, but also at a strategic one: we are moving faster into new growth areas, whether in expanding markets or in new geographical regions. Our goal is to shape Bel's future by working together to strengthen and sustain our growth and corporate social responsibility model. I will ensure that the long-term vision and family values are maintained, while Cécile Béliot, who has been with the Group since 2018, will accelerate its transformation process in a complex and changing environment. She is currently preparing the gradual combining of the Bel and MOM teams and continuing the roll-out of our strategy centered on our three segments: dairy, plant-and fruit-based products.

ANTOINE  
FIÉVET

**The family model creates an ever-changing relationship with the business and enables a more balanced redistribution of wealth. Our model allows us to continue caring for all people.**

**C. B.** I am very proud to be working alongside Antoine Fiévet to ensure that the family model and Bel's unique DNA live on. I believe firmly in the strength of our model and its ability to develop the sustainable food of tomorrow, which will be accessible and affordable for as many people as possible. Drawing on our culture and our principles, we need to push the envelope within the Group and our ecosystem and create a more responsible agriculture and food industry. Bel's governance is unique due to the fact that it is both family-based and responsive to the world around us, similar to the partnerships we maintain with organizations such as WWF France and Action Against Hunger.

## In what ways does the family business model allow for things to be done differently?

**A.F.** We are fortunate to have maintained this model to the fifth generation of managers, which I represent. Our family has always been here to serve the business and not the other way around. This model creates an ever-changing relationship with the business and makes it possible to redistribute the wealth in a more balanced way. It allows us to continue caring for all people—as reflected in our values and history—by doing the right thing and acting to serve the common good. Along with developing the talents and personal growth of its 11,800 employees, the Group also supports their families in the areas of health and education.

## What lessons have you learned from Bel's model during the crisis?

**C.B.** Despite the economic upheaval, Bel showed great resilience and agility in 2021. Against a background of continuing crisis related to the Covid-19 pandemic, volatility in the Near and Middle Eastern and North African markets, rising inflation, and supply chain disruptions, the Bel Group achieved revenues of €3.38 billion. Organic growth continued to rise to 2.3%, which shows the renewed attractiveness of our offering. Organic growth was especially driven by the excellent momentum of our core brands, MOM's continued strong growth, continued market share gains in North America, and the confirmed positive growth trend in China, which recorded double-digit growth again this year.

## JOINT INTERVIEW



CÉCILE  
BÉLIOT

**A.F.** The crisis reaffirmed the relevance of our profitable and responsible business model. It required us to move faster and more aggressively in implementing our strategic road map. We took an important step this year by selling the Leerdammer brand. This sale strengthens our status as a family business and enables us to continue to fine-tune our dairy, fruit-and plant-based offerings, while freeing up the resources we need to accelerate our development in other geographical regions such as Asia-Pacific and North America. We regard our CSR commitments as a strength and are working to embed them throughout the business. Each brand and each country now incorporates a CSR approach and implements it through a specific road map. Our EcoVadis platinum rating rewards our efforts and performance, as it ranks Bel in the top 1% of agri-food businesses worldwide. Not every agri-food business in the world is assessed by EcoVadis.

### **In 2021, The Laughing Cow celebrated its 100<sup>th</sup> anniversary! What are the ingredients of this success story?**

**C.B.** The Laughing Cow is an iconic, upbeat and timeless brand. It is special in that it is truly global, accessible and affordable for all on a daily basis. It is a brand that appeals to everyone and has a unique connection with each individual. It has kept a youthful spirit by adapting to the dietary needs of the local population through recipes that are occasionally fortified, and by renewing itself with a 100% plant-based version that will be launched in 2023. For all these reasons, it perfectly embodies our values and our motto, *For All. For Good.*

**The stakes are very high, given that the global food chain accounts for one-third of carbon emissions. We need to drive changes in agricultural practices and in the way people eat in order to offer them healthier and more environmentally friendly food.**

### **Is the move toward plant-based products in line with Bel's DNA?**

**A.F.** Our history doesn't weigh on us. On the contrary, it fuels our thinking and clarifies our vision. We are now entering a new era marked by a growing demand for plant-based proteins as part of a more balanced diet and more sustainable agriculture. Our role is to support this trend by offering hybrid products that combine milk and plant-based ingredients, or 100% plant-based products such as those of our new Nurishh brand. This shift is taking place alongside dairy products, which remain the driver of our business and are essential to health because of their calcium content. Milk and plant-based products are complementary. Nurishh's good performance, especially in France and Belgium, confirms the soundness of our approach.

The plant-based segment is a wonderful opportunity to support the way people eat. It is good for everyone and for the planet. We achieve this while remaining true to our DNA: healthy products in individual portions, accessible and affordable for as many people as possible, and strong, positive brands that are loved by all.

## **In what way does Bel have a positive impact on its ecosystem?**

**C.B.** The stakes are very high given that the global food chain accounts for one-third of carbon emissions. Since 70% of our carbon footprint comes from upstream dairy production, our role is, first and foremost, to drive changes in agriculture and in the way people eat. We are taking action in three areas: upstream, by using more sustainable and regenerative agricultural practices<sup>1</sup> in our product portfolio, by introducing more fruits and legumes, and, finally, our industrial investments. In light of growing resource scarcity, we are rolling out action plans at our production sites to reduce our water and energy consumption and use more renewable energy sources. Through healthier and more accessible food, sustainable agriculture, animal welfare, resources, and waste management, the Group takes a holistic approach by working with other actors in the food industry, consumers, farmers, suppliers, customers, fruit producers and NGOs. Our goal is to spearhead a virtuous ecosystem of committed actors so that we can work better together for the benefit of the planet.



