



# A YEAR OF EXPANSION

2022 INTEGRATED REPORT





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group in transformation \_ p. 8**

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with responsibility \_ p. 20**

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in support of a bold  
mission \_ p. 38**

# **It is our belief that access to healthier and more sustainable food is everyone's basic right.**

We have turned this conviction into our mission and made it our Company motto: *For All. For Good.*

By being **determined and daring**, we strive to contribute to the transition of global food models in order to preserve planetary resources.

With an **expansive and inventive** approach, we continue to develop our historical dairy territories, while exploring the new territories of fruit and plant-based products.

Because we are **optimistic and socially committed**, we believe in our ability to mobilize our entire ecosystem to rethink the value of food, renew agricultural practices and decarbonize our entire value chain, today and for future generations.

# The Bel group in 2022

**5**

generations of family  
management

3 values:  
**DARE  
CARE  
COMMIT**



Nearly  
**10,800**  
employees



**6,730**<sup>(1)</sup>  
suppliers



Nearly **1,200**  
dairy producers



**126**  
countries  
of sale



**29**  
production  
sites



**56**  
subsidiaries  
in 32 countries



Over **30**  
brands,  
six of them  
international



**99/100**<sup>(2)</sup>  
on the gender  
equality index



Le Cercle de l'Excellence RH  
**"CoDIR ACTIVISTE"**  
Trophy



**BELOWCARBON**  
Project of the Year 2022 Award  
and Innovation Category Winner  
at the Digital Finance Awards



**78.3%**  
of children's and family  
products have  
positive<sup>(3)</sup> recipes

(1) With annual revenue over €10,000.

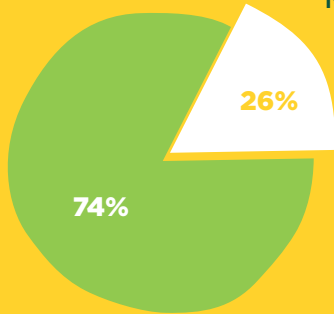
(2) Bel (cheese business only).

(3) See p.29.

## OUR MARKETS

**€2,654M**

**Mature Markets**  
Europe, Near  
and Middle East,  
North Africa,  
North America



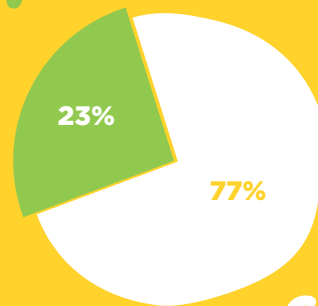
**€941M**

**New Territories**  
MOM, Sub-Saharan  
Africa, China

## OUR PRODUCTS

**€826M**

**Fruit- and  
plant-based  
products**



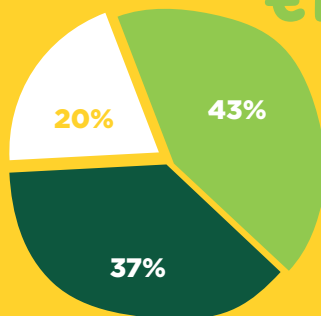
**€2,767M**

**Dairy products**

## OUR GROWTH AREAS

**€707M**

**Middle East,  
Greater Africa**



**€1,542M**

**Europe**

**€1,347M**

**The Americas,  
Asia-Pacific**

**€3,593M**

**REVENUE  
IN 2022**

## WE ARE AN INNOVATIVE INDUSTRIAL GROUP DEEPLY ROOTED IN OUR MARKETS

With some 30 production plants around the world, Bel is first and foremost an industrial group that produces as close to its markets as possible and in conjunction with its local partners. Wherever it operates, the Group invests in modernizing its industrial equipment to develop innovative products, while enhancing the safety and well-being of its people. As a responsible business, it aims to reduce its carbon footprint as much as possible, starting with its aims to reduce its production sites.

## SITES IN TRANSFORMATION, IN SUPPORT OF ITS STRATEGY

The deployment plan for Bel plants around the world is designed to increase the Group's production capacity to support its strategic roadmap, and in particular the development of its core brands, such as GoGo squeeZ® at Nampa, Idaho (United States) and Babybel® at Michalovce (Slovakia). Another objective is to foster innovation: Plant-based Boursin® Végétal at Pacy-sur-Eure, The Laughing Cow® Plant-Based at Lons-le-Saunier and Babybel Plant-Based at Évron. And finally, the Group continues to strengthen its international positions with a new plant in China in 2022 from the acquisition of Shandong Junjun Cheese Co., Ltd and a joint venture in India enabling the Group to add to its network in strategic regions.

This corporate development is taking place as part of a responsibility and decarbonization program that leverages several efforts: lowering consumption at its production sites through time-trend monitoring and optimization programs (Wasabel for water and Esabel for energy); increasing the energy efficiency of the plants, with the installation of heat pumps (two were commissioned in 2022 in Dole), and transitioning to renewable forms of energy. The installation of biomass boilers continues (three have already been installed, two are under construction in 2023, and two are under study), as does the installation of photovoltaic collectors. Two sites, in Vietnam and the Azores, are already equipped, and a project is under study for Pacy-sur-Eure.



**89%**  
of the electricity  
consumed by  
its sites comes from  
renewable sources



**CANADA**

- Sorel-Tracy

**UNITED STATES**

- Leitchfield (KY)
- Little Chute (WI)
- Brookings (SD)
- Nampa (ID)
- Traverse City (MI)

**FRANCE**

- Dole
- Lons-le-Saunier
- Pacy-sur-Eure
- Sablé-sur-Sarthe
- Évron
- Mayenne
- Vendôme
- Saint-Nazaire (All In Foods)
- Boué
- Chef-du-Pont

**SPAIN**

- Ulzama

**PORTUGAL**

- Ribeira Grande
- Vale de Cambra

**CZECH REPUBLIC**

- Želetava

**POLAND**

- Chorzele

**SLOVAKIA**

- Michalovce

**TURKEY**

- Corlu

**MOROCCO**

- Tangier

**ALGERIA**

- Koléa

**EGYPT**

- Cairo

**IRAN**

- Qazvin

**VIETNAM**

- Ho Chi Minh City

**CHINA**

- Shandong



**OUR  
FY2022**



**February**

**A NEW CARBON GOAL**

The Bel group announces that it is raising its carbon reduction target in order to help limit global warming to below +1.5°C. This commitment will entail a net reduction of one-quarter of Bel's greenhouse gas emissions across its entire value chain between 2017 and 2035, in addition to making carbon part of its toolkit for operations management.

**A SURGE OF SOLIDARITY WITH UKRAINE FROM ITS EMPLOYEES**

The Bel group and the Bel Foundation rally to help the Ukrainian people. Donations of goods and emergency equipment are arranged, and the Foundation provides support to its partner associations and to initiatives led by neighboring Bel subsidiaries.

**May**

**BEL BUYS THE REMAINING EQUITY OF MOM**

The Bel group, which already holds 82.5% of the capital of Mont Blanc-Materne (MOM), announces the purchase of the balance of the capital. This transaction is part of the Bel group's long-term growth strategy to become the standard-bearer for healthy eating in portions of dairy, fruit and vegetables available for all.

**CÉCILE BÉLIOT IS APPOINTED CHIEF EXECUTIVE OFFICER**

The Group's Board of Directors appoints Cécile Béliot as Chief Executive Officer and reappoints Antoine Fiévet as Chairman of the Board.



**October**

**10 YEARS OF PARTNERSHIP WITH WWF FRANCE**

Bel and WWF France celebrate 10 years of partnership, aimed at pivoting towards a more sustainable food model. To mark the occasion, they announce the renewal of the partnership for the fourth time and strengthen their actions through four ambitious areas of work: sustainable and regenerative agriculture, the preservation of biodiversity, the protection of forests and natural ecosystems, and consumer engagement, notably with a campaign to raise awareness of biodiversity conducted jointly by WWF France and the Kiri® brand.

**October**

**ESTABLISHMENT OF A SUSTAINABILITY-LINKED FINANCING FRAMEWORK**

Bel confirms the importance of CSR at the heart of its financing strategy through the implementation of a Sustainability-Linked Financing Framework. On this occasion, the Bel group also announces the successful refinancing of its main credit line, including three of the framework's CSR objectives.





**FOR MATERNE, 2022 IS ITS CENTENNIAL. THE BRAND CELEBRATES THIS ANNIVERSARY WITH AN ADVERTISING CAMPAIGN ABOUT ITS 100 YEARS OF CARE AND CLOSES THE YEAR WITH AN OPEN-HOUSE EVENT AT THE BOUÉ PLANT.**

**July**

**SUPERBREWED FOOD**

**SIGNATURE OF AN EXCLUSIVE STRATEGIC PARTNERSHIP WITH SUPERBREWED FOOD**

The Group announces a strategic collaboration with the start-up Superbrewed Food to develop cheese products incorporating Superbrewed proteins derived from biomass fermentation. The objective of the Bel group is to develop an entire line of cheeses with this ingredient and to be able to offer these new products to consumers very soon.



**August**

**MAJORITY OWNERSHIP ACQUISITION IN CHINA**

Bel acquires a majority stake in the Chinese company Shandong JunJun Cheese Co., Ltd to accelerate the Group's growth ambitions with state-of-the-art manufacturing and innovation capabilities in China.

**November**



**SIXTH AGREEMENT BETWEEN BEL AND APBO PRODUCERS**

For the sixth consecutive year, Bel and APBO renew their partnership and agree to raise the price of milk and promote more sustainable agricultural practices. Together, they intend to pursue their vision of low-carbon milk.

**MEETING THE CHALLENGE OF PROTEINS FOR THE FUTURE WITH STANDING OVATION**

Bel announces a partnership with the start-up Standing Ovation to work together to incorporate casein, the main milk protein, produced thanks to Standing Ovation's technology, into Bel's alternative cheese offerings.



