

2022/23 ANNUAL REPORT

Corporate Social Responsibility and financial report





LEADING FRENCH AND EUROPEAN AGRIFOOD SUPPLIER

€5.8BN MILLIARDS D'EUROS 2022/23 **REVENUE**



TOTAL REVENUE **ABROAD AND EXPORTS** €1,316.5 million





€1.9 **BILLION**

EQUITY

€243 **MILLION INVESTMENTS**



Poultry

No. 1 French provider

- €4,206.2 billion revenues
- 40% French market share
- Nationwide and regional brands



Ready Meal

No. 2 French provider

- €827.2 million revenues
- Operating on 55.8% of the fresh ready-meal market
- No. 1 in cooked Asian meals
- Leading brand in cooked meals Marie



International

Growth driver

- Poland, Hungary, Belgium and UK
- •Widespread presence with 15 locations and 4,000-plus
- €812.7 million revenue, up 42.4% •Acquisitive player seeking new targets and communities

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Acting with our regions

Sustainable farming

WORK WELL DONE INNOVATION RESPONSABILITY RESPECT PERFORMANCE SIMPLICITY



7,500 partner farms signed up of which 6,200 in France €3.6bn purchases

Secure revenues for all farmers based on contracts

Living and working together

23,500 employees of whom 85% in France

69% of equity shares held by founding families

€1.71bnequity

€ 347.2mfree cash flow

94 locations and 14 platforms

€238msustainable capex

320 quality staffand 4 laboratories

Nimble organisation underlain by decentralisation

Deep local roots forging community bonds

5.5 indirect jobs created per direct job

€1,053m total staff costs

1,486 jobs created

Average 13 training hours

per employee in France

18% geographical and professional job transfers

€41m profit sharing,

paid incentives and inflation-linked bonuses

€99m tax charges

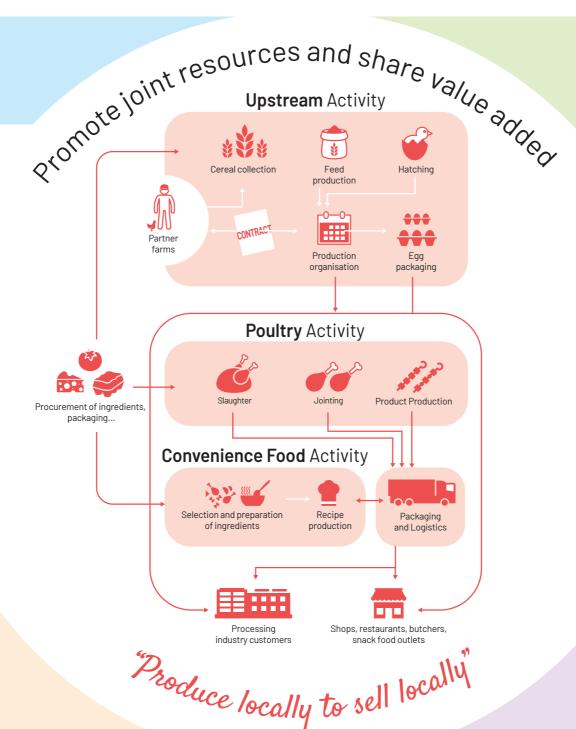
€202m social security charges

€1.9m financial expenses

€4.7m food donations

17.6% dividend payout

5.4% of equity shares held by employees



Local roots, underlying growth, responsible practices, common sense to safeguard resources

10.8% less water consumption (litres per kg produced)

1% less CO2 emissions (per kg produced)

88% of waste recycled

1,408MWh renewable energy generated in our locations

15 regional labels preserved

100% of farmers signed up

to 2025 sustainable farming programmes



Innovation:130+ R&D staff 6 leading brands











€5.1bn revenues

Diverse customer base

(retailers, restaurants, caterers, poulterers, bakeries, etc.)

Foodstuffs to be eaten at any time

Our Goals













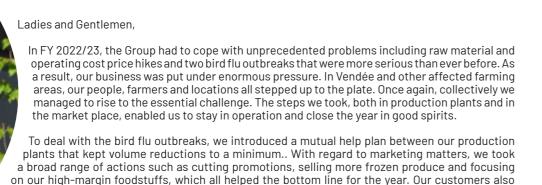


Specialisation and keenly competitive to boost financial results



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SHARES AND SHAREHOLDERS



Our leading role in our industry is both an honour and a duty.

During FY 2022/23, we upheld the same pledges as before despite the difficulties:

 Protect our farmers' livelihoods so they can continuously improve sustainable farming practices. In this regard, contractual schemes between LDC and our partner farmers yet again were extremely

chipped in by accepting price increases that were crucial to keep our industry healthy and on a sure

- Make our business professions more appealing to potential hires by offering the best working conditions to all staff.
- Keep our customers happy with local produce all backed by animal welfare and environmental quality guarantees and certifications.
- Continue to give consumers innovative, healthy and varied foodstuffs.

In this extraordinary financial year, LDC posted €5:8 billion revenues, up 15+% despite a near 6% dip in volumes. This revenue increase came with higher underlying operating profit of close to €300m These earnings meant we could maintain our capital expenditure at over €240m. The excellent results of our international operations also contributed to the year's success. Regarding ready meals, despite slightly lower volumes, sales price hikes that we implemented too late dampened profit margins for the year that just managed to break even.

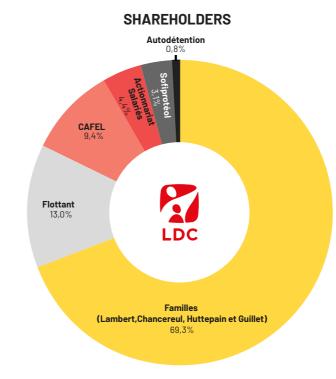
The Group's challenge for the forthcoming year will be to focus on resuming volume increases by improving customer service across the board, which is critical to satisfy our customers, and boost poultry consumption by relaunching our special offers.

Our goal this year will be to break through the €6 billion revenue mark together with an underlying operating profit margin similar to that of 2022/23...

We would not have achieved the good 2022/23 results without the tremendous work of all our staff. And that is why I would once again like to thank them for their dedication.

I am also grateful to our farmers, who stick by us through thick and thin, our customers, who listened to us when it mattered, our staff for their everyday commitment and you too, dear shareholders, for your faith in our company.

We look forward to your ongoing support during this upcoming year of growth.



SHARE details

Market segment:: Eurolist Compartment A ISIN: FR0000053829 Ticker: LOUP Number of shares: 17,635,433

UPCOMING REPORTING

General Meeting

24/8/23

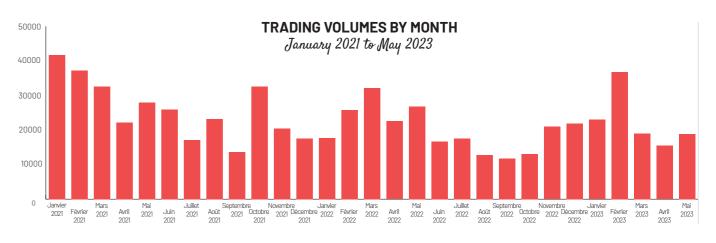
Q1 2023/24 revenues

6/7/23

02 2023/24 revenues

5/10/23

SFAF meeting - H1 2023/24 earnings release



LDC SHARE PRICE SINCE

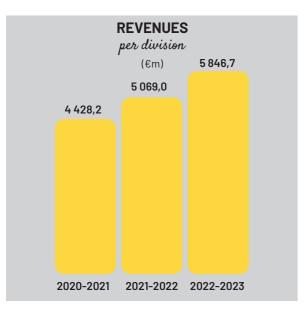
1 January 2021

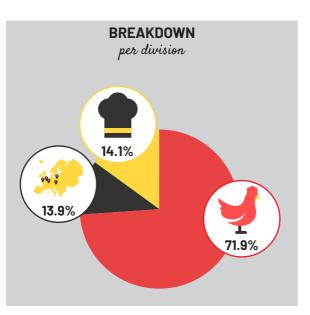


PHILIPPE GÉLIN

Group CEO

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In this one-off year, LDC posted €5:8 billion revenues; up 15.3% despite a 5.6% dip in volumes. These revenues came with higher earnings: underlying operating profit of €299.9m or a 5.1% margin on revenues.

EBITDA surged 37.2% to €547.4m. EBITDA includes two staff pay rises during the year totalling 7%. The pay rises were granted in view of the extraordinary work of staff during a very tough year and with a view to raising the attraction of the Group's occupations. After depreciation and other asset impairment charges, underlying operating profit came in at €299.9m (2021/22: €208.5m). This represents 5.1% of revenues (2021/22: 4.1%).

REVENUES per business

€m	202	1/22	202	Change	
	€m	% of total rev	€m	% of total rev	%
Poultry o/w export	3,397.5 461.6	67.0% 9.1%	3,800.4 468.1	65.0% 8.0%	+11.9%
Upstream o/w export	351.0 13.3	6.9% 0.3%	405.8 15.6	6.9% 0.3%	+15.6%
Poultry France	3,748.5	73.9%	4,206.2	71.9%	+12.2%
International	570.7	11.3%	812.7	13.9%	+42.4%
Ready Meal O/w export	749.8 13.7	14.8% 0.3%	827.2 20.1	14.1%	+10.3%
TOTAL	5,069.0	100%	5,846.1	0.3%	+15.3%
FRANCE	4,009.7	79.1%	4529.6	77.5%	+13.0%
INTERNATIONAL & EXPORT	1,059.3	20.9%	1,316.5	22.5%	+24.3%

FINANCIAL OVERVIEW

Poultry France: revenues grew despite lower volumes

2022/23 Poultry France (including Upstream division) revenues amounted to €4,206.2m, up 12,2% and 11.7% like-for-like. Revenue growth was largely fuelled by sales price increases and by a favourable price mix variance.

International: sales price rises, higher product mix favourable variance and export sales growth

International Jan to Dec 2022 revenues came in at €812.7m, up 42.4% and up 47.2% like-for-like. This revenue surge includes a 1.3% volume increase.. To pass on higher production costs to customers, the Group managed to raise sales prices on all product families. Favourable mix variances on duck and geese foodstuffs, higher export sales and revenues of Capestone, consolidated as from October 2021, largely account for the surge in revenues..

Abbreviated income statement

2021/22	2022/23
5,069.0	5,846.1
399.0 7.9%	547.4 9.3%
208.5	299.9
4.1%	5.1%
213.2	299.9
0.7	2.5
-46.1	-70.5
165.1	224.7
9.52	12.74
	5,069.0 399.0 7.9% 208.5 4.1% 213.2 0.7 -46.1

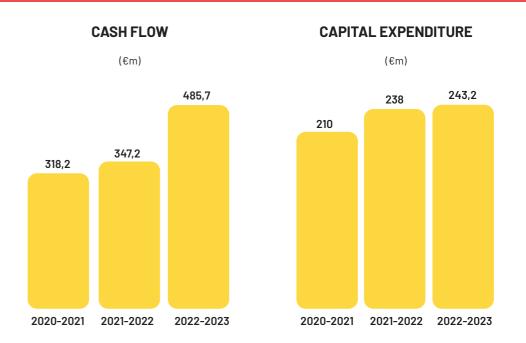
Abbreviated balance sheet

€m			
ASSETS		LIABILITIES	
Fixed assets	1,449.3	Equity	1,884.9
Inventories	517.2	Provisions	114.9
Trade receivables	621.1	Borrowings	454.2
Other receivables	135.9	Trade payables	645.6
Cash and equivalents	834.8	Other payables	458.7

TOTAL ASSETS: €3,558.3m

Strong balance sheet and surge in free cash-flow

28 February 2023 equity stood at €1,884.9m up from €1,713.8m as of 28 February 2022. Net cash inflows soared 40% to €485.7m up from €347.2m, which led to free cash-flow of €237.5m after accounting for €272.4m capex (including €243m manufacturing capex). The Group's strong net cash inflows resulted in cash and cash equivalents of €380.6m (28 February 2022: €181,0m).



Ready Meal: steady revenue growth and volumes holding up well

Over the period, the sector's business was driven by the back of the shelf in Fresh Prepared Foods and by resilience across all frozen food segments. The consumer popularity of Marie produce mitigated LDC's 2.1% dip in volumes despite a deliberate decision to cut special offers. All told, Ready Meal revenues rose 10.3% to €827.2m.

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EXECUTIVE BOARD CHAIRMAN'S -

Ladies and Gentlemen,

During this unusual financial year, we stuck to our 5-year strategic plan.

We stayed on track with the manufacturing and revenue goals of our 2026/27 plan that should usher in revenues of over €7 billion and EBITDA of just under €560m.

Growth will be fuelled by developing higher margin egg-based ranges, increasing specialisation, sharpening our manufacturing plants' competitive edge and focusing on vegetable-based foodstuffs.

Our April 2023 acquisition of Ovoteam coupled with our November 2022 Matines acquisition now means our egg business posts €300m+ in Group revenues. These two strategic deals will give us the wherewithal to bolster our business consumer offering that now encompasses the Matines brands and those of Ovoteam, which specialises in eggbased foodstuffs for the catering outlet and food manufacturing business market. In total, we will produce 2 billion eggs out of an overall 15-billion French market-.

With regard to capital expenditure, our policy is more ambitious than ever and includes a €200m boost to 4-year total capital spending striving to meet surging demand for Francesourced poultry. Total 2023/24 Group capex will amount to €300m largely focusing on France. This capital spending is key to putting our business model on a permanent footing. Indeed it will give us the wherewithal to offer poultry that is locally born, bred and consumed so we can give customers a keenly-priced alternative that beats imports on quality.

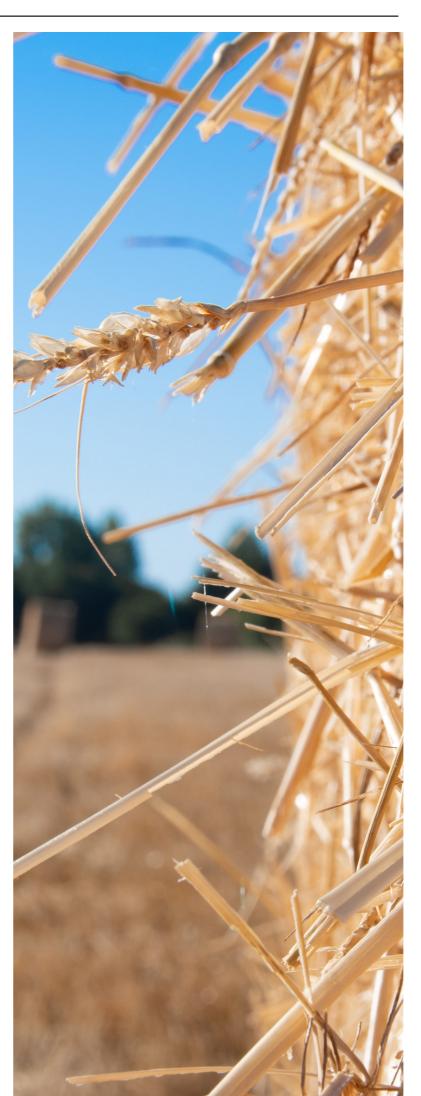
On top of our R&D activities, which have always underpinned our business growth strategy, we strive to develop our vegetable-based offering. This is designed so that all consumers can benefit from our strict specifications and our 'healthy eating' expertise, one of the four pillars of our CSR strategy.

CSR strategy.. CSR underlies our dealings with our stakeholders in terms of "Live Together Better". It is largely by showcasing our farmers' expertise to our customers that we will manage to lock in the Group's ongoing growth. In this regard, our 'Farmer Nature' programme both protects them and urges them to improve on a continuous basis Compliance with our programme will mean they meet top-quality standards so that our customers gain from unrivalled guarantees thereby satisfying consumer organic and free-range demand. This is the overriding goal of one of our other CSR pledges too, 'Farm Sustainably', Here we have made big leaps forward over many years that showcase our society-benefiting activities. Turning to the environment, 'Take Care of the Planet', we plan to present our climate/biodiversity strategy in May 2024 with a Decarbonisation & Climate Change action plan.

capacity to stay on course through thick something that has defined us ever sine In this regard, I would like to pay tribute to Gérard Chancereul, who with Rémy Lambert founded LDC (Lambert Dodard Chancereul) and who sadly passed away this year. Our accomplishments this year are testament to the values we espouse: hard work mindset, simplicity, accountability, work well done and the conviction that we can always solve our own problems. I am sure he would have been immensely proud of all staff when they stepped up to the plate this year to tackle difficulties. That is why I would like to applaud and warmly thank all Group staff.

I would further like to thank other Group stakeholders, business partners and agents. Of-course our farmers, their love for their way of life is something we feel too. Our customers as well, who deal face-toface with our consumers on a day-to-day basis. Last but not least, dear shareholders, you who show your faith in our business through your investment. We once again confirm our gratitude for your loyalty.

As for me, I will carry on, albeit in a different role, working so that our company thrives. Lastly, I would like once again to stress I am fully confident our people today are wholly capable of ensuring, LDC Group grows on a sustainable basis.



STRATEGY & OUTLOOK.

Stay on track in executing strategic priorities, resume volume growth

In FY 2023/24, LDC will stay fully mobilised on executing its strategic plan that should result in exceeding the €7 billion revenue mark and EBITDA of close to €560m in 2026/27.

In Poultry France, the Group will focus on developing highermargin egg-based families backed by OVOTEAM. Attention will also be paid to specialisation, locations' competitiveness, innovation and winning back business lost to imports.

The new financial year opened with the Galina Maine (34) staff) and Savic-Freslon (110 staff) acquisitions. These two companies, which together will add €35m to annual Group revenues, were consolidated as from April and May this year. They will give the Group the means to lock in produced volumes against the backdrop of ongoing bird flu, and to obtain specialist equipment and know-how to manufacture highmargin foodstuffs like those certified Label Régional.

What is more, the Group has introduced:an additional €200m 4-year capex plan so as to meet growing demand for Francesourced poultry. The total Group capex budget for 2023/24 amounts to €300m.

With regard to International and Ready Meal, we will focus on raising our cooked meals and specialities market share backed by ever more innovations and brands that meet consumer demand as closely as possible.

2023/24 Targets €6 billion-plus revenues Hold operating margin at around 5%

In Poultry, holding raw material prices at present levels coupled with recently pushed through sales price rises to offset operating expense rises give us the wherewithal we need to boost consumption, specifically by relaunching special offers. This strategy should boost Poultry sales volumes always at good profit margins. We will stay on the lookout for any ongoing bird flu developments in South-Western France.

In International, profit margins are expected to hold up without reaching the record of FY 2022/23.

In Ready Meals, the priority will be a sharp improvement in earnings. Higher sales prices, brand development and ongoing manufacturing improvements will all help achieve this target. We at LDC Group today: firmly believe we can grow revenues to over the €6 billion mark.

In terms of profit for the current year, we target an underlying operating profit margin at around 5%. Pour satisfaire cet objectif, il reste pleinement focalisé sur la performance industrielle, l'innovation et l'intégration de nouveaux talents. We further plan to undertake additional mergers or acquisitions.

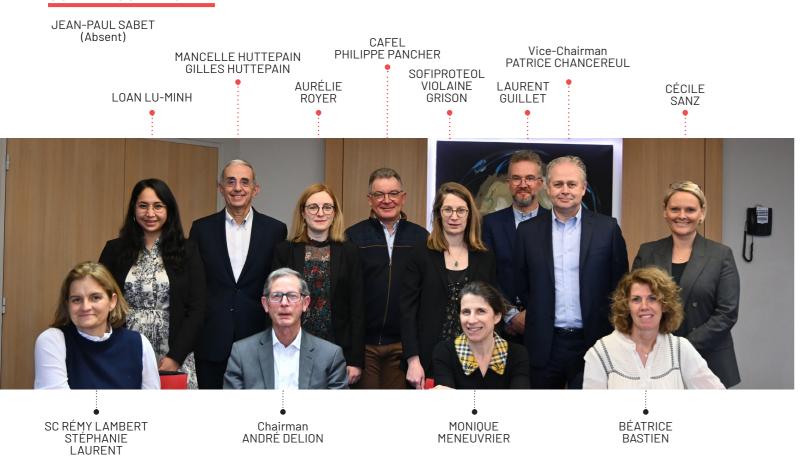
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DENIS LAMBERT

Executive Board Chairman

GROUP CORPORATE GOVERNANCE

SUPERVISORY BOARD



MANAGEMENT COMMITTEE

THIERRY

CHRISTOPHE

GUYONY



PIERRE

VAN DEN BOSSCHE

BRUNO

MOUSSET

STÉPHANE

LAURENT

RAIMBAULT

FUNCTIONAL DEPARTMENTS

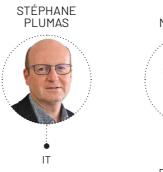






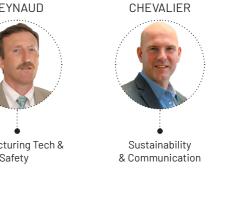














1. GROUP'S LONG-STANDING ROOTS AND MISSION

LDC Group dates back to 1909, when the Lambert family used to pick up live poultry from nearby farms in French county Sarthe and then pluck them.

From 1937, LDC plucked and gutted poultry. LDC Group was formed in 1968 when the Lambert, Dodard and Chancereul competing family businesses joined forces. At the time the Group was engaged in buying and slaughtering poultry including that of Loué, the no. 1 Label Rouge poultry farmer.

From 1982, the Group embarked on an acquisition path designed to cover key French poultry regions like Saône-et-Loire and Aquitaine, and began cutting poultry under its Le Gaulois brand, which states in its specifications are sourced in France and must comply with specific farming conditions including poultry feed.

From 1987, the Group diversified to meet changing consumer demand, taking on cooked meats (cordon bleu, deep fried and cuts), later poultry cold meat in 1989.

1994 saw the Ready Meal division launch when Toque Angevine was acquired. Various company acquisitions then ensued including Marie in 2009, a large ready meal, fresh and frozen food provider.

In 2001, the company joined forces with Groupe Huttepain, its long-standing partner, and integrated the Upstream business into its activities, i.e. animal feed, production organisation, cereal storage, hatching and table eggs.

From 2005, the Group began to try to replicate its business model abroad: "Sell locally to produce locally" and acquired Poland-based Drosed Group. In 2009, LDC Group picked up Arrivé together with its Maître CoQ brand.

In 2015, to win back the French poultry market that was dominated by imports, the Group ramped up its presence in the catering outlet and food processing markets by buying poultry slaughtering and processing plants from Avril Group.

The Group is still on the lookout for acquisition targets that will enable it to create value throughout all its operations on a permanent basis while upholding genetic diversity of poultry species.

2. SHARED VALUES FROM DAY 1

LDC Group is underpinned by strong values that everyone bought into from the outset and that, bit by bit, enrich everyone in the Group:

- · Work well done: the Group loves well done and properly planned work, tangible steps that solve everyday problems by managers and employees working together;
- Innovation: from day 1, the Group creates and invents across the board HR benefits, techniques and schemes; all aimed at the same goal to improve gender parity, staff equality and working conditions;
- · Accountability: being accountable means acting and deciding in the Company's interest. It further means investing for the future, staff health & safety, and to serve the Group's long-term interests while preserving the environment;
- · Respect: for our customers, employees and farmers. Respect involves listening, accepting people make mistakes, preferring teamwork, seeing value in people's differences and complementary attributes;
- Efficiency: being efficient means sharing best practices and fostering continuous improvement programmes. It also involves building a results-based mindset and questioning how we do things;
- · Simplicity: being humble underlies simplicity that is one of the Group's core qualities. It is also crucial that everyone remains approachable and talks openly and honestly. Lastly being simple of-course also means using common sense.

3. A CHANGING CORPORATE VISION AND PROJECT TO FIT SOCIETY'S EXPECTATIONS

Our vision is underpinned by a strong purpose to be a group that benefits communities wherever we do business. Listening to







Work well done Innovation

Responsability







Performance

Simplicity

customers and suppliers has always formed an integral part of Group strategy.

We strive to urge our subsidiaries to offer ever more innovative, healthy and sustainable foodstuffs.

Our corporate project is based on the following core fundamentals:

- · Give consumers high-quality, healthy and environmentally-friendly foodstuffs made by responsible businesses that positively contribute to their local communities;
- Meet customer needs by delivering sustainable top-quality foodstuffs and service, a local presence and innovation;
- Ensure that men and women, whether staff or business partners, feel good in their dealings with us, by focusing on listening, respect and praising good performance.

4. DECENTRALISED ORGANISATION FOSTERING RAPID DECISION-MAKING AND ACTION

The Group comprises numerous autonomous businesses that set their own goals in keeping with Group strategy. From day 1, the Group has developed divisions by business and region to foster the growth of a nimble and local organisation that always upholds its decentralised model.