**ANTOINE  
Flévet**

**' We are now entering a new era marked by a growing demand for plant-based proteins as part of a more balanced diet and more sustainable agriculture. Our role is to support this trend by offering hybrid products that combine milk and plant-based ingredients, or 100% plant-based products.**

**Cécile  
BÉLIOT**

**' The Laughing Cow is a brand that has an emotional, upbeat and timeless appeal. It perfectly embodies our values and our motto, For All. For Good.**

**A.F.** When a business generates wealth or value, it has a duty to act on behalf of its ecosystem. We believe that profitability and responsibility are not mutually exclusive because they feed into each other. This is why performance should be managed in an optimized and comprehensive way. Today, the time is ripe to implement a principled capitalism. Businesses are the solution. For Bel, this means moving forward on two fronts at once: responsibility and profitability. We want to demonstrate that this approach is feasible and encourage other actors to do the same. The profit-only approach is an outdated model, and we are at an exciting turning point in our time, where we can create something new. The strength of our family model and its long-term vision provide an opportunity to show the way.





# OUR RESPONSIBLE AND PROFITABLE MODEL



Responsibility and profitability are the levers of Bel's growth model, which combines financial and non-financial performance.

The Executive Committee is the driving force behind this model, which results from a high level of integration between its growth strategy and its commitments.

This model is gradually being implemented at all levels of the business: across its sites and brands, in its investments and decision-making processes.

# A POSITIVE BUSINESS MODEL

## OUR MISSION

TO CHAMPION HEALTHIER AND RESPONSIBLE

## OUR RESOURCES

### A solid family business structure

- 5<sup>th</sup> generation of family shareholders and managers

### Our values

- Dare, Care, Commit

### Brands known by all

- 30 iconic brands
- The individual portion, at the heart of our unique offering

### Committed employees

- 11,800 employees worldwide and their know-how

### A solid financial base

- €1,681.6 million in equity

### An industrial base rooted in local communities

- 29 high-performance industrial sites in 14 countries

### Committed partners working alongside Bel

- 1,400 farmers
- 5,100 suppliers
- and coalitions for a positive, collaboration-based dynamic: Carrefour's Food Transition Pact, UN's Race to Zero campaign, Science-based targets for nature, Too Good To Go pact

### Natural resources to preserve

- Over 1 billion tons of milk per year
- 191,305 tons of apples per year
- Water: 4,837,651 m<sup>3</sup> of water
- Electricity: 292,912 MWh

## OUR AMBITION

To establish a responsible and profitable growth model



## Our farm-to-fork VALUE CHAIN



**OUR IMPACTS**

**FOR OUR EMPLOYEES**

**A caring work environment, a motivating sense of purpose**

- 81% of the Group's employees applaud workplace safety at Bel (best "Your Voice" score)
- 77% are inspired by the Group's mission

**FOR OUR CONSUMERS**

**Healthier food for all**

- 72% of all products for children and families comply with the *Bel Nutri+* promise
- 83% of subsidiaries have introduced nutrition education programs for their employees

**FOR OUR CUSTOMERS**

**Innovative distribution models and a presence in over 120 markets**

- Bel ranks among the top three suppliers preferred by its customers in eight countries: France, Belgium, Portugal, Spain, the Netherlands, Slovakia, the Czech Republic and Canada

**FOR OUR PARTNERS**

**Sustainable and responsible relationships throughout the value chain**

- 52.8/100: our partners' average EcoVadis score

**FOR THE PLANET**

**An ambitious climate goal to help limit global warming to below +1.5°C**

- Net reduction of 1/4 of greenhouse gas emissions across our value chain (compared to 2017, and taking growth into account)

**FOR OUR FAMILY'S SHAREHOLDERS**

**Steady growth**

- + 2.3% organic growth in 2021

**FOR NGOS AND SCIENTIFIC EXPERTS**

**Our shared experience and knowledge**

**A solid local presence**

- Taxes representing 28.5%\* of income, paid in 26 countries
- Economic and social support for populations

**FOR OUR LOCAL COMMUNITIES**



\* Excluding non-recurring transactions.

# OPTIMIZED AND COMPREHENSIVE

## PERFORMANCE MANAGEMENT

From farm to fork, Bel is committed to a performance that creates value for all the stakeholders with whom it works and interacts. The Group places corporate and social responsibility (CSR) and the creation of shared value at the heart of its growth model.



**‘In order to have a positive impact while remaining profitable, finance and CSR must be managed in an integrated manner. More importantly, this means that our employees must take full ownership of this responsibility.**

**This approach enables us to make progress at all levels of the business and in collaboration with all our partners, which is essential to achieving our ambitious goals, particularly with regard to reducing our carbon footprint.**

**FRÉDÉRIC MÉDARD**

Chief Corporate Social Responsibility  
and Finance Officer





## OUR VISION

### SERVING society

For Bel, a company that respects the planet and positively impacts all generations, serving society and its communities forms an integral part of its DNA. In keeping with this spirit and in line with its values, the Group strives for a fair distribution of wealth. It develops forward-looking solutions in order to offer healthy products for as many people as possible, and its production processes are continuously improved in collaboration with its stakeholders in order to reduce the impact on resources and the environment.

## OUR STRATEGY

### CSR at the heart of the business

CSR is at the heart of the Group's mission and is implemented at all levels of the business and in all regions. It guides the strategic choices and activities of the Group and its brands. The Executive Committee oversees the Group's sustainable growth model. It is supported by the CSR Operational Committee, which includes several members of the Executive Committee. It validates CSR policies and monitors the CSR *scorecard* and changes in performance indicators. This CSR strategy is then translated into the strategic plans of the countries and brands in order to meet the challenges faced by the regions. Bel aims to make its product portfolio a key lever for reducing its carbon footprint.

## OUR APPROACH

### Driving all performance

This overall performance is measured by financial and non-financial indicators to which Bel has chosen to link its results. The Group is convinced that these two dimensions are mutually enriching. The creation of a department that brings together finance and CSR underlines its determination to build on these two equally important pillars for the development of a sustainable capitalism.

## OUR DRIVING FORCE

### A committed workforce

Inventing, producing, packaging, distributing, communicating... Employee commitment is paramount to the Group's success. In order to achieve a high level of overall performance, the Bel group ensures that all candidates adhere to its mission and that its employees have the necessary tools to fulfill it. The Group will roll out a carbon impact analysis tool at all levels of decision-making within the business. Based on monthly data, this tool provides a consolidated, accurate and reliable view of the Group's carbon footprint across all its markets, brands, segments and products. The carbon indicator will be part of an innovative positive impact indicator that integrates five criteria, including accessibility and nutrition.