**November**

**IN INDIA, A JOINT VENTURE WITH BRITANNIA INDUSTRIES**

Bel announces the creation of a joint venture with Britannia® Industries, India's leading food company, to offer Indian consumers a world-class range of nutritious, delicious and accessible cheese products. The joint venture will combine Bel group's century-old legacy and knowledge of delivering innovative and delicious cheese products under the iconic global brand The Laughing Cow® with that of Britannia's equity of trust, quality, distribution network and knowledge of the Indian market to expand the cheese industry in the country.

**December**

**IN MOROCCO, DISPOSAL OF SAFILAIT**

Bel completes the sale to the Polmlek group, Poland's leading dairy company, of the stake it held since 2015 in the Moroccan company Safilait, to allow its cheese subsidiary, Fromageries Bel Maroc, to focus on growing their historic cheese brands and their local market share.

**ANIMAL-FREE DAIRY PROTEINS**

Bel announces the launch, as of January 2023, of its first range of cheese alternatives containing animal-free dairy proteins, in partnership with Perfect Day in the American market.



**SIGNING OF A SUSTAINABILITY-LINKED SCHULDSCHEIN LOAN**

Bel has successfully completed a loan to pursue its sustainable and profitable growth momentum in the future, for an amount equivalent to 315 million euros.









## A family-owned group in transformation

Evolving governance, several major acquisitions, strengthened commitments to positive impact: 2022 saw an acceleration of our strategy in line with our DNA. Amidst economic and geopolitical uncertainty, we combine the long-term vision of a family-owned group with excellent short- and medium-term operational execution.







**WE ARE GOING  
TO ACCELERATE OUR  
TRANSFORMATION  
TOWARD A  
SUSTAINABLE AND  
RESPONSIBLE  
BUSINESS MODEL**

# Message from Antoine Fiévet, Chairman at Bel group

The effective implementation in May 2022 of a dissociated governance structure at the head of Bel, with the appointment by the Group's Board of Directors of Cécile Béliot as Chief Executive Officer, marks the beginning of a new chapter in the Group's history and development. Governance is a key topic for businesses today; and this model, which separates the functions of Chairman of the Board of Directors and CEO, has proven itself in many international groups.

## Combining the short and long terms

In an increasingly unpredictable and complex world, the complementary pairing formed with Cécile Béliot allows us to better face the strategic challenges ahead and makes us even more resilient. It strengthens Bel's ability to transform itself in the short term and also to produce sustainable performance in the long term, in line with the values of the family model represented by myself. Announced, prepared and deployed effortlessly, this transition allows us to pursue, with genuine continuity and great confidence, our ambition: to become the leader in healthy snacking, in the three complementary areas of milk, fruit and vegetables, by relying on fun, strong and popular brands.

## Guaranteeing the continuation of the family model

As Chairman of the Board of Directors, it is now my responsibility to work with the Board to define Bel's long-term strategic vision and ambitions, while remaining the guardian of the values of our family business. Bel will thus continue and accelerate its transformation toward a sustainable and responsible performance model, with one ambition: to have a positive impact on our entire ecosystem and, more broadly, to contribute to the development of new models for food throughout the world.

**NOW AT  
THE HEAD OF BEL  
THERE IS A  
COMPLEMENTARY  
PAIR CARRYING  
OUT THE STRATEGIC  
VISION**





**TO INVENT  
NEW FOOD  
MODELS  
WE ARE PUSHING  
BACK ALL  
BOUNDARIES**



# Interview with Cécile Béliot, Chief Executive Officer at Bel group

## What is your mission as Chief Executive Officer?

More than twenty years ago, Bel began its pioneering efforts in the pursuit of total performance – economic, social and environmental. Alongside Antoine Fiévet, I have been part of this transformation since 2018; and today I am responsible for accelerating it, along with all Bel employees worldwide, in the service of a positive vision of the food of tomorrow.

## What are the highlights you recall from 2022?

The first is the completion of the acquisition of MOM with its strong, popular brands. This transaction marked the successful completion of the first stage of our merger. It also paves the way for a second stage, which will enable us to continue our acceleration on fruit, and thus contribute to the strategy of rebalancing our portfolio between dairy and non-dairy products. Our very similar DNAs suggest great synergies between Bel's expertise and that of MOM, which has achieved great successes in the healthy snacking market in recent years. The other hallmark of 2022 is the expansion of our international footprint, with two major operations: the acquisition of a majority stake in the Chinese company Shandong Junjun Cheese Co., Ltd, which gives us an industrial base in this key country, and the creation of a joint venture with India's leading agri-food company Britannia Industries. Finally, as we announced, we also accelerated the pace of disruptive innovation through our cutting-edge partnerships.

## Why is it necessary to push back the boundaries of innovation?

Because our vision of healthy eating is not just about providing consumers with a quality experience. We want to improve our products but also to provide a real nutritional response to the food issue worldwide by working with new, very high-quality proteins. We want to offer consumers new experiences, to show them that cheese can be a modern, healthy and functional food, that is fun and accessible. We are reconsidering our traditional approaches – by updating our product matrix, by being more responsible, by being more guided by consumer expectations, by working with new partners, universities, start-ups and competitiveness clusters.

We continue to develop cheeses, and we are also introducing products based on plants or alternative proteins. Finally, we take into account our impact on our entire value chain, and we help our partners in the dairy and agricultural sectors to commit to more sustainable approaches that respect people, animals and the planet.

## With #BeLowCarbon, another boundary was pushed back in 2022. Why that decision?

This new, more ambitious carbon trajectory, in line with the +1.5°C trajectory of the Paris Agreement, engages all of our stakeholders, from farm to fork, so as to guarantee a significant impact, for everyone. It allows us to raise the awareness of each of our employees by giving them the keys to understand the real carbon impact of their actions and to act in concrete terms to reduce this impact.

## The Group is growing fast, so how does one preserve its family and human dimension?

Bel has a strong culture, and we are committed to making it grow and evolve with the business. Making all our employees "Actors for Good" is a way of telling them that they are the real heroes of the adventure we are on together. Their business is changing; their work is transforming; we are integrating new teams, especially this year from MOM and Shandong Junjun Cheese Co., Ltd, but the core of our community remains the same.

  
**ACCELERATING  
DECARBONIZATION  
IS THE KEY TO OUR  
COMPANIES' RESILIENCE:  
OUR #BELOWCARBON  
COMMITMENT  
IS FULLY IN LINE WITH  
THIS MOVEMENT**



# Executive Committee



**CÉCILE BÉLIOT**

CEO

## **CÉCILE BÉLIOT IS APPOINTED CHIEF EXECUTIVE OFFICER**

The Group's Board of Directors appointed Cécile Béliot as Bel Chief Executive Officer and renewed Antoine Fiévet as Chairman of the Board of Directors. Cécile Béliot is now in charge of executing the Group's vision, as well as managing the Group's strategy and performances. In this capacity, she and the Executive Committee continue the transformation of the Group and the activation of its new drivers of sustainable growth, including accelerating innovation, strengthening the Group's international positions (in the United States of America, China and India) and the continued development of plant-based products in addition to the Group's fruit and dairy products.



**STÉPHANE DUPAYS**

Chief Operations  
Office



**JÉRÔME GARBI**

Chief Markets  
Officer



**CAROLE JAIS**

Trust & Ethics  
Chief Officer



**FRÉDÉRIC MÉDARD**

Chief Impact Officer



**FRÉDÉRIC MOULIN**

Chief People  
Officer



**CÉCILE ANGRAND**

Chief Growth  
Officer



**ELISABETH  
ELLISSON-DAVIS**

Chief Strategy,  
Transformation, Data  
& Tech Officer



**PASCAL COLAS**

Chief MOM Business  
Officer



# Board of Directors



**ANTOINE FIÉVET**

Director and Chairman ●



**THIERRY BILLOT**

Lead Independent Director



**FATINE LAYT**

Director ●



**NATHALIE ROOS**

Director



**FLORIAN SAUVIN**

Director



**Unibel SA,**  
represented by  
**ÉRIC DE PONCINS**

as of September 2,  
2022 and replacing  
Bruno Schoch  
Director ●



**ALEXANDRE VERNIER**

as of May 12, 2022  
and replacing  
Philippe Perche  
Director ●

Non-director  
members

**ERNST PANKERT ●**  
**JOËLLE PACTEAU ●**  
**CÉCILE TANDEAU**  
**DE MARSAC ●**



**43%**

Proportion  
of independent  
members

**33%**

Percentage  
of women  
on the Board

**93%**

Average attendance  
rate at meetings  
of the Board  
of Directors

**55 YEARS**

Average age

## THE MAIN TOPICS ADDRESSED BY THE BOARD OF DIRECTORS IN 2022

In 2022, as part of its duties, the Board of Directors reviewed the interim and annual financial information, (including the annual financial statements, consolidated financial statements and 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.

Audit Committee: Members ●

Appointments and Compensation Committee: Members ●

# Building a new social model

**TO SUCCEED IN THE POSITIVE TRANSFORMATION OF A BUSINESS, THE COMMITMENT OF THE EMPLOYEES IS ESSENTIAL. BY DEVELOPING CHANGE MANAGEMENT PROGRAMS, BEL ENABLES EVERY EMPLOYEE TO IDENTIFY THE CONTRIBUTION THEY MAKE AND TO PURSUE THEIR PROFESSIONAL DEVELOPMENT.**

## **“NURTURE” TO SUPPORT CHANGE**

Launched in 2021, the “Nurture” program defines the commitments Bel wishes to make to its employees, and the Group’s strategic vision for its human resources requirements. It also spells out the behaviors expected and the new management model in place to achieve this ambition. Built around the Group’s three key historical values - Dare, Care, Commit - “Nurture” expresses the fundamental values that Bel wishes to bring to its employees.

**THE NURTURE  
COMMITMENTS  
CENTER ON  
SIX THEMES**

### **Give greater individual recognition**

by guaranteeing a common base of social guarantees and a decent salary for all Bel employees, by valuing people’s skills and celebrating their successes.