As such, the Group is structured into three business divisions:

- Poultry,
- Upstream division has several operations including cereal picking, egg hatching, food manufacturing, production organisation and consumer egg packaging;
- Poultry France division is the Group's historical core business that covers poultry slaughtering and preparation for sale and includes production plants and warehouses. Upstream breaks down into seven business units: Western France (LDC's historical business), Volaillers de Nos Régions ("VDR", South-East France), Cailles Robin, Hauts-de-France, Volena (previously Normandy unit), Maître CoQ and Société Bretonne de Volailles (SBV).
- International division has locations in Poland, Hungary, Belgium, Wales and Spain.
- · Ready Meal division has warehouses and logistics platforms;

The Group head office houses functional departments, which support the subsidiaries, as follows: human resources, controlling, environment, Prepared Europe division, International division, Poultry division, IT, logistics, marketing and media, prevention, quality, Research and Development (R&D), occupational health & safety, techniques and sustainable development. Under regional divisions, subsidiaries have their own local support departments.

1. KEY RISKS AND CHALLENGES

LDC Group is a French group that develops its operations in Europe. It has operated in Poland since 2001, in Hungary since 2018, in Belgium since 2019 and in UK since 2021.

Appraisal of key risks and challenges was jointly performed by the Group Finance and Administration department and the sustainable development department, then submitted to the Group independent auditors and Audit Committee. Risks are continually updated and are reviewed in detail by a prevention panel that meets every three months.

Risks relating to Non-financial Performance Statement categories as stated under Article L225- 102- 1 French Commercial Code are partly included in the overall Group risk identification and management process. In 2018, a specific non-financial risk analysis was carried out focusing on:

- · Risks arising from Group operations;
- · Challenges facing the Group and stakeholders.

The adopted method was designed to combine risk avoidance goals with performance improvement goals. The adopted method was as follows:

- Risks were identified from a search throughout all operations and an ISO 26000 7-topic filter as approved by the Group CSR Oversight Committee made up of representatives from Group functional departments and operations.
- Risk appraisal was performed by the Group Management Committee (MGTCOM), functional and and operational departments of identified key risks in the light of operations, risk potential impact, frequency and/or exposure and controls:
- Risk appraisal was performed by the MGTCOM, functional and operational departments, of the identified key risks in the light of operations, the potential importance for the Group and its supply chain and the Group's current risk controls;
- Key risks and challenges were consolidated;
- The CSR Steering Committee selected and approved the high-priority topics that were further approved by the MGTCOM.

A comprehensive update of this analysis is planned during 2023.

The Group applies various strategies that are often formalised as policies to meet challenges and minimise impacts on society at large. To adapt and structure its programme, in 2018 LDC Group carried out a detailed analysis of potential risks including non-financial risks that could affect its capacity to maintain its overall performance. Risks are reviewed once a year during a CSR Oversight Committee meeting with relevant Group departments and are further reviewed by a prevention panel who meet three to four times a year.

SUSTAINABLE farming

CHALLENGES	RISKS	OPPORTUNITIES	OBJECTIVES	SDO	PERFORMANCE INDICATORS	PAGE
		Put farmers more in tune with consumer expectations including in terms of animal welfare, food quality, the environment and farmers' income Promote and support the French government bird plan including official specifications	Roll out a sustainable farming programme	2 FAIM STERON	Share of Group partner farms committed to a AOP, organic, Label Rouge, free-range chicken certification or Nature d'Éleveurs programme	19
Sustainable farming and animal welfare	See our farms, operations and agriculture disappear	Make farmers more responsive to consumer demand by building a sustainability and local-sourcing mindset Help develop new local farms including for protein	Ramp up local animal feed sourcing	12 CONSOMMATION ET PRODUCTION RESPONSABLES TO VIE TERRESTIRE	Share of local sourcing of raw materials used to manufacture Group animal feed	21
		Make farmers more responsive to consumer demand in terms of domestic sourcing Create local value to put domestic businesses on a permanent footing	Prefer locally- sourced meats and support local businesses	<u>♣</u> ~~	Share of 100% locally- sourced meats (poultry, pork, beef, rabbit, veal) of Group meat- containing brands	22

LIVING AND working together

CHALLENGES	RISKS	OPPORTUNITIES	OBJECTIVES	SD0	PERFORMANCE INDICATORS	PAGE
Occupational Health & Safety	Ignore working conditions ensuring staff health and safety	Improve staff work and safety conditions and so their performance too Cut locations' staff turnover	Take care of our staff		Work accident and occupational disease frequency rate	23
		Promote staff well-being and performance			Share of staff relocation and career job transfers	
Attract and retain staff	Not attract and retain staff	Lock in our know-how and skills	Support staff in their personal development	- ₩ •	Share of trainees among staff	25
		Train staff to update and build their skills		5 ÉGALITÉ ENTRE LES SEXES TRAVAIL DÉCENT ET CROISSANCE ÉCONOMIQUE	Share of staff having attended at least one training course during the year	
Sustainable procurement criteria	Ignore supply security	Assure good commercial relations with our suppliers, customers and all stakeholders Build on the Group's popularity	Promote a responsible supply chain	mote a ponsible supply	Share of purchases covered by the Group Procurement Charter	30
Business ethics	Ignore business ethics rules	Lock in and structure business dealings	Inform and educate all stakeholders involved in the company about regulatory business ethics compliance	(€)	Measured progress in roll-out of compliance programmes; progress indicators of in-progress Group-wide training programmes	32
Food waste	Ignore local community life and charitable engagement Find no outlets for produced foodstuffs	Improve commercial procedures and manufacturing processes Find outlets for all output	Take steps to tackle food waste and insecurity		Value of charitable donations	35

RESPECTING nature

CHALLENGES	RISKS	OPPORTUNITIES	OBJECTIVES	SDO	PERFORMANCE INDICATORS	PAGE		
		Control water consumption			consumption r		Change in water consumption rate (litres per kg produced)	
	Do not save water use	Cut energy consumption and GHG emissions		6 EAU PROPRE ET ASSAINISSEMENT	Change in energy consumption rate (kWh/ ton)			
Resource management	Do not save energy and ignore climate change Do not save resources as needed Use no more than we need in production Find new recycling outlets for used materials Help restore natural balance of all animal and plant species	7 ÉNERGIE PROPRE ET D'UN COUT ABORDABLE	Change in total waste recycling rate des déchets	36				
			12 CHORDISTON REPORTED TO THE PROPERTY OF THE		Change in number of locations having conducted or pushed a biodiversity programme			
Packaging	Ignore packaging issues and impact on wildlife	Act to inform and educate responsible consumers Participate in cutting plastic left behind in nature Ensure we use recyclable packaging	Act on our packaging by educating people about sorting, using less and more responsible packaging	114 WI ADMINISTRATION OF THE PROPERTY OF THE P	Share of recyclable packaging as defined by CITEO	42		



CHALLENGES	RISKS	OPPORTUNITIES OBJECTIVES		SD0	PERFORMANCE INDICATORS	PAGE
Food safety	Do not offer safe foodstuffs	Improve our everyday food safety procedures	Act on food safety	C CALLED	Share of IFS, BRC or ISO 22000-certified locations	44
Meeting customer and consumer needs with our offering	Do not offer produce meeting customer and consumer needs	Innovate to offer produce tailored to any consumer's consumption time	Keep our customers and consumers happy	2 FAIM 2 «ZÉRO» STATE	Consumer satisfaction rate via brand reputation and awareness	46
Nutrition and balanced diet	Offer produce and related services that do not meet customer and consumer	Market poultry's nutritional and diet strengths Offer foodstuffs tailored to everyone's lifestyle and state of health	Take steps for our produce's nutrition and health	12 CONSOMMATION RESPONSABLES	Share of foodstuffs scoring A, B or C in the Nutri-Score ranking	47
	expectations	Improve our food ranges by streamlining our recipes			Share of completed Clean Label programme recipes	

CHALLENGES AND POLICY

From its very beginnings, LDC Group has forged close partnerships with poultry farmer consortia and built an enduring supply chain. The LDC Group and Huttepain Group alliance in the early 2000s ushered in a true comprehensive supply chain for some Group

The Group shares challenges, which are far-reaching and substantial, with the suppliers involved. A fully-blown environmental transition requires talks and planning with every step in the chain so that all firms involved share common procedures over the long term and everyone gains.

Moving to sustainable farming involves:

- Supporting farmers and safeguarding their livelihoods based on contracts,
- · Launching a farming transition via quality control programmes audited by independent organisations that cover animal welfare, quality produce and are environment and biodiversity friendly,
- · Guaranteeing domestic sourcing of livestock, plus vegetable and mineral raw materials used to make food.

The Group has set the following high-priority objectives for the supply chain:

- · Step up local sourcing of animal feed, ideally domestically and at least from Europe,
- Roll out a sustainable farming programme with all farms involved,

SUSTAINABLE FARMING AND ANIMAL WELL-BEING

Prefer domestically-sourced meat and protect local farms.

GOVERNANCE

The Upstream division breaks down into various operations including cereal crop picking, poultry hatching, food manufacturing, organising production that schedules livestock deliveries and supports our farmers, and egg packaging.

The firms belonging to the Upstream division are autonomous in their operations. They come together to sit on an Upstream management committee reporting to the Upstream division general manager. Upstream division management, who are supported by functional departments, make sure that their interests are upheld and their procedures are consistent with Group policies. Upstream division management also sit on the Group MGTCOM.

The Group strives to build stronger ties with outside partner suppliers, including cooperatives, farmer consortia, food manufacturers, chicken breeders and more, via frequent talks and meetings about sustainable farming, rolling out the Nature d'Eleveurs programme or animal feed ingredients. Implementing Group sustainable farming policies, objectives and talks are shared tasks. Upstream division management, who are backed by Poultry division and Group Sustainable Development specialists, hold regular meetings with firms involved. There are also countless other talks and correspondence throughout the year with customers, raw material suppliers, vets, farm suppliers, equipment providers and NGOs.

ACTION PLAN, 2022 BACKGROUND

The Group's Upstream and farming operations were hit hard by the avian flu outbreak that swept through French county La Vendée and elsewhere in Spring and Autumn 2022. They nonetheless held up well thanks to an LDC Group support plan as well as their own staff's and involved farmers' rapid steps taken to mitigate losses. Free-range poultry farmers had to confine their chickens to coops with no outside access so as to avoid contact with wild birds.

ROLL OUT A SUSTAINABLE FARMING PROGRAMME

To move towards sustainable farming, the Group historically has relied on official quality certifications like Label Rouge, Appellation d'origine contrôlée and Agriculture Biologique, for free-range farmed poultry, free-range certified poultry, the Nature d'Eleveurs progress contract for certified poultry (food compliance certificate), everyday poultry and birds born and bred pursuant to the European Chicken Commitment (ECC).

Given that LDC Group is merely one of many involved in tackling society-wide issues, the Group talks with various parties including customers, consumers, trade associations, farmers, animal protection and environmental charities and scientists.

So, the Group is a member of the Humane Slaughter Association and often corresponds with several non-profits like CIWF (Compassion In World Farming). Since 2017, the Group has joined the Business Benchmark on Farm Animal Welfare (BBFAW) world ranking and since 2021 is ranked fourth.

LDC Group has signed up to several big trade associations like FIA (poultry industry federation), ADEPALE (cooked food produce trade association), AVEC (Association of Poultry Processors and Poultry Trade), where it is represented by Group directors, and participates in AINA talks.

FREE-RANGE-FARMED POULTRY

First and foremost, the Group is acknowledged to be France's leading free-range-farmed and quality-certified poultry specialist and

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boasts over 15 French official organic poultry certifications including AOP and Volaille de Bresse. Strictly controlled specifications like production working conditions, French organic farming rules and more, underlie these official quality certifications that guarantee that poultry is top class as consumers expect, especially in terms of animal welfare. The Group further develops and produces poultry and cold meat produce from free-range chickens and over 20% of Group-slaughtered chickens are raised with outside access.

CHICKEN COOP POULTRY AND NATURE D'ÉLEVEURS ETHICAL PROGRESS CONTRACT

On top of regulations and specifications underlying officially quality-certified farming and trade association charters (French chicken, turkey and duck farming manuals), in September 2017 LDC Group launched its Nature d'Eleveurs programme.

Initially dedicated to hen-coop-bred poultry meat and later rolled out to egg-laying hens in 2020 and rabbits in 2021, LDC Group has set a target to bring together all farmers and their suppliers like breeders, consortia, producers, food manufacturers and slaughterhouses, behind this sustainable farming programme.



The simultaneous goals are as follows:

- Ensure top-quality and affordable foodstuffs,
- Take animal welfare action,
- Safeguard poultry health,
- Guarantee fully France-sourced cereal-based food,
- Be eco-friendly across the board,
- Protect farmers' livelihoods and put French farming on a permanent footing,
- Underpinned by a transparent and controlled joint program.

This is an ethical guide and progress commitment binding all firms involved in a fair, systematic and ubiquitous way. Under this Nature d'Éleveurs programme all chicken farming firms will make progress towards the ECC such that farmers' coops will

be ECC compliant in respect of regulatory compliance, natural light, pecking substrate and roosts to encourage natural behaviour, air quality, total absence of battery hens and an annual audit by independent organisations.

This voluntary, structural and bottom-up programme is being gradually rolled out to all our poultry farms. 890 farms having passed external audits were signed up in 2022, up 276 farms year-on-year. The programme is gaining ground steadily but surely. However, following the double whammy of Covid-19 followed hard on its heels by raw material and equipment price spikes coupled with 2022 avian flu, many farmers are now eagerly waiting for certification audits or still have outstanding points to put right.

These successive crises have caused a delay in coop construction and renovation work required under the Nature d'Eleveurs programme. By year-end 2023 it is hoped the certifications backlog will be caught up. Furthermore, staff charged with developing farms and welcoming new ones encountered difficulties in getting to work due to local travel restrictions.

The 2022 share of Group partner poultry farms committed to a AOP, organic, Label Rouge, free-range chicken certification or Nature d'Éleveurs programme was 74%. We strive to roll out the programme at all partner farms by year-end 2025.

ANIMAL WELFARE

Animal welfare is the standard rule applied to the Group's whole supply chain as laid down in farm specifications covering poultry transport, waiting and slaughter conditions applying to manufacturing plants. Apart from regulatory compliance, the Group strives to strike the right balance in view of customer and consumer demand. In 2018, the Group produced a formal animal welfare policy that it wrote with all relevant departments and divisions including Upstream, Quality, Operations and CSR, which can be downloaded from the Group website and is updated every year in July based on subsidiary reporting of progress.

Consistent with steps taken throughout the farm supply chain, the Group pursues capital expenditure spending at its slaughter locations so as to take on board best animal welfare practices:

- Fitting goods-in bays (i.e. Inside goods-in halls with proper lighting and temperature control)
- Introducing a new stunning technique in controlled atmospheric conditions: nearly half of Group-slaughtered poultry in France are now stunned with this new technique and all slaughtered animals under the Group's responsibility are stunned pre-slaughter.
- Installing CCTV cameras in slaughterhouses is in progress.

This year the Group has set a target to introduce CCTV cameras in all its slaughterhouses by year-end 2025.

Note that in the consumer egg supply chain, 99% of partner egg-laying hens already came under non-battery sustainable farming

The Group including supplier Fermiers de Loué is further committed to keep consumers informed of the steps it takes. The EU Bien-Etre Animal (animal welfare) label grade A on all Loué chickens since 2019, and grade B on Plein Champ chicken produce sold in 2020, was introduced.

RAMP UP LOCAL ANIMAL FEED SOURCING

Raw materials needed for animal feed are a big sustainability factor in our industry: Raw materials are picked based on:

- Meat and egg quality;
- · Cost:
- Animal welfare considerations;
- · Environmental considerations.

Poultry feed, recipes for which are prepared by specialists based on four factors, is produced at manufacturing plants located in farming communities near Group slaughterhouses. These plants are LDC-owned independent suppliers - 12 proprietary plants in

Europe - and promote the mostly domestically-sourced (and France-sourced for France-based plants) of Poland and Hungary-based plants' raw materials.

For raw materials quality of finished produce, the Group in France has signed up to the OQUALIM control and surveillance plan. This official plan confirms that best food safety and traceability practices are applied in manufacturing plants and coordinates reciprocal controls between members so as to raise health risk surveillance standards.

The Group strives to use low-carbon ingredients for its animal feed recipes by selecting locally-sourced ingredients depending on local farming output. LDC Group and METEX have signed a long-term alliance seeking to bring back food production to France, cut carbon emissions and raise food protein content in Europe by using local and low-carbon amino acids arising from beetroot fermentation.

The Group has introduced a poultry feed policy. Ongoing local autonomous research by Group-supplier food manufacturing plants enabled us to reach the following results in 2022, in France and Poland: 78% of poultry feed ingredients are domestically sourced (from France for French plants and from Poland for Polish plants) and 85% are sourced from continental Europe.

In 2022, the soaring poultry feed ingredient prices such as for wheat, maize and soya, since late 2020, caused by higher Chinese demand, market speculation and aggravated still more by the war in Ukraine since March 2022, resulted in totally unprecedented food price hikes and hit some material supplies and poultry production costs hard. Lower prices that have varied between materials have nevertheless begun to be felt since 2022 guarter 3.



CEREALS (AVERAGE 70% OF POULTRY FEED CONTENT):

Cereals make up the biggest portion of poultry feed and give poultry the energy they need. In addition to poultry feed specification rules of official quality labels like Organic, Label Rouge etc., the Group must comply with specifications like those of Nature d'Eleveurs Terres de France and Le Gaulois Qui C'est Bon that require all relevant manufacturers to only deliver all-French-cereal-containing foodstuffs tailored to each species and age, to partner farmers. The Group manages to comply with these guarantees thanks to annual audits by independent organisations. Group food plant cereals are all sourced domestically and are 100% French in France, 100% Hungarian in Hungary and 100% Polish in Poland.

PROTEIN (AVERAGE 27% OF POULTRY FEED):

To assure enough protein in animal feed, manufacturers use high-protein-containing raw materials like soya, but increasingly turn to rapeseed, pea and sunflower cakes, which also come with new amino acids. The total content of soya used per chicken has tumbled over 25% in 10 years. To take local autonomy to its logical conclusion and decarbonise its operations, for over 10 years LDC Group has also helped give rise to French soybean production primarily by buying French soya grains or cakes. While volumes produced are still negligible to meet its needs, the Group takes tangible steps so that its local businesses can grow.

For example, in 2022, 49% of proteins used came from French or European soybeans or alternatives to soya, which dipped 4 percentage points given supply problems during the year due to the Ukraine war.

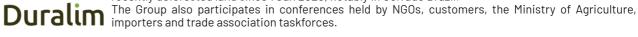
Late 2021, a new EU regulation made it possible to use a soya alternative, namely animal proteins converted into poultry feed. The Group is reviewing feasibility in terms of production process, financial and regulatory implications but also how it impacts its carbon emissions to relocate its raw material sources..

The Upstream division, together with its external suppliers, have signed up to the DURALIM programme, the primary sustainable animal feed collaborative platform for farm livestock, which strives to promote and improve French livestock sustainable farming. One of the shared goals is to achieve 100% sustainable procurement with zero deforestation by 2025. Under the SNIA, Group and outside food manufacturers have signed a binding "Zero Deforestation Imports" manifesto involving preliminary 2025 targets.

The Group has stepped up its action to call for sustainable animal feed by supporting since 2020 the manifesto "To mobilise French business behind the battle against soybean-related imported deforestation".

The Group has further added upcoming expected EU legislation changes to its poultry feed policy seeking to tackle deforestation and destruction of forests by EU consumers and producers. As a result, the Group talks to importers who sell to its supply chain with a view to bringing detailed imported soya traceability data to the table rather than using soya from

recently deforested land since 1 Jan 2020, notably in Cerrado Brazil.



PREFER DOMESTICALLY-SOURCED MEATS AND SUPPORT LOCAL BUSINESSES

LDC Group's historical motto is "Produce locally to sell locally" The Group is rooted in the long-standing rural areas of its production plants located within poultry farming communities with close bonds to farmers. They form a lasting feature of such communities. This rural characteristic is key to its growth and an essential quality of its operations.

LDC Group helps safeguard jobs in such regions. On top of direct jobs spread over many rural farming regions in France (French counties Pays de la Loire and Centre Val de Loire, Normandy, Brittany, Nouvelle Aquitaine, Sud-Est, Sud-Ouest, Hauts de France and more) and in Europe (Poland, Hungary etc), the Group takes an active part in upholding economic trade and jobs among its suppliers (indirect economic contribution) while contributing to the income of households and government agencies.

As such, selecting domestically-sourced meats for Group produce gives its suppliers, including farmers, supply visibility and security,

only domestic meats.

INDICATORS

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Health & Safety at Work

CHALLENGES AND POLICY

The Group strives to create and uphold a safe workplace for all its staff and promote quality of work life by managing any potential threats thereto. Occupational health is one of the key sections of the Group OH&S policy. Three key risks are still found to cause most occupational accidents:

- · Occupational workload risks;
- · Slips, trips and other movement risks;
- · Plant and machinery risks.

The OH&S 2019-2023 policy applied Group-wide is designed to educate staff in best occupational H&S and quality of life practices.

We are convinced that health and safety, like quality and productivity, are key aspects that drive our performance and results.

As such, pursuant to statutory duties, the H&S policy lays down the following

- Formal Group policy-compliant commitments linked to measurable targets;
- · Statement of everyone's duties and responsibilities at all levels of seniority;
- Training courses so that all staff acquire skills they need to fulfil
- · An appraisal system of risks arising from activities seeking to mitigate, control and prevent identified risks and threats prevent 'primary' risks - in a continuous Improvement culture;
- · Instigate a key risk action plan;
- · A H&S steering committee that rolls out and monitors the key risk action plan backed by relevant indicators and trends
- An ongoing audit programme ensuring that H&S steps taken are effective.

The OH&S policy gives all locations guidelines so that they retain operational autonomy in their business scope

GOVERNANCE

The Occupational Health & Safety department reports to the Group Human Resources department. The Group OH&S Officer, backed by a deputy, runs a network of named OH&S managers in each location, who report to local management. Depending on each location's size, OH&S departments may comprise several staff. Further, regional OH&S contacts in all divisions are currently being appointed, who will serve as intermediary between locations and corporate head office. An effective OH&S policy means everyone must take ownership:

- Directors assume responsibility for OH&S policy actual implementation;
- · Local managers are responsible for their staff's health & safety, risk appraisal and for allocating H&S tasks among their
- · H&S coordinators make sure that health and safety is properly dealt with and managed in their location;
- · Employees stay on the lookout for health and safety risks affecting themselves and others in their everyday jobs at their

ACTION PLAN, 2022 BACKGROUND

TAKE CARE OF OUR STAFF

The Group continues to introduce essential rules regarding:

· Safety prioritising front-line prevention by nurturing a safety mindset - reported occupational accident and disease analysis and action plan, ramped up workplace safety training for high-risk jobs, manager occupational risk training, risk control action plan OH&S update meeting held about communication habits, multidisciplinary taskforces set up prior to all major capital expenditure in order to factor in any H&S aspects and more...

For example, the Celvia Sérent location carried out a livestock bay modernisation project thereby improving their staff workplace and cleaning access and making intervention safer. The project raised quality and health standards and resulted in the award of a "workplace design to prevent" prize..

· Health by improving Quality of Life via work, a source of health, job safeguard and ongoing driver of economic reward in the Group. Staff health is served by relevant management introducing QWL staff agreements, welcoming back absent staff, job retention plans for all staff reporting an occupational or degenerative disease, taking steps to build awareness around healthy habits and lifestyles. A mental health risk prevention programme has been launched based on mental health measures taken among staff at several locations. The main challenge is to take steps to tackle targeted mental health issues raised by the staff survey so as to enhance staff quality of work life. So as to pinpoint mental health risks, the Group is rolling out a staff survey in its subsidiaries. So, staff may anonymously report their feelings via a questionnaire that it is hoped will reveal strengths and progress in the day-to-day life of the locations. Analysis of this survey later ends up with a

Key Performance Indicators 2021 2022 2025 Target Share of Group partner farms committed to a AOP, organic, Label Rouge, free-range 68% 74% 100% chicken certification or Nature d'Éleveurs programme Share of France-sourced poultry feed raw materials Continuous 79% The relevant scope comprises LDC feed manufacturing plants and outside providers 78% Improvement covering 88% of poultry Share of Group brand meat products containing domestically-sourced meats 99.3% 99.4% 100% 2021 2022 2025 Target Other indicators (France) 100% 100% Share of OQUALIM-certified animal feed manufacturing plants 100% Share of pre-slaughter stunned livestock 100% 100% 100% Share of Group egg-laying hens removed from battery cages 99.7% 99% 100% Business Benchmark Farm Animal Welfare (BBFAW) ranking Tier 3 Tier 4 Tier 2 Share of local sourcing of all-cereal poultry feed The relevant scope comprises LDC feed manufacturing plants and outside providers covering 86% of poultry 100% 100% 100% in France 100% 100% 100% in Poland 100% 100% 100% in Hungary Share of continental Europe-sourced poultry feed proteins The relevant scope comprises LDC feed manufacturing plants and outside providers covering 86% of poultry 49% 60% in Hungary 83% N/A 71% in Poland

and meets expectations of consumers, who care very much about where the food they buy, comes from. 99.4% of leading brand meat

produce (i.e. Le Gaulois, Maître Coq, Loué, Tradition d'Asie and Marie) contain domestically-sourced meats. Despite a tough bird fluaffected 2022 to maintain French poultry volumes, the Group carries on with its steps so that by 2025, all its meat produce will contain

*Premixing and amino acids are kept out of 98% of poultry feed raw materials. Reader note: 2021 and 2022 location scopes vary, see Method note

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prioritised action plan seeking to improve quality of work life.