# FOUR STRATEGIC LEVERS

## FOR A DIFFERENT AGRI-FOOD MODEL

Developing tomorrow's agri-food model means providing access to healthier, more accessible, affordable and sustainable food for all. To ensure that all tastes are satisfied, the Group offers individual portions of dairy, fruit-and plant-based products and encourages good eating habits. To this end, Bel is evolving and focusing its strategy on four pillars.



### 1 BUILDING POSITIVE BRANDS

The Bel brands embody the Group's values and commitments. The brands include an ever healthier and more responsible range of products.

#### Activist brands

Bel brands intend to play a real social role, providing a positive impact on their ecosystem beyond the nutritional benefits of their portions. They take up important causes and advocate on behalf of issues that are meaningful to their communities, becoming true "mission-driven" brands:

➤ **The Laughing Cow** encourages everyone to choose to laugh at life. The brand champions solidarity and offers healthier products for everyone, all around the world. It is also the Group's standard-bearer in the fight against food waste.

➤ **Babybel** calls on consumers to "Join the Goodness", a campaign promoting healthier eating habits on a daily basis, through its cheese superheroes.

➤ **Boursin** inspires, you create! Through this motto, the brand encourages consumers to give free rein to their creative side in the kitchen. Boursin also supports young chefs in their first steps through specific actions.

➤ **Kiri** campaigns for a better world and reveals the power of kindness, both for others and for nature, by committing to actions to protect biodiversity.

➤ **Nurishh** brings all food lovers together, regardless of their diet, by offering a plant-based alternative that respects the resources of our planet.

#### Evolving brands

Bel's brands are designed to provide consumers with the perfect portion of "healthy eating", adapted to their expectations and uses, while also protecting the planet. To this end, the Group continuously works to improve its product recipes and packagings.

➤ **Improving the nutritional profile of our products**, as was achieved with The Laughing Cow 4 Key Nutrients, fortified with iodine, zinc, iron and vitamin A or D in order to combat nutritional deficiencies in some populations.



**BOURSIN TAPS INTO DIGITAL MARKETING TRENDS! 1.5 MILLION VIEWS WERE GENERATED ON TIKTOK IN THE UNITED STATES, BY USING THE "FETA PASTA" THEME**



➤ **Simplifying our recipes**, as was done with The Laughing Cow Original in Europe, whose recipe has been revamped and now consists of just four dairy ingredients: carefully selected cheeses to enhance taste, butter for texture, high-quality milk and milk minerals.

➤ **Designing responsible packaging** in order to reduce product weight and make recycling easier. In 2021, 82% of our product packaging was recyclable-ready and/or biodegradable. Our goal: 100% in 2025.

➤ **Engaging with our communities on a daily basis and building close and authentic relationships through social networks** and benefiting from greater knowledge of these communities and their expectations through precision marketing.

➤ **Our brands surprise consumers in their daily lives through immersive experiences**, where they are not expected: The Laughing Cow at Disneyland® Paris, Babybel at McDonald's France, and Kiri in themed cafés in major Chinese cities.

### Experiential brands

Building positive brands also implies creating new experiences for consumers centered on the relationship they have with Bel's brands.

➤ **2021 highlight Donating laughter.** At the age of 100, The Laughing Cow is still laughing. To mark its centenary celebrations, the brand launched the #laughtodonate initiative to help some 20 NGOs working for children. The laughter collected from Internet users was then converted into donations to help finance, among other things, visits by clowns from the Le Rire Médecin association to children in French hospitals.



## MARKETING ACUMEN ENHANCED BY DATA

Nowadays, data has become paramount to the decision-making process. It allows Bel to gain a better understanding of its consumers and to target its "supporters" by delivering relevant messages via the optimal media channels. Data is also used in predictive approaches to model growth scenarios. It helps to optimize the allocation of marketing budgets by country, by brand and by touchpoint, and to identify future growth opportunities for our brands.

## 2 ACCELERATING POSITIVE INNOVATION

### Innovating to fulfill a mission

Innovation drives the Group's growth. Innovation helps to speed up the transformation of Bel's portfolio to achieve the right balance between its traditional dairy offering and its fruit-and plant-based products. This has resulted in a number of launches in 2021 and 2022:

➤ **Hybrid products** such as The Laughing Cow Blends, combining cheese, legumes and spices.

## FOUR STRATEGIC LEVERS FOR A DIFFERENT AGRI-FOOD MODEL



➤ **Plant-based versions of Bel's** core brands, Boursin and Babybel (beginning of 2022).

➤ **Plant-based desserts made from juices and plant-based milk alternatives** derived from oleaginous fruits such as Materne® Onctueux Végétal.

➤ **A new 100% plant-based brand:** Nurishh.

### Innovating for the consumer

Innovation is central to the company's strategy and is focused on the consumer. Each brand has its own innovation process, designed to keep abreast of market trends and propose new products and experiences to continuously improve products, revitalize product lines and accelerate the development of new product categories. In 2021, for example, Bel expanded into the culinary products market, which has grown rapidly as a result of the health crisis (The Laughing Cow cheese sauce, Kiri Cooking Cream, Boursin cheese and vegetable fritters, etc.).

The Group also launched the first range of functional cheeses with Babybel Plus+, fortified with probiotics or proteins, in the United States and the United Kingdom.

### Innovating to tap into the future

Bel engages in long-term research aimed at anticipating and deciphering the trends that will shape tomorrow's food, consumer habits and distribution methods. Tapping into the future also means working with new sustainable ingredients such as sunflowers, peas, hemp seeds, lupines and cauliflower, identifying new technologies and studying disruptive fermentation technologies in order to manufacture sustainable packaging materials. Some of Bel's research is done in collaboration with universities, start-ups, SMEs, competitiveness clusters, industrial partners, academic and scientific players such as the CEA, INRAE and the CNRS, and investment funds such as Big Idea Ventures, CapAgro and C Ventures.

### ➤ 2021 highlight

Bel launched its first 100% plant-based range: Nurishh, which includes table cheeses and shreds. Nurishh was developed to meet the needs of consumers according to their different culinary preferences, choices and eating habits, and to meet the demands of a rapidly growing plant-based market. By launching this new international brand, Bel aims to become one of the players in the plant-based food industry and democratize the consumption of these new products.