### **Provide workplace safety and well-being**

by ensuring compliance with health and safety standards, but also by improving the quality of life at work and the work-life balance.

### **Offer family care**

by making several of the Group’s programs available to employees’ families.

### **Increase self-fulfillment**

by emphasizing team autonomy and accountability, enabling each employee to receive training and engage in social responsibility projects, and by increasing employee satisfaction.

### **Promote the development of individuals,**

with evaluations, skills development, career management and opportunities for transfers.

### **Strengthen the feeling of belonging**

by relying on the employer brand, employee shareholding, and employee diversity and inclusion.



Our world is increasingly complex, increasingly fluid. It requires us to adapt quickly and continuously. With the Bel Forward program, which began in late 2022, we aim to become more agile and simplify our processes. We will equip ourselves with easy-to-use technology to move faster and build a powerful operating model for the new Bel and MOM entity.”

**FRÉDÉRIC MOULIN**  
Chief People Officer  
at Bel group



### VALUES, CULTURE AND BEHAVIOR

The Group’s cultural transformation is based on Bel’s three historical core values. It is supported by We@Bel, a program that translates these values into new leadership behaviors, in line with the Group’s changing markets and environment. We@Bel is first and foremost a support for people, through training for all employees and a program specifically for managers. These changes are all the more necessary as the Group’s scope of consolidation changes with the disposals and acquisitions it is making. In 2022, the arrival of the MOM teams in the Group after Bel acquired the remainder of the company’s equity was a major event. The consolidation of MOM has resulted in a dozen internal transfers for positions with strong expertise in marketing or purchasing.



**78%**  
of employees  
have signed up  
to Bel’s corporate  
mission

**WE@BEL  
OFFERS PEOPLE  
SUPPORT, THROUGH  
TRAINING FOR  
ALL EMPLOYEES**

# Nourishing each person's commitment

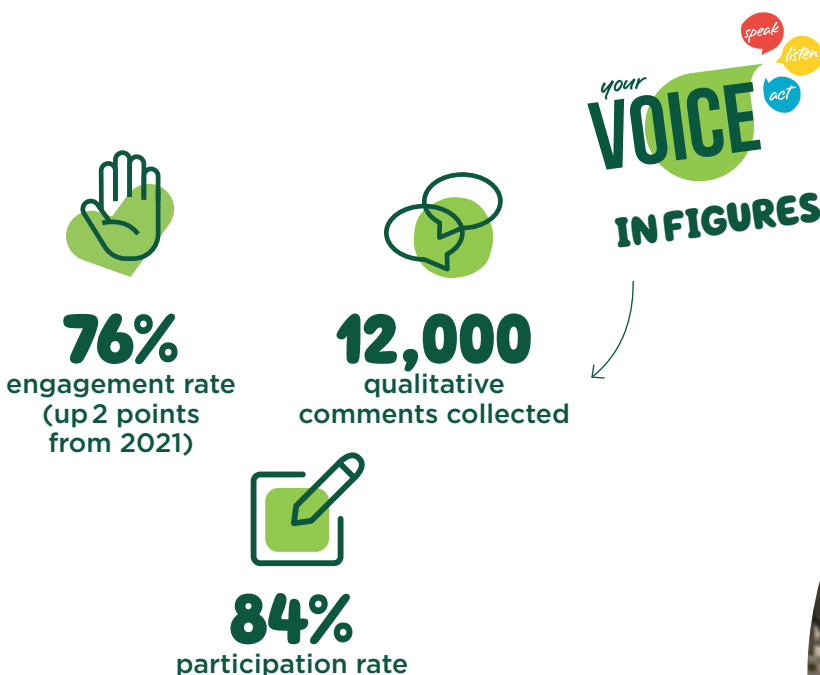
**BY LISTENING TO ITS EMPLOYEES, BEL IS BUILDING ITS CULTURAL TRANSFORMATION ON THREE FUNDAMENTALS: INDIVIDUAL COMMITMENT, WELL-BEING AND FULFILLMENT. AS A RESPONSIBLE BUSINESS, IT BUILDS CONSTRUCTIVE DIALOG WITH ITS EMPLOYEES AND THEIR REPRESENTATIVES.**

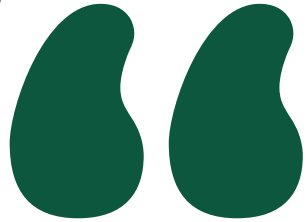
## HEAR THE EMPLOYEES SPEAK

As part of Nurture, Bel launched “Your Voice”, an employee commitment program, in 2021. This includes an internal survey of commitment conducted each year among all employees. Your Voice is included in the **Group's unique positive impact index\*** and is one of the major tools for understanding and managing Bel's performance. Analyzed by site, by team or by geographical area, the findings lead to action plans for making progress on issues such as diversity and inclusion, well-being at work and process simplification. In 2022, the findings of the second round of the Your Voice survey show a very high level of commitment as well as progress on a number of topics, such as feeling safe at work, employee buy-in to the company's mission and work-life balance.

## NEW WAYS OF WORKING

The Hybrid Work policy signed in 2021 promotes employee autonomy and flexibility around work organization, striking the right balance between Group performance and employee well-being. In France, any employee who so desires can work a combination of days at headquarters and others remotely, either telecommuting or in one of the 800 co-working spaces of the platform with which Bel has formed a partnership. For this innovative approach, constructed jointly by managers and their teams, the Group was awarded a Special Mention in the “Hybridization of work modes” category by the jury of the *Victoires des Leaders du Capital humain* in 2022.





### INCLUSION AND RESPECT

For Bel, welcoming, respecting and valuing all employees also means proactively fighting against all forms of discrimination or harassment, and promoting diversity and inclusion. In 2022, the Group launched its Diversity and Inclusion Charter, in which it commits to:

- **educate** and train its executives and managers;
  - **guarantee** non-discrimination and promote inclusion;
  - **foster** the representation of diversity, in all its differences and richness;
  - **communicate** its commitment to all employees;
  - **make the development** and implementation of its diversity policy a topic of discussion among its stakeholders;
  - **evaluate** the progress made on a regular basis and report that to the employees.
- In 2022, the Group introduced two e-learning training modules: “What is diversity and inclusion?” and “Understanding unconscious biases.” In France, it also signed *La Charte de la Diversité* of the *Les Entreprises pour la Cité* network.

**For Bel, hybrid working is an important factor in attracting and retaining talent. Our Hybrid Work policy allows each employee to find the right balance between personal life and professional effectiveness and performance. This is how the Group demonstrates its confidence in the individual and collective responsibility of its employees. It is the innovative approach that was singled out with an award at the *Victoires des Leaders du Capital Humain.*”**

### DENIS GAYOUT

People Engagement Director at Bel group

### WELCOME AND SUPPORT

The Group places a high priority on the acquisition and retention of talent. In 2022, Bel updated its onboarding program to welcome and support new employees from the moment they sign their contract until the end of their first year with the company. It is thus customized according to the needs of the business and the specific characteristics of each employee’s country. The annual performance review is also a valuable opportunity for discussion with the line manager and for assessing leadership, personal and technical skills. This is an opportunity to collaborate, based on the employee’s professional aspirations, on an individual development plan tailored to the employee’s needs, through training, work experience or mentoring. In France, Bel has committed to supporting the *1 jeune, 1 mentor* program initiated by the Ministère du Travail (Ministry of Labor) and the *Haut-Commissariat à l’Emploi et l’Engagement des entreprises* (High Commission for Employment and Business Commitment), and also reactivated in-house mentoring in 2022 so that volunteers can support another employee who expresses a need.



\* See p. 37.









## **A model combining profitability with responsibility**

We firmly believe that responsibility and profitability are mutually supportive. Every decision we take is therefore based on these two imperatives, and Bel's model moves forward on "two legs." By placing CSR issues at the center of our overall performance management, we are setting ourselves on a path of progress for everybody. Our ambition? To ensure the sustainability of our business by generating a positive impact in the long run.

# A positive business model

## 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

- Over 30 iconic brands
- The individual portion, key to its products' uniqueness