• Management by laying down a common framework of ground rules based on a multi-year formal programme, which every year breaks down into OH&S key priorities, overseen by an OH&S steering committee who meet at least quarterly with decision-making powers. OH&S objectives form part of managers' personal objectives during their annual performance appraisal interviews. All French locations are audited every year leading to an action plan included in their annual programme. H&S performance published every quarter has improved due to all Group divisions reporting their actual H&S results. The purpose of such reporting is to urge locations to stand back so as to pinpoint their health and safety strengths and weaknesses, and showcase the actual steps they have taken.

INDICATORS

Key Performance Indicators	2021	2022	2025 Target
Occupational accident and disease frequency rate	39.7	38.2	30
Other indicators	2021	2022	
Occupational accident and disease gravity rate	5.6	5.4	<3.0
Group absenteeism rate	10.4%	9.95%	<7.0%
Group occupational accident gravity rate	2.0	1.9	<1.0
Group occupational accident frequency rate	32.5	31.5	<20.0
Group occupational disease gravity rate	3.6	3.5	<2.0
Group occupational disease frequency rate	7.1	6.7	<10.0

Reader note: 2021 and 2022 location scopes vary, see Method note



CHALLENGES AND POLICY



LDC Group is built on the work of its people. LDC's staff policy is designed to always keep this basic fact close to everyone's day-to-day jobs.

The LDC Group HR policy outlines for the 2019–2023 period the Group's primary strength, underpinned by decentralisation so that it can be nimble, competitive and creative. It gives all locations guidelines so they can take their own decisions, responsible for their business scope but nevertheless pursuant to established "fundamental rules", namely accountability, reporting, consultation and recognition..

The policy is underpinned by four fundamentals:

• Invest in people, optimise organisations and working conditions so that everyone feels good at work and urge staff to change jobs to new professions, subsidiaries, divisions and in-house promotions;

- Build personal staff autonomy; give them basic ground rules, what the company wants to achieve, methods and techniques to employ; while supporting everyone in their job and tasks under the framework of local firms; Build vocational, and managerial skills, develop staff personally, improve ways of doing things at other locations by sharing experiences and best practices, stand up for your own point of view and know when to stand back;
- Foster the corporate culture; buy into Group values on a daily basis: Hard work, Innovation, Accountability, Respect, Performance and Simplicity, in an organisation founded on autonomy and interdependence.
- Backed by expert support departments, support growth in France and abroad by learning how to take action together with others, talk with other Group businesses, roll out LDC culture and ways of doing things.

The policy is based on three overriding staff goals:

- **Build skills**; anticipate staffing needs, hire on an active, rather than reactive, basis, treat staff extremely well in keeping with or superior to local cultural standards, introduce a staff training and support programme throughout their time in the company, give career and job transfer advice;
- Shore up and cement daily commitment; adopt a responsible and caring management style, adopt LDC management best practices, nurture a feeling of belonging, the corporate culture culture and the employer brand, offer a fair pay policy for all and pay attention to good staff relations;
- Protect people's health and safety; uphold OH&S fundamental rules, share Group quality of work life pledges and give staff agency in their own health and safety.

The Group HR policy will be rewritten this year based on in-depth talks within HR departments at all subsidiaries in order to come up with a new policy to apply over the 2024-2028 period.

GOVERNANCE

The HR policy, as set by Group general and HR management, varies depending on each subsidiary and the communities they serve. All Group locations have HR contacts, who report to a division HR manager. Division HR managers report to the Group HR Director. Group HR management is backed by support departments - SIRH, legal affairs, training, JCM, OH&S, social welfare and pay. The Group HR Director sits on the Group Management Committee. Management have further HR resources depending on division. To achieve targets, the Group believes that everyone, wherever and however senior they are, should do their utmost to do the tasks they are given pursuant to established HR fundamental rules while contributing to in-house taskforces that help build and improve society and people.

ACTION PLAN, 2022 BACKGROUND

In 2022, to cope with growing hiring difficulties in all Group professions, special regional "Jobs" conferences were held to set team priorities and thereby meet manpower needs.

SUPPORT STAFF IN THEIR PERSONAL DEVELOPMENT

ANTICIPATE

To help staff and locations, future staffing needs should be forecast. Together with all HR staff and managers, Group management prepare a top-level 3-year strategic plan while carrying out analysis and other studies. Management produce a forecast workforce skills chart in view of current organisation charts and future staffing needs.

To actively hire and optimise HR management in the light of societal challenges, the Group strives to play a positive role in building regional economy and communities, making them more appealing by getting involved in the local community - sustainable development, after-work activities, innovation, digital communication, job transfers and more. The Group strives to become more popular in society by raising its employer brand, marketing its professions at job fairs, holding plant visits, posting on social media and participating in conferences. In-house, the Group enhances working conditions in terms of both workplace climate and facility improvements like changing rooms, recreational rooms and miscellaneous help to staff's daily lives - car pooling etc.. To pinpoint the best new hires, the Group takes various outreach steps like job fairs, digital hiring, social media etc.. The recruitment process is continually improved so as to stay nimble and effective.

In 2022, management took action as follows:

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- Open job offers for Group staff posted on the Calliope intranet;
- · News about upcoming hiring-related events like job fairs and school visits put on Calliope and the Idc.fr website;
- Growth in staff numbers signed up to the LDC Group LinkedIn account (4,100 more subscribers year-on-year);
- Staying in touch with potential job applicants met during school visits in previous years;
- Improving job application process for applicants on LDC Group hiring website, APEC media, *Hellowork, Ouest France Emploi* and other websites:
- Job dating projects successfully completed, (e.g. LDC Sablé, Marie Surgelés, Maître Coq, Loeuf, La Toque Angevine etc.) with involvement of staff proud to show off their jobs and work environments to potential applicants;
- The Group has given subsidiaries the option to offer one-day-a-week home working to their staff based on a formal staff agreement or charter:
- Training of a Hungarian trainee to study for an ESA 1²FA engineering degree by the subsidiary Alimab. The purpose was to teach him in how LDC operates so that he later returns to our Hungarian subsidiary and applies what he has learnt there.

The Group has reviewed its in-house (via intranet) and external (via social media) PR strategy. An editorial line and timing were established and introduced while best practices were shared on social media targeting HR and marketing people. Meanwhile, a media watch was implemented covering people's comments posted on Google and Glassdor so as to reply to each comment addressing concerns raised. The results of all such activities confirmed what people want and the Group's determination to keep going down this nath.

8 October 2022 was LDC Sablé's 50th anniversary and a friendly event was held for 3,800 people with videos showing Sablé and other Group location staff. This was a chance to get across the Group's history and background appealing to people's feelings..

In 2022, 2% of the Group's French staff were sandwich course trainees.

CORPORATE CULTURE AND EMPLOYER BRAND

To bring the corporate culture to life, the Group often communicates about values (e.g. when hiring, chat meetings, asking applicants what they are looking for, etc), about what working for the Group really involves at all levels - corporate, divisions, regional departments and locations. The Group would like that its staff take on the role of ambassadors showing how proud of their jobs and company they are backed by various tools like job videos, staff testimonies, sponsoring, school visits, staff-run webinars with school pupils etc. LDC puts on community events like award or prize giving ceremonies, anniversary parties, new hires campus, LDC Management, interlocation training, Vendée Globe (sailing race), Tour de France, marathon and more...

STAFF RELATIONS

Corporate management aims to uphold a feeling among staff they are doing a meaningful job while addressing everyone's daily concerns and business needs. As a result, staff relations are the responsibility of each location and subsidiary in keeping with business imperatives, such that everyone takes ownership for what they do on a daily basis.

Meanwhile, the Group also makes sure it communicates its strategy and vision to staff and their representatives so that everyone is pulling in the same direction. Respect for everyone regardless of job at all levels is an absolute must in order to bring about work improvements in a constructive way, working together in a harmonious worker climate for everyone's good, while building dynamic and constructive staff dialogue at each location. Happy staff relations also involve keeping people informed via regular established communication channels (e.g. audience participatory meetings, team meetings, opinion surveys, no unanswered guestions).

The Group's key staff agreements are as follows:

- Pay and Incentives agreements ensuring fair pay and profit sharing;
- JCM (job and career management) agreements usher in staff skills development and job transfers so that everyone feels good in their jobs.
- QWL staff agreements so the company addresses four fundamentals managerial practices, work/life balance, workplace, accident prevention and H&S;
- Gender equality agreements to ensure everyone is treated equally.

Everyone sticking to these agreements fosters better individual and collective performance.

During 2022, given that the Group Poultry division had to cope with a serious bird flu outbreak, which mainly affected its western France operations, 19 APLD schemes were introduced via joint subsidiary/location agreements or by applying a branch agreement signed for this purpose.

Both location management and teams, staff and staff representatives stepped up to the plate and effectively dealt with the crisis together. This notably led to introducing a support plan for the worst-hit locations, thereby keeping revenue dips and customer impact to a minimum.

In total, following 22 September 2017 Decree no. 2017–1386, known as the 'Macron Decree', which ratified the 2022 merger of IRPs with revamped works councils (now called "CSE"), the Group has 89 works councils and 9 central works councils in France covering 98% of its French employees.

The Group also has a Group Committee. 30 elected staff representatives from various subsidiaries and three divisions meet twice a year in order to talk about Group challenges and goals with the Management Committee. The Group Committee is a consultative body and is not empowered to conduct negotiations. During 2022, the Group Committee met twice.

In the course of 2022 talks were held with trade unions about setting up a European works council. This process continues with a view to holding a special Group negotiating meeting in 2023.

While 2022 featured high inflation that ate into staff's living standards, the Group reacted by bringing forward pay negotiations with trade unions to quarter 4 2022 so as to introduce so-called "anticipatory measures" regarding 2023 annual pay negotiations.

Collective agreements negotiated during the year, depending on subsidiary concerned, included the following topics:

- Staff equality
- · Pay and standard of living bonuses;
- Incentives and profit sharing;
- Quality of work life;
- · JCM (Job and Career Management);
- · Arduous jobs;
- · Home working.

PAY POLICY

LDC Group has adopted a responsible pay policy that rewards results on a long-term basis and breaks down into various portions. Local pay negotiations consistent with the Group's staff relations practices are held every year. Pay rises are negotiated within each Group company in the light of their business earnings and future challenges. As such in 2022, 37 pay agreements are currently in force while 29 companies are not affected. All French employees are covered by a negotiated agreement.

Employee pay further includes incentives and profit sharing. Incentives are based on a straight forward calculation, namely a percentage of operating profit. The vast majority of Group companies are covered by incentive and profit sharing agreements. In 2022, 57 incentive agreements were in force. 99% of French employees are covered by a negotiated agreement.

TRAINING

LDC Group training in France and abroad is a way to build staff skills.

- Workstation support for new hires; welcome, induction course and workstation training for all employees are formally laid down, with a stress on coaching;
- A training policy supporting staff throughout their time with the Group, tailored to their jobs and based on a training course catalogue. Vocational training forms part of the overall JCM programme consistent with given business projects, tasks, duties and staff interviews conducted to determine skills to be acquired or developed as well as to measure progress in staff applying said skills in practice;
- •Deploymentandset-upofin-houseresources-trainingschool, LDCProfessions, LDCManagement, dedicated trainers and more; LDC Professions gives training managers Group training modules that are run by staff experts in their field (still working or retired) and are designed to build knowledge and know-how of Group-specific key professions (e.g. finance & management, entity management and production, sales, slaughterhouses, packaging, R&D, procurement etc). Group-specific IT training courses given by Group trainers enable staff to acquire IT skills and take proper care of users.
- Support for Group trainers so they can draw on latest tech to liven up their tuition (e.g. Teams, streaming and more) and get ready for their in-house training assignments..Following a training reorganisation, training costs have risen. In 2021, depending on location, operations were hit by Covid 19 to a greater or lesser



extent. In 2021, 12,061 French location staff underwent at least one training course representing 162,385 training hours and costing €11,988,421 or just over 13 training hours per employee.

In 2022, depending on location, operations were hit by Covid 19 and bird flu to a greater or lesser extent. In 2022,,11,978 French location staff underwent at least one training course representing 167,897 training hours and costing €13,089,296 or just over 8.5 training hours per employee.

The Group received its licence number to set up its training organisation late 2022. The Group strives to increase in-house training and to add further courses for key jobs via on-the-job training. In 2023, the Group's training organisation will get ready to be QUALIOPI-certified, a quality and efficiency qualification.

In 2022, 61% of Group French staff underwent at least one training course.

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JOB TRANSFERS

Job transfer management is a big deal for both the company and staff because it gives staff chances to build their skills and employability and seize career opportunities, while meeting skills requirements, retaining staff and boosting motivation. Group procedures comprise:

- An annual workforce review per region called "Career Committee";
- Communication devices handed out so that staff are fullly aware of what is on offer (Group job offers, cross-profession opportunities and more);
- Staff job transfer support training courses, relocation aid etc.

In 2022, 24% of Group French staff were promoted to a more senior role, moved sideways into a new profession or relocated to another division or location.

MANAGEMENT

Management is based on standard rules applying across the board: accountability, information, consultation and recognition. The management culture requires on-site presence, clear-headedness, flexibility to change management style, appropriate staff support, individual and collective management tech skills.

Management involves formal rituals like annual career interviews with a checklist of points, while also requiring more hands-on rituals to motivate and manage staff - regular meetings at all levels always with a health and safety update, visual management, taskforces, questioning how things are done and more.

STAFF WORKING CONDITIONS

LDC Group believes in responding as best as possible to growing customer requests while safeguarding a good work/life balance for its staff. Tracking operational needs of all manufacturing plants, the Group does not follow fixed procedures. Locations have managed to put in place working hours procedures that best suit their business, in liaison with staff representative bodies and staff themselves, while complying with statutory rules and Group policies. In France, the collective working week of non-managerial employees is currently 35 hours with some degree of flexibility (generally 28 to 42 hours) or hours are annualised within given limits that vary location by location.

Work is organised on a per-day basis or in shifts and normally involves a 5-day week and, when demand peaks, rises to a 6-day week. LDC Group agrees to bear down on arduous work factors by, for example, reducing night work. Our subsidiaries also practise part-time working, albeit to a very small extent given that full-time working is the norm. Most Group companies in France are covered by a working hours agreement.

Consistent with latest tech, news, communication and staff expectation developments, and in the midst of a Quality of Life through Work improvement programme, the Group decided to introduce homeworking at its subsidiaries as from January 2020. So, those who want to may take advantage of homeworking within given limits. This is a voluntary personal choice of every employee and it must be agreed to by their employer. A staff opinion survey will gradually be rolled out at every Group company that is designed to come up with action that may improve work organisation and conditions.

EQUALITY OF TREATMENT

Since 2012, based on talks held on staff equality, any form of discrimination, including age, gender etc., is banned..

What is more, the Group asks its subsidiaries to focus on staff employability, vocational training access conditions and pay equality. The policy applied in recent years throughout all divisions has led to a reduction in social security changes and to improve working conditions for disabled staff. In this regard, steps are taken across all locations including workstation, access and employability arrangements. To date, most locations meet their disabled staff employment obligations.

All Group companies have stated their planned actions to ensure non-discrimination of any different employee. As a result, it is not possible to state here one version of steps taken. Examples include:

- Retirement Aide Maintien (welfare retention) for disabled workers;
- · Specific care by the occupational doctor, company nurse and HR department for disabled workers;
- Work closely with the SAMETH to help disabled staff off work or working to find another job;
- Alliances with care and assistance centres (CAO) and *Pôle Emploi* (French government job agency) to find jobs for foreign refugee workers;
- Quantified job targets for elderly and young workers, ...

Job equality agreements were negotiated based on Group established guidelines that recommend that subsidiaries insert a clause restating non-discrimination underlying principles as stated in Article L 1142.-1 Labour Code. As such in 2022, 24 companies were covered by job equality agreements, 26 companies were unaffected, 2 companies are under negotiation, 12 companies were covered by a unilateral action plan; 97% of relevant French staff were covered by an agreement, plan or negotiation.

INDICATORS

Key Performance Indicators	2021	2022	2025 Target
Share of relocation and career job transfers	18%	24%	20%
Share of sandwich course trainees among staff	1.9%	2%	2.5%
Share of staff having attended at least one training course during the year	62%	61%	70%
Employee data overview (CSR scope)	2020	2021	
Group - Total temp and permanent workforce	22,779	23,872	
Group - Share of permanent staff	89.9%	90.8%	
Group - Share of women	47.3%	47.1%	
Group - Share of managers	14.3%	14.9%	
Group - Share of women managers	39.8%	40.7%	
Group - Share of under 26 year-olds	5.9%	6.2%	
Group - Share of over 55 year-olds	36.9%	20.8%	
Group - Share of full-time jobs	96.0%	95.8%	
Group - Number of temp employees hired	1,486	2,932	
Group - Number of agency staff hours during the year	10,635,791	10,736,646	
Group - Average annual number of full-time agency staff	5,889	5,834	
Group - Share of agency staff	24%	25%	
Group - Total payroll cost	€1,053,019m	€1,123,577m	
France - Share of temp and permanent staff	84.7%	82.7%	
France - Share of permanent staff	90.5%	91.4%	
France - Share of women	47.2%	47.0%	
France - Share of managers	15.9%	17.0%	
France - Share of women managers	40.1%	40.9%	
France - Share of under 26-year-olds	6.0%	6.1%	
France - Share of over 50-year-olds	37.0%	20.6%	
France - Share of full-time jobs	95%	95.2%	
France - Number of permanent employees hired	1,483	2,468	
France - Number of agency staff hours during the year	9,016,788	8,694,764	
France Average annual number of full-time agency staff	5,065	4,924	
France - Share of agency staff	26%	25%	
France - Training cost share of total payroll	2%	2%	
France - Training costs	€ 11,853,222	€13,089,296	
France - Number of actual training hours	157,108	167,897	

Reader note: 2021 and 2022 location scopes vary, see Method note

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CHALLENGES AND POLICY

Historically, the Group strives to forge partnerships with suppliers in keeping with its ethics, values and sustainable development, while focusing on local presence and the long term. LDC Group procurement seeks to:

- Uphold human rights;
- Guarantee produce source and traceability;
- · Promote and act for sustainable farming with its suppliers while focusing on local sourcing.

The Group selects suppliers based on quality, safety, service and cost criteria and on their flexibility so that subsidiaries thrive.

LIVE POULTRY, AROUND 70% OF GROUP PURCHASES



LDC Group core purchases - just under 70% of Group purchases.- are live poultry. The Group locates its French production plants very close to supplier farms. This raw material is managed by local slaughterhouses together with production consortia or cooperatives.

REMAINING 30% OF PURCHASES

Other major LDC Group purchase categories are as follows:

- Foodstuffs/ingredients needed for recipes:
- Made from raw or cooked poultry (Poultry France division) just under 20% of Group purchases;
- Ready Meal division just under 15% of Group purchases;
- Packaging products, largely plastic and cardboard, just under 10%;
- Freight;
- Energy and water, which account for a negligible portion of barely 3%;

Since 2017, the LDC Group procurement policy breaks down into three sections as follows:

- supplier listing process; the process introduced to be certified requires that suppliers meeting Group needs with limited financial, quality, personnel and environmental risks be selected. The Group always prefers to source near to its production plants whenever permitted by customer specifications or market demand.
- Framework contract and Quality & CSR charter; the Group has introduced a framework contract linked to a Quality & CSR charter that is tailored to each purchase category. Such documents were prepared consistent with the Group Ethics charter and were updated in 2021 adding Vigilance Duty Act requirements. Framework contracts are rolled out gradually depending on negotiations in view of purchase volumes covered by the contract.
- Supplier annual appraisal; suppliers are appraised once a year together with plant quality department staff. Supplier reliability is assessed annually so that problems arising are flagged, while approved action plans are updated every six months.

GOVERNANCE

LDC Group buyers are industry specialists and thanks to their in-depth knowledge of ingredients, raw materials and packaging, they can better assess market risks and develop an appropriate strategy accordingly based on their particular market. Buyers' primary remit is to serve manufacturing plants so as to assure reliable, quality-compliant and lowest cost raw material supplies. Their duties change as they take on board other currently growing social and environmental factors.

The Ready Meal division procurement team regularly communicate:

- Following a half-year Procurement Steering Committee meeting;
- Via a monthly phone conference to manage the department.

The Ready Meal division procurement department reports on a straight line basis to the Ready Meal general manager who sits on the Group Management Committee.

Similarly the Poultry division procurement department have introduced: a monthly steering committee meeting to:

- Facilitate division-wide organisation;
- Give regional divisions on-site support;
- Coordinate purchasing pursuant to the Procurement policy.

The department rely on regional procurement teams who consolidate the division's purchasing for their particular categories. Monthly and annual updates covering Poultry division locations' buyers and supplies ensures that purchasing is efficient, effective and Procurement Policy compliant. The Poultry division procurement department reports on a straight line to the Poultry general manager, who sits on the Group Management Committee.

On top of this decentralised Group organisation, Poultry France division and Ready Meal division teams join forces to update the Procurement policy consistently given that 61% of suppliers are common to both divisions.

During 2022, a supplier website common to both divisions was implemented flagging up any different procedures between them.

ACTION PLAN, 2022 BACKGROUND

With regard to FY 2022/23, problems that have countless causes persist in many markets:

- · Livestock production plants beef, pork, dairy produce are struggling:
- This industry has been struggling for several years given that farmers' average age constantly rises (led by France where 45% of farmers will have closed their farms by 2026). As a result, every year we see livestock output falling.
- Health crises:
- While we have emerged at last from covid, bird flu has come back yet again to haunt the poultry and egg industries, which has led to plunging supplies and price hikes. Given that the Group operates throughout France, it has managed to avoid supply shortages.
- · Climate change impacts:
- Climate change has hit fruit and vegetable supplies and prices. We seek to join forces with our big suppliers so as to secure supplies and the long-term future of our production operations. Global warming seems to impact growth of fish like cod and hake to such an extent that volumes have tumbled for several years.
- · War in Ukraine:
- The war has hit markets hard for some agricultural supplies such as wheat, sunflower and poultry. It has also caused energy, freight and grain prices to surge, which in turn has driven up production costs. The €/\$ exchange rate was impacted leading to a surge in imports.
- · Consumer demand for recyclable packaging:
- We take on board CITEO recommendations in our development programmes so as to use recyclable packaging and/or use some recycled materials.
 - The steps we take reduce packaging thickness.

There are nevertheless discrepancies between the two divisions' raw material quality control and supplier listing methods due to different IT systems. In 2021, we launched a monitoring website for suppliers common to both divisions.

PROMOTE A RESPONSIBLE SUPPLY CHAIN

Since the Vigilance Duty Act came into force, the Group has informed staff of relevant rules therein. We have set up taskforces to list risks that buyers previously identified and to prepare related action plans. These risks are updated every year.

The framework contract and Quality & CSR charter are still used by the Ready Meal and Poultry divisions. We plan to roll them out across other Group purchasing categories. We aim to cover all Group purchases.by 2025. Note: apart from EPIs, the Ready Meal and Poultry procurement departments do not cover Group procurement categories that operations usually deal with.

A large packaging workshop is currently being set up in partnership with all industry firms to factor in sustainability expectations like eco-design and recyclability. It is supposed to give rise to an interactive portal with our suppliers in 2023 that will go live as from 2024

In 2022, 77% of foodstuff and packaging purchases was covered by the Group Procurement Charter.

INDICATORS

Key Performance Indicators 2021 2022 2021 Share of purchases covered by the Group Procurement Charter (foodstuffs, packaging) 66% 75% Other indicators 2021 2022 Packaging - share of purchases covered by framework contract 54% 78%	2025 Target		
	66%	75%	100%
Other indicators	vered by the Group Procurement Charter (foodstuffs, 66% 75% 100 2021 2022		
Packaging - share of purchases covered by framework contract	54%	78%	100%
Foodstuffs - share of purchases covered by framework contract	72%	68%	100%

Reader note: 2020 and 2021 location scopes vary, see Method note

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CHALLENGES AND POLICY

New legislation since 2016:

- 9 December 2016 Transparency, Anti-corruption and Business Modernisation Act no. 2016-1991 ("Sapin II Act");
- 27 April 2016 EU General Data Protection Regulation 2016/679 ("GDPR");
- 27 March 2017 Act no. 2017-399 on parent companies' and corporate customers' vigilance duty ("Vigilance Act");

The above legislation prompted the Group to carry out a review and bolster its compliance measures across the board so that they became clearer and more effective and to launch further work on this matter. So, the last four financial year featured ethics with the introduction of several programmes as detailed below.