13 NURISHH PRODUCTS  
LAUNCHED IN  
17 COUNTRIES

## 3 ADAPTING TO TOMORROW'S DISTRIBUTION CHANNELS

### Accessible everywhere, for all

To fulfill its "for all" mission, Bel constantly adapts to distribution channels, purchasing power and local eating habits. Its model spans e-commerce, which has grown rapidly since the health crisis (in particular, hybrid distribution methods such as drive-through and click-and-collect), large-scale food retailing, small independent shops and even street vendors via the *Sharing Cities* program. This program currently benefits 2,892 partners in five major cities in emerging markets. It aims to extend its reach to consumers who do not have access to traditional distribution channels and to sustain the livelihoods of thousands of vendors.



**BEL PRODUCTS ARE  
SOLD IN 120  
COUNTRIES**

### Opening up new avenues

Bel constantly adapts its distribution models to respond to the dual challenge of accessibility and new consumer trends. It is expanding into new distribution channels by entering into partnerships with players such as Disneyland® Paris and by distributing its products in stores like McDonald's and Starbucks.

Bel also sells its products in bulk, which allows it to attract new consumers and innovate to reduce packaging. The Group launched a pilot project for bulk sales in supermarkets with Babybel Organic. This project is in line with the French Climate and Resilience Act (*Loi Climat et résilience*), which calls for 20% of the sales area to be dedicated to bulk sales by 2030 in stores larger than 400 square meters. The Group intends to work hand in hand with customers and retailers to make them genuine partners and by going beyond the commercial relationship. It is therefore becoming an essential link in the CSR approach of its retailer clients by taking part in their initiatives, as it did by joining Carrefour's Food Transition Pact, Casino's Carbon Forum, Monoprix's PACTE and in 2021, the fight against food waste initiative 10x20x30 alongside Metro.

#### 👉 2021 highlight

Bel entered into a partnership with Disneyland® Paris, Europe's leading tourist destination for the past 10 years.

**23 SUPERMARKETS  
TOOK PART IN  
THE BULK SALES  
EXPERIMENT WITH  
BABYBEL ORGANIC**

## 4 DEVELOPING IN KEY GEOGRAPHIES

Bel has a global presence.

The Group's growth strategy is based on international expansion, made possible thanks to strong, well-known brands whose formats and recipes are adapted to the specific characteristics of local markets. Bel intends to pursue its development in North America (United States and Canada), through increased resources and a local presence.

To this end, the Group inaugurated a dedicated plant in Sorel-Tracy, Canada, in 2020.

As regards its markets in China, India and Indonesia, the Group is implementing a pragmatic *test-and-learn* approach, city by city, by working to make its products accessible and affordable for as many people as possible, by entering into partnerships and by offering dairy products adapted to local uses. For instance, Bel launched Kiri Petit Sweets in China and The Laughing Cow cheese in sachets in India.

#### 👉 2021 highlight

**Kiri Petit Sweets**, which are sweetened versions of Kiri, were launched in China to win over young adults. With their unique form (5 or 15 cubes), they offer consumers a sweet and fruity snacking experience.



# OUR MARKETS AND ACTIVITIES IN 2021



## A resilient business despite a difficult economic context in 2021

The Bel Group posted organic revenue growth of 2.3% in 2021 despite a challenging economic, political and financial context, driven by:

- the excellent momentum of core brands, Babybel and Boursin in particular (growth in sales of four out of six core brands compared to 2019);
- the continued growth of MOM;
- further market share gains in North America;
- the confirmation of a positive growth trajectory in China;
- promising initial results from the launch of Nurishh and the plant-based version of Boursin;
- the growth of e-commerce and *out-of-home* catering, particularly in the North American and Chinese markets.

## Dairy, a secure and sustainable industry

At the end of 2021, a year marked by two priorities for the upstream dairy industry, namely improving animal welfare and reducing the carbon footprint, Bel and APBO entered into a new annual agreement to promote a more profitable and low-carbon dairy industry. While two-thirds of the Group's carbon footprint is linked to dairy raw materials, this new agreement on milk prices and volumes incentivizes more virtuous practices.

It also provides for a new reference price (€377/1,000 liters), in line with the "MonBBLait®" specifications, integrating sustainable practices: cattle pasture grazing, non-GMO animal feed, and, as of October 2022, a fully European milk supply, with a specific guaranteed premium of €5/1,000 liters. In addition, by 2022, all APBO farms will have completed a CAP'2ER® carbon diagnosis, climate trainings and put together a tailored action plan.

**With the sale of the Leerdammer brand, Bel furthered its strategy of broadening its activities beyond cheese products. Indeed, this move provides the Group with additional room for maneuver, enabling it to expand its diversification into fruit-and plant-based products and accelerate the launch of such products in markets with strong growth potential.**

### ÉRIC DE PONCINS

Group Executive Vice President, Strategic Partnerships and Tactical geographies

**COUNTRIES WITH PROMISING PROSPECTS  
INDONESIA, INDIA**

**COUNTRIES EXPERIENCING GROWTH  
UNITED STATES,  
CANADA, CHINA,  
JAPAN, FRANCE**



**We created the Nurishh brand, which is a 100% plant-based product, based on the technology developed by All In Foods. Creating a brand from scratch was a challenge that the teams met with flying colors.**

**Nurishh has been well received by consumers and meets the requirements of a flexitarian lifestyle and all consumption uses, whether at the table or for cooking. Our goal is to make it available in Bel's largest markets.**

**Sven Lamote**  
General Manager Nurishh CEO



### **The move to plant-based products**

Bel has chosen to expand its business beyond cheese, as shown by the acquisition of the All in Foods start-up in 2020, which is developing a wide range of plant-based alternatives, and by the launch of several products. The highlights of 2021 were:

➤ **Boursin Dairy Free's excellent performance in the United States and Canada.**

This plant-based version is now also being produced in Croisy-sur-Eure, Normandy, and will be launched on the European market in spring 2022.