### Committed employees

- Nearly 10,800 employees worldwide and their know-how

### A solid financial base

- €1,592 million in equity

### An industrial base rooted in local communities

- 29 high-performance industrial sites in 15 countries

### Committed partners working alongside Bel

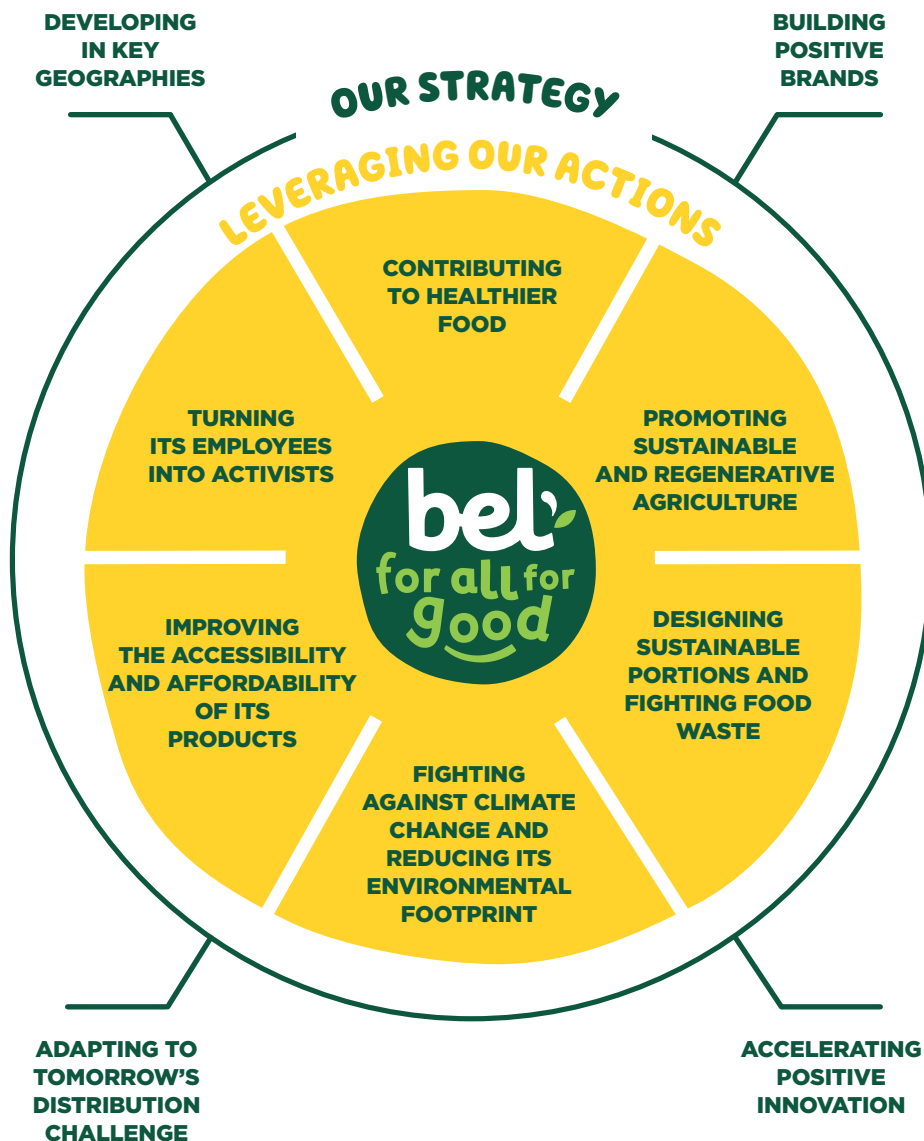
- 1,200 farmers
- 6,730 suppliers
- Coalitions for a positive, collaboration-based dynamic: Carrefour's Food Transition Pact, the UN's Race to Zero campaign, the Science-based Targets Network for biodiversity and the Too Good To Go pact

### Natural resources to preserve

- Nearly 1 million metric tons of apples
- Water: 4,423,242 m<sup>3</sup>
- Electricity: 287,782 MWh

## OUR AMBITION

To establish a responsible and profitable growth model



## OUR FARM-TO-FORK VALUE CHAIN



# OUR MISSION TO CHAMPION HEALTHIER AND RESPONSIBLE FOOD FOR ALL

## OUR IMPACTS

### FOR OUR EMPLOYEES

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

- 84% 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
- Eight nutritional education programs for consumers set up around the world

### FOR OUR CUSTOMERS

#### Innovative distribution models and a presence in over 126 markets

- Bel ranks among the top three suppliers preferred by its customers in seven countries: France, Belgium, Spain, Portugal, the Netherlands, the United States and Canada

### FOR OUR PARTNERS

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

- Its partners' average EcoVadis score: 54.6/100 for Dairy, 61.4/100 for Fruit

### 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 its value chain by 2035 (as compared to 2017, controlling for growth)

### FOR OUR FAMILY SHAREHOLDERS

#### A sustainable growth model creating long-term value

#### Our shared experience and knowledge

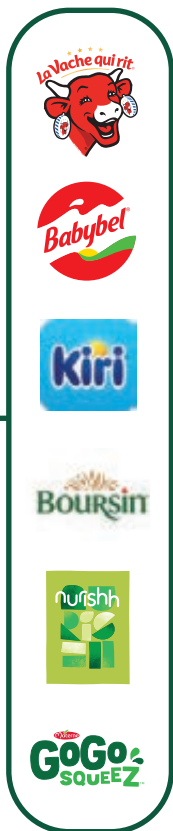
- 10 years of partnering with WWF France

### FOR NGOs AND SCIENTIFIC EXPERTS

#### A solid local presence

- Taxes representing 33.4% <sup>(1)</sup> of income, paid in 26 countries
- Economic and social support for communities

### FOR OUR LOCAL COMMUNITIES



(1) Excluding non-recurring transactions.

# Integrated management for positive impact

**BY PROVING IN 2022 THAT CSR IS THE KEystone OF ITS FINANCING STRATEGY, BEL ONCE AGAIN SHOWED THE PIONEERING NATURE OF ITS COMMITMENT.**

## **A SINGLE FRAMEWORK FOR SUSTAINABLE FINANCING**

In line with its responsible business model and ESG challenges, Bel instituted a sustainability-linked financing framework in 2022. This innovative financial framework allows Bel to structure all its future sustainable financing in a sustainability-linked format. When independently assessed by Moody's ESG Solutions, it received a positive opinion, attesting to the ambition of the objectives set. Financing transactions can now be indexed to four key CSR performance indicators selected by Bel (see opposite page).

## **A LINE OF CREDIT BASED ON IMPACT**

Starting in 2017, Bel was the first dairy industry group and the fifth company in the world to voluntarily index its credit lines to its sustainability performance. In September 2022, the Group concluded the refinancing for five years of an environmental and social impact credit line of €550 million. This multi-currency credit line is provided by a syndicate of eleven banks or banking groups, thereby confirming their confidence in Bel's commitments. The facility is based on the Group's achievement of three objectives: to reduce its Scope 1 and 2 greenhouse gas emissions as part of its total Science-Based Targets +1.5°C commitment, to develop carbon diagnostics and action plans for milk producers and to contribute to healthier food for its core brands dedicated to children and families.



To learn more about the sustainability-linked financing framework

## **CONFIDENCE OF INTERNATIONAL INVESTORS**

Finally, under the new framework, Bel successfully closed a Sustainability-Linked Schuldchein Loan (SSD) in early 2023, for €195 million and US\$120 million. The success of this transaction demonstrates the confidence lenders have in the financial and responsible commitments of the Bel group. With the equivalent of €315 million subscribed for an announced target of €200 million and an average maturity of more than five years, this transaction was largely oversubscribed and attracted the interest of a considerable number of European and international investors, from Germany, the Netherlands, Belgium, Spain and China. This loan will be used to finance the Group's general needs, including industrial investments to pursue its decarbonization strategy and increase its production capacity.





**PERFORMANCE INDICATORS SUPPORTING DECARBONIZATION**

**INDICATORS OF THE SUSTAINABILITY-LINKED FINANCING FRAMEWORK**

Reduce Scope 1 and 2 greenhouse gas emissions

Reduce Scope 3 greenhouse gas emissions (in absolute terms) by 25% between 2017 and 2035

Develop carbon diagnostics and action plans for dairy producers

Contribute to a healthier diet on its core brands for children and families

**3 QUESTIONS FOR**



**FRÉDÉRIC MÉDARD**  
Chief Impact Officer  
at Bel group

**YOU HAVE BEEN THE GROUP'S CHIEF IMPACT OFFICER SINCE MAY 2022. WHAT DOES THAT JOB ENTAIL AT BEL?**

The Chief Impact Officer leads the performance of the Group as a whole. For Bel, this approach to performance serves all of the company's stakeholders. It requires a thorough transformation so that decisions at all levels can be made using financial and non-financial criteria, with Finance and CSR as facilitators.

**HOW DO YOU APPROACH YOUR ROLE?**

Finance and CSR are the mainstays of transforming businesses, which are where the medium-term transformation of our societies is centered. I am convinced that CSR performance has to be managed with the same rigor, expertise and energy as financial performance, making CSR figures speak as clearly as financial figures.

**WHAT IS YOUR TOP PRIORITY AT THIS POINT?**

Implementing our commitments on an operational level. For us to truly accelerate, every employee must understand and have access to the right information on his or her scope of action, i.e., to all indicators – financial and non-financial.

# A new carbon goal

**WHILE COMMITTED TO THE SCIENCE-BASED TARGETS INITIATIVE SINCE 2017, BEL TOOK A NEW STEP IN 2022 BY MAKING DECARBONIZATION A DRIVER OF ITS FINANCIAL AND NON-FINANCIAL PERFORMANCE, AND BY STRENGTHENING ITS REDUCTION TARGETS UNDER THE BANNER OF A PROGRAM CALLED “#BELOWCARBON.”**



The latest IPCC scenarios speak for themselves: keeping global warming below 1.5°C is essential for our survival. The time to act is now. In response to this emergency, in 2022 the Group announced its intention of reducing its carbon footprint more rapidly and assumed an even more ambitious trajectory, in line with the target of limiting global warming to less than 1.5°C. This commitment implies a net reduction by 2035 of one quarter of its greenhouse gas (GHG) emissions across its entire value chain as compared to 2017, controlling for growth. This ambitious goal was endorsed by the SBTi (Science-Based Targets initiative) in March 2022. The Group has also announced that carbon is now part of its decision-making toolkit for operations management, in the same way as financial criteria.

**REDUCING  
THE GROUP'S  
CO<sub>2</sub> EMISSIONS  
BY 1/4  
BY 2035**



To learn more about the BeLowCarbon web series



## MAKING UPSTREAM DAIRY A PRIORITY

Upstream dairy accounts for 67% of Bel's carbon footprint. The Group has long striven to reduce this footprint by working with its milk producers to develop more sustainable agricultural practices. Bel assists them chiefly in carrying out decarbonization plans. In France, 100% of farms (barring some exemptions) performed their first carbon diagnosis in 2022 in order to identify the main opportunities for reducing emissions at the farm level.

At the same time, the Group has initiated a pilot program with DSM in Slovakia and France on cow feed, designed to reduce methane emissions from herds by 20 to 30%. The program was introduced in the fall of 2022 on two Slovakian farms and in the winter of 2022-2023 on five French farms.

## GIVING CONSUMERS THE CHOICE TO REDUCE THE CARBON IMPACT OF THEIR DIET

To help consumers reduce the carbon footprint of their meals, Bel intends to balance its product offering so that the Group will eventually offer 50% dairy products and 50% fruit and vegetable products. To meet this objective, the Group will rely on the fruit-based products it offers, Pom'Potes® and GoGo squeeZ. The Group is also stepping up the development of its plant-based products by developing plant-based recipes for its core brands, such as Babybel Plant-Based, by launching Nurishh, its first 100% plant-based brand, in 2021, and by working with innovative start-ups to envision foods of the future.