GOVERNANCE

The Group Legal Affairs Department oversees governance matters in liaison with relevant Group departments as follows: Sustainable Development, Procurement, Sales and Marketing, IT and Finance.

ACTION PLAN, 2022 BACKGROUND

INFORM AND EDUCATE RELEVANT STAKEHOLDERS ABOUT THE GROUP'S BUSINESS ETHICS REGULATORY COMPLIANCE WORK

UPHOLD HUMAN RIGHTS

The Group makes a point of ensuring it properly stays compliant with human rights and civil liberty rules by following the Universal Declaration of Human Rights, International Labour Organisation (ILO) principles, OECD key principles for multinational corporations, the UN's Global Compact, and includes them in its various instructive documents like its Ethics Statement and Quality & CSR Procurement Charter.

The Group has introduced:an occupational anti-harassment and violence reference charter backed by a corporate policy.

With regard to compliance with freedom of association and collective bargaining rights, the fact that most of our subsidiaries have staff representative bodies and the number of signed staff agreements bear witness to the importance of staff dialogue within the Group. The Legal Affairs department carries out a regular legal watch to make sure these documents are properly kept up to date. The Group is currently writing a Human Rights policy to be issued in 2023.

COMPETITION RULES COMPLIANCE PROGRAMME

The Group pays particular attention to complying with applicable competition rules vis-à-vis its customers, suppliers and competitors, and asks all staff to do likewise.

Accordingly, late 2015 the Group, backed by the firm FIDAL, launched a competition rules compliance programme for the Poultry France and Ready Meal divisions, which included competition law training courses for Group company sales managers, including export sales people, as well as for staff who often take part in business meetings. During FY 2021/22, this compliance programme continued to be rolled out abroad including training for sales managers of the Group's Polish subsidiaries. Courses will be held for Hungarian, Belgian and Welsh subsidiaries by the end of 2023.

COMBAT TAX EVASION

All tax, legal and treasury departments are aware of the threat and ensure that no legal, tax or financial arrangement to evade tax can be set up in the Group. If this issue becomes a major threat, it will be addressed during the forthcoming financial year.

ANTI-CORRUPTION PLAN

The Group bans all forms of corruption.

Pursuant to the 9 December 2016 Transparency, Anti-corruption and Business Modernisation Act ("Sapin 2 Act), LDC corporate management have introduced: an anti-corruption action plan.

An initial risks chart was prepared in 2018 by a dedicated taskforce comprising sales, procurement and other support department managers with the backing of the firm FIDAL and for methods, the firm ETHIC Intelligence. In 2020 and 2021 this risks chart was updated that included updating for the most recent Hungarian acquisitions and the takeover of part of Doux Group's export business following its compulsory liquidation. The chart will undergo an in-depth revision by an external firm during FY 2023/24. Based on said chart, the Group has introduced some detection and prevention systems for corruption or influence peddling instances, including:

- The Group Executive Board and Management Committee adopting a Code of Conduct outlining proper behaviours,
- In 2020 for Group staff most at risk, introduction of an e-learning course Staff came mostly from French (Ready Meal and Poultry divisions) and Polish subsidiaries and were trained in 2021/22. During FY 2022/23, courses will continue in French subsidiaries that have not yet been given access to the Group e-learning course (Thalia) and will be rolled out in Hungarian, Belgian and Welsh subsidiaries during 2023/24.

• An alert scheme introduced that includes a new email address that staff should send messages about ethics and legal risks to (alerte.ethique@ldc.fr), plus an LDC Group ethics committee tasked with listing and dealing with alerts.

A taskforce (comprising general management, sales, procurement and other support department managers) worked during 2019/20 on amending supplier and sales agent assessment procedures. The above jobs ended up by updated:sales general terms and conditions for the Group's main subsidiaries as well as procurement and packaging quality charters that were rolled out to relevant suppliers during 2021. The taskforce over the last few years ended up producing an amended supplier listing procedure so as to factor in antic-corruption and CSR aspects when analysing supplier importance and adding progress plans for high risk sales agents. Furthermore, the taskforce continues to work during 2023/24 on updating new procurement charters for goods and services not yet covered by a procurement charter.

PERSONAL DATA PROTECTION

LDC Group strictly ensures that personal data remain private. Pursuant to 27 April 2016 EU General Data Protection Regulation ("GDPR") that took effect on 25 May 2018, LDC corporate management set up a dedicated taskforce. Taskforce members underwent training in the new regulation - definitions, concepts, issues and ramifications - that was given by the firm FIDAL and issued an action plan in 2018 that continued to be rolled out during 2022/23:

- · e-learning courses for personal data-handling staff (largely HR, IT and marketing departments) continued,
- Group personal data processing was charted and the processing registry template was implemented in Group subsidiaries backed by cybersecurity and data privacy specialists DIGITEMIS,
- · Principal Group websites were made compliant,
- DIGITEMIS was nominated Data Protection Officer (DPO) for Group data with the CNIL.

ETHICS STATEMENT

In our staff and third party relations, we always act in a proper and transparent manner pursuant to global standards, national laws and regulations and respecting local cultural dos and don'ts. An LDC Group Ethics Statement; has been written and can be viewed on the LDC Group website, www.ldc.fr, under the heading "Our Pledges".

Such statement will be updated during 2023/24 largely to amend the existing alert scheme designed for legal and ethical staff alerts to alerte.ethique@ldc.fr, pursuant to 3 October 2022 Decree no. 2022-1284.

VIGILANCE DUTY

Pursuant to 12 July 2017 Vigilance Duty Act no. 2017–399, as amended by Decree 2017–1162, LDC Group management has introduced a 'vigilance plan' seeking to identify and prevent serious abuses of human rights, fundamental freedoms, health and safety of people and the environment, which arise from its operations, companies it controls and those of its subcontractors or suppliers.

As a result, for its own operations, the Group has launched a non-financial strategy. In respect of subcontractor or supplier operations, the same approach as for non-financial risks was adopted during 2018 to prepare a specific risks chart covering the Group's primary purchases, including live poultry, foodstuffs/ingredients and packaging. Action plan details for foodstuffs/ingredients and packaging purchasing are specified below. Risks and the live poultry vigilance plan are covered in a specific section of the 'Farm Sustainably' non-financial strategy described above.

Under the Act, the schedule should only include identified high priority risks and related action plan for suppliers and subcontractors, so Group procurement does not contain all identified risks and introduced action plans:

Purchase category	Purchase family	Risk	Introduced action plan
		Cybersecurity risk	*Diversify sourcing
		Single supplier risks	*Diversify sourcing
			* Perform market , border closure and tax change watch
		Geopolitical risk	* Alert buyers
			* Diversify supply sources as far as possible
			* Anticipate material inventory levels
			* Diversify purchase channels
		Climate risk	*Lock in supplier relations; partnership contracts
Foodstuffs Ingredients	Total families		*Index contracts
EPI Packaging	Total families		* Diversify sourcing
		Supplier financial risk (too	*Monitor our suppliers' finances
		much power consumption, RM, investment snag etc)	* Diversify sourcing
		Staffing risk (serious labour shortage)	* Diversify sourcing
		Pandemic risk	* Diversify sourcing
			* Diversify sourcing
		Logistics risk	* Anticipate material inventory levels
			* Anticipate orders
	Meats		*Quality Charter: apply rules via specifications
	Egg produce		* Work with meat providers to find alternatives
			* Prefer France and Europe-sourced procurement
Foodstuffs		Animal welfare non-compliance risk	* Restrict number of intermediaries and prefer certified suppliers
Ingredients		Animal wenare non compliance risk	*Complete current practices chart at a Ready Meal division supplier
			* Increase purchases of eggs from Ponte au Sol, free range, Label Rouge or organic- certified farms
			* Write an animal welfare charter for initiated meats for some brands
			*Quality Charter: apply rules via specifications
Foodstuffs	Seafood	Animal welfare non-compliance risk	* Prefer certified produce subject to specifications
Ingredients		(farming and fishing practice)	- MSC wild seafood
			- ASC-certified Global gap seafood
	Fruit and vegetables		* Quality Charter
Foodstuffs	Flour/breadcrumbs/ bread	Intensive agriculture-caused environmental risk with	* Work with industry to find alternatives
Ingredients	Oils	ramifications for resource management and pollution.	* Identify local production sources
	Grocery		* Push suppliers to take on more eco-friendly practices
	Spices		*Quality Charter
Foodstuffs	Oils	Adultoration risk	* Rank foodstuffs with the Vulnerability Matrix
Ingredients	Took ingredient	Adulteration risk	* Bind suppliers with VENUS-provided specifications
	Tech ingredients		* Carry out quality controls and trace any non-compliances
			* Strive to ban PVC and PVDC
Dookoo!	Diagram Marguinte	Dally trian wink	* Participate in taskforces with CITEO - PET25 and PS25 consortium
Packaging	Plastic Materials	Pollution risk	* Include recycled materials in packaging
			*Recycle carrier band PET materials (e.g. labels)

Purchase category	Purchase family	Risk	Introduced action plan
			* Eco-design guidelines regularly updated and distributed to Group R&D, Procurement, Quality and Marketing staff.
			* Participate in taskforces with CITEO (single-material, no additives, recycling etc) and our partner suppliers
		Consumer rejection risk due	*Tech watch about recycling industry advances
Packaging	Plastic Materials	to no recyclable packaging produce.offered	* Gradually do away with black carbon in Ready meal and Poultry locations
			* Develop ranges with recyclable improvised materials
			* MARIE, Le GAULOIS, MAITRE COQ, POULE and TOQUE brand pledges in an eco-friendly packaging roadmap
			* Use recycled materials in RPET and RXPS packaging

This chart was updated early 2023, as was the non-financial risk chart. Direct stakeholders are gradually being given access to them. The alert scheme is that described in the Group Ethics charter, which can be viewed on the www.ldc.fr LDC Group website under the 'Our Pledges' section.



CHALLENGES AND POLICY

Tackling food waste is obviously a big Group challenge involving differing action plans given the Group's varying operations. This means striving to find an outlet for all food produced, either with its broad array of customers, or specialist food processors or

GOVERNANCE

Location management teams are responsible for governance taking full account of local expectations given that community roots are in the Group's bones.

ACTION PLAN, 2022 BACKGROUND

TAKE CONCRETE STEPS TO COMBAT FOOD WASTE AND INSECURITY

Before donating food, the Group deals with countless players involved in tackling food waste via various channels:

- Sales to staff;
- Stock clearance actions, e.g. with TOO GOOD TO GO and Loeuf or Procanar;
- Putting subsidiaries in touch with various market players depending on their operations;
- Building awareness among all staff about tackling food waste;

Group locations give food to countless charities in order to meet local demand from food banks, Restaurants du Cœur and Halte du

In 2019, coinciding with the World Food Day, the Group signed a France-wide partnership with Banques Alimentaires.(food banks group) Indeed, for a balanced nutritional diet, food distributed by Banques Alimentaires lacks absolutely necessary animal proteins.



The Group seeks to be no. 1 Banques Alimentaires supplier for its locations, food donations and also other required needs to operate like giving free logistics, staff and calling on Group staff to donate

The lower food donations arises from lower volumes caused by avian flue.

The 2022 value of food donations amounted to €4.2 million.

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Acting with our regions, TO RESPECTING NATURE



CHALLENGES AND POLICY



Against a constantly changing industrial and economic backdrop and given that many resources are running out, the Group aims to support its operations and put them on a permanent footing by adopting eco-friendly practices.

The 2025 Environmental Strategy, France and abroad, is underpinned by:

- Controlling impacts;
- · Regulatory compliance;
- Risk prevention;
- Respect for nature;
- Stakeholder relations;
- Eco-friendly culture.

Established **key targets** are as follows:

Water Safeguard natural water sources like wells,

minimise consumption, re-use water whenever possible, check waste water quality.

The target is to cut water consumption by 5% over the 2018 - 2025

• Low carbon Optimise our consumption, develop renewable energies purchased and/or produced, encourage low-carbon travel and car pooling, expand electric charging stations, train/educate about ecodriving and push natural low-GWP refrigerants.

The target is to cut consumption by 10% over the 2018 - 2025 period;
• Circular economy Apply 3R rule (Reduce, Re-use, Recycle), recycle production scrap, rubbish sorting bins in recreational rooms, push waste treatment in local facilities, eco-design foodstuff packaging (less and recycle).

The target is to increase overall waste recycling by 10% over the 2018 -2025 period;

• Biodiversity Integrate operations into our local communities, take tangible on-site wildlife-friendly steps, review potential opportunities to boost biodiversity.

The target is for each location to conduct at least one biodiversityfriendly project by 2025.

Location general managers may launch official certification programmes backed by the Group Environment Department. In 2022, 3 locations were ISO 50001-certified and 4 ISO 14001-certified.

GOVERNANCE

Group environmental activities are undertaken at all locations via:

- · The Group Environment Department reporting to Group Senior Management, which ensures environmental legislation compliance, runs and coordinates all Group business;
- · Environmental coordinators at each location reporting on a straight line to the location general manger and on a dotted line to the division and corporate environment departments.

To manage and support environmental coordinators, the Group Environment Department regularly sends them best practices and quarterly regulatory updates and regularly holds meetings for talks.

ACTION PLAN, 2022 BACKGROUND

In 2022, the Group Environment Department rewrote and issued the 2022-2026 Group roadmap.

2022 Group capital expenditure contains environmental spending to the tune of €12,002m. Such spending funded activities across many fields including pollution prevention and environmental risk mitigation. Activities undertaken included:

- · Energy efficiency improvements;
- · Effluent treatment improvements;
- Fire, ammonia, lightning and other risk prevention;
- The Group continues to undertake environmental capital spending.

In 2022, the following key environmental fields were addressed in staff training courses and information:

- · Fire, ammonia and legionnaires disease risk management;
- Environmental regulations;
- · Water and waste treatment;
- · Energy savings and eco-driving.

Every year a training course is offered to all newly-hired or currently working environmental coordinators. In 2022, three courses totalling 21 attendees were given.

Note: no environmental risk provisions have been booked in the 2022/23 financial statements...

MINIMISE WATER CONSUMPTION

WATER RESOURCES

Water is both a declining resource and a crucial need for Group operations. Largely sourced from the public water grid and to a small extent from private sources, water is needed for our slaughterhouse, cutting and food manufacturing processes, as well as for plant & machinery and premises cleaning.. So water in various forms - liquid, vapour, ice - is used depending on need.

In order to keep water use to a minimum, for many years the Group has actively applied a water reduction policy. The avian flu outbreaks prompted tighter biosafety measures that led to higher water consumption owing to cleaning tasks (notably freight vehicles and poultry goods-in areas).

Water saving activities undertaken during the year were as follows:

- Process optimisation only low pressure use, solenoid valves introduced etc;
- Use of equipment ushering in mechanical water efficiency improvements e.g. high-pressure nozzles;
- · Staff training in cutting water use;
- Measures from water-use-reduction techno-economic studies introduced following the Loire-Bretagne Water Agency competition.

While in 2022, overall Group water consumption (in litres per kilo produced) rose 3% year-on-year, it is still down on 2018, the indicator benchmark year.

WATER EMISSIONS

Upstream and Logistics Platforms facilities produce little waste water - water is largely used for domestic use and as vapour in Upstream's case. So their waste water emissions are immaterial.

All Poultry and Prepared-Ready Meal facilities' waste water undergoes purification treatment to minimise harm to the water table. Such treatment is carried out either by on-site Group treatment plants or, after in-house pretreatment, by external local council or private firm treatment facilities. In 2022, the Group held 36 treatment plants operated either by local Group staff or by outside specialists. Waste water is analysed based on regulatory timetable frequency tailored to each location.

Several Group locations turn to fertigation so as to irrigate their crops.

The Group pretreats waste water and modernises treatment plants so as to clean waste water and continues to strive to stop pollution at source aiming to prevent pollution harm from manufacturing plant emissions.

MINIMISE OUR ENERGY FOOTPRINT

ENERGY SOURCES

The Group's energy sources come mainly from electricity and natural gas. We invest large amounts in energy-related capital spending - heat recovery, centralised management and engine variable valve timing (VVT) systems etc - and in how we manage energy. This all contributes to boosting our energy efficiency continuous improvement programme. Given available energy sources in Poland, some locations still use coal but we should stress that the Group has a strict energy conversion programme so as to minimise coal use. The Group's energy policy that it has actively applied for several years ensures our facilities constantly improve their energy efficiency. In 2022, the Group generated around 1,309 Mwh of renewable energy, broken down as follows:

- 73 MWh from solar panels installed on a Ready Meal building,
- 1,236 MWh from a biogas cogeneration unit on an effluent treatment plant treating waste water from a slaughterhouse and a prepared food plant.

In 2022, total Group energy consumption (in kWh per ton produced) rose 4.3% year-on-year while carbon emissions per kilo produced rose 3.6%.

EMISSIONS

The Group has countless heat-producing combustion facilities to heat water as needed in some manufacturing processes, or to create water vapour used in cooking processes like ovens or autoclaves. Such combustion facilities undergo regular preventive maintenance and are subject to regulatory inspections of their atmospheric emissions to minimise pollution risk.

Refrigeration equipment produces cold conditions as needed to keep premises at a comfortable temperature and for some processes like freezers that mainly need ammonia as coolant. Such equipment is operated and maintained based on guidelines required to prevent any coolant gas emission risk.

All refrigerant facilities like evaporative cooling towers undergo preventive maintenance designed to avoid any air pollution.

Acting with our regions, — — TO RESPECTING NATURE

MINIMISE OUR MATERIAL FOOTPRINT

Group operations produce various organic by-products - livestock by-products, manufacturing offcuts etc.. For many years, the Group has been active, whenever possible, in giving such by-products a further use such as for pet-food production, energy recovery or methane production.

The Group generates various types of waste:

- Non-toxic waste comprises recyclable waste like paper, cardboard, wood, metal, plastic and more. Such waste accounted for 99% of total waste in 2022. and is sorted at source so it can be swiftly reused or recycled.
- · Toxic waste might come from production-related activities like maintenance. Toxic waste accounts for around 1% of total waste we handle every year. Specialist providers take care of all our toxic waste as prescribed.

2022 waste recycling reached 75.4% (note: a change in calculation due to a regulatory change in the processing methods qualifying as recycling has artificially caused a lower percentage). For the last few years, the Environment Department has run a taksforce to cut waste and increase waste recycling, focusing on processing methods and ways to monetise waste.

Sludge produced by treatment plants can be resold for composting, producing methane or irrigating crops. Sludge spreading plans are prepared pursuant to regulations. As such, before any spreading job, an initial spreading programme lays down the fertilising benefits the sludge provides based on farming land characteristics and crop growing needs. After every spreading job, a specialised research unit analyses the resulting crops so as to verify the sludge's fertilisation attributes. So the Group works cllosely with farmers on their spreading plans giving them advice about fertilisation and so help promote sustainable farming.

MINIMISE OUR BIODIVERSITY FOOTPRINT

The Group defines biodiversity as life's diversity on Earth. Biodiversity conjures up diverse ecosystems, species and genes across the planet and going back in time that interact with each-other and evolve over time.

From its very beginnings, the Group has resolutely pursued a path of safeguarding farming traditions and animals like hens, turkeys, guinea fowl, ducks, quail, pigeons, rabbits and so forth, firstly with Loué poultry farms, later with its gradual expansion into all French food manufacturing regions, with Label Rouge and regional poultry like Les Landes and L'Ardèche poultry or Bresse AOC poultry. Since 2014, LDC Upstream urges its chicken farmers to let their hens roam outside in the countryside by planting hedges around their farms. Nearly half of farmers have opted for this farming method. Farmers learn about this programme by speeches given during farmer get-togethers, during LDC Upstream's Génération Le Gaulois training course or open days put on to showcase the programme. In 2022, due to bird flu restrictions we were unable to put on open days.

To measure how hedges contribute to biodiversity, the Group would like to sign up its partner farmers to biological participatory projects that measure the presence of pollinating insects. Starting in 1919, some farmers have installed wild bee boxes with backing from the government's Biodiversity Farming Observatory.

Putting beehives on Fermiers de Loué land is a further initiative to help boost bee numbers. Group locations also pay attention to blending their buildings in with surrounding countryside by having trees or wildflower meadows on their land boundaries. Several locations have installed beehives.

Longstanding Group supplier CAFEL (Fermiers de Loué) plants many trees.



and this is a high priority for the Group's environmental roadmap. We notify locations of potential biodiversity-boosting projects so they become biodiversity ambassadors including to:

- · Wherever possible develop and manage wildlife habitat, like pools, ditches, embankments, meadows, isolated trees and so forth, on our locations' land, with diverse plants and species that belong locally, which makes our manufacturing plants blend in better to the surrounding countryside;
- Educate outside providers about upkeep of wildlife habitat in keeping with reproduction and nesting seasons etc, that potentially can be used for grazing or other purposes;;
- Install local wildlife hosting kit like insect houses, beehives etc;).

Further to location activities, steps are taken with:

- Our farmers: more biodiversity-friendly production methods organic farming, organic campaigns, conservation tillage, permaculture, agroforestry and more - involving meeting presentations, talks etc;
- · Our staff and consumers: about the need to preserve biodiversity and avoid or reduce food waste.

Group manufacturing plants also strive to blend their buildings in with surrounding countryside by having trees or wildflower meadows on their land. Furthermore, several locations have installed beehives. As such, as of 31 December 2022, 39% of locations have taken steps to benefit biodiversity since 2019. 13 biodiversity-friendly projects were carried out during 2022.

In 2023 we began planning a media campaign to motivate people to take steps combating biodiversity destruction backed by a wellknown broadcaster, which will be released in 2024.

CLIMATE CHANGE

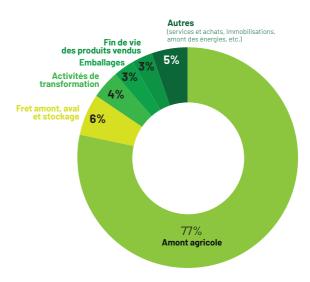
The Group's core business is poultry, which is generally known to cause the lowest carbon emissions compared to other meats. Under our overall non-financial strategy, we take climate steps via countless targets including sustainable farming and energy management targets. We have always kept our carbon footprint down given our business strategy consisting of producing locally to sell locally. Indeed, we take steps with local communities and count on locations to prepare foodstuffs together with local farms and providers. From cereal crops right through to finished poultry and ready meal manufacturing, we are backed by local or special bonds and contribute enormously to communities via local and regional labels and brands. Local autonomy is a core feature of Group strategy.

Throughout our supply chain, our top greenhouse gas (GHG) emissions fall under scope 3. These relate to indirect emissions from upstream farming operations notably crop raw materials used to feed poultry, plus downstream operations' emissions. The volume of emissions varies business by business.

We engaged a specialist firm to carry out a comprehensive study into the GHG emissions of all France scopes 1,2 and 3 in respect of 2019.. The study's results are as follows:

- In absolute value excluding international scope 11.9% of 2019 revenues, total emissions are estimated at 4.2 (+/- 0.4)
- 2019 scopes 1 and 2 France were 146 KtCO2e, so scope 3 accounted for 96% of emissions.

Breakdown of CO2 emissions by source (MtCO2e, % of total emissions)



Source: Carbon 4 analysed from the Base Empreinte et Agribalyse 3.0

Acting with our regions, TO RESPECTING NATURE

2022 scope 1 and 2 GHG emissions from our manufacturing plants' energy consumption Group-wide represented the equivalent of some 195,257 CO2 tons. This represents a 3.6% year-on-year increase in the CO2 kilos per ton produced ratio.

Our GHG emissions reduction actions largely relate to minimising resource consumption throughout our operations:

- Largely within the Upstream division and outside business partner operations, poultry foodstuff deliveries received are
 optimised by constantly tailoring nutrition and feed to bird species and age that keeps rejections and waste to a minimum;
- · As stated above, the Group prefers local raw materials both for poultry feed cereals and other Poultry and Ready Meal division raw materials whenever consumer demand permits, which also keeps our GHG emissions down.

We support our partner farmers in:

- · Properly managing chicken coop atmosphere and hence minimise their energy consumption decisions, equipment setup and maintenance, low-energy farming development, producing methane and more;
- · Within the Upstream division, an energy specialist advises any farmer who asks about all energy transition projects producing methane etc;
- Proper waste and effluent management. Every year, the Upstream division organises empty container pick-up campaigns like cans, barrels and more on farm land, backed by the firm ADIVALOR.