➤ **Launch of the Nurishh brand in northern and southern Europe and the United States, with 13 products introduced in 2021 in 3 key segments: slices, grated and spreadable.**

➤ **The successful launch of The Laughing Cow® Blends in the U.S., Germany, the U.K., Canada and Australia.** This hybrid version of The Laughing Cow combines the best of dairy and legume products.

➤ **The planned launch of Babybel Plant-Based in the United Kingdom and the United States in 2022.**

### **Fruit, a winning strategy**

After acquiring a stake in the MOM Group in 2016, Bel bought out 17.5% of the minority shareholders' shares in 2021 and now holds 82.5% of MOM's shares.

This new milestone sets the stage for combining the teams and confirms Bel's strategic interest in fruit-based products. This merger between two major players in the global healthy snacks market, both of which focus on individual portions, will have a multiplier effect. They will build on their complementary products and industrial know-how to solidify their international leadership.

# COMMITTED TO TACKLING FIVE PRIORITY CHALLENGES

## SERVING OUR MISSION

**CSR is an integral part of the Group's mission and is at the heart of its strategic plan. It is driven forward by the Executive Committee and implemented in the road maps of the brands and countries. In this way, every decision and action can be scrutinized through a CSR filter. Five priority challenges have been identified based on the findings of the Group's materiality and risk analyses.**

At the heart of the Group's mission, Corporate Social Responsibility (CSR) is managed using a selection of indicators to measure the Group's performance and its positive impact from farm to fork. These include the carbon footprint, nutritional improvement programs, the accessibility and affordability of its products for as many people as possible, and the commitment of its 11,800 employees. The indicators help guide and engage employees on a daily basis, whether they work at the head office, at subsidiaries, or form part of the CSR Operational Committee, which ensures that CSR policies are aligned with the Group's strategy. Employees are, in particular, guided by the *Actors for Good* program, built around three principles: "I know", "I act" and "I am an activist".



### **BEL AWARDED THE ECOVADIS PLATINUM RATING**

EcoVadis, a CSR performance assessment platform, awarded a score of 79 out of 100 to the Bel Group's CSR strategy, placing it in the top 1% of the world's best rated companies in its sector.

Four themes were assessed: the environment, social responsibility and human rights, responsible purchasing and ethics.

The assessment also covered commitments, action plans and tangible results.





## CONTRIBUTING TO HEALTHIER FOOD

Bel's products are consumed all around the world, and the Group contributes at its level to ensuring that a safe, nutritious and balanced diet is accessible and affordable for as many people as possible. Thanks to its individual portions, the Group provides everyone with the right nutritional amount and combats food waste. It offers healthier food by carrying out strict control of raw materials, simplifying its recipes whenever possible, such as with the launch of The Original Laughing Cow in Europe, with only four dairy ingredients, and developing new 100% plant-based or hybrid offerings, combining milk and plant-based ingredients.

### ➤ 2021 HIGHLIGHT

La Vache qui rit 4 essentials was launched in the Middle East and North Africa. Fortified with iodine, iron, zinc and vitamins A and D, it addresses the major nutritional deficiencies of local populations. Bel also rolled out its nutrition education programs – particularly in Egypt in collaboration with the Food and Agriculture Organization of the United Nations.

### ➤ 2021 FIGURE

**58 revamped recipes and innovations launched** to offer products with shorter ingredient lists and improved nutritional profiles.



## PROMOTING SUSTAINABLE AND REGENERATIVE AGRICULTURE

The Group is committed to having a positive impact across its entire value chain from upstream, starting with the choice of raw materials. The Group's goal? To promote sustainable and "regenerative" agriculture by encouraging more sustainable agricultural practices. Bel collaborates with organizations such as WWF France and Compassion in World Farming as well as with producers on issues such as improving animal welfare, reducing the carbon footprint of farms and promoting pasture grazing and local sourcing of feed for the herds.

### ➤ 2021 HIGHLIGHT

Bel is conducting a three-year sustainable agriculture pilot program in the United States in collaboration with the Land O'Lakes cooperative. Several initiatives have been implemented, such as supporting animal feed production with regenerative crops to reduce the carbon footprint and protect against price volatility.

### ➤ 2021 FIGURE

**In 2021, 77% of the Group's milk producers** had access to innovative social schemes designed to improve the quality of life, working conditions and agricultural practices of producers.



**COMMITTED TO TACKLING  
FIVE PRIORITY CHALLENGES  
SERVING OUR MISSION**



# 3

**WWF France supports more sustainable production models that promote alternatives to soy and access to pasture for dairy cows. These topics are fully in line with the charter developed together with the Bel Group.**

**ARNAUD GAUFFIER**  
Conservation Director,  
WWF France

## **DESIGNING RESPONSIBLE PACKAGING**

The individual portion is at the heart of Bel's model. It makes products more accessible and affordable, while offering the right amount of nutrition. It also means that Bel has a duty to limit the environmental impact of its packaging. Bel prioritizes the use of paper and cardboard, versus plastic and aluminum, as they are renewable and recyclable materials. It aims to have 100% of its packaging recyclable-ready and/or biodegradable by 2025.

Bel is currently researching eco-design with partners. In 2021, Bel was a beta-tester for a life cycle analysis tool launched by Quantis in order to gauge the impacts of its packaging and determine the priority actions to be taken to reach its 2025 target.

### **2021 HIGHLIGHT**

After conducting a pilot project within the Day by Day network, Bel is now testing the bulk sale of Babybel Organic in 23 supermarkets in France in an effort to reduce packaging. The cheeses are being sold in their one-of-a-kind wax shells.

### **2021 FIGURE**

**82% of Bel's packaging** was recyclable-ready and/or biodegradable.





## FIGHTING AGAINST CLIMATE CHANGE AND REDUCING ITS ENVIRONMENTAL FOOTPRINT

The Group made the fight against global warming a priority in 2019. Its ambition is to reduce its carbon footprint by 27.5% per ton of product between 2017 and 2035. It is lowering its carbon emissions by changing agricultural practices, implementing actions at its own industrial sites, and working with its entire ecosystem in order to minimize the environmental impact of its activities, from the production of raw materials to the products' end of life.