## ENLISTING ALL OUR STAKEHOLDERS

Bel wants to make a positive impact all along its value chain. To do so, the Group works hand in hand with its partners to minimize the environmental impact of its operations, from the production of raw materials to the end-of-life of products, including their transportation and distribution. For example, Bel has joined the FRET 21 collective in France to optimize the transportation of its products by adjusting its practices. This has already resulted in an 8% reduction in emissions in 2022 vs. 2020. Bel also strives to devise joint greenhouse gas emissions reduction strategies with its customers. With this in mind, Bel has, for example, joined Carrefour's Food Transition Pact, a cross-industry working group launched on biodiversity, and is also participating in the 20 Megatonne Platform, also launched by Carrefour, on indirect Scope 3 emissions.

# Our leverage for accelerating the food-model transition

FROM FARM TO FORK, BEL HAS SEVERAL WAYS TO LEVERAGE FOOD MODEL TRANSFORMATION BY SEEKING POSITIVE IMPACT AND ENLISTING ALL OF ITS STAKEHOLDERS.



## CONTRIBUTING TO HEALTHIER FOOD

418 million consumers, including a large percentage of children, enjoy Bel products each year. Bel also pays the greatest attention to portions so as to meet everyone's nutritional needs with a nutritious and balanced diet.

### ➤ **EVEN MORE NUTRITION AND NATURALNESS IN 2022**

Bel is in a continual process of improving its recipes. Thus, in 2022, 52 recipes were revamped to improve their nutritional quality and/or naturalness (over 350 recipes revamped since 2012). Among the leading upgrades:

- Kiri recipes in Japan and Morocco have been optimized to reduce fat without compromising taste;
- The Laughing Cow has received a makeover. In Spain, it has less fat and salt, but more protein and calcium. In parallel, the recipe is now enriched with calcium in the Czech Republic and Slovakia, and with vitamins A and D in the United States.
- As to Nurishh, the line of grated products has been revised and their nutritional profile has been improved by the addition of sunflower oil. The brand has also launched, in Europe and Canada, Tartinables, a specialty spread made from sunflower seeds, a source of fiber with an excellent nutritional profile.



To learn more about the Group's Nutrition strategy

The two challenges for improving the Group's nutritional quality are grouped under the "Positive Recipes" strategic indicator. It measures the share of products in the children and families portfolio whose recipe is "positive," i.e., either compliant with the Bel Nutri+ nutritional profiling system, or containing a maximum of one additive. As a result, in 2022, 78.3% of children's and family products have a positive recipe.

**▶ EFFECTIVELY COMBAT NUTRITIONAL DEFICIENCY**

Significant levels of malnutrition persist, particularly in Morocco, with documented nutritional deficiencies in iodine, iron, zinc, vitamin D, and calcium, especially among children. Bel is committed to help combat malnutrition around the world through its product fortification policy, adapted to local recommendations and needs. To assess the impact of this fortification on the nutritional intake of Moroccan children (6-12 years old), Bel launched a study with research teams from the University of Zaragoza, led by Dr. Luis Aznar Moreno and Dr. El Larbi Rjimati, involving children aged 6 to 12. Objective: to determine the quantity of The Laughing Cow to be consumed by a child to cover their daily nutritional needs in calcium, iron, iodine and zinc.



We are convinced of the importance of fortifying our recipes with vitamins and minerals to help fight against deficiencies. In addition, food education is an important lever to change behaviors toward healthier lifestyles, which is why we support nutritional education programs."

**CAROLINE CHESNEAU**  
Nutrition Director at Bel group

**2**

**PROMOTING SUSTAINABLE AND REGENERATIVE AGRICULTURE**

The future of the world's food supply depends on its ability to build, with farmers and producers, innovative, sustainable and regenerative agriculture.

**▶ WITH LAND O'LAKES, A GROUND-BREAKING PILOT PROGRAM**

In the United States, Bel launched the "Truterra" program in collaboration with the Land O'Lakes cooperative to encourage regenerative agricultural practices. This program will be rolled out over the next few years with the Group's main dairy suppliers. Phase one was a three-year pilot with one of the Brookings plant's major milk suppliers, a pilot that received the Supply Chain Collaboration award from the Innovation Center for US Dairy. This marked the first time that this type of initiative, involving key stakeholders in the value chain in the adoption of sustainable farming and feeding practices, was launched on a dairy farm in the United States.



10 YEARS OF  
PARTNERSHIP  
BETWEEN BEL  
AND WWF  
FRANCE



TOGETHER  
TOWARDS A MORE  
SUSTAINABLE  
MILK PRODUCTION



Faced with the climate emergency and the collapse of biodiversity, we need to act quickly, collectively, and boldly. WWF and Bel are celebrating 10 years of partnership, 10 years of working hand in hand to transform the Group's value chain through the development of sustainable dairy and plant-based products upstream, 10 years of investing in the field to protect and restore ecosystems, 10 years of raising awareness among the Group's employees, key stakeholders and consumers to encourage them to adopt more sustainable practices. This partnership demonstrates that a transition is possible and that we can no longer wait."

**MARIE-CHRISTINE KORNILOFF**  
Director of Relations with  
the Business Community  
at WWF France



The solution is right under our feet! As an agri-food business, we are dependent on what nature offers us. By putting living soil at the forefront of our thinking, our practices and those of our partners, we are working together to feed a growing population on a planet with limited resources. It is to achieve this ambitious goal that we are working today for regenerative agriculture, in collaboration with all our stakeholders."

**ÉLODIE PARRE**  
Sustainable Development  
Director at Bel group

### ▶ A PIONEERING APPROACH TO BIODIVERSITY

Bel is one of the pioneering businesses to have joined the Science-Based Targets Network for Nature (SBTN) and the Corporate Engagement Program in 2020. In this way, the Group is contributing to a collaborative effort to design and test a robust calculation methodology that will enable businesses to define biodiversity objectives that respect planetary boundaries. This work is regularly shared within the scope of the *Lab Capital Naturel*, co-founded by WWF France and the *Chaire Comptabilité*

*Écologique* (Ecological Accounting Chair), supported by the AgroParisTech Foundation. In 2022, Bel testified alongside other pioneering companies to encourage other businesses to get involved. In the run-up to COP 15 on biodiversity, the Group also signed the "Make it Mandatory" campaign, initiated by Business For Nature, to encourage public authorities to make it mandatory for all major companies and financial institutions to assess and report on the impact of their activities on biodiversity.



# 3

## DESIGNING SUSTAINABLE PORTIONS AND FIGHTING FOOD WASTE

At the heart of Bel's model, the individual portion serves the Group's mission by making products more accessible, providing the right nutritional amount and avoiding food waste. As a result, there is a strong responsibility to implement a committed and innovative packaging management and waste prevention policy.

### ▶ ECO-DESIGN WITH BABYBEL AND BOURSIN

The first lever for responsible packaging is eco-design. By using the eQopack life cycle assessment tool, Bel simulates and evaluates the impact of its packaging. Since its introduction in 2021, 145 innovations have been evaluated and have resulted in innovations such as the Babybel Plant-Based pack, which is 97% paper, saving 18 tons of plastic per year.

### ▶ RESPONSIBLE ALUMINUM AT THE SABLÉ-SUR-SARTHE PLANT

Aluminum accounts for only 6% of the Group's packaging tonnage, but occupies a symbolic place in its brand portfolio. Since June 2022, the Sablé-sur-Sarthe plant, where aluminum foil-wrapped Kiris are produced, is ASI Performance Standard and ASI Chain of Custody Standard certified, guaranteeing responsible sourcing. It is the first Bel plant and the second agri-food plant in the world to be certified to these two standards.

### ▶ RECYCLABLE POUCHES AT POM'POTES

For a package to fit into the circular economy, 100% of the plastic used in it must be recyclable-ready. In 2022, five machines at the Boué plant were upgraded to offer a single-material, recyclable compote pouch, combined with a 40% lighter cap allowing for a 35% reduction in production-related CO<sub>2</sub> emissions as compared to 2018. The goal is to produce recyclable pouches on all the plant's lines by 2025.



**THE SABLÉ-SUR-SARTHE PLANT, THE 2<sup>ND</sup> AGRI-FOOD PLANT CERTIFIED ASI PERFORMANCE STANDARD AND ASI CHAIN OF CUSTODY STANDARD IN THE WORLD**

### ▶ COMBATING FOOD WASTE TOGETHER

Close to 40% of the food produced in the world for human consumption is wasted. Combating food waste is a major social, ethical and environmental issue. It is Bel's intention to be part of the solution and tackle food waste everywhere, starting with its plants. The Group has teamed up with various partners, such as the start-up Too Good To Go, to raise consumer awareness of expiration dates through The Laughing Cow, Apéricube®, Kiri, Pom'Potes and GoGo squeeZ products in various European countries. The Group has also joined the Consumer Goods Forum's 10x20x30 initiative, pledging to reduce food waste by 50% by 2030 as compared to 2021. Lastly, in 2022 the Group translated its commitments into its "Bel Charter to fight against food waste," thereby giving greater visibility to all the initiatives carried out by the Group.



As a responsible manufacturer, we have always sought to limit the environmental impact of our plants. For over 15 years, we have made reduced energy consumption and decarbonization, pillars of our industrial development strategy. Today, in the face of the inflationary crisis, we see the true impact of the bold choices we have made.”