Lastly, business partner Fermiers de Loué is the only food industry supplier with positive net energy operations. With 11 wind turbines and 50,000 square metres of installed solar panels in its farms, Fermiers de Loué generates electricity that powers egg and poultry production and livestock selection right through to consumer ovens. In so doing, they combine energy efficiency with sustainable resource consumption. Loué is the largest food brand self-powered from renewable energies. In July 2022, Loué took a further step when it began displaying its Planet-score® on its egg boxes and chickens.

INDICATORS

Key performance indicators	2018	2022	2022 vs 2018 Change	2025 Target
Change in water consumption rate (litres per kg produced) vs 2018	3.4	3.1	-9%	-5
Change in energy consumption rate (kWh/ton) vs 2018	352	359	+2%	-10
Change in total value of waste vs 2018	79%	75%	-5%	+10
Other key indicator	2018	2022	2025 Targ	et
Share of locations having conducted or pushed a biodiversity programme	N/A	39%		100
Other indicators			2021	2022
Capital expenditure including environmental spending (€m)			30,118	12,00
Energy and air proportion			62%	54
Water proportion			6%	26
Risk prevention proportion			16%	12
Waste proportion			16%	7
Water consumption ratio (L/kg*)				
Prepared Poultry *kg dead / kg manufactured			6.78	6.
Ready Meals * kg manufactured			6.35	6.
ogistics * kg handled			0.08	0.
Upstream * kg manufactured			0.18	0.
Ex works COD ratio (COD/kg) prior to pretreatment				
Poultry / Prepared * kg dead / kg manufactured			31	
Ready Meal *kg manufactured			9	
Ex works COD ratio (COD/kg*) for locations without Group treatment plants				
Poultry / Prepared * kg dead / kg manufactured			0.17	0.
Ready Meal *kg manufactured			0.05	0.0
COD treatment yield of locations without Group treatment plants				
Poultry / Prepared			99.5%	99.0
Ready Meal			99.5%	99.5
Energy consumption ratio (kWh/ton*)				
Poultry / Prepared * kg dead / kg manufactured			613	6
Ready Meals * kg manufactured			1,260	12
ogistics * kg handled			35	
Upstream * kg manufactured			90	

Reader note: 2021 and 2022 location scopes vary, see Method note

Acting with our regions, TO RESPECTING NATURE



CHALLENGES AND POLICY



LDC Group takes great care how its packaging used to sell produce on all its markets, impacts the environment. Most of its produce is fresh food, the organic and health qualities of which need to be preserved until eaten. Produce packaging is a crucial factor in consumer satisfaction and safety. It very important consumers can easily open packaging.

Our packaging is largely made up of:

- Corrugated cardboard to protect our produce during transport: wholly produced in-house or at customer premises, nearly 100% of recyclable materials;
- Consumer cardboard; LCD-produced and topped off by consumer sorting instructions which are put on all produce;
- · Given that plastic is currently the most suitable packaging material to guarantee food quality and safety,

we take an active part in raising awareness of plastic disposed of in the environment and work closely with packaging manufacturers and government agencies to find packaging material alternatives:

- · That are currently or will shortly be recyclable once closed-loop recycling is widespread;
- That can be partly or totally made from recycled materials
- That have the same technical attributes as plastic including food safety and taste; recycling must not come at the expense of the environment or food safety.

To support packaging eco-design, Group Procurement, R&D and Marketing departments adopt the following method.

The first 3 levels are unavoidable in any LCD packaging eco-design programme:

- · Reject: reject or remove anything pointless like forks, tops etc,
- Reduce: use less or lighter materials, set the right dimensions and packaging thickness.
- Recycle: use recycled materials like PET tubs partly made from rPET
- · Reuse: design consumer reusable packaging like mustard pots that serve as drinking

glasses etc

- Renew: use materials made from renewable sources like paper, cardboard and other cellulosic materials
- Compost: use compostable / biodegradable materials. To date, there is no compost industry in France.

GOVERNANCE

Backed by corporate management's sustainability drive, R&D management have taken over managing this issue, which involves all Group departments including Procurement, R&D, Quality, Marketing and Sustainable Development. To make operational rollout easier, R&D management zoom in on Group eco-friendly packaging striving to coordinate all steps taken within the decentralised Group. We also turn to outside experts, academics or firms to advise on strategies adopted within various Group divisions.

ACTION PLAN, 2022 BACKGROUND

ACT ON OUR PACKAGING BY BUILDING AWARENESS AROUND SORTING, CUTTING VOLUMES AND USING ECO-**FRIENDLY PACKAGING**

In 2019, the Group issued plastic material in-house guidelines, which were issued to Marketing and R&D staff so as to help them select recyclable plastic containers like tubs and bottles or flexible packaging like lids and bags, while also helping them choose related items like labels, glue, ink etc, that do not detract from the main packaging's recyclability.

The plastic material in-house guidelines were updated in October 2020 factoring in new regulations, plastic material tech advances and latest best practices of leading sorting and recycling firms.

By relying on these best practices guidelines, in 2022 we undertook countless projects, either by ourselves or in partnership with government agencies or firms, in order to ramp up our shift towards eco-designed packaging.

- · LDC in-house projects. Working with packaging manufacturers, the Group's various companies and brands pursue hi-tech projects aiming to enhance eco-friendly, largely plastic, packaging:
 - Ongoing campaign to eliminate carbon black colouring (stops sort centres from detecting infra-red) in PET or PP tubs
 - · Pinpoint opportunities to use single-material packaging that flexible plastic material recycling operators can use. PE and now PP wrapping have, or will soon have, specialist recycling firms. Countless projects aiming to replace complex films by single-material ones, especially in flow-pack or thermoforming processes.
 - · Ongoing efforts to include recycled materials in PET packaging.
 - In 2022, the Group was the first poultry provider to bring to market expanded polystyrene (xPS) tubs containing 50%

recycled materials. This project showed that this material has a prosperous long-term future and its advantage of being ultra light.

- · Joint projects: in 2022, the Group continued its joint projects harnessing tech and scientific specialists so as to seek out all potential ways of bringing about recyclable packaging faster. Indeed LDC belongs to three consortia comprising manufacturing firms and academics, under the governance of CITEO, a government-licensed entity, whose remit is to organise, oversee and develop household recyclable packaging on the French market in conjunction with the manufacturer's expanded duties. Goals for these three consortia are as follows:
 - · Covering meat and dairy producers, the PS25 consortium strives to pave the way for a polystyrene (PS) material sorting industry to emerge (our poultry tubs are made from PS). Late 2022, while the PS recycling outlook looked bright (mainly used for yoghurt containers), it was less so for xPS, which is the primary poultry tub material.
 - The PET 25 consortium, also comprising meat and ready-meal private-sector providers, aims to pinpoint the right conditions for fostering a PET tub recycling industry. This consortium works so that poultry and ready-meal tubs have a recycling industry by 2025, also covering PET mineral water and other drink bottle recycling that already happens.
 - The FLEX25 consortium, which strives to identify ways to reuse and recycle flexible wrapping and packaging.

INDICATORS

Key Performance Indicators	2021	2022	2025 Target
Eco-friendly packaging share* *Packaging with an effective or growing recycling outlet as defined by CITEO policies	62%	53%	100%
Other indicators			
Share of packaging with at least 50% recycled material	N/A	44%	
Total packaging weight per sales unit sold to French households	26.13g	26.52g	
Share of foodstuffs sold to French households with sorting instructions Le Gaulois Maître Coq Loué Marie	89% 93% 98% 100%	97% 96% 100% 100%	

Reader note: 2021 and 2022 location scopes vary, see Method note

TO PROVIDING HEALTHY FOOD



CHALLENGES AND POLICY



The Group strives to offer healthy, safe and consistent foodstuffs to meet consumer needs. As a result, the Quality department pays close attention to transparently giving stakeholders, including customers, consumers, authorities and suppliers, reliable and accurate information, while also looking forward to changes. So in order to sell high quality food, the department has set a policy highlighting:

- · Food input safety and that of manufactured food workplaces,
- · Animal welfare and protection,
- A breakdown of the various demands of customers, specifications and changing regulations.
- The Quality policy needs to be based on the reliability and accuracy of quality systems that is made possible by:
- Anticipating and managing risks,
- · Rolling out continuous improvement programmes,
- Complying with customer and regulatory specifications,
- · Supporting staff by building their skills.

Managing and anticipating risks are included in various specifications that are translated into English so they can be applied within LDC International, which means staff can assess the Group's exposure to some health / authentication risks and so regularly take risk mitigation steps. We have written specifications in-house so as to factor in the specific features of our manufacturing:

- Biosafety specifications,
- Salmonella specifications,
- Food safety (raw materials and ingredients health/ authentication security),
- Food contact specifications (food packaging safety),
- · Animal welfare programme,
- · Supplier criticality assessment,
- · Regulatory watch specifications.

The new IFS version 8 specifications now fully take on board all sustainability issues.

GOVERNANCE

Given the Group's decentralised structure, all divisions receive Group requirements and break them down for their manufacturing plants and warehouses.

As for governance, Upstream division quality staff meet two or three times a year with the Upstream division quality manager attended by the Group Quality director.

The Group quality director regularly meets quality teams from the Poultry and Ready Meal divisions in order to pass on regulatory changes, talk about their audit and inspection experiences and their diverse projects:

- · Monthly phone meetings,
- Annual plenary meetings per regional division,
- · Variable frequency for some taskforces.

In the vast majority of the Group's locations, the authorities pay close attention to them in terms of both food safety & health and farm livestock welfare and biosafety right through to slaughter.

ACTION PLAN, 2022 BACKGROUND

ACT ON FOOD SAFETY

FOOD INPUT HEALTH CONTROL AND MANUFACTURED FOODSTUFFS

For the Group, food health control means anticipating, suggesting and guiding the introduction of health requirements and regulations so that France-based poultry safety and quality is guaranteed. The Group assures its foodstuffs and by-products through to primary packaging are traceable throughout production.

So the Group quality department strives to tap into food safety-related information from in-house and external sources. The Group's food safety role is to:

- Ensure that IT systems are in place so that relevant executives can effectively fulfil their duties end-to-end traceability, exploiting data, managing repeated incidents and more;
- · Set microbiology criteria for the various businesses;
- · Update threat specifications based on locations' analysis method;
- Roll out and improve health crisis management guidelines;
- · Roll out sturdy and reliable organisations underpinned by industrial cleaning.

For all inputs, from live poultry to various raw materials, ingredients and packaging, the Group pays great attention to selection. In liaison with subsidiary procurement staff, suppliers are assessed every year in conjunction with taking relevant steps to control delivered produce food safety.

To carry out systematic microbiology, physics and chemical controls for all our meats, ingredients and finished produce, the Group primarily turns to in-house laboratories. In 2022, a second laboratory (out of the Group's four) passed the 17025 standard entrance exam and so is now COFRAC-certified.

If need be, the Group also has crisis back-up resources including a detailed action plan to guarantee ongoing health standards of its locations,

- By running crisis trial runs from time to time,
- Every year, locations carry out a crisis trial run to assess their level of compliance;
- By specifically training staff involved in biosafety tasks like drivers, loading/unloading bay workers, quality managers, production managers, slaughterhouse managers and more;
- · By setting standard procedural policies for all Group subsidiaries that means indicator and/or resource data can be consolidated:
- Audits to get ready for SDA visits to locations

In 2022, the Group managed to cope with unannounced GFSI specification inspections such that all relevant locations stayed certified. Everyone's sorely needed contribution in making sure all staff appreciate the importance of complying with health best practices needs to keep going as before.

COMPLIANCE

Compliance involves checking location operations health licence, animal welfare, product labelling and foodstuff specification regulations.

Depending on customer demand and specific market features, the Group asks French and foreign locations to comply with Global Food Safety Initiative (GFSI) standards, based on BRC and/or IFS. As such, manufacturing plants constantly strive to obtain more independent certifications every year. Indeed some locations already have several certifications. In 2022, the Group continued to have its warehouses certified. Staff regularly underwent training so they are fully aware of manufacturing equipment compliance requirements. Further, staff representatives occasionally attend regulatory technical commission meetings under various trade associations.

FOOD SAFETY CULTURE

Changes to IFS version 8 and BRC version 9 specifications clearly show that mere compliance no longer cuts it and that we need to all come together to build a collective food safety mindset. Future challenges will include focusing the mind so that everyone buys in to this safety first culture guaranteeing healthy, safe and reliable foodstuffs.



In 2022, 93% of locations were food safety IFS, BRC or FSSC 22000-certified.

INDICATOR

Key Performance Indicator	2021	2022	2025 Target
Share of IFS, BRC or FSSC 22000 health-certified locations	89%	93%	95%

Reader note: 2020 and 2021 location scopes vary, see Method note





CHALLENGES AND POLICY

We have always striven to move with the times to satisfy as many consumers and customers as possible by offering a range tailored to various market segments. So we have built various brands to meet all consumer needs. We operate on all retail, wholesale and corporate market segments. We have always supported diversity and quality. We, alongside all our brands, are determined to help bring about responsible and sustainable consumption. As such, all brands develop their own specific features autonomously underpinned by a mission to further a consumption paradigm shift whenever possible.

GOVERNANCE

Meeting customer and consumer needs is overseen by the Group Sales and Marketing department together with the R&D and Manufacturing departments.

ACTION PLAN, 2022 BACKGROUND

SATISFY CUSTOMERS AND CONSUMERS

The Sales department works on a seasonal basis adapting all brand offerings with innovative new foodstuffs to meet customer and consumer needs as closely as possible.

In 2020, Marie, Le Gaulois, Maître CoQ and Loué marketing staff prepared a Group non-financial strategy and their Brand Manager Strategies, transparently listing their respective current and future commitments, which can be viewed on the relevant brand

In 2022, the avian flu crisis had a very small (0.5 basis point) downward impact on our consumer satisfaction rate. Indeed, the sudden poultry production cut meant our manufacturing capacity could no longer cope with customer demand. As a result, we halted in-store special offers and food advertising for a large number of months.

In 2022, 48.9% of consumers were satisfied via brand reputation and awareness in respect of Marie, Le Gaulois, Maître CoQ and Loué brands.









INDICATOR

Key Performance Indicator	2021	2022	2025 Target
Consumers satisfied via brand reputation and awareness Marie, Le Gaulois, Maître CoQ and Loué brand opinion polls.	49.4%	48.9%	60%



CHALLENGES AND POLICY

Poultry meat is well known to have strong nutritional qualities. It is blessed by distinct advantages like being low priced, suitable for any meals, easy to cook and appeals to all ages. It contains many nutriments that help cover human growth nutritional needs and so everyone stays healthy. It is a source of proteins, vitamins (especially vitamin B), minerals (e.g. magnesium, selenium and phosphorus), and trace elements.

We implement recipe improvement plans based on nutritional pledge charters. In respect of Group brands, we focus on the following areas of improvement:

- Nutri-Score:
- · Primarily fat and salt content;
- · Additives best practice.

For other production, we write recipes pursuant to regulations and specifications that various partners and customers send us.

GOVERNANCE

The role of our R&D is to:

- · Come up with branded food recipes that meet consumer needs;
- · While also offering customers constantly improving ground-breaking foodstuffs backed by scientific experts in fields such as nutrition, hi-tech and packaging.

The R&D department's remit also covers support for operations' plans to improve their customer and consumer food offerings working with sales and marketing staff.

ACTION PLAN, 2022 BACKGROUND

TAKE STEPS FOR OUR PRODUCE'S NUTRITION AND HEALTH

NUTRITIONAL CHARTERS

Late 2021, our Le Gaulois, Maître CoQ and Marie brands renewed their pledges in a 4-year nutritional improvement charter based on the following indicators:

- Nutri-score® A, B, C whenever possible
- Fat and salt content under given limits
- Very few additives and ultra-processed food markers

All Le Gaulois, Maître CoQ and Marie food is covered by these nutritional pledge charters. All brands have set 2025 targets, which list each one's pledges.

In 2022, the Le Gaulois Professionnel, Marie Restauration and Réghalal brands and the firm Espri Restauration, which supply the hospitality industry, in turn pledged to abide by a nutritional charter so as to meet their customer expectations.

These charters, like those of our main brands, were written jointly with R&D and Marketing staff so as to set targets specific to each

They apply the same indicators as those of our main brands.

Nutritional charter targets:

		arie	RESTAU	TAURATION Partial Partial	ie Go	LOIS PRO	REGHALAL				
	2022 Target		2022 Target		2022	Target	2022	Target	2022	Target	
Nutri-Score	79% of A, B and C foodstuffs	83% of A, B and C foodstuffs	87% of A, B and C foodstuffs	90% of A, B and C foodstuffs	87% of A, B and C foodstuffs	85% of A, B and C foodstuffs	63% of A, B and C foodstuffs	75% of A, B and C foodstuffs			
Target salt cuts		round 30% of stuffs	Cut salt in ar	ound 20% of stuffs		ound 20% of stuffs		ound 30% of odstuffs			
Target additive cuts						y foodstuffs e-free	75% of read nitrite	y foodstuffs e-free			

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TO PROVIDING HEALTHY FOOD

NUTRI-SCORE®

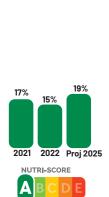
In 2019, the following Group brands decided to sign up to the simplified nutritional labelling scheme Nutri-Score®: Le Gaulois, Maître CoQ, Marie, WW, Entracte, Poule et Toque, Tregalette, Traditions d'Asie and Lionor.

The Nutri-Score scope is initially limited to our main brands: Marie, Maître CoQ, Le Gaulois and Poule et Toque.

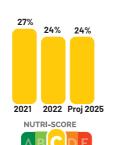
Poule et Toque, which recently signed up to Nutri-Score®, was added to the scope in 2021. Prior to 2021, Poule et Toque was excluded.

The targeted Nutri-Score improvements relate both to the number of A, B and C-ranked foodstuffs and the number of A and B-ranked foodstuffs.









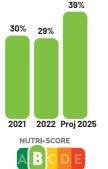


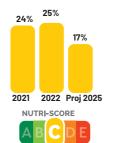


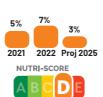
Maître CoQ **Nutri-Score Trends**

2021 2022 Proi 2025











Nutri-Score Trends













Nutri-Score Trends











In 2022, 94% of Marie, Le Gaulois, Maître Coq, Poule et Toque-branded foodstuffs scored A, B or C.

NUTRIMENTS

Salt content attracts much media attention and we strictly limit it in our new nutritional pledge charters.

For each brand and foodstuff family, we have set specific limits based on a daily recommended consumption of 6g issued by French

For poultry brands, the targeted 2025 salt content cut for all ready meals is:

- 7% for Le Gaulois with average 1.10% target content
- 4% for Maître CoQ with average 0.9% target content

For Marie, which has a 20-year track record in nutritional improvement experience, maximum limits set three years ago were carried forward to the new charter. For all our cooked meals, the 0.67% limit is reached for 93% of recipes with average 0.65% content. Similarly, we set strict limits on fat content for all foodstuff categories. For example, 96% of our ready and frozen cooked meals contain less than 10% fat.

FOOD PROCESSING MARKERS

ADDITIVES

Retail chains like Auchan, Carrefour and Système U, catering firms like Sodexo, consumer associations like UFC-Que Choisir and private firms like Yuka, Kwalito and Foodvisor, produce lists ranking additives according to toxicological risk.

European Commission (EU) Regulation No 1129/2011 amending Annex II to Regulation (EC) No 1333/2008 of the European Parliament and of the Council, established a list of 315 food additives approved for use in foodstuffs on the EU market. Based on the European Commission's list, we assessed toxicological risk for each additive in the light of latest scientific data.

We have further set a food additives strategy drawing on nutrition and toxicology experts. So, we established a more restrictive list of food additives we plan to allow for branded produce. Said list factors in toxicological risk levels, frequency of appearance in our foodstuffs, individually and overall.

Accordingly, we ban 170 additives from our foodstuffs. This LDC additives charter serves as a starting point to improve what goes into all our foodstuffs and forms part of our 2022 - 2025 nutritional pledge charters.

By 2025, in respect of poultry brand ready meals, targets have been set as follows:

	LE GAULOIS	MAÎTRE COQ
Additives cut	-32%	-11%
LDC-blacklisted additives cut	-77%	-28%
Average no. of additives	1.7 additives per foodstuff	1.5 additives per foodstuff

Meanwhile Marie already has recipes, which have undergone the clean label programme resulting in 97% of blacklisted additives-free recipes.

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TO PROVIDING HEALTHY FOOD

ULTRA-PROCESSING MARKERS

During H1 2021, we carried out a study to identify non-additive ingredients considered to merit ultra-processing markers. Based on available literature, we came up with 33 markers, 10 of which we considered to be "arguable" in human health terms according to scientific studies.

Future consumers will likely want to ban these 10 ingredients.

This Group study added to our nutritional pledge charters for high priority categories of all brands.

For the three brands, we prioritized 'arguable markers' and hydrolyzed sugars (e.g. glucose syrup or dextrose).

Marie decided to go further by replacing starches in its sauces by wheat flour.

In 2022, 66% of Marie-branded recipes Le Gaulois, Maître Coq and Loué completed the Clean Label programme.

INDICATORS

Key Performance Indicators	2021	2022	2025 Target
Share of foodstuffs* scoring A, B or C in the Nutri-Score ranking * Raw and cooked, prepared or not, foodstuffs (inc. seasonal ones)	93%	94%	84% Since the target was reached in 2020, continuous improvement is the new target
Share of completed Clean Label recipes* * excluding raw whole and cut-up foodstuffs	63%	66%	80%

Reader note: 2020 and 2021 location scopes vary, see Method note

The 2025 target will be merely continuous improvement given there is no particular limit to potential improvements to our Nutri-Score but is rather down to our foodstuff type. So, a 4-cheese pizza will always have a C or D Nutri-Score unless its cheese is removed A balanced and varied diet necessarily includes Nutri-Score D food.

TAXONOMY

EUROPEAN GREEN TAXONOMY

Formalised by Regulation (EU) 2020/852, European Green Taxonomy forms a core part of the European Green Deal, which outlines a roadmap to achieve net-zero greenhouse gas emissions by 2050 By introducing a sustainable activities ranking system, the Taxonomy Regulation aims to steer business investment towards more sustainable activities. The Taxonomy Regulation lists six environmental key goals for the EU:

- Mitigate climate change;
- · Adapt to climate change;
- · Use sustainably and safeguard water and marine life;
- Move towards a circular economy;
- Stop and control pollution;
- Protect and restore biodiversity and wildlife.

Economic activities qualify as sustainable if they:

- Fall under one of the six goals listed above:
- · Substantially contribute to at least one of said goals;
- Do no significant harm (DNSH) to the other goals;
- DO NO SIGNIFICANT HATHI (DINSH) to the other goals;
- · Are carried out pursuant to basic human rights, corruption, tax and competition principles.

DUTIES AND METHOD

Since 1 January 2021 companies subject to the NFRD (Non Financial Reporting Directive) must have a taxonomy reporting system to measure how sensitive their activities are to the Taxonomy Regulation's ranking system.

The Taxonomy Regulation publishes duties bit by bit. So this year, just the first two climate change targets are considered and companies have to report about the eligibility of and change to their activities. Yet the European Commission prioritised the highest emitting scopes 1 and 2 activities and excluded all sectors of the economy in the previously issued regulations.

In respect of FY 2022/23, LDC Group reports pursuant to "Article 8" Taxonomy Regulation adopted 6 June 2021, with regard to the eligibility and breakdown of its revenues, capital and operating expenditure of its business.

To fulfil its regulatory duties, the Group has set up a taskforce comprising Finance Department and Sustainable Development Department staff alongside operations staff, backed by outside management consultants. Over 2022, the Group's endeavours were underpinned by the following workshops by issue.

Activity 2.5 food and drink manufacturing, LDC Group's primary activity, to date is only covered by one delegated act. We will revise our approach, analysis and calculations when the regulator issues new rules.

An anti-double counting method was implemented by a Group-wide Taxonomy procedural memo, which is available on request.

Taxonomy analysis performed is consistent with the Group financial statements.

REPORTING SCOPE

Reporting covers all Group companies in France and abroad based on consolidated financial statements for the year ended 28 February 2023.

2022/23 EARNINGS

REVENUES

Following the taskforce's work, the Group's activities are as follows:

- 1.1 Livestock production (a stated activity in the sustainable finance platform but not published by the regulator)
- 6.6 Road freight
- 2.5 Food and drink manufacturing (a stated activity in the sustainable finance platform but not published by the regulator)

Only Activity 6.6 Road Freight is eligible for the first two applicable climate change mitigation and adaptation targets. We decided to set reasonable materiality threshold of 5% in view of common practice. Given that Activity 6.6 Road Freight is worth €3.9 million or 0.07% of total revenues, this activity is deemed not material and so is not included in Taxonomy reporting. We are working on our other activities while waiting for firm rules to be officially issued.