The Group recognizes the urgency of climate change and is stepping up its efforts to reduce its carbon footprint in line with expert recommendations to limit global warming to +1.5°C. It is supported by Bel Carbone Impact, the Group's carbon footprint management platform, which will be rolled out in 2022.

In order to improve its energy mix, the Group is working to increase the use of renewable energies at its sites. Bel also joined the Livelihoods Fund, which supports reforestation projects. Lastly, it joined the United Nations' Race to Zero initiative, with the aim of achieving carbon neutrality across its entire value chain by 2050 at the latest.

### 2021 HIGHLIGHT

Bel set a goal to reduce emissions from upstream agricultural activities by 20% (compared to 2017 levels) by 2030. Together with the Centre National Interprofessionnel de l'Économie Laitière, Bel has developed a tool to measure the environmental impact of farms in France and to identify potential courses of action.

### 2021 FIGURE

**Nearly 900 assessments** were carried out in 2021 on the 1,400 farms working with Bel (i.e., 64% of its milk collection).



## IMPROVE THE ACCESSIBILITY AND AFFORDABILITY OF OUR PRODUCTS

Central to the Bel Group's model, the portion format makes it easier for everyone to access its products. This accessibility and affordability depend on distribution, lifestyles and purchasing power. Quality is also important, given that a quarter of the world's population does not have regular access to healthy food. This situation was made worse by the health crisis. Bel provides healthy food portions that can be consumed in different settings: at home, on the road and outside the home. It democratizes organic and 100% plant-based products. Bel launched its "Sharing Cities" program in 2013.

This program aims to supplement traditional marketing channels with alternative distribution networks rooted in local buying practices, while improving the quality of life for vendors involved in the project. For example, the Group uses existing networks of street vendors to sell its products in five major cities in emerging countries. In this way, Bel helps these vendors develop their business and revenue and offers them access to health coverage and professional training. Lastly, the company is developing products that combine dairy and plant-based raw materials and that are fortified with calcium and vitamins A and D, while still remaining more affordable, such as La Vache qui rit Simply, which was launched in Egypt in 2021.

### 2021 HIGHLIGHT

Bel helped rebuild a street vendor network in Madagascar that was severely affected by the health crisis.

### 2021 FIGURE

The *Sharing Cities* program counted **2,892 partners** at the end of 2021.







The Bel Group is a “family” united by its values and its compelling mission, and not just by its successive generations of managers. As a business with a long-term vision, the Group aims to lead by example and act for the common good. This exemplary approach and ambition are most evident with regard to our employees, who are key to the success of our corporate project. Through its transformation process, Bel is now laying the foundations for an innovative labor relations model and is changing its governance to better reflect its vision and model.

# A TEAM THAT REINVENTS ITSELF

**Bel's employees are key to the accomplishment of its mission. The Group is working to create a safe, fulfilling and stimulating work environment, while at the same time reflecting on changes to its labor relations model to ensure that everyone understands the Group's mission, plays an active role in carrying it out and measures their contribution.**

Being a part of the Bel Group means sharing its values, which have been passed down from generation to generation, namely: daring, caring, committing. In an effort to further decipher its DNA, Bel conducted a **qualitative study on "Culture and Transformation"** in 2021 in order to rethink the Group's historical foundations and assess how the most recent changes introduced by the Group are felt and understood by its employees. The study helped identify the cultural assets that can be leveraged to successfully carry out the transformation, as well as a number of areas requiring oversight and optimization.

As the Group continues to transform, grow and diversify, while pursuing its international expansion, this study will help to:

- ▶ **prepare for the integration of the MOM teams while ensuring** that the best qualities of each of the two groups are preserved;
- ▶ **support the Executive Committee** in measuring its impact on the business;
- ▶ **guide Bel's management model** to support the teams throughout this transformation.

## "CULTURE AND TRANSFORMATION" STUDY 2021



**76**

people interviewed



**31**

interviews with top management



**8**

focus groups



77% OF EMPLOYEES BELIEVE IN THE COMPANY'S MISSION

13,000 COMMENTS

## RETHINKING BEL'S LABOR RELATIONS MODEL

The **Nurture program** is Bel's value proposition to its 11,800 employees during a period of transformation marked by a shift in the balance between dairy and non-dairy products and by a changing scope of consolidation (sale of Leerdammer and integration of MOM). By focusing on the needs of its employees, the program aims to support the Group's changes and better serve its customers. The program charts a course to meet everyone's expectations at work and build a renewed labor relations model over the next ten years. In order to meet this challenge, Nurture aims to transform the Group's management culture to ensure that managers act as coaches for all employees and their teams. In 2021, two steps were undertaken: the "Your Voice" survey and the "Hybrid Work @ Bel" approach.



97%<sup>(1)</sup> OF BEL EMPLOYEES WANT TO CONTINUE WORKING REMOTELY

### The "Your Voice" survey helps assess needs

The Group carried out a global employee survey in 2021, the results of which were published in July. With an 87% participation rate and a 74% engagement rate, the survey underscores the strong involvement of employees. The two main positive findings were a strong commitment to the company and broad support for its mission, with a rate of 77%. The "Your Voice" survey also highlighted areas for improvement, such as the need to simplify work methods, decision-making processes and information systems, as part of the drive to improve performance and accelerate business cycles.

### The "Hybrid Work @ Bel" solution in response to the need for flexibility in the workplace

Faced with the rebound of the Covid-19 pandemic, the Group's strong commitment to health, business continuity and working conditions was largely maintained in 2021 and continued to yield positive results. Remote working was rolled out across all business lines, where feasible. The "Your Voice" survey shows that the company is seen as a safe workplace and that the crisis affected employees' work-life balance. One of the main findings was that 78%<sup>(1)</sup> of employees preferred a flexible mode of working that alternated between working at the company and at home. In order to meet this need, Bel decided to become a pioneering company by developing a hybrid work model as of the end of 2021. The aim of this model is to maintain teamwork, to encourage social interaction and collaboration, while allowing for greater flexibility to focus on individual tasks or interactions between two people. Hybrid working is seen as an opportunity and is based on trust and collective intelligence to enhance performance. Each business line sets its own specific rules as part of a *test-and-learn* process, with the aim of implementing the model by the end of the first quarter of 2022.