**AUDE BOUCHERY**  
Environment Director  
at Bel group



**AT THE DOLE PLANT,  
WITH THE HELP  
OF TWO HEAT PUMPS,  
THE WASTE HEAT  
FROM PRODUCTION  
IS RECOVERED  
TO KEEP THE  
ADMINISTRATIVE  
BUILDINGS WARM**



## **FIGHTING AGAINST CLIMATE CHANGE**

### **➤ CONTRIBUTE TO THE CARBON NEUTRALITY OF PRODUCTION SITES BY 2025**

Bel has always sought to limit the environmental footprint of its plants as much as possible. To that end, the Group has developed an approach based on three points:

- 1** reducing consumption through continuous improvement programs for water: Wasabel (Water Saving at Bel) and for energy: Esabel (Energy Saving at Bel). Each site has a compilation of best practices to track its consumption and develop action plans to reduce it;
- 2** improving energy efficiency: the Dole site, for example, is equipped with two heat pumps. The waste heat from production is recovered to heat the plant's administrative buildings and so reduces gas and water requirements;

**3** accelerating the transition to renewable energy: the Bel group has three biomass boilers, and two projects are planned for 2023 in Morocco and the Azores. Two Bel sites are also equipped with photovoltaic collectors (Vietnam and Portugal) and a third project is being studied at the Pacy-sur-Eure site. A plan to convert plants to the purchase of renewable energy is under way. Eighty-nine percent of the Group's total electricity consumption already comes from renewable sources, owing to the conversion in 2022 of the MOM sites in the United States and Bel's sites in Morocco, Vietnam, Portugal and Turkey.

**➤ GIVE EMPLOYEES THE RIGHT INFORMATION TO ACT ON**

The Group has developed an educational tool, Bel Carbon Impact, which provides a consolidated, analytical view of the Group's carbon footprint in all its markets, brands, segments and products, and makes it possible to track its emissions throughout the value chain. In 2022, for the first time, Bel produced carbon plans specific to each brand and to the businesses that contribute the most carbon - upstream dairy, transportation and packaging. Then, as part of the budgeting process, the countries submitted their commitments on priority issues. The purpose of these discussions was twofold: to enable the teams concerned to obtain better visibility of the emissions within their scope of action and to operationalize Bel's carbon plan at all levels of the organization.

The carbon strategy and its development tool, Bel Carbon Impact, enabled the Group to win the 2022 Project of the Year award at the Future of Finance Digital Finance Awards, the LSA Innovation Trophy, Environmental Responsibility Development-Industrial category, and the Local Commitment Trophy from the city of Suresnes, Environment category. This carbon metric incorporates the **Group's Positive Impact Index\***, an innovative positive impact indicator that consolidates five criteria, including accessibility and the contribution to regenerative agriculture.

**➤ DEVELOP FIELD PROJECTS WITH A POSITIVE IMPACT ON CARBON, BIODIVERSITY AND LOCAL AREAS.**

Bel is attempting to sequester its incompressible emissions in order to contribute to the carbon neutrality of the entire value chain before 2050, starting with its first perimeter of responsibility, its plants, by 2025.

Since 2022, Bel has been supporting new carbon sequestration projects, as close as possible to its activities and the territories where it operates. For example, the Group has signed a partnership with the forestry cooperative *Alliance Forêt Bois* (AFB) to finance reforestation projects in France, with the aim of focusing these projects on biodiversity. All these investments will be certified "low-carbon" and ensure the issuance of carbon credits over a period of thirty years. The Group also participates, through a sponsorship with WWF France, in the application of a variety of approaches, such as developing tree farms, in collaboration with the *Chambre d'agriculture des Pays de la Loire*. A total of 40,000 trees will be planted as part of this initiative.



\* See p. 19.



**1,444 STREET VENDORS BENEFIT FROM SHARING CITIES, AN INCLUSIVE DISTRIBUTION PROGRAM**

## 5

### **IMPROVING ACCESSIBILITY AND AFFORDABILITY OF OUR PRODUCTS**

The individual portion has been the Bel group's signature since 1921 and the launch of The Laughing Cow. This product feature gives everyone access to healthy and balanced snacks that are easily transportable, by offering the right dose of good food for all eating occasions, both in and out of the home.

#### **▶ MAKE THEM AVAILABLE TO EVERYONE**

Bel has made accessibility of its products one of its priority strategic commitments, with the goal of offering quality products to as many people as possible, all around the world. Today, the Group offers its products to more than 400 million consumers. By 2035, Bel's ambition is to reach 600 million consumers. To this end, Bel has defined a "For all consumers" indicator, which determines the number of consumers who have access to its products.

The degree to which this commitment is being met, can be assessed in two major ways:

- 1** the adaptation of products to the needs and means of all via price accessibility, portion size and the development of products that meet nutritional needs,
- 2** the geographic accessibility and availability of Bel products through a number of innovative and supportive distribution channels.

#### **▶ ADAPT THEM TO THE NUTRITIONAL NEEDS AND FINANCIAL MEANS OF ALL**

The Group is actively working to make its products affordable, particularly in areas where purchasing power can make access to healthy food difficult, even more so in the current inflationary economic climate. In Japan, for example, the Kiri format has been slightly redesigned to allow the greatest number of people to continue to have access to healthy, quality products and to offer a better balance between format, price and added value for the consumer. At the same time, in certain countries, Bel is developing partnerships to improve the accessibility of its products. In France, Pom'Potes participates in the MALIN program, in partnership with the *Caisse d'allocations familiales* (family allowance agency) offering coupons to low-income people to make mass consumption products more accessible. As for the United States, GoGo squeeZ bottles are now sold in a special format in dollar channels (discount stores where everything was originally priced at one dollar), enabling the Group to serve disadvantaged people.

#### **▶ BE ACCESSIBLE EVERYWHERE**

Bel launched its Sharing Cities inclusive distribution 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 four major cities in emerging countries. In exchange, the Group helps these vendors develop and stabilize their business and revenue and offers them access to health coverage and professional training. The consequences of Covid-19, followed by the inflationary situation, led to a sharp falloff in the number of participants and complexities in rebuilding the networks. However, the Group maintains its intention to develop this type of program and is working to adapt its action plans to achieve this.



# 6

## MAKING USE OF CURRENT EMPLOYEES

Committed today, active tomorrow, Bel's 10,738 employees play a central role in Bel's responsible transformation. Bel hopes to make each of them a full-fledged participant in the necessary changes.

### ► FIRST EDITION OF DAYS FOR GOOD

In May 2022, more than 1,000 Bel employees in 15 countries participated in the first ever Days for Good. This internal initiative, organized jointly by the Group's human resources and internal communications departments and the Bel Foundation, offered employees a chance to get involved in community service. During this week of solidarity, they got involved with local associations, working for vulnerable groups or defense of the environment. They collected clothing and food, built greenhouses or planted vegetables, echoing both the long-standing actions of the Bel Foundation and the tagline adopted by the Group in 2019, For All. For Good.



### FOUNDATION

The Bel Foundation will celebrate its 15<sup>th</sup> anniversary in 2023. Since its creation, it has now supported more than 400 projects in over 40 countries. It focuses particularly on the development of school canteens, a key place in the lives of children. In 2022, the foundation supported associations working in this area in Senegal, Morocco, Egypt and Madagascar. In France, the foundation focuses on food insecurity among young children and in 2022, in collaboration with the participatory financing platform Ulule, launched a special call for proposals that led to supporting four new local associations.

**400 PROJECTS SUPPORTED BY THE BEL FOUNDATION SINCE 2008**



## A SOCIAL ACTION TROPHY

At the ninth *La Conso s'engage* awards from the French magazine LSA, which recognize the best CSR initiatives in the areas of gender equality, social and societal responsibility, diversity and responsible purchasing, Bel was awarded the "Employee Commitment to Strong Values" award for its Actors for Good program.



### ➤ AWARENESS AND INVOLVEMENT

As part of the Actors for Good program, launched in 2021, Bel is committed to training all of its employees regarding climate change, in particular through the Climate Fresk. These collaborative workshops, based on the IPCC reports, aim to raise awareness and develop individual or collective solutions. With more than 1,500 employees trained, the Group is one of the very first companies to have obtained the new Fresque du Climat certification. Some 80 in-house facilitators have already been trained to run the program all around the world. In 2022, the approach was rolled out to all the Executive Committees of its subsidiaries (France, Belgium and the Nordic countries actually trained 100% of their employees) and in two pilot plants (Lons-le-Saunier and Pacy-sur-Eure). In 2023, the roll-out will continue with renewed high ambitions.

# 2022 Positive Impact Index

BEL'S POSITIVE IMPACT INDEX AIMS TO REFLECT THE GROUP'S ABILITY TO FULFILL ITS CORPORATE MISSION AND IMPACT ITS ECOSYSTEM. AS A PIONEER IN THE AGRI-FOOD INDUSTRY, THIS UNIQUE-SCORE INDEX CONVEYS BEL'S COMMITMENT TO ITS KEY STAKEHOLDERS AND MEASURES THE GROUP'S PROGRESS BASED ON SET OBJECTIVES.



## COMMITTED CUSTOMERS

By developing partnerships with its customers and working on joint projects toward a sustainable food transition, Bel aims to become a key partner in co-creating a new model for a positive impact.

### OBJECTIVE FOR 2025

To be ranked in the Top 5 in terms of customer satisfaction in its largest distribution countries. In 2022, 10 out of 12 studies place the Group in the Top 5, achieving 83% of its objective.



## ENVIRONMENTAL FOOTPRINT

By committing to a 25% reduction in CO<sub>2</sub> emissions throughout its value chain between 2017 and 2035, the Bel group aims to make its own contribution to limiting global warming to below +1.5°C.

### OBJECTIVE FOR 2025

To emit a maximum of 4.4 million metric tons of CO<sub>2</sub> throughout the value chain. In 2021<sup>(2)</sup>, the Group's emissions totaled 4.4 million metric tons of CO<sub>2</sub>, i.e. 100% of the objective.



## REGENERATIVE AGRICULTURE

By supporting the dairy farmers and producers in its ecosystem to implement regenerative agricultural practices, Bel contributes to the resilience of farms and the restoration of the natural capacity of soils.