With regard to the EU's other big environmental targets, we forecast the Group will be eligible even though we only have European Commission draft rules for the time being.

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					Sub	stanti	al cont	ributio	on		0	bjectiv	/e crite	eria						
Economic activities	Activity codes	Revenue €'000	Revenues %	Mitigate climate change %	Adapt to climate change %	Sea and freshwater resources %	Circular economy %	Pollution %	Biodiversity and wildlife %	Mitigate climate change; Y/N	Adapt to climate change Y/N	Sea and freshwater resources Y/N	Circular economy Y/N	Pollution Y/N	Biodiversity and wildlife Y/N	Basic guarantees Y/N	Revenue proportion matching current year taxonomy	Revenue proportion matching prior year taxonomy	Category (enabling activity)	Category (temporary activity)
A -Taxonomy-eligible activities																				
Road freight	6.6	3,892	0.1%																	
B -Taxonomy-non eligible activities		5,842,237	99.9%																	
Total (A+B)		5,846,130	100%																	

CAPEX

LDC Group eligible capital expenditure, as defined under the Taxonomy Regulation, breaks down into the following categories:

- 7.7 Building purchase and ownership
- 4.25 Heat/cold production by use of unavoidable heat
- 6.5 Transport by motorcycles, personal cars and vans
- 6.6 Road freight transport
- 7.3 Energy-efficient equipment installation, maintenance and repair
- 5.3 Construction, extension and operation of waste water collection and treatment networks
- 3.6 Other low carbon-emitting manufacturing technologies
- 5.5 Collection and transport of at-source-sorted non-toxic waste
- 4.11 Thermal energy storage
- 4.1 Solar power-generated electricity
- 7.5 Installation, maintenance and repair of building energy efficiency control and regulation measuring instruments and appliances
- 7.4 Installation, maintenance and repair of electric vehicle recharge points inside buildings (and in car parks attached to buildings)
- 4.16 Electric heat pump Installation and operation
- 4.8 Bioenergy-sourced electricity generation

Total capital expenditure may be found in the financial statements included in the 2022/23 Annual Financial Report (see Note 8 of the Notes to the consolidated financial statements).

LDC Group's 2022/23 eligible capital expenditure amounted to €135 million or 48.2% of its €280 million total capex (see Note 8 of the Notes to the consolidated financial statements). To date, none of these activities have been aligned because DNSH and Basic Guarantees analysis work is still in progress (see relevant chapters).

					S	ubsta	ntial c	ontrib	ution			Obje	ective o	criteria						
Economic activities	Activity codes	Capex	Capex %	Mitigate climate change %	Adapt to climate change %	Sea and freshwater resources %	Circular economy %	Pollution %	Biodiversity and wildlife %	Mitigate climate change; Y/N	Adapt to climate change Y/N	Sea and freshwater resources Y/N	Circular economy Y/N	Pollution Y/N	Biodiversity and wildlife Y/N	Basic guarantees Y/N	Revenue proportion matching current year taxonomy	Revenue proportion matching prior year taxonomy	Category (enabling activity)	Category (temporary activity)
A - Taxonomy-eligible but unaligned activities	N/A	0																		
A1 - Taxonomy-aligned environmentally sustainable activities	N/A	0	0.0%																	
A2 - Non Taxonomy aligned, non environmentally sustainable eligible activities	0	0	0.0%																	
Other low carbon-emitting manufacturing technologies	3.6	380	0.1%																	
Solar power-generated electricity	4.1	130	0.0%																	
Bioenergy-sourced electricity generation	4.8	59	0.0%																	
Thermal energy storage	4.11	148	0.1%																	
Electric heat pump Installation and operation	4.16	79	0.0%																	
Heat/cold production by use of unavoidable heat	4.25	6,659	2.4%																	
Construction, extension and operation of waste water collection and treatment networks	5.3	530	0.2%																	
Collection and transport of at- source-sorted non-toxic waste	5.5	353	0.1%																	
Transport by motorcycles, personal cars and vans	6.5	6,173	2.2%																	
Road freight	6.6	6,427	2.3%																	
Energy-efficient equipment installation, maintenance and repair	7.3	838	0.3%																	
Installation, maintenance and repair of electric vehicle recharge points inside buildings and in car parks attached to buildings)	7.4	84	0.0%																	
Installation, maintenance and repair of building energy efficiency control and regulation of measuring instruments and appliances	7.5	108	0.0%																	
Building purchase and ownership	7.7	113,091	40.4%																	
Total A (A1+A2)		135,059	48.2%																	
B. Taxonomy non eligible unaligned activities (Taxonomy eligible capex)		145,099	51.8%																	

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Group 2022/23 operating expenses pursuant to Taxonomy Regulation rules fall under the following categories:

- · Uncapitalised R&D costs including related staff costs, adjusted for tax credits received during the year;
- PP&E maintenance, repair and other direct maintenance-related costs.
- Short-term lease costs,
- As well as any other tangible fixed asset direct maintenance-related costs incurred by the Group or third parties, to whom activities have been outsourced as required to ensure said fixed assets function efficiently and continuously.

The Taxonomy Regulation allows one publication exemption if the Regulation's targeted operating expenditure is not material. As a result, the Group decided to set a reasonable materiality threshold of 5% in view of common practice and its understanding of the Regulation. Group 2022/23 Taxonomy Regulation operating expenditure came in at just 3.55% of total opex. Hence it is not included in Taxonomy reporting.

					Su	bstant	ial con	tributi	ion			Object	ive crit	eria						
Economic activities	Activity codes	Opex (€000)	Opex(%)	Mitigate climate change %	Adapt to climate change %	Sea and freshwater resources %	Circular economy %	Pollution %	Biodiversity and wildlife %	Mitigate climate change; Y/N	Adapt to climate change Y/N	Sea and freshwater resources Y/N	Circular economy Y/N	Pollution Y/N	Biodiversity and wildlife Y/N	Basic guarantees Y/N	Revenue proportion matching current year taxonomy	Revenue proportion matching prior year taxonomy	Category (enabling activity)	Category (temporary activity)
A - Taxonomy-eligible activities	-		0%																	
B - Taxonomy-non eligible activities	-		0%																	
Total (A+B)			0%																	

DNSH CRITERIA COMPLIANCE

The purpose of DNSH criteria is to check that an activity does not harm any other environmental targets covered by the Taxonomy Regulation. The climate change adaptation criteria only apply to the Group's eligible activities. To comply with compulsory DNSH criteria, the Group is currently conducting a project with Axa Climate in order to:

- Analyse climate risks and opportunities factoring in the whole Group scope in France and abroad; while picking threat indicators specific to each activity, so as to measure current and future climate risks and opportunities of farm and manufacturing property, plant and equipment with forecasts based on GIEC SSP2 /SSP5 2030 & 2050 scenarios, thereby measuring and prioritising the highest risk activities and communities;
- Such analysis will support the introduction of a climate mitigation and adaptation strategy, which will be published by year-end 2023.

BASIC GUARANTEES COMPLIANCE

A special analysis was carried out on the Group's Basic Guarantees, which consist of the OECD Guidelines for Multinational Enterprises, corporate and UN human rights key principles, the UN Charter of Human Rights and the International Labour Organisation's (ILO) fundamental conventions. They largely cover human rights and business ethocs matters including corruption, tax compliance and competition law.

This initial analysis gave us an insight into how far our practices fall short compared to Taxonomy Regulation requirements.

The Group has:

- An ethics charter;
- An anti-work harassment & violence charter;
- A competition law compliance programme;
- An anti-corruption action plan including a code of conduct, a training programme and an alert scheme, pursuant to the Sapin II Act;
- · A personal data action plan;
- A building awareness plan for departments involved in tax compliance and evasion matters;

We have pinpointed areas for improvement by year-end 2023:

- · Introduce a human rights policy;
- Complete update of the human rights risks and due diligence chart;
- Formalise risk prevention and mitigation actions and monitor implementation.

DPEF SUMMARY BY TOPIC

The DPEF (non-financial performance statement) breaks down into the following topics:

Topics	Chapters	Page
Т	Chapter	
Description	Description	4
Social consequences	Act with our farming communities to live together better	23
Uphold human rights	Act with our farming communities to live together better Business ethics Uphold human rights	32
Company collective staff agreements and how they impact business performance	Act with our farming communities to live together better Attract and retain staff Staff relations	25 26
Staff working conditions	Act with our farming communities to live together better Staff working conditions	28
Steps aimed at tackling discrimination, promoting diversity and helping disabled staff	Act with our farming communities to live together better Equality of treatment	28
Environmental ramifications	Act with our farming communities to take care of the planet	36
Climate change consequences	Act with our farming communities to take care of the planet Climate Change	39
Combat corruption	Act with our farming communities to live together better Business ethics	32
Tax evasion	Act with our farming communities to live together better Business ethics Combat tax evasion	32 32
Sustainability pledges	Key risks and challenges	17
Circular economy	Act with our farming communities to take care of the planet	36
Tackle food waste and insecurity	Act with our farming communities to live together better Food waste	35
Animal welfare observance	Act with our farming communities to push sustainable farming	19
Climate-friendly, ethical and sustainable food	Presentation	14

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REPORTING METHOD DU REPORTING

REPORTING METHOD

1. REPORTING PROTOCOL

The Group Sustainable Development department is responsible for overseeing the reporting process and consolidating indicators. It ensures reporting is done on time and, in liaison with operations, arranges relevant third-parties receive the data. It ensures reported data is overall consistent and is the primary contact for external auditors.

2. DATA COLLECTION

CSR indicators collection is managed by operations and/or Group departments in respect of their respective responsibilities. They turn to their local experts who create the data. Data is then reported and consolidated in various reporting systems under the responsibility of operations and/or Group departments who oversee them.

Most staff indicator-related data is collected by SIRH, Pléiades and Excel data reporting files for the Upstream division, Poland, Hungary and non-consolidated entities in the corporate payroll system. The Excel file is a standard file for all relevant entities and is translated where necessary.

All environmental indicators are collected in Excel reporting files written in-house. The Excel file is a standard file for all relevant entities. Consolidation is done automatically.

Social data may also come straight from Group systems managed by operations.

3. CONSOLIDATION AND INTERNAL CONTROLS

Operations and/or Group departments carry out internal controls on the data under their responsibility and ensure such data is consistent and reasonable. Operations and/or Group departments are also responsible for consolidating collected data.

4. REPORTING PERIOD

Staff and environmental data relate to the year 1 January to 31 December 2022 and the data close was 31 December 2022.

5. CSR CONSOLIDATION SCOPE

Published data covers all Group entities and subsidiaries that have implemented our reporting procedures, after approval by operational and/or Group managers, and is consolidated in the annual financial report unless otherwise stated below. The 2022 reporting scope has changed since 2021. Group subsidiaries systematically excluded from the scope are as follows:

- Subsidiaries that LDC Group does not operationally control;
 - Savigny Transport, France;
 - · Grupo AN, Spain;
 - Goasduff Sud-Est, France;
 - Yer Brez, France
 - Poultry Feed Company, France.
- Subsidiaries first consolidated or formed during FY 2022;
 - Maitre Coq Sailing (no employees);
 - Goubault (20 employees)

The CSR scope covers 99.97% of Group revenues and 99.99% Group employees...

6. PERFORMANCE INDICATOR DEFINITIONS AND SCOPE

Challenges	Targets	Performance Indicators	Definition	Scope				
to SUSTAINABLE farming								
	Roll out a sustainable farming programme	Share of Group partner farms committed to a AOP, organic, Label Rouge, free-range chicken certification or Nature d'Éleveurs programme	Group partner farms: poultry meat and egglaying hen farms audited by an independent organisation pursuant to a Label Rouge, free-range chicken certification or Nature d'Éleveurs programme.	All partner poultry farms in France working with the Poultry division, in the DPEF (non-financial performance statement) scope.				
SUSTAINABLE FARMING AND ANIMAL WELFARE	Ramp up local animal feed sourcing	Share of locally-sourced raw materials used to manufacture Group animal feed	Tonnage of locally-sourced raw materials used to make poultry foodstuffs during the year (excluding premixes and amino acids), 98% coverage. Locally-sourced depends on the country of each manufacturing plant (France-sourced for French plants, Poland-sourced for Polish plants and likewise in Hungary)	Group animal feed manufacturing plants in France, Poland and LDC feed manufacturing subcontractors account for 88% of 2022 Group processed poultry tonnage.				
	Prefer domestically- sourced meats and support local businesses	Share of Group-branded meat produce containing local meats	Fully locally-sourced poultry, beef, rabbit and veal-based meat items	Brands: Marie, Marie Professionnel, Marie Export, Tradition d'Asie, Le Gaulois, Maître Coq and Loué				

to LIVING AND WORKING together								
		Share of staff relocation and career job transfers	Number of Group French staff who were promoted to a more senior role, moved sideways into a new profession or relocated to another division or location - employed as at 31/12.	social security regime, in the DPEF scope				
	Support staff in their personal development	personal development Share of sandwich course		Number of sandwich course trainees during the year (FTE) - working as at 31/12	Employees falling under the French social security regime, in the DPEF scope See chapter Scope / Staff Scope Explanations			
		Share of staff having attended a training course during the year		Employees falling under the French social security regime, in the DPEF scope See chapter Scope / Staff Scope Explanations				
OCCUPATIONAL HEALTH & SAFETY	Take care of our staff	Occupational accident and disease frequency rate	Number of occupational accidents and diseases with stoppage per 1,000,000 hours worked (managers and staff)	All Group employees in the DPEF scope See chapter Scope / Staff Scope Explanations				
SUSTAINABLE PROCUREMENT CRITERIA	Promote a responsible supply chain	Share of purchases covered by the Group Procurement Charter (ingredients, packaging)	Number of occupational accidents and diseases with stoppage per 1,000,000 hours worked (managers and staff)	Poultry division and Ready Meal division, purchases in the DPEF scope				
FOOD WASTE	Take concrete steps to combat food waste and insecurity	Food donation value	Food donation value	DPEF.scope companies				

REPORTING METHOD DU REPORTING

Challenges	Targets	Performance Indicators	Definition	Scope
		to RESPE	CTING nature	
PACKAGING	Act on our packaging by building awareness around sorting, cutting volumes and using ecofriendly packaging		Share of rigid packaging for French households having an efficient or developing recycling outlet based on CITEO specifications. Recyclable packaging comprises paper, cardboard, glass, aluminium, PE and PP for rigid packaging, PE for flexible packaging and steel PET had no efficient or developing recycling outlet in 2021.	Given the CITEO statement date, the final 2021 available data was released 30 June 2022 Companies with low non-material volumes report to CITEO without detailing weight per packaging type.: In 2021, in respect of 2020 numbers, SNV and Luché were exempt from reporting as they accounted for 0.09% and 0.37% respectively of 2020 packaging volumes.
		Change in water consumption rate (litres per kg produced)	Total number of water square metres consumed per ton produced during the year / Total number of water square metres consumed per ton produced during the prior year	CSR environment.scope companies See Scope / environmental scope explanations
		Change in energy consumption rate (kWh/ton)	(Total number of PCI kWh energy consumed within a location (excl. vehicle fuel) per ton produced) during the year / (Total number of PCI kWh energy consumed within a location (excl. vehicle fuel) per ton produced) during the prior year	CSR environment.scope companies See Scope / environmental scope explanations
RESOURCE MANAGEMENT	Minimise our footprint	Change in total waste recycling rate	[Annual tonnage of recycled waste / Annual tonnage of total waste] in the year / [Annual tonnage of recycled waste / Annual tonnage of total waste] in the prior year	CSR environment.scope companies See Scope / environmental scope explanations
		Change in number of locations having conducted or pushed a biodiversity programme	[Number of Group locations (production plants and warehouses) having conducted or pushed a biodiversity programme since 2019 / number of locations (production plants and warehouses) in the year / [Number of locations (production plants and warehouses) having conducted or pushed a biodiversity programme / number of Group locations (production plants and warehouses) in the prior year.	CSR environment.scope companies See Scope / environmental scope explanations
		to PROVIDI	NG healthu bood	
FOOD SAFETY	Act on food safety	Share of IFS, BRC or FSSC 22000-certified locations	Number of food safety-certified locations (production plants and warehouses): IFS, BRC, FSSC 22000	CSR.scope companies
MEETING CUSTOMER AND CONSUMER NEEDS	Satisfy customers and consumers	Consumers satisfied via brand reputation and awareness	Arithmetic mean of all brands' average scores with the same reputation and awareness items weighting for all	Brands: Marie, Le Gaulois, Maitre Coq and Loué.
	Take steps for our produce's nutrition and health	Share of foodstuffs scoring A, B or C in the Nutri-Score ranking	Number of foodstuffs scoring A, B or C in the Nutri-Score ranking / Number of foodstuffs of the relevant scope	Brands: Marie, Le Gaulois, Maitre Coq and Poule et Toque All produce included apart from whole poultry
NUTRITION AND BALANCED DIET		Share of completed Clean Label programme recipes	Number of recipes ranked in the "no blacklisted additives" category in the Group ranking / Number of total recipes	All brand recipes: Marie, Le Gaulois, Maître Coq, and Loué A recipe is a raw or cooked foodstuff; not all whole or cut-up foodstuffs are included A completed Clean Labe programme is a recipe classified in the "no blacklisted additive" category.

7. SCOPE DETAILS

1. STAFF SCOPE

The staff scope covers 99.9% of all Group employees,

Headcount data relates to all Group subsidiaries in France, Poland, Hungary, Belgium and UK, which had at least one temporary or permanent employee during 2022.

Year-end headcount means employed staff at the year-end.

Those who leave on 31 December are counted as leavers in the following year.

The job category for each employee is that as of 31 December.

FRANCE DEFINITIONS

In France, temporary employees include sandwich course trainees but exclude interns. In France, the renewal of a temporary employee's contract is not counted as a new hire. Someone who has had several temporary jobs in the year is counted for the same number of new hires.

Training

To date, only French subsidiaries fall under the Group training policy.

The number of training hours is made up as follows:

- Number of intra-Group training hours given by external organisations or Group experts;
- Number of external training hours given by the Group.

Some companies did not fill in training hours this year, specifically:

- Chapon Bressan (14 staff)
- Volfrance (30 staff)
- Distrinor (24 staff)

hsenteeism

Total number of hours absent / Number of notional worked hours.

Part-time medical staff are included in 'normal' absenteeism but not in gravity rates.

For the France Poultry and Ready Meal divisions, absenteeism worked hours are standard hours excluding time off in lieu. Absenteeism is calculated for workers and employees.

For the Upstream division, absenteeism worked hours are notional worked hours (standard hours less sick leave, occupational accidents/diseases, travel accidents, time off in lieu and more). Absenteeism is calculated for all employees excluding agency staff and interns.

Accidentology

Frequency rate = Number of occupational accidents/diseases involving time off work of employees during the year / Number of worked hours of employees during the year x 1,000,000

Gravity rate = Number of days lost / Number of worked hours x 1,000

Accident data was taken as of 10 January 2023.

France Poultry and Ready Meal divisions' locations

Employee scope: All employees (excluding agency staff and interns).

Number of worked hours: actual time at work plus training, special assignments and meetings. Training courses run by trade unions, so unpaid time, are not included in worked hours. Break time is excluded for 2/3 of employees.

Number of days absent: stated in calendar days

Number of occupational accidents/diseases: initially scheduled number of occupational accidents/diseases

Upstream division locations

Employee scope: All employees (excluding agency staff and interns).

Number of worked hours: notional and actual worked hours, plus training, special assignments, meetings and break time less sick leave, occupational accidents/diseases, travel accidents, time off in lieu and more

Number of days off: stated in calendar days.

Number of occupational accidents/diseases: initially scheduled number of occupational accidents/diseases

Manager and other staff standard worked hours are arrived at based on a 35 hour working week excluding time off in lieu and vacation.

DEFINITIONS APPLIED FOR POLAND/HUNGARY/BELGIUM

Training

The International division sets training policies in liaison with relevant foreign locations. International division data is excluded given cultural and legal differences.

Absenteeism

Total number of hours absent / Number of actual worked hours.

Published absenteeism data for Poland contains maternity leave and unjustified absence.

Accidentology

Frequency rate = Number of occupational accidents/diseases involving time off work of employees during the year / Number of worked hours of employees during the year x 1,000,000

Gravity rate = Number of days lost / Number of worked hours x 1,000

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REPORTING METHOD DU REPORTING

Accident data was taken as of 10 January 2020.

Employee scope: All employees (excluding agency staff).

Worked hours: actual time at work plus training, special assignments and meetings. Employee worked hours are actual time at work and standard working hours for managers.

Number of days off: stated in calendar days.

2. ENVIRONMENTAL SCOPE

Group subsidiaries excluded from the environmental scope are:

- Subsidiaries primarily engaged in organising poultry production from offices, hence deemed immaterial in relation to the Group's carbon footprint;
- · Purely office locations, hence deemed immaterial in relation to the Group's carbon footprint;
- STC,Capestone and Kiplama.

2022 data has been analysed covering 87 French manufacturing plants, 13 Polish and 7 Hungarian manufacturing plants:

- Poultry business Prepared: 51 in France, 6 in Poland, 4 in Hungary
- Ready Meal business: 12 in France
- Upstream: business 17 in France, 7 in Poland, 3 in Hungary
- · Logistics business: 7 in France

Environmental data for ICPE (classified facilities for environmental protection) purposes was taken per operating location, then consolidated per business factoring in environmental impacts based on four categories:

- Poultry locations Prepared;
- · Ready Meal locations;
- Upstream locations;
- Warehouses.

8. ACRONYMS

AOP	Appellation d'Origine Contrôlé	e (French qualit	v certification)
AUI	Appendition a origine controle	c (i i ciicii quaiii	y certification,

BBFAW Business Benchmark on Farm Animal Welfare

BRC British Retail Consortium

CAFEL Fermiers de Loué farming cooperative

CIWF Compassion In World Farming MGTCOM Management Committee COFRAC French accreditation committee

ECC	European Chicken Commitment
FSSC	Food Safety System Certification

GHG Greenhouse gases

GFSI Global Food Safety Initiative
GMS Large and medium surface areas
HACCP Hazard Analysis Critical Control Point

ICPE Classified facilities for environmental protection

IFS International Featured Standard IGP Protected geographic indication

GMO Genetically modified organism ILO International Labour Organisation

NGO Non-government organisation UN United Nations

OPA Animal production organisation

PAI Industrial foodstuffs

PEPA One-off living standards bonus

QWL Quality of Work Life

R&D Research and Development

GDPR General Data Protection Regulation

HR Human Resources

RHD Restauration Hors Domicile
CSR Corporate Social Responsibility
OH&S Occupational Health & Safety

INDEPENDENT ORGANISATION REPORT

INDEPENDENT ORGANISATION REPORT - CONSOLIDATED NON-FINANCIAL PERFORMANCE STATEMENT AUDIT

LDC - Year ended 28 February 2023

INDEPENDENT ORGANISATION REPORT - CONSOLIDATED NON-FINANCIAL PERFORMANCE STATEMENT AUDIT

To the Shareholders

In our capacity as independent third party organisation ("Third Party"), accredited by COFRAC (COFRAC Inspection Accreditation no. 3-1681, available at www.cofrac.fr) and one of the independent auditors of your company (hereinafter "Entity"), we have carried out our review aiming to give a justified opinion expressing a limited assurance conclusion about the compliance of the consolidated non-financial performance statement for the year ended 28 February 2023 (hereinafter "Statement") with rules stated under Article R. 225-105 French Commercial Code and about whether the historic actual or extrapolated data pursuant to para 3 I and II Article R. 225 105 French Commercial Code (hereinafter "Disclosures") prepared under Entity procedures (hereinafter "Benchmark"), are fairly stated in the Management Report pursuant to Articles L. 225 102-1, R. 225-105 and R. 225-105-1 French Commercial Code.

CONCLUSION

Based on the testing we applied, as described under "Nature and Extent of our Procedures" below, and evidence we viewed, we did not find any material misstatement that could cast doubt on the fact that the consolidated non-financial performance statement complies with applicable regulatory rules and that Disclosures contained therein, taken as a whole, are fairly stated pursuant to the Benchmark.

COMMENTS

Without casting doubt on the aforementioned conclusion and pursuant to Article A. 225-3 French Commercial Code, we comment as follows:

Policies and action plans relating to certain risks identified as 'key', including the risk of ignoring sustainable procurement criteria, have not yet been rolled out abroad, which represents 17% of Group total headcount (excluding agency staff).

Non-financial Performance Statement Preparation

Given there is no commonly used and generally accepted reference manual or established practices, on which to assess and measure Disclosures, this means using differing but acceptable measurement techniques may affect consistent reporting between entities and over time.

Consequently, the Disclosures should be read and understood with reference to the Benchmark, the material items of which are listed in the Statement.