(1) Source: Survey of approximately 700 employees carried out at the Suresnes corporate headquarters in January 2021.

## A TEAM THAT REINVENTS ITSELF

### AN HR ROAD MAP BUILT ON SIX PILLARS OF PROGRESS

The Nurture program is designed to be tested and refined on an ongoing basis, and focuses on six key areas to ensure that the Bel Group's value proposition to its employees is consistent:

- **Safety and well-being:** top priority given to safety, quality of life at work, the right to disconnect, remote working, streamlining and efficiency at work with the Time's Up tool.
- **People Development:** training, management culture, career paths, opening up to the world through hands-on experiences.
- **Support for Family Care:** social welfare and health care, solidarity fund, access to Bel products at preferential prices, access to Bel University, support during important moments in life.
- **Self-fulfilment development:** a solidarity day once a month, autonomy, accountability, listening to the opinions and feelings of each individual.
- **Recognition:** fair and variable compensation for all.
- **Sense of Belonging:** inclusion, diversity, connectedness for all, networking with alumni, common values and shared behaviors, employee share ownership project.



### CHARTER FOR THE RIGHT TO DISCONNECT

In light of the increased reliance on digital tools and remote work, Bel established a Charter for the right to disconnect in 2021, duly signed by the union organizations and extended to all employees. The purpose of the Charter is to contribute to the creation of a work environment conducive to collective well-being by laying out key rules to ensure that employees enjoy quality time off and rest periods.



### GENDER EQUALITY IN THE WORKPLACE

Bel received a score of 93/100 in France. The gender equality index, set up by the French government, is calculated by cross-referencing five indicators: compensation, distribution of annual raises and promotions, number of women employees who received a raise after returning from maternity leave, and parity among the ten highest paid employees.





**The foundation of the Nurture program was laid in 2021 by launching the “Your Voice” survey and defining our vision of flexible working. The survey highlighted our employees’ strong commitment and sense of belonging to the company, as well as the need for greater streamlining. Soon, we will embark on a major project: that of improving the management culture by making sure that every manager acts as a coach and responds positively to employees’ needs on a daily basis.**

**Jeanne Renard**  
Group Executive Vice President,  
Human Resources and Transformation



## STORIES ABOUT PEOPLE

**The Laughing Cow**, an iconic and globally recognized brand, celebrated its 100<sup>th</sup> anniversary in 2021. Bel wanted to shine a spotlight on the people who contribute to the brand’s success every day around the world. A web series was created to share these stories about family and legacy, passion for business and professional fulfillment. The web series also highlights Bel’s commitments through its century-old brand: access to health insurance for shop owners thanks to the *Inaya* program, and the *Sharing Cities* program, which enables street vendors to develop their entrepreneurial skills and benefit from health coverage.

**Carole, Jonathan and Amy, Hammou and Thi Phê...** Like them, thousands of people around the world are part of the stories of Bel and The Laughing Cow and write their own stories every day.



# OUR BOARD OF DIRECTORS



**ANTOINE FIÉVET**  
Director, Chairman  
and Chief Executive  
Officer ●



**THIERRY BILLOT**  
Lead Independent  
Director ● ● ● P ● P



**FATINE LAYT**  
Director ● ●



**NATHALIE ROOS**  
Director ●



**FLORIAN SAUVIN**  
Director



**Unibel SA**  
represented by  
**BRUNO SCHOCH**  
Director ●



**PHILIPPE PERCHE**  
Director ●

**Non-director members**

**ERNST PANKERT** ●

**JOËLLE PACTEAU** ●

**CÉCILE TANDEAU  
DE MARSAC** ●

**43%**  
Independence  
rate of members

**33%**  
Percentage  
of women  
on the Board

**84%**  
Average  
attendance rate  
of members at  
meetings of the  
Board of Directors

**56 years**  
Average age

## THE MAIN TOPICS ADDRESSED BY THE BOARD OF DIRECTORS IN 2021

In 2021, as part of its duties the Board reviewed the quarterly, interim and annual **financial information**, the annual financial statements and the consolidated **financial statements**, the interim consolidated financial statements, and the processes used to prepare this information. Each Board meeting called to approve the financial statements was preceded by a meeting of the Audit Committee. The Directors systematically reviewed the press releases relating to this information before their release.

The **state of business** was assessed at each meeting. Regular attention was given to the **economic and geopolitical situation of the markets** and its impact on the Group's business. In addition to reviewing organizational issues relating to **acquisitions** and **disposals**, the directors also discussed the Group's **industrial investments and financing**. The Board of Directors also approved **the evaluation process for its work**.

Independent Director ●  
 Audit Committee : Chairman P  
 — Members ● Appointments and Compensation Committee: Chairman P — Members ●

# OUR EXECUTIVE COMMITTEE



**ANTOINE FIÉVET**  
Chairman and Chief  
Executive Officer



**CÉCILE BÉLIOT**  
Group Executive  
Vice President



**FRÉDÉRIC MÉDARD**  
Chief Corporate Social  
Responsibility  
and Finance Officer



**STÉPHANE DUPAYS**  
Group Executive  
Vice President, Industrial  
and Technical Operations



**JEANNE RENARD**  
Group Executive Vice President,  
Human Resources  
and Transformation



**ÉRIC DE PONCINS**  
Group Executive  
Vice President,  
Strategic Partnerships  
and Tactical Locations



**CAROLE JAIS**  
Secretary-General, Legal,  
Risk and Corporate  
Governance Department

## MOVING TOWARDS A SEPARATE GOVERNANCE SYSTEM

**Antoine Fiévet and the Nominating Committee will submit the appointment of Cécile Béliot as Group Chief Executive Officer to the Board of Directors for approval in May 2022.**

This development, which has been in the works since Cécile Béliot joined Bel as Group Executive Vice President, Strategy, Growth Drivers and Markets, will enable the Group to continue to pursue its transformation, while maintaining the vision and values upheld by the family since the company was founded over 150 years ago. During this transition period, Cécile Béliot prepared to combine the Bel-MOM teams and continued to implement the Group's strategy centered on its three complementary product segments – dairy, plant- and fruit-based products. In 2022, a new Executive Committee will be appointed to support the new senior management.