### OBJECTIVE FOR 2025

To achieve an aggregate score of 100% on three key stakes: people, planet and animals<sup>(1)</sup>. In 2022, the Group achieved 61% of its objective.



## PRODUCTS FOR ALL

By offering just the right amount of "eating well", portion size is at the heart of Bel's model and helps to make its products available to as many people as possible.

### OBJECTIVE FOR 2025

To reach 440 million consumers. In 2022, the Group has reached 401 million, achieving 90% of its objective.



## COMMITTED EMPLOYEES

By measuring employees' commitment to the Group's mission and values, Bel's goal is to develop their sense of pride and belonging and to make them actors for good.

### OBJECTIVE FOR 2025

To have 77% of employees committed to the Group's mission, as measured by the annual Your Voice survey. In 2022, the Group is at 76%, or 99% of its objective.



### BEL'S COMMITMENT

Bel is committed to five key stakeholders: its customers, employees, farmers, consumers and the planet. The Group's impact on each is quantified using a long-term objective set for 2035, with the color of each segment corresponding to the score achieved in relation to the intermediate objective set for 2025: green if the progress score is above 90%, yellow between 60 and 90%, and red below 60%. These are then aggregated into an overall index at the center of the circle score, at the center of the circle.

(1) Upstream dairy indicators have been selected pending the release of the first figures on Regenerative Agriculture.

(2) As the Scope-3 carbon footprint is measured with a one-year delay, only the 2021 performance can be presented.









## A strategy for expansion in support of a bold mission

In the support of a positive and accessible vision of healthy food, our growth strategy is based on four pillars: building positive brands, earning space in stores and all distribution channels, accelerating positive innovation and developing in key geographies. To feed 10 billion people tomorrow, we are expanding our areas of action, rebalancing our portfolio by developing plant-based products, and pushing back the boundaries of innovation to imagine the future of food.





# Markets and business challenges of 2022

**THE GROUP'S PERFORMANCE IN 2022 SHOWS THE SOUNDNESS OF ITS STRATEGIC CHOICES FOR DEVELOPMENT, ALL DESIGNED TO STRENGTHEN ITS POSITION AS A MAJOR PLAYER IN THE FOOD INDUSTRY.**

## DOUBLE-DIGIT GROWTH

The Group once again demonstrated its resilience in a volatile macroeconomic and financial environment. It produced revenue of €3,595.3 million, for organic growth of +13.2%. This robust performance was driven by strong volume growth in the new areas, particularly in the fruit business across all regions, very strong growth in China, positive sales momentum in North America, and by the responsible management of price increases. Organic growth in annual revenue was driven by higher sales of GoGo squeeZ and Pom'Potes, as well as the Group's other core brands, in particular Babybel and Pom'Potes. In general, all brands and all geographical areas showed positive revenue growth for the year 2022.



**+13.2%**  
organic  
sales growth  
in 2022

## INNOVATION CONTINUES IN DAIRY



In 2022, Kiri continued to progress on its innovation roadmap to respond to consumer preferences, uses and tastes. As a result, it is now available in France in an organic version. In Asia, Kiri Goûter unveiled a new blueberry flavor. Finally, in Saudi Arabia, the new jar format was released, making this delicious product easy to spread and ideal for breakfast.

## THE WONDERFUL TREND IN PLANT-BASED PRODUCTS

The plant-based Babybel and Boursin lines achieved excellent sales performances in North America, confirming the strong potential of these alternatives.



## PLANT-BASED BABYBEL, NO. 1 IN ITS CATEGORY IN THE UNITED STATES IN 1 YEAR



### IN MATURE MARKETS, RESILIENCE IN EUROPE AND ACCELERATION IN NORTH AMERICA

In Europe, Bel achieved organic growth of +8% thanks to a positive price effect and resilient volumes of the Group's core brands. In particular, the United Kingdom, Portugal and Spain recorded double-digit growth, while France maintained a positive trend. In North America, Bel continued its positive growth momentum with double-digit growth in the cheese business thanks to the excellent performance of the Babybel and Boursin brands. Canada also saw another year of accelerating sales. Finally, the economic situation stabilized in most markets in the Near and Middle East and North Africa, enabling the Group to post organic growth of +9.8%.

## ANOTHER YEAR OF RECORD GROWTH IN THE FRUIT BUSINESS



Organic growth in annual revenue was especially buoyed by double-digit growth in sales of GoGo squeeZ and Pom'Potes.

### IN THE NEW AREAS, GROWTH IN THE FRUIT BUSINESS AND EXCELLENT PERFORMANCE IN CHINA

In 2022, the new areas posted strong growth of +28.5% from 2021. The strong growth trajectory of the fruit business continues with double-digit sales growth, supported by a continued positive volume effect and excellent performance in the US, Canada, France and China. China continued to accelerate significantly, with very strong double-digit revenue growth for the third consecutive year, across the entire product line and all distribution channels, despite a contraction of the market in the wake of the zero-Covid policy.



# The Group is getting stronger internationally

**IN 2022, BEL EXPANDED INTO NEW AREAS AS A FASTER WAY TO FOLLOW ITS STRATEGIC ROADMAP.**

## **CONFIRMING ITS LEADERSHIP IN MATURE MARKETS**

Resilient in Europe, with brands that generate organic growth, the Group is accelerating its expansion in North America, a strategic geographic area, relying in particular on the Group's flagship cheese brands Babybel and Boursin, and fruit brands GoGo squeeZ and Pom'Potes. In the United States, Bel is capitalizing on MOM's operational excellence and the creativity of the Boursin brand, which launched several products in 2022, including Boursin Garlic & Herbs Bites, Boursin Garlic & Herbs Cream for Cooking and Boursin Dairy Free. In Canada, where Bel is aiming for leadership in the plant-based category, the Group launched Babybel Plant-Based in 2022, which was also launched in the United States and Great Britain.

## **DIVESTING AND CONSOLIDATING ITS POSITIONS IN MOROCCO**

The Group has been operating in Morocco for over five decades. There it has strong positions and brands including The Laughing Cow, *Les Enfants*, and Kiri. In July 2022, Bel announced that it had signed an agreement with the Polmlek Group to sell its stake in Safilait, held since 2015, in order to focus on its historical business: cheese. This transaction was completed in December 2022. Morocco remains a key market for Bel, which will continue to invest there, particularly in its Tangier plant.



**70%**

**majority ownership of the  
Chinese group Shandong  
Junjun Cheese Co.,  
Ltd in 2022**

## **EXPANDING INTO ASIA**

In India and China, Bel continues to develop its global brands by adapting to the expectations of local consumers, in particular through its The Laughing Cow and Kiri products. The acceleration of its expansion strategy is also based on external growth transactions in India (see box) and China. In 2022, the Group acquired a 70% majority stake in the Chinese group Shandong Junjun Cheese Co., Ltd. Based in Northeast China, the fourth largest milk-producing area in the country, Shandong Junjun Cheese Co., Ltd operates mainly as a co-manufacturer with its financial, industrial and R&D resources. Founded in 2017, the company has a product portfolio consisting of a wide range of cheeses and achieving annual growth of over 100% since 2018. Bel's acquisition also includes the permits and licenses required to operate the Shandong Junjun Cheese Co., Ltd plant, a valuable local manufacturing base.



Britannia’s partnership with Bel group will enable consumers to enjoy international quality cheese products that will now be made in India. Cheese is an under-penetrated category and this partnership will help expand the nascent but fast-growing cheese category by delivering innovative products and being a leader in fulfilling evolving consumer needs.”

**VARUN BERRY**

Executive Vice-Chairman and Managing Director, Britannia Industries



**1.4 BILLION INDIANS TO ENTICE**

To accelerate the development of the nascent cheese market in India, Bel announced in November 2022 the creation of a joint venture, Britannia Bel Foods Private Ltd, with India’s leading agri-food business, Britannia Industries Ltd. Together, the two partners intend to offer Indian consumers a range of world-class cheese products that are nutritious, delicious and affordable. Bel brings its brand and cheese know-how and Britannia, its own brand, its understanding of the local consumer and its distribution network, unmatched in India. Bel holds a 49% stake in the joint venture, which will market its cheeses under the Britannia and the Laughing Cow brands.

# The Group operates in all distribution channels

**IN 2022, BEL CONTINUED ITS DEVELOPMENT IN THE MAIN DISTRIBUTION CHANNELS TO MEET THE “FOR ALL” PROMISE THAT IS PART OF ITS MISSION.**

## **THE CHALLENGE OF ACCESSIBILITY**

From e-commerce to Out-of-Home food service and mass retailers, expanding distribution channels is one of the pillars of Bel's growth strategy. The Group adapts to the different distribution methods, purchasing power and eating habits of the markets in which it operates. Goal: to make its products and brands accessible, wherever consumers are.

In 2022, e-commerce and Out-of-Home achieved remarkable sales growth for the second consecutive year. E-commerce continues to progress well in China, the United States, the United Kingdom and Ireland. As for Out-of-Home sales, in France, China and the United States they are growing rapidly.

## **EXPANDING INTO ALL CHANNELS**

Bel continues to grow in e-commerce thanks to a steady acceleration in the United States and Canada, the emergence of new markets such as the Gulf States and Turkey, and disruptive launches in certain regions, such as Egypt, with The Laughing Cow® Spread.

The brands' expansion strategy also and inevitably takes form on the major delivery platforms. In China, Kiri was featured in a dessert on Meituan, the country's largest home delivery platform, with a potential 650 million consumers. In France, Pom'Potes pouches are now available on Amazon.