INHERENT DISCLOSURE PREPARATION LIMITATIONS

As given in the Statement, disclosures may be subject to inherent uncertainty as to the status of scientific or economic knowledge and used external data accuracy. Some disclosures are sensitive to methods, assumptions and/or estimates applied to prepare the Statement.

ENTITY RESPONSIBILITY

It is the Executive Board's responsibility to:

- · Select or establish appropriate data preparation criteria;
- Produce a Statement complying with statutory and regulatory rules, including a business model presentation, a description of key non-financial risks, policies applied to such risks and results of said policies, key performance indicators and disclosures required by Article 8 Regulation (EU) 2020/852 (Green Taxonomy);
- Introduce internal controls it deems necessary to prepare Disclosures without material misstatements, whether from fraud or error.

The Statement was prepared pursuant to the aforementioned Entity Benchmark.

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INDEPENDENT THIRD PARTY ORGANISATION'S RESPONSIBILITY

It is our responsibility, based on our procedures, to give a justified opinion expressing a limited assurance conclusion on:

- Whether the Statement complies with Article R. 225-105 French Commercial Code;
- Whether historic actual or extrapolated data pursuant to para 3 I and II Article R. 225 105 French Commercial Code, namely policy results as well as key performance indicators and key risk steps taken, are fairly stated.

It being our responsibility to give an independent opinion on the Disclosures as prepared by management, we are not allowed to be involved in preparing said Disclosures since this could compromise our independence. It is not our responsibility to give an opinion about:

- Whether the Entity complies with other applicable statutory and regulatory rules (notably Article 8 Regulation (EU) 2020/852 (Green Taxonomy) disclosures, vigilance plan and tackling corruption and tax evasion);
- Whether the Article 8 Regulation (EU) 2020/852 (Green Taxonomy) disclosures are fairly stated;
- Whether goods and services comply with applicable regulations.

REGULATORY RULES AND APPLICABLE PROFESSIONAL STANDARDS

We performed our review described below pursuant to rules stated under Articles A. 2251et seq. French Commercial Code, professional audit standards issued by the French Audit Institute specific to our review hereto that outline a testing programme and ISAE 3000 (revised) international audit standard.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by Article L. 822-11 French Commercial Code rules and the French Auditors Code of Ethics. Moreover, we implemented a quality control system including documented policies and procedures seeking to comply with applicable statutory and regulatory requirements, ethical principles and professional standards.

RESOURCES

To perform our review, we drew on six members of our staff from October 2022 to June 2023. Fieldwork lasted seven weeks in total. To assist us in our review, we called on our firm's sustainability and CSR specialists. We held around ten interviews with people responsible for preparing the Statement from the CSR, administration and finance, legal affairs, human resources, R&D, quality, health & safety, environment, procurement departments and the Upstream division.

NATURE AND EXTENT OF OUR PROCEDURES

We planned and carried out testing in view of Disclosure material misstatement risks.

We believe the testing we conducted in exercise of our professional judgement gives us sufficient evidence to issue a limited assurance conclusion:

- We familiarised ourselves with the business of all consolidated entities and with the key risks explanation;
- We considered the Benchmark was appropriate in view of its relevance, completeness, reliability, neutrality and understandability, while taking on board any industry best practices;
- We checked that the Statement covers all categories specified under III Article L. 225-102-1 French Commercial Code in relation to staff and environmental matters while also upholding human rights and tackling corruption and tax evasion;
- We checked that the Statement includes disclosures required by II Article R. 225-105 French Commercial Code whenever relevant to key risks, and, if necessary, includes an explanation of reasons why disclosures required by sub para 2e III Article L. 225-102-1 of said Code are missing;
- We ensured that the Statement presents the business model and a description of key business risks of all consolidated entities, including risks arising from business dealings, goods or services, policies, actions and results thereof and key risk-related key performance indicators, whenever such matters are relevant and proportionate:
- We viewed supporting documentation and conducted interviews to:
 - Familiarise ourselves with the key risk selection and approval procedure, review the consistency of results including applied key performance indicators in the light of key risks and stated policies, and
 - Corroborate qualitative statements about actions and results that we considered the most important in Appendix 1. For some risks risk of non-compliance with business ethics rules, risk of not offering healthy food matching consumer demand, risk of not putting farms, supply chain and agriculture on a permanent footing, risk of ignoring supply security matters, risk of ignoring packaging and wildlife habitat destruction issues, risk of not participating in local community life and charitable engagement and risk of finding no outlet for all food produce we performed our testing at the Group head office. For other risks, we carried out procedures at the Group head office and a few entities as follows: Boscher Le Plenier, LDC Sablé Saint Laurent, Marie Frais Viriat, Marie Surgelés Chacé and Marnevall Debrecen;
- We ensured that the Statement covers the whole consolidation scope, namely all consolidated entities pursuant to Article L. 233-16 French Commercial Code;
- We familiarised ourselves with internal control and risk management procedures implemented by the Entity and checked the data collection process was reliable in terms of data completeness and accuracy;
- For key performance indicators and other quantitative results in Appendix 1 that we considered most important, we carried out:
 - · Analytical reviews checking that collected data was properly consolidated and data trends were consistent;
 - Detailed sample tests verifying that definitions and procedures were properly applied and matching data to supporting documentation. Such procedures were carried out with a selection of entities listed above that accounted for some 4% to 8% of total consolidated data 4% of non-toxic waste, 4% of total energy consumption and 8% of total headcount;
- We reviewed that the Statement as a whole was consistent with our knowledge of all consolidated entities.

Testing performed under a limited assurance engagement is less extensive than that required for a reasonable assurance engagement under audit standards; a higher assurance level would have required more extensive testing.

Paris-La Défense, 29 June 2023
The independent third party organisation
EY & Associés
Xavier Guillas
Sustainable Development Partner

1-ISAE 3000 (revised) - Assurance engagements other than audits or reviews of historical financial information

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Appendix 1: Disclosures considered to be the most important

Appendix 1: Disclosures considered to be the most important	
Staff disclosures	
Quantitative figures (including key performance indicators)	Qualitative information (actions or results)
Absenteeism rate (%). Frequency rate, occupational accident and disease gravity rate (no./million worked hours). Share of relocation and career job transfers Share of trainees among staff Share of staff having attended at least one training course during the year	Occupational health & safety Attract and retain staff
Environmental disclosures	
Quantitative figures (including key performance indicators)	Qualitative information (actions or results)
Water consumption rate (litres per kg produced) Energy consumption rate (kWh/ton produced). Total waste recycling rate Eco-friendly packaging.share	Resource management Waste, by-product and sub-product manage- ment and re-use. Biodiversity. Eco-design packaging.
Social disclosures	
Quantitative figures (including key performance indicators)	Qualitative information (actions or results)
Share of IFS, BRC or FSSC 22000 health-certified locations Consumers satisfied via brand reputation and awareness Share of foodstuffs scoring A, B or C in the Nutri-Score ranking Share of completed Clean Label programme recipes Share of purchases covered by the Group Procurement Charter (foodstuffs, packaging) Share of farms committed to a AOP, organic, Label Rouge, certification or Nature d'Éleveurs programme Share of domestic/European-sourced poultry feed Share of Group brand meat products containing domestically-sourced meats Charitable donations value including unsold food	Food safety. Nutrition consumer satisfaction and health. Supply security. Sustainable farming. Locally-sourced food and animal feed. Food waste, business ethics.

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3.12022/23 Annual Financial Report sign-off

RESPONSIBLE PERSONS STATEMENT

Ladies and Gentlemen,

I hereby certify that to my knowledge the financial statements have been prepared pursuant to generally accepted accounting principles and give a true and fair view of the assets, liabilities, financial position and earnings of the company and of all entities included in the consolidation, that the management report presents a fair view of the business situation, earnings and financial position of the company and of all entities included in the consolidation and that it describes their key risks and uncertainties.

Executive Board Chairman
Denis Lambert

3.2. Management Report

I - HIGHLIGHTS AND KEY FIGURES

In FY 2022/23, we had to cope with various crises that hit supplies and caused prices to surge. Poultry farmers had to tackle unprecedented avian flu epidemics early and late in the year, big raw material price hikes and rises in all operating expenses, especially energy. We nevertheless managed to stand firm and resist these difficulties. 2022/23 revenue and earnings growth is largely down to:

- · Our production flexibility during the crises,
- · Raw material balance optimisation,
- Sales price hikes achieved,
- A tight lid kept on operating costs.

As a result, Group revenues leapt 15.3% to \in 5.8 billion with Poultry (including Upstream) up 12.2%, International up 42.4% and Ready Meal up 10.3%. Volumes dipped 5.6% year-on-year.

Underlying operating profit came in at €299.9m up from €208.5m in 2021/22.

2022/23 Group key figures:

- €5.8 billion revenues
- **€299.9m** underlying operating profit
- €1,878m equity Group share
- €243m production capital expenditure
- 1,079kt sold produce
- 95 manufacturing plants in Europe
- 14 warehouses
- 23,386 staff incl. 19,384 in France
- 8,300 partner farms en Europe incl. 6,800 in France

II - REVENUES AND EARNINGS PER DIVISION

LDC Group operations break down into two divisions:

- Poultry (including Upstream and International businesses)
- Ready Meal

POULTRY

The Group began life in poultry slaughterhouses, processing and sale. We quickly expanded into other poultry cutting and ready-meal businesses via organic growth and acquisitions. Our companies operate in France's main poultry production regions.

Upstream covers cereal crop farming/trading/picking, food manufacturing operations, live poultry breeding and production. It also develops a consumer egg business certified *Plein Air, Label Rouge* and *Bio*. These operations allow us to control our whole poultry supply chain and guarantee supply security largely via high quality France-sourced production.

Abroad, we have operated in Poland since the early 2000s, moved into Hungary in 2018 and since 2019 we hold a French poultry warehouse in Belgium. On 24 September 2021, we purchased an equity stake in Capestone Wales, UK.

France (excl. Upstream) / KEY FIGURES

(€m)	FY 2022/23	FY 2021/22	FY 2020/21
Tonnage sold	716,770t	780,378t	727,198t
Revenues	3,800.4	3,397.5	2,997.2
Underlying operating profit	196.2	123.6	123.1
Operating margin	5.2%	3.6%	4.1%
Operating profit	196.2	128.3	123.1

Poultry France division (excl. Upstream) turned in €3,800.4m revenues, up 11.9% at current scope (up 11.4% like-for-like) with volumes down 8.2% (down 8.6% like-for-like).

Annual earnings growth was boosted by:

- · A good raw material balance,
- · A favourable produce mix,
- 2022/23 sales price rises to pass on raw material and other operating cost price hikes.

The lower volumes were caused by avian flu crises, which prevented us from supplying all customer orders.

Underlying operating profit amounted to €196.2m (5.2% margin) up from €123.6m (3.6% margin), thereby reverting to our normal profit

Upstream / KEY FIGURES

(€m)	FY 2022	FY 2021	FY 2020
Revenues	405.8	351.0	330.2
Underlying operating profit	29.6	17.4	18.4
Underlying operating margin	7.3%	5.0%	5.6%

Third-party revenues rose 15.6% to €405.8m from €351.0m. Revenues broken down by business are as follows:

(€m)	2022	2021	2020
Poultry	134.0	119.4	106.3
Breeding	66.1	58.7	57.9
Eggs	141.1	125.5	125.1
Farm trading	64.6	47.4	40.9
TOTAL	405.8	351.0	330.2

2022 underlying operating profit was €29.6m up from €17.4m in 2021 while the operating margin was 7.3% up from 5.0% in 2021.

International / KEY FIGURES

<u>(€m)</u>	FY 2022	FY 2021	FY 2020
Tonnage sold	196,565t	193,975t	182,516t
Revenues	812.7	570.7	445.8
Underlying operating profit	73.1	29.3	18.5
Operating margin	9.0%	5.1%	4.1%
Operating profit	73.1	29.3	26.0

2022 revenues surged 42.4% to €812.7m (up 47.2% like-for-like) while volumes merely edged up 1.3% (up 0.1% like-for-like). This revenue increase is down to:

- · Domestic and export markets bouncing back,
- · Significant sales price hikes achieved to pass on soaring raw material and other operating cost prices to customers,
- Very buoyant sales prices on the duck and geese market segments.

Underlying operating profit was €73.1m up from €29.3m, surging 2.5-fold year-on-year with a 9.0% operating margin.

READY MEAL

We have moved our business model towards ever more prepared food operations and set up our Ready Meal division from various mergers and acquisitions. We are number 2 French ready meal market provider. The diversity and quality of our Marie-branded foodstuffs boost our revenue and earnings growth.

KEY FIGURES

(€m)	FY 2022/23	FY 2021/22	FY 2020/21
Tonnage	165,642t	169,144t	155,801t
Revenues	827.2	749.8	655.1
Underlying operating profit	1.0	38.3	34.0
Operating margin	0.1%	5.1%	5.2%
Operating profit	1.0	38.3	21.5

2022/23 revenues of the division were buoyed by sales price rises, rising 10.3% to €827.2m. Meanwhile volumes dipped 2.1% but we found that the division's volumes held up well in a market that struggled during 2022/23.

However, sales price hikes were not big enough and were not implemented soon enough to maintain underlying operating profit that slumped to €1.0m down from €38.3m in 2021/22.

LDC GROUP

LDC aims to be a leading agri-food provider in France and Europe. Our brands: Poultry: Loué, Le Gaulois and Maître Cog; Ready Meal: Marie meals are famous and are very popular with customers and consumers alike boosting Marie's growth.

Our foodstuffs are sold in all commercial outlets like supermarkets, food manufacturers and catering outlets in France and abroad.

KEY FIGURES

(€m)	FY 2022/23	FY 2021/22	FY 2020/21
Revenues	5,846.1	5,069.0	4,428.2
Underlying operating profit	299.9	208.5	194.0
Underlying operating margin	5.1%	4.1%	4.4%
Operating profit	299.9	213.2	188.9
Net profit Group share	224.7	165.1	140.7
Free cash flow	485.7	347.1	318.2
Gross profit	547.4	399.0	359.5

Total 2022/23 revenues came in up 15.3% at €5.8bn while volumes came in down 5.6% year-on-year. On a like-for-like basis, revenues rose 15.5% and volumes fell 6.2%.

Revenues broken down by business are as follows:

	2022	2022/23		2021/22	
	Revenues (€m)	% of total rev	Revenues (€m)	% of total rev	
Poultry	3,800.4	65.0%	3,397.5	67.0%	
Incl. Export	468.1	8.0%	461.6	9.1%	
Upstream	405.8	6.9%	351.0	6.9%	
Incl. Export	15.6	0.3%	13.3	0.3%	
Poultry France	4,206.2	71.9%	3,748.5	73.9%	
International	812.7	13.9%	570.7	11.3%	
Ready Meal	827.2	14.1%	749.8	14.8%	
Incl. Export	20.1	0.3%	13.7	0.3%	
TOTAL	5,846.1	100%	5,069.0	100%	
FRANCE	4,529.6	77.5%	4,009.7	79.1%	
INTERNATIONAL & EXPORT	1,316.5	22.5%	1,059.2	20.9%	

Underlying operating profit surged 43.8% to €299.9m, up from €208,5m.

The underlying operating profit margin was 5.1% of revenues, up from 4.1% in 2021/22.

Net financial items turned in €2.5m income.

Net profit Group share leapt 36.1% year-on-year to €224.7m.

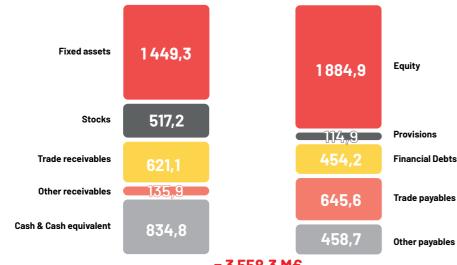
III - GROUP CASH AND BALANCE SHEET

2022/23 CASH FLOW

Change in cash and cash equivalents	up €113.6m
Outflows from financing activities	- €126.2m
Outflows from investing activities	- €270.1m
Inflows from operating activities	+ €509.9m

- Group free cash flow jumped 40% to €485.7m.
- Outflows from investing activities came to €270.1m which resulted in free cash inflows of €239.8m.
- 2022/23 net cash inflow was €380.6m compared to a €181.0m year-end balance.

28 FEBRUARY 2023 ABBREVIATED BALANCE SHEET



= 3 558,3 M€

IV - MATERIAL EQUITY INVESTMENTS DURING THE YEAR IN COMPANIES WITH REGISTERED OFFICES IN FRANCE - L.233-6 FRENCH COMMERCIAL CODE

None.

V - POST BALANCE SHEET EVENTS AND OUTLOOK

Post balance sheet completed M&A transactions are as follows:

• French anti-trust authority approves Ovoteam acquisition

Having announced the launch of exclusive negotiations with *Groupe Avril* to buy Ovoteam in October 2022, the French anti-trust authority gave the acquisition a green light. The final purchase contract was signed on 7 April 2023.

Ovoteam manufactures and sells 'ovoproduce' to agri-food firms, catering outlets, pastry and bakery businesses. The firm has some 250 employees working at 4 production plants and posted 2022 revenues of close to €110m and operating earnings at break even. This transaction will enable us to expand our ovoproduce range offering certified free-range, land and organic chicken farming, which is very important for our catering, hospitality and manufacturing customers. This deal is expected to broaden our French farmers' sales outlets.

The acquisition's completion will come with a major €7m-plus capex plan over the next three years.

Ovoteam will be consolidated under the Upstream division with effect from 1 April 2023.

· Galina Maine takeover

A Volnay chicken breeder in French county Sarthe joined the Upstream division under its new name Galina Maine as from 1 May 2023. The takeover follows Orvia's stated wish to sell its chicken business to refocus on picking and distributing ducks and insects.

On top of this source of production, we will soon resume production of eggs to hatch in two farming regions (Sarthe and Vendée). As of the takeover, the business represented

400,000 long-reared chicks per week, all certified Bio, ECC etc. Our medium-term plan is to double Galina Maine's weekly output capacity.

We will retain all Galina Maine's 34 employees. It posts €10 million revenues of which half are consolidated (i.e. third party revenues). This takeover will give the Galina division the wherewithal to raise its output capacity, have a new facility location, perfect its chick breeding know-how backed by four hatcheries, thereby cementing its market presence.

• 2 May 2023 Savic acquisition

CIAB, Arrivé's long-standing cooperative and partner, wanted to sell its Savic subsidiary and team up with LDC Group. Savic was hit hard by avian flu following hard on the heels of covid.

Savic has around €30 million revenues and 80,000 poultry birds of which 55,000 *Challans* hens per week and 15,000 organic poultry per week. The company employs 110 people and will be consolidated from 1 May 2023.

Outlook

Reminder: FY 2022/23 was an unprecedented year. The poultry industry had to cope with a once-in-a-lifetime avian flu outbreak coupled with soaring raw material and energy prices. At the Group level, 2022/23 revenue and earnings growth was down to achieved sales price hikes, our manufacturing flexibility during each crisis, broadening our raw material sources and keeping a tight lid on operating costs.

Nonetheless, in a still stagnant market, we should remain cautious for FY 2023/24.

Our substantial market shares in all divisions are underpinned by constant endeavours, thorough management and a sharp sense of duty:

- Duty to safeguard bird livestock farming both in terms of jobs and our competitive edge by undertaking big capital spending and ongoing innovation.
- Duty to uphold our foodstuff quality: food safety and anticipating new consumer demand must stay at the heart of our concerns.
- Duty to preserve the environment, our staff's well-being and customer service.

Poultry division: steps taken during 2022/23 helped produce a 5.2% return on capital, which is more in line with its returns a few years ago. 2023/24 has begun in a sluggish market but prospects are hopeful:

- Cereal prices have eased,
- Biosafety measures taken including an inspection plan introduced,
- Increased volumes expected given that poultry meat tends to be cheaper than other meats.
 And less hopeful:
- Operating expenses still high,
- Uncertainties in view of inflation potentially dampening demand,
- Pressure from imports,
- A vaccination campaign still under review.

Nevertheless, the Poultry division will pursue its strategy to win back business lost to imports and launch a big new manufacturing project called "Niagara" and costing €200m over four years.

M

Ready Meal division: we expect 2023/24 revenues and earnings will be more in line with its top-class foodstuffs and customers. Strategic priorities still focus on building our own brands, expanding our sales outlets and moving into new foodstuff families via game-changing acquisitions.

International division: we expect much higher prices on the domestic and export markets this year that should propel underlying operating profit to a whopping €73.1m up from €29.3m. To pursue growth, we plan to undertake big acquisitions while also driving organic growth from foodstuff innovations and ready meal range development.

The Group does not give 2023/24 guidance; we will revise our initial forecasts as of H1 period end. We aim to keep our operating margin at around 5%.

VI - GROUP RISK FACTORS

We pay close attention to our risks that could significantly harm our business, assets or results. We have taken risk mitigating and prevention steps.

We have had a crisis prevention cell for several years, which meets at least four times a year. We have ranked risks and written risk forms for each one. We have established a procedure to adopt should an incident occur that measures the exact risk level that should be applied. This procedure means we take immediate action once alerted to a risk. Risk forms were comprehensively updated this year. We believe there are no material risks other than those stated below:

FOOD SAFETY RISK

We constantly think about food safety risks that form an integral part of our non-financial strategy. Indeed, our very business involves us being extremely thorough every day in the quality and safety of our sold finished foodstuffs. Our policies mean we strictly select suppliers, ensuring foodstuff traceability and scientific analysis throughout all manufacturing processes. Our location quality assurance system is further based on international standards FSSC 22000, BRC (British Retail Consortium) and IFS (International Food Standards).

SUPPLY RISK

Supply risks form an integral part of the Group non-financial strategy. We have launched an annually reviewed vigilance plan for our foodstuff/ingredient and packaging purchases.

Group financial results may be affected by raw material price fluctuations caused by cereal, soya and other crop price volatility. Even prices this year have fluctuated dramatically due to the health crisis. We strive to pass on raw material price hikes as and when necessary and negotiate higher sales prices that offset them. Some cereal purchases are hedged on the MATIF exchange.

Live poultry is bought under contract from farming consortia. Such contracts establish breed strains, calibrated customer-expected weights, minimum removal age and all technical recommendations. Contracts between production organisations and our farmers give farmers guaranteed prices of their main supplies and produce based on the "sell before producing" principle and commit the Upstream division to comply with specifications specific to each poultry species.

Sustainable farming risks in the broad sense (including animal welfare) are dealt with in the non-financial strategy.

REPUTATIONAL RISK

LDC Group, its subsidiaries and brands over time and thanks to their reliability have built up a good name for themselves. Indeed, to meet customer and consumer expectations, we focus on a broad range of issues from animal welfare, animal feed quality, farmer income, healthy and safe food manufacturing right through to providing a balanced diet. We give regular courses for senior executives and managers so they communicate well with the media during corporate crises.

Whenever a major food safety crisis arises, we may turn to detailed crisis management procedures written by the prevention cell. So as to check out the relevance, proper application and efficiency of introduced procedures and systems, we regularly put on crisis simulation exercises. In a spirit of continuous improvement, every crisis or simulation exercise gives rise to a report that is sent to all Group subsidiaries.

EXTERNAL AND ENVIRONMENTAL RISKS

Preventing fire, flooding, natural catastrophe, theft and accident risks forms an integral part of the Group's Manufacturing Policy and Environmental Policy, and are detailed in the non-financial section hereto. Prevention notably involves:

- Employee training,
- Regular inspections by safety coordinators, fire-fighters and insurance company engineers (as scheduled in a risk mitigation and management programme),
- Physical safeguards automatic sprinkling systems in the main electric cabinets, intrusion detection and more,
- Taking out insurance for losses from such catastrophes.

Pollution prevention, resource and waste management issues are handled by the Group Environment department, which consolidates Group data and keeps a close eye on environmental regulatory changes.

All Group locations are subject to ICPE (classified facilities for environmental protection) regulations. The Group ensures compliance with mandatory statements and obtains licences as needed. ICPE folders include an in-depth study of threats.

There are three environmental pollution types.

- Water pollution may arise from accidental pollutant leaks, momentary faults in a facility like a treatment plant or using
 water to put out a fire. To combat this risk, we have introduced several policies including use of water reservoirs, sticking
 to foodstuff inventory limit rules and treatment plant safety rules. Location waste water is a big Group issue. Major efforts
 are made to ensure waste water is clean and to minimise harm to the water table including capital spending on waste water
 and sludge treatment facilities.
- Air pollution may arise from a toxic gas leak following a fire, a cooling gas (e.g. ammonia) leak or a legionella bacteria leak following a cooling tower malfunction. We have implemented watertight controls including leak detection systems and various control procedures to mitigate the risk.
- Ground pollution risk is kept to a minimum by storing pollutants (e.g. diesel tanks, chemicals etc.). We furthermore comply with treatment plant sludge spreading regulations (rules covering spreading, distances, periods, analysis, agricultural results and more).