# GLOBAL RISK MANAGEMENT

**The Group's *Enterprise Risk Management (ERM)* system is organized and managed by the Legal and Risk Department, which is headed by the Secretary-General.**

## Unified risk management

Bel's risk management system addresses all types of risks, including:

- ▶ **Group risks:** operational risks, reputation risks, financial or strategic risks, human risks, legal risks, risks related to the Group's image;
- ▶ **risks relating to the "duty of vigilance":** aimed at combating corruption and respecting human rights and the environment
- ▶ **non-financial risks.**

## Standardized risk assessment

A common methodology and language are deployed across the entire Group at all levels of organization: central functions, brands, commercial entities and plants. The methodology includes a risk universe and assessment scales for impact, probability and the degree of control.

## A coordinated risk map

The functional directors, the brand general managers and the general managers of the subsidiaries (including MOM) identify and evaluate the main risks that could affect their objectives within their area of responsibility over three-year period. Then they ensure that those risks are properly managed.

This process is carried out in workshops with the Management Committees and coordinated locally by the markets' finance directors. The risk management approach enables the consolidation and prioritization of risks identified at the market, brand and function levels, and provides an overview of the main risks at the Group level. This overview is validated by the Executive Committee.



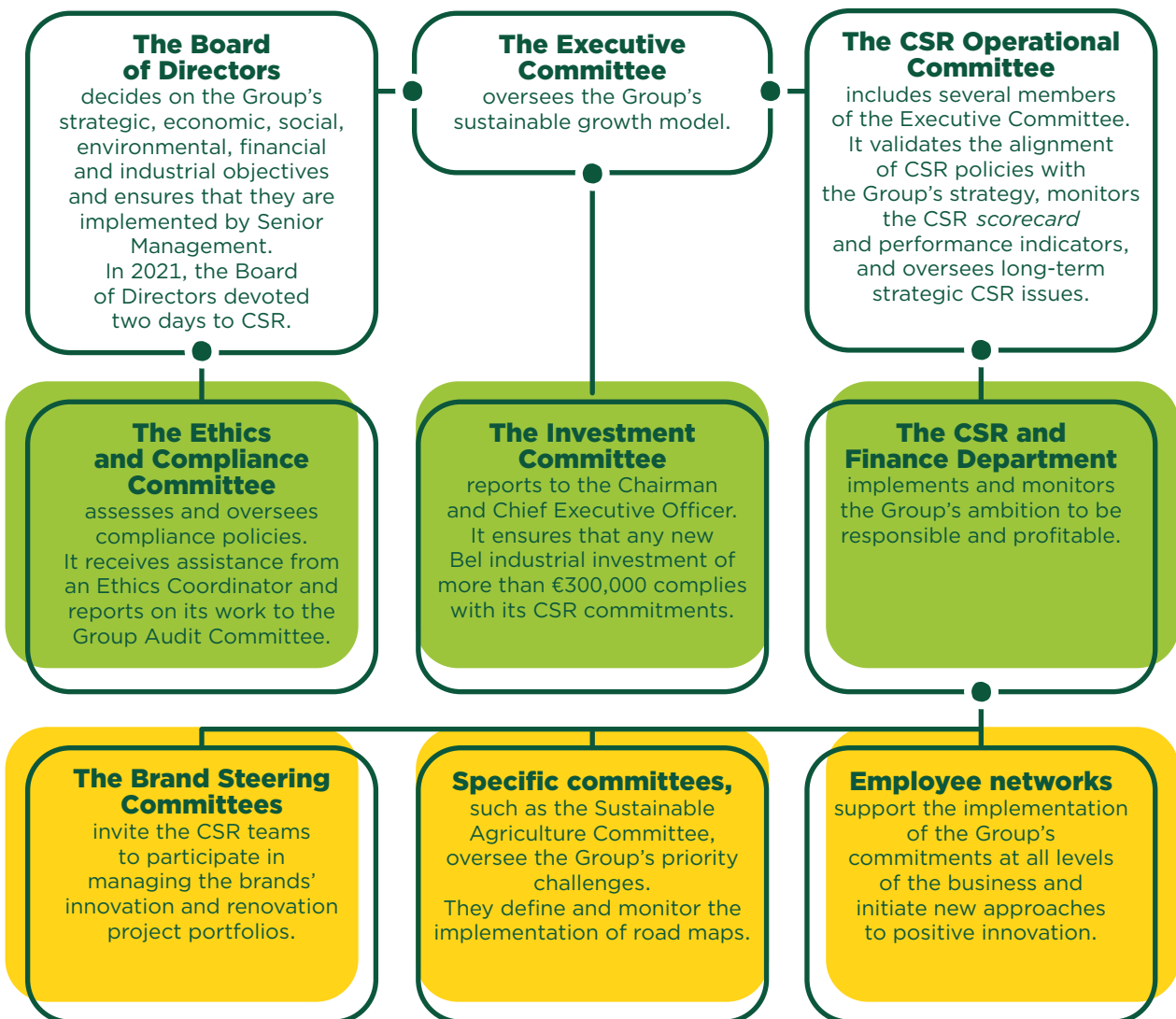
**The common risk management "language" used at Bel enables the Group to anticipate and manage risks that could affect the continuity of the food chain.**

**CAROLE JAIS**  
Secretary-General, Legal, Risk  
and Corporate Governance Department

# GOVERNANCE OF CSR ISSUES

## AT EVERY LEVEL OF THE BUSINESS

The Group's structure facilitates the consideration of CSR challenges at all levels, from management bodies to operational employees.



### Climate Fresk

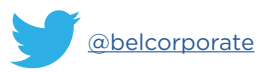
In 2021, members of the Board of Directors, the Executive Committee and nearly 200 employees took part in collaborative workshops organized by the Climate Fresk association (known as La Fresque du Climat in French) in order to better understand the main climate issues. **Nearly 50 employees were trained to become Fresk facilitators.** Bel will get all its employees to take part in the workshops in 2022.

# BEL SITES AROUND THE WORLD



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