**While the global e-commerce market declined in 2022, Bel continued to grow. This excellent performance can be attributed in particular to the development, with our partners, of new and daring initiatives, and the attention paid to content creation and quality campaigns.”**

**ARNAUD VALETTE**  
E-Commerce Director  
at Bel group





## GAINS IN THE “OUT-OF-HOME” SECTOR

In the Out-of-Home sector, a highlight of the year was also the continued presence of organic Babybel in the Happy Meal menu of 1,490 McDonald’s restaurants in France, as well as several new international partnerships:

- in South Korea, with the launch of a Kiri branded ice cream in Baskin-Robbins’ 1,400 outlets;
- in the US and Canada, adding GoGo squeezeZ to the children’s menu at Subway as a healthy dessert option;
- in France, The Laughing Cow and Babybel are now available in Relay stores, offering healthy alternatives to the millions of travelers and consumers who visit the chain.

In the food service world, Babybel Original and Mini Rolls have been listed in Canada by the Breakfast Club. This school nutrition program, supported by the Canadian government, aims to provide breakfast to children in schools.

Aspiration plays an essential role in nurturing the image and visibility of the brands in the portfolio. In 2022, Bel entered into a partnership with Jean-François Piège. The celebrity chef, an ambassador of the great Boursin competition, invited commercial restaurant/catering establishments to reinterpret the burger through creative recipes with a touch of Boursin.

Finally, the Group is also developing co-branding. In France, the Daunat brand offers a salad with a Boursin sauce. Internationally, a major contract was signed with Bridor for a puff pastry made with The Laughing Cow.



## BEING DISRUPTIVE IN EGYPT

In Egypt, The Laughing Cow Spread was initially launched via e-commerce. To do so, Bel entered into an exclusive partnership with Talabat Mart, one of the leaders in home delivery. The launch benefited from a special activation plan deployed on all the partner’s platforms and social networks, maximizing the impact and success of the operation.



“The Bel group has always been in my life, from my earliest childhood until today. This reflects perfectly what I love about French food. Cooking is something that must evolve, using ingredients that have always been there to make the cuisine of today and perhaps the one that will remain tomorrow, and that’s what we’re making happen with the people at Bel.”

**JEAN-FRANÇOIS PIÈGE**  
Chef



# Toward a new balance in the portfolio

**FEEDING NEARLY TEN BILLION PEOPLE TOMORROW WILL REQUIRE A REBALANCING OF ANIMAL AND PLANT FOOD SOURCES. AWARE OF THIS CHALLENGE, THE GROUP IS WORKING TO TRANSFORM ITS PORTFOLIO TO EVENTUALLY INCLUDE 50% DAIRY PRODUCTS AND 50% NON-DAIRY PRODUCTS<sup>(1)</sup>.**

## FRUIT, A PROMISING SECTOR

In 2022, Bel took a decisive step by completing the acquisition of the MOM group. MOM brings to Bel the extremely strong momentum of the fruit-based products market and a culture of innovation, in line with that of Bel's own teams: about 70% of its growth is currently fueled by innovation. Finally, its arrival allows Bel to diversify its product line for its traditional target groups of children and families, and also to win new consumers among teenagers, with Pom'Potes Battle 2 Fruits, original duos of recipes with three fruits, and adults, with Materne® Flaxseed and Chia or Materne Onctueux® Végétal. The MOM line also reinforces Bel's "positive" nutrition focus, notably with Pom'Potes Yogurtz+, an enriched dairy line with no added sugar for China, or with two nutrient-enriched lines for children in the United States, GoGo squeeZ Happy BrainZ and GoGo squeeZ Happy Immunez, and with Materne's prebiotic fruit and fiber pouches in France.

## THE PLANT-BASED REVOLUTION

Bel uses various levers to balance its portfolio. The Group is extending its line of plant-based products by leveraging its international brands, such as Boursin Plant-Based in Europe, Babybel Plant-Based in the United States and the United Kingdom, and the arrival in 2023 of The Laughing Cow Plant-Based in the United States, and by developing its international 100% plant-based brand, Nurishh. These innovations have met with real success among consumers: in one year, Babybel Plant-Based has become number one in its category in the United States and number five in the United Kingdom.

In France, the in-store and digital collaboration initiative "Veggie Mondays," led by the Consumer Goods Forum's Collaboration for Healthier Lives (CHL) action coalition, by the co-chairs of Carrefour and Danone, and with the engagement of Barilla, Bel, Bonduelle, Fleury Michon, Happyvore, Labeyrie, Nutrition Santé, Savencia and Unilever, won the Sirius Award.

In February 2022, Bel also launched a pilot project at its headquarters, #WednesdayVeggieTasty, which will be rolled out throughout the Group. In partnership with its food service provider, Bel offers its employees a gourmet, balanced, 100% vegetarian menu once a month.

**NUTRIENT-ENRICHED LINES**



## NAMPA DOUBLES ITS CAPACITY

To meet the growing demand for the GoGo squeeZ brand in the United States, the Bel group has initiated a US\$140 million expansion project at its US plant in Nampa, Idaho. As a result of this investment, the plant will double its production capacity and welcome 150 new employees as early as the fall of 2023.



## PLANT-BASED, THE WAY OF THE FUTURE

The Bel group has received support from the government's France Relance program to develop and industrialize new generations of cheeses made from plant proteins. This subsidy enabled the Group to carry out an exploratory study aimed at identifying innovative raw materials and proteins, studying production technologies and methods, investigating plant material maturation and fermentation processes, and analyzing consumer expectations. Seventeen innovations and improvements (sliced, grated, portioned, spreadable, etc.) based on vegetable proteins have been developed and marketed under the Nurishh, Boursin, The Laughing Cow and Babybel brands. This subsidy also contributed to the hiring of new employees at its industrial sites producing these innovations and within its Research, Innovation and Development teams.

The integration of MOM is being done in a very pragmatic way, with two objectives: to preserve our existing strengths and to pool our forces. The former MOM personnel have been able to draw on Bel's experience in engineering and industrial management to successfully double the capacity of the Nampa plant. This is a strategic acceleration that allows us to forge ahead into the future. And this is just the beginning. In France, North America and China as well, we have great prospects for acceleration."

### PASCAL COLAS

Chief Executive Officer, MOM



# Innovation to invent the foods of the future

**BEL JOINS FORCES WITH LEADING-EDGE TECHNOLOGY PARTNERS. WITH THEM, WE ARE PUSHING BACK THE BOUNDARIES OF INNOVATION TODAY TO INVENT THE FOODS OF THE FUTURE.**

How can we sustainably meet the current challenges of world food production (population growth, nutrition and food sovereignty issues, environmental impact of production) and feed nearly 10 billion people by 2050? For Bel, the answer lies in research and innovation.

## **ON THE ROAD TO THE ENZYMES OF THE FUTURE**

Enhancing the naturalness of foods, improving their sensory properties and nutritional profile, especially for specific segments of the population, and contributing to the health of consumers' intestinal microbiota are just some of the challenges that the "Cultures of the Future Grand Challenge" intends to meet. Under the impetus of INRAE<sup>(1)</sup> and ANIA<sup>(2)</sup>, some thirty public and private partners—including Bel—have decided to join forces to remove the scientific and technological barriers that are slowing down innovation in the field of enzymes and, in this way, accelerate the agricultural and food revolution for safe, healthy and sustainable food. For Bel, a better understanding of the mechanisms of food fermentation will make it possible to offer even tastier plant-based products, by improving their recipes, tastes and textures.

## **FOOD TECH PARTNER OF CHOICE**

Proteins are essential to human health. Bel's vision is to integrate innovative, high-quality proteins into its products in order to offer accessible products with a lower environmental impact. In 2022, the Group entered into a strategic collaboration with the

start-up Superbrewed Food to develop a line of cheese products incorporating Superbrewed Protein. This nutrient-rich protein ingredient is derived from the fermentation of biomass. It is produced from naturally occurring microorganisms that transform plant fibers.

This year the Group also entered into an exclusive partnership with Standing Ovation. This French start-up has developed an innovative precision fermentation process that produces caseins of non-animal origin. These proteins are identical in all respects to those naturally present in milk and offer all the nutritional qualities and characteristics of cheese, as well as its traditional good taste. They pave the way for more accessible products with a lower environmental impact. The collaboration is very hands-on; the Bel teams at the Vendôme site will work with those of Standing Ovation on the application of these technologies to the Group's needs.





“The alternative protein market is growing exponentially, and we are determined to play a key role in it. We are very proud to collaborate with Bel, a group with proven cheese expertise, iconic brands and a collaboration model that is ideal for start-ups.”

**FRÉDÉRIC PÂQUES AND ROMAIN CHAYOT**

respectively President and Scientific Director, co-founders of Standing Ovation

“Thinking up innovative and groundbreaking solutions for healthier and more sustainable food is what we are working on at Bel. By working hand-in-hand with the best start-ups, we are paving the way for next-generation plant-based recipes and products that combine nutritional quality, accessibility and responsibility for our consumers.”

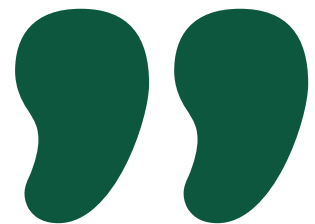
**CAROLINE SORLIN**

Chief Venture Officer at Bel group

“At Bel, we choose an open collaboration model with food tech startups. Combining their knowledge and skills with ours is the guarantee that together we will be able to offer products that will meet the needs of all consumers tomorrow.”

**ANNE PITKOWSKI**

Research and Applications Director at Bel group



**IN THE UNITED STATES, FIRST STEPS TOWARD THE FOOD OF THE FUTURE**

Finally, in the United States, Bel is partnering with Perfect Day, a leading start-up in the field of food technology, which produces and markets animal-free milk proteins obtained through precision fermentation. Since January 2023, Bel has been offering the American market “Nurishh

Incredible Dairy,” its first line of animal-free milk proteins alternatives to cream cheese spreads. This product introduction makes it possible to offer consumers plant-based alternatives while preserving the taste and creaminess of dairy cheeses and with a reduced environmental footprint. Compared to traditional production methods, the life cycle assessment of Perfect Day protein shows a 97% reduction in greenhouse gas emissions.

(1) Institut national de la recherche agronomique.  
(2) Association nationale des industries alimentaires.

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