A "Chemical risk audit and control" policy has been in force at all Group locations since 2012, which aims to identify high-risk chemicals and work situations and suggest solutions like replacing chemicals whenever possible or individual or collective protection methods.

Under our resource management programme and so as to prevent energy supply cuts, we have developed energy management systems and energy efficiency measurement and performance appliances at our locations. Energy consumption is reviewed at all locations so as to come up with action plans and so cut consumption.

Group operations play a crucial role during the Christmas festivities period. Given when Christmas happens, we may have to work in bad weather that can sometimes cause delayed deliveries or difficulties getting poultry birds all together.

STAFF RISKS

We pay considerable attention to our employees' health and safety and tightened our procedures during the pandemic. The HR and Occupational Health & Safety policies are detailed in the non-financial section hereto.

SALES RISKS

The Group offers a broad range of foodstuffs for all customer industries: supermarkets, discount stores, catering outlets, local authorities and food manufacturers.

Over the last two years, we have been nimble and flexible to support customers. With regard to the most consumer-facing divisions, namely Poultry and Ready Meal, they are both evenly exposed to sales risks given the Group's markets.

With regard to bad debts, the Group has introduced customer credit and receivables collection procedures. The Group has further taken out a credit insurance policy over the last few years. Subsidiaries may draw on this policy for their French and foreign customers.

LEGAL, REGULATORY AND TAX RISKS

The Legal Affairs department backed by specialist outside consultants carries out a legal watch designed to flag up any legislative change that impacts the Group. This further bolsters the Group's compliance with applicable laws and regulations. Tax issues are managed by the Group Finance and Administration department who call on outside tax specialists whenever needed.

The Group is currently engaged in several cases of ongoing litigation. Any potential losses therefrom considered probable have been accrued as detailed in Note 15 to the consolidated financial statements.. Given the Group's large number of subsidiaries, there are nearly always ongoing tax or social security audits.

There are no government, litigation or arbitration proceedings, of which the Company is aware, that are underway or pending, which are liable to have, or have had during the last 12 months, a material impact on the Company's and/or Group's financial position or earnings.

IT RISKS

Physical security, data privacy and systems access are managed by the Group IT department, which is responsible for overall systems security including minimising risks of error, intrusion and piracy.

The security policy breaks down into three sections: hardware and network security, data security and legal security. Group companies are also subject to a data back-up policy. The Group has a transaction back-up system that means it can restore data at all times. The IT department also helps install new software in Group companies with a view to standardising all Group software systems.

Furthermore, the Group has written and issued an IT systems security plan based on a risk analysis carried out by outside specialists. The plan was written by an IT security manager who took into account both IT systems and internal controls.

FINANCIAL RISKS

Bank signatories are determined based on general Group principles. Internal controls factor in new powers, which are reviewed once a year when banks are circularised.

A bank transaction digital signature validation procedure has been rolled out in most Group companies.

03 MANAGEMENT REPORT

LIQUIDITY RISKS

The Group manages cash prudently. As a result, Group cash and cash equivalents stood at €380.6m as of 28 February 2023. Group Treasury select investment products that Group subsidiaries are supposed to use. Selection criteria are designed to assure investment liquidity and security.

INTEREST RATE RISKS

The Group liaises closely with subsidiaries to coordinate, control and manage interest rates. Investments are made with a principal guarantee if retained until maturity. Borrowings are booked on transaction date at fair value of the future commitment given for the net funds received less related issue costs. Given its gearing and guaranteed investment rates, the Group believes its exposure to interest rate risks is low.

CURRENCY RISKS

The Group has little exposure to currency risks since its supplies and sales are largely denominated in euros. However, it has hedged exchange rates on the most frequently used currencies.

FRAUD RISK

The Group is regularly subject to external fraud attempts. Combating fraud involves building relevant staff awareness and keeping them informed as well as applying and strictly following internal procedures.

We continue to tighten financial transaction security on an ongoing basis. Our people are aware of fraud attempts affecting them that occur either by a direct approach or by attempted phone threats to financial or administrative staff. We have introduced strictly followed internal procedures to ward off fraud attempts.

INSURANCE

The Group works with several insurance brokers.

Property damage and operating loss insurance

With regard to property damage and operating losses, most French subsidiaries come under a Group policy. Coverage is therefore identical for all locations. Assets are insured at "replacement cost" and strategic locations' operating losses for 15 to 18 months. Insurance company engineers from time to time carry out audits. The engineers run an annual meeting to present risk control levels and prevention and protection systems. Following the meeting. the Group Security department coordinates location steps based on stated recommendations such as sprinklers, security staff, CCTV, electric cabinet protection etc.

Outside experts also advise the Group, especially in conjunction with location expansion projects.

Liability insurance

With regard to liability, all Poultry and Ready Meal division and Polish subsidiaries fall under the same Group policy. The Upstream division, Hungarian and UK subsidiaries have their own policies tailored to their operations.

Thanks to steps taken aiming to improve prevention and protection systems, the Group keeps insurance costs down. We strive to keep our farming and manufacturing facilities safe and secure by taking steps to train and build awareness among our people and spending if need be.

Other

Over the last few years we have taken out insurance policies for customer credit, cybersecurity and environmental risks.

VII - INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

Group internal control and risk management procedures relating to accounting and financial data processing are based on reference manual guidelines applying to small and mid-caps issued by French financial markets regulator AMF.

7.1 - INTERNAL CONTROL OBJECTIVES

Internal controls require a methods and procedures framework that assures that:

- Group financial and accounting data is reliable and accurate
- Group businesses are managed thoroughly
- · Group management instructions are followed
- Flags up any problems
- Standardises accounting practices and makes them consistent

7.2 - Processing and preparing financial and accounting data procedures

General procedure - Internal and external audit

Internal audit is carried out by properly qualified staff, who also participate in doing the consolidation. Internal audit staff have multiple skills that makes auditing standard procedures easier and more effective.

Internal audit's mission is to:

- Standardise Group accounting practices so as to make the various Group entity accounts comparable and financial reports meaningful.
- Implement reliable and regular financial reporting via general management reporting systems.
- · Organise subsidiaries' administrative functions and internal controls with a detailed procedural analysis.
- Ensure accounting policies are adopted on a permanent basis.
- · Monitor implementation of previous audit recommendations.
- Spread best practices by urging continuous improvement.

All subsidiaries prepare an accounts update that they report to the Finance Department for analysis. The update is backed by business details. These documents are reported to division top management.

Administrative managers report on a straight line to their local general managers and on a dotted line to their functional superior. This alongside operational controlling in all Group subsidiaries bolsters the internal control environment.

An accounts review of all Group subsidiaries is carried out every half year by Finance department staff. This review is based on:

- · Work standards comparable to those of audit firms' assurance engagements,
- Internal auditors visiting locations in most subsidiaries. Testing is carried out to check whether procedures are reliable and adequate.
- An audit report is submitted to the Chief Financial Officer after each audit.

There is a procedural manual in most French subsidiaries.

Group capex budgets are approved by relevant division senior management. A budget vs actual control is carried out every six months. While not centralised, cash management is still subject to strict procedures covering optimisation, investment security and restricting bank signatories and powers.

Consolidation

Consolidation involves preparing the same GAAP (IFRS), the Group consolidated financial statements under to ensure reliable and meaningful financial reporting on a timely basis.

An accounts consolidation is carried out every half year after the internal audit department have signed off on the Company financial statements. All consolidation tasks are carried out by the parent company. Complex transactions are booked after consulting the external auditors.

Management controlling

Under the Finance department's responsibility, Management Controlling is tasked with implementing and monitoring management systems as needed to give regular and detailed reports of the Group's operations. The overriding goal is to deliver standard revenue and earnings reports by division to the various Group departments.

Group controllers have implemented an ongoing review of subsidiaries' revenues and costs . The Group's strict management is based both on a subsidiary reporting system and on producing performance analysis documents as follows:

- Weekly results
- Monthly analysed results that are reconciled to the monthly financial accounts
- Marginal business analysis kits and half-year productivity and budget vs actual schedules.

The internal control system applies to different locations from those of the accounting system. Management controllers also participate in checking compliance with regulations specific to our agri-food business like food safety, traceability and environmental procedures. The fact that most of our locations are ISO 22 000, IFS or BRC-certified gives further comfort.

Group reporting systems facilitate consolidation because most subsidiaries use the same accounting, purchase and sale software and this is installed at newly-acquired businesses.

VIII – CLIMATE CHANGE FINANCIAL RISKS

At the Group's current state of risk analysis and measurement, we have not identified any short-term material financial risk arising from climate change.

IX RESEARCH AND DEVELOPMENT

R&D jobs are launched to offer consumers top-notch, healthy, practical, planet-friendly food that everyone can afford. All details are given in our consolidated non-financial performance statement.

03 MANAGEMENT REPORT

X - LDC SA PARENT COMPANY

1. Presentation and results

LDC SA's activities consist of managing all equity investments it holds and running the Group. It provides:

- Management
- Media
- External services
- And earns brand royalties

The detailed services it provides are listed in various agreements signed with French and foreign subsidiaries.

2022/23 revenues were €17,212k (2021/22: €16,671k).

The 2022/23 operating loss was €2,257k (2021/22: €306k profit).

Net financial items were income of €45,315k (2021/22: €41,838k). Financial income mostly comprises dividends from Poultry division subsidiaries and income earned on surplus cash investments.

Net profit was €42,722k (2021/22: €42 245k).

2. INTERCOMPANY LOANS

Pursuant to the French Monetary and Financial Code and its application decree, listed companies have to report the value of undertwo-years-old loans granted to businesses, with which it has economic dealings, and give reasons for said loans. As of 28 February 2023, the Company has not granted any intercompany loans.

3. ACCOUNTS RECEIVABLE / PAYABLE AGEING

Pursuant to Articles L.441-14 and D.441-6 French Commercial Code, please find below the number and value of accounts receivable and payable ageing.

Trade payables/purchases (€k)

Unpaid overdue balances as of the balance sheet date (€	k)					
	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91+ days	Total (1+ days)
(C) Overdue ageing bands						
Number of invoices						36
Gross total of invoices		170	11	0	0	181
Percentage of gross total purchases in the year		1.0%	0.1%	0.0	0.0%	1.0%
(D) Litigation receivables and payable invoice	s excluded from (A)					

Trade receivables/sales (€k)

Unpaid overdue balances as of the balance sheet date (€k)						
	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91+ days	Total (1+ days)
(A) Overdue ageing bands						
Number of invoices						5
Gross total of invoices		119			26	145
Percentage of gross total sales in the year		0.4%			0.1%	0.5%
(B) Litigation receivables and payable invoices excluded fro	m(A)					
Number of invoices			0			

4. SHARE CAPITAL BREAKDOWN AND SHARE TRANSACTIONS (BUYBACK PROGRAMME)

4.1 SHARE CAPITAL BREAKDOWN

As of 28 February 2023, LDC SA share capital consisted of 17,635,433 shares (€0.40 nominal value) broken down as follows:

			Exercisable	voting rights	Notional vo	ting rights
FAMILY	Total number of shares	% share capital	Total voting rights	% voting rights	Total voting rights	% voting rights
CHANCEREUL	3,044,436	17.26	6,088,872	20.10	6,088,872	20.02
LAMBERT	6,933,362	39.31	13,847,275	45.72	13,847,275	45.54
GUILLET	686,591	3.89	1,370,375	4.52	1,370,375	4.51
HUTTEPAIN	1,562,250	8.86	3,124,411	10.32	3,124,411	10.28
FAMILY CONCERT SUB-TOTAL	12,226,639	69.33	24,430,933	80.66	24,430,933	80.35
CAFEL	1,649,302	9.35	1,649,302	5.45	1,649,302	5.42
SOFIPROTEOL	548,993	3.11	1,097,986	3.63	1,097,986	3.61
TREASURY SHARES	145,022	0.82	0	0	145,022	0.48
PUBLIC AND OTHER REGISTERED SHAREHOLDERS	3,065,477	17.38	3,109,340	10.27	3,083,520	10.14
Inc. LDC staff mutual fund	451,303	2.56	451,303	1.49	451,303	1.48
TOTAL	17,635,433	100	30,287,561	100	30.406,763	100

To the Company's knowledge, no other shareholder, directly or indirectly, alone or in concert, holds more than 2% of the share capital or voting rights (threshold stated in the LDC Articles of Association).

During year ended 28 February 2023, there was no material change in the share capital or voting rights.

Note also that collective share retention commitments between Lambert – Chancereuil – Guillet and Huttepain family shareholders under 1 August 2003 "Dutriel Act" tax rules were signed during 2022/23, thereby superseding previous commitments (see paragraph IX – 6° of the Supervisory Board corporate governance report.

03 MANAGEMENT REPORT

4.2 SHARE BUYBACK PROGRAMME

Reminder: the 25 August 2022 combined general meeting authorised the Executive Board for an eighteen month term, pursuant to articles L.22-10-62 et seq. and L.225-210 et seq. French Commercial Code, to purchase one or more times, at moments it shall determine, Company shares, capped at 5% of the number of shares making up share capital as of the General Meeting date. Said meeting set the maximum buyback price per share at €200, or a maximum total value of €171,344,200.

Share buyback programme:transactions in 2022/23 carried out pursuant to the relevant 19 August 2021 and 25 August 2022 general meeting resolutions are detailed below.

	Number of shares	Amount (€k)
2021/22	119,202	11,229
Sales	25,208	2,334
Purchases	51,028	4,51
2022/23	145,022	16,242
Average purchase price: €88.42. Average sale price: €92.56 Total transaction costs €11,773.77 (0.5% of bought treasury shares)		
Percentage of direct and indirect treasury shares in share capital		0.82%
Number of cancelled shares in the last 24 months		0
Number of treasury shares as of 28/2/22: o/w liquidity contract o/w held for stock option or free share plans o/w cancelled o/w held for M&A transactions o/w held for equity options		145,022 6,001 139,021 / /
Asset book value (€)		€13,968,382.90
Market value (€) based on 28 February 2023 closing share price (€112)		€16,242,464.00
Total nominal value at 28/2/23: o/w liquidity contract o/w held for stock option or free share plans o/w cancelled o/w held for M&A transactions o/w held for equity options		€58,008.80 €2,400.40 €55,608.40/ /

No Company treasury shares have been reclassified for other purposes since the last general meeting.

5. SENIOR EXECUTIVE SHARE TRANSACTIONS STATEMENT

- D.S.R.L. consortium related to Mr Denis LAMBERT (Executive Board Chairman): during FY 2022/23 he bought 19,377 shares (see AMF Statements 2022DD858296, 2022DD858297, 2022DD858298, 2022DD858301, 2022DD858302, 2022DD858303, 2022DD858326, 2022DD858327, 2022DD858328, 2022DD858333);
- Mr Laurent GUILLET (Supervisory Board director): during FY 2022/23 he bought 500 shares (see AMF Statement 2022DD866106).

6. APPROVAL OF THE COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS + EARNINGS APPROPRIATION - NON-DEDUCTIBLE EXPENSES AND CHARGES

Approval of the Company and consolidated financial statements for the year ended 28 February 2023 - Approval of the non-tax-deductible expenses and charges.

We request that you approve the Company financial statements for the year ended 28 February 2023 revealing a $\le 42,722,371.59$ net profit and the consolidated financial statements for the year ended 28 February 2023 as presented revealing a $\le 224,707,894$ net profit (Group share).

We request that you approve the total value of expenses and charges specified under articles 39-4 French General Tax Code amounting to €72,313 and corresponding tax.

Earnings appropriation for the year

We propose to appropriate retained earnings for the year of €42,722,371.59 as follows:

Source

Net profit for the year €42,722,371.59
 Transfer to the "Other Reserves" account €4,893,297.51

Appropriation

• Dividends €47.615,669.10

Accordingly, the gross dividend for each €0.40-nominal-value share would be €2.70 and the "Other Reserves" account would therefore reduce from €586,989,973.96 to €582,096,676.45.

When dividends are paid to private individuals tax resident in France, they are subject, either, to a fixed single gross dividend 12.8% withholding tax (Article 200 A French General Tax Code), or, on taxpayer's irrevocable and overall expressed option, to the income tax progressive scale after a 40% allowance (articles 200 A,2 and 158 French General Tax Code). Dividends are further subject to 17.2% social security charges.

Such dividends would fall due for payment on 30 August 2023 and the ex-dividend date would be 28 August 2023.

It is hereby stated that should, as of the ex-dividend date, the Company hold any treasury shares, the amount equal to unpaid dividends on said treasury shares shall be posted to the "Other Reserves" account.

Should the number of shares entitling their holders to a dividend vary from the 17,635,433 shares making up share capital at 16 May 2023, the total dividend payout would be adjusted accordingly and the amount posted to Other Reserves would be based on actually paid dividends.

Pursuant to Article 243 bis French General Tax Code rules, dividend and other shareholder payouts in respect of the last three financial years were as follows:

	INCOME ELIGIE	INCOME ELIGIBLE FOR TAX CREDITS				
IN RESPECT OF THE YEAR	DIVIDENDS	OTHER SHAREHOLDER PAYOUTS	CREDITS			
2019/20	€20,561,365.20* Or €1.20 per share	-	-			
2020/21	€31,001,022.00* Or €1.80 per share	-	-			
2021/22	€35,270,886.00* Or € 2.00 per share	-	-			

^{*}Including unpaid dividend amounts on treasury shares posted to Other Reserves or Retained Earnings.

7. EMPLOYEE SHAREHOLDERS

At the balance sheet date, employee shareholders as defined under Article L. 225-102 French Commercial Code accounted for 2.56% of Company share capital.

8. COMPANY RESULTS AND OTHER DETAILS OVER THE LAST FIVE FINANCIAL YEARS

	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
FY number of months	12	12	12	12	12
I - Share capital at year-end					
Share Capital	6,853,788	6,853,788	6,853,788	7,054,173	7,054,173
Number of existing ordinary shares	17,134,471	17,134,471	17,134,471	17,635,433	17,635,433
Number of existing non-voting preference shares					
Maximum number of future issuable shares	0	0	0	0	0
II- Results for the year					
Net revenues	14,263,287	13,043,969	13,369,811	16,670,714	17,211,649
Profit before tax, employee profit sharing, depreciation, amortisation and provision charges	35,631,971	35,820,632	35,067,416	43,504,940	46,226,266
Corporation tax	494,401	762,955	473,407	(5,662)	71,501
Employee profit sharing in respect of the year	105,774	80787	101,602	105,431	186,819
Profit after tax, employee profit sharing, depreciation, amortisation and provision charges	34,574,795	33,738,776	35,202,664	42,245,206	42,722,372
Distributed earnings	27,415,154	20,561,365	31,001,022(1)	35,270,866	47,615,668
III - Earnings per share					
Profit after tax and employee profit sharing, before depreciation, amortisation and provision charges	2.04	2.04	2.01	2.46	2.61
Profit after tax, employee profit sharing, depreciation, amortisation and provision charges	2.02	1.97	2.05	2.40	2.42
Dividend per share	1.60	1.20	1.80	2.00	2.70(2)
IV - Employees					
Average number of employees during the year	42	42	42	46	47
Total wages and salaries for the year	4,534,257	4,588,277	5,292,295	5,492,379	7,362,865
Staff social security, social welfare and other expense	1,861,269	1,898,575	2,097,072	2,031,516	2,107,696

^{(1) 23/6/21} Executive Board decision following share capital change (2) Executive Board proposal to the 24 August 2023 Combined General Meeting

Pursuant to Article L. 225-68 French Commercial Code YEAR ENDED 28 FEBRUARY 2023

Ladies and Gentlemen,

Pursuant to Article L. 225-68 French Commercial Code, we hereby present to you our corporate governance report. This report's purpose is to report the following items:

- I) Middlenext corporate governance code adoption;
- II) Identities of the Company board directors and a list of all offices or jobs held in any company by each board director during the year; III) Company board procedures;
- IV) Director pay policy (prior shareholder vote resolutions 16 and 18 of the 24 August 2023 Combined General Meeting);
- V) Information specified under I Article L. 22-10-9 French Commercial Code for each Company director (resolutions 12 to 14 of the 24 August 2023 General Meeting "individual ex-post" vote and resolution 15 of the 24 August 2023 General Meeting "overall ex-post" vote:
- VI) Agreements between one of the Company directors or a shareholder holding more than 10% of the voting rights and a controlled company as defined under Article L. 233-3 French Commercial Code;
- VII) Share issue powers granted in general meeting;
- VIII) Specific procedures for shareholders to attend general meetings or Articles of Association instructions thereto;
- IX) Items that may impact any public tender offer;
- X) A description of the Company's procedure to comply with para 2 Article L. 22-10-29 French Commercial Code and implementation thereof:
- XI) Comments regarding the Executive Board report and the financial statements for the year.

This report will be attached to the Executive Board Management Report for the year ended 28 February 2023.

Work underlying preparation of this report was as follows: it was prepared by the Executive Board with the Group Finance Department's assistance. It was reviewed and approved during the Supervisory Board's 17 May 2023 meeting.

I. MIDDLENEXT CORPORATE GOVERNANCE CODE

The Chairman hereby restates that the Supervisory Board, during its 19 August 2010 meeting, decided to refer to the September 2016 Middlenext corporate governance code for mid and small caps for corporate governance purposes.

Said code was revised in September 2021. The new version further specifies or strengthens existing recommendations and adds three new recommendations.

This corporate governance code may be viewed on the Middlenext website at https://www.middlenext.com/IMG/pdf/c17_-_cahier_14_middlenext_code_de_qouvernance_2021-2.pdf.

Board directors during their 17 May 2023 meeting stated they have familiarised themselves with the contents of the heading Key Points of the revised code.

II. MANAGEMENT AND SUPERVISORY BODIES

LDC SA has an Executive Board and a Supervisory Board. This corporate form provides for a split between executive management and control functions.

II. 1 - EXECUTIVE BOARD

II.1.1 - EXECUTIVE BOARD DIRECTORS DURING THE YEAR:

SURNAME first name	Job title	Last reappointment date	Expiry date	Left
LAMBERT Denis	Chairman	25 August 2020	25 August 2024	
LAMBERT Christophe	Director	25 August 2020	25 August 2024	29 December 2022
LAMBERT Thierry	Director	25 August 2020	25 August 2024	
GELIN Philippe	Director	25 August 2020	25 August 2024	
SALLE Stéphane	Director	20 May 2021 (1 st appointment)	25 August 2024	

Should a new Executive Board director be appointed, his or her appointment will be published by press release following the Supervisory Board's ratification.

II.1.2 - EXECUTIVE BOARD DIRECTORS' COMPANY DIRECTORSHIPS AND JOBS

	Mr Do	enis LAMBERT - LDC SA Executive Board Chairman
OTHER DIRECTORSHIPS AND JOBS IN <u>FRENCH</u> COMPANIES	Unlisted companies	LDC Group companies - RONSARD BRESSE SAS chairman (term expired 27/9/22) Non LDC Group:companies - Rémy Lambert consortium co-managing director ("MD") - DSRL consortium director - Vice-Chairman: Syvol trade association - Director: FIA trade association
Listed companies		None
OTHER DIRECTORSHIPS AND JOBS IN <u>FOREIGN</u> COMPANIES	Unlisted companies	LDC Group: companies - ROLDROB SA - SEDAR SA- DROSED-SUROWIEC - DROP SA- DROSED HOLDING - DROSED SA - NATURAGRA DROB SZLACHETNY supervisory board director - AN AVICOLA MELIDA, S.L. main board director (term expired 22/12/22) - AVES LDC ESPANA S.L.U. main board director - LDC TRANZIT HOLDING Supervisory Board director -TRANZIT FOOD Supervisory Board director -TRANZIT KER Supervisory Board director -TRANZIT KER Supervisory Board director - Non LDC Group: companies None
	Listed companies	None

	Mr Christophe LAMBERT - LDC SA Executive Board director until 29 December 2022					
OTHER DIRECTORSHIPS AND JOBS IN <u>FRENCH</u> COMPANIES	<u>Unlisted companies</u>	LDC Group companies : None Non LDC Group:companies : - DSRL consortium co-MD				
	Listed companies	None				
OTHER DIRECTORSHIPS AND JOBS IN <u>FOREIGN</u> COMPANIES	Unlisted companies	LDC Group companies : None Non LDC Group:companies : None				
	Listed companies	None				

Thierry LAMBERT - LDC SA Executive Board director				
OTHER DIRECTORSHIPS AND JOBS IN <u>FRENCH</u> COMPANIES	Unlisted companies	LDC Group companies: - Société Logistique du Bailleul SAS chairman (term expired 31/1/2023) - GPA DISTRIBUTION PARIS SAS chairman Non LDC Group:companies: - DSRL consortium co-MD - DITL consortium co-MD		
	Listed companies	None		
OTHER DIRECTORSHIPS AND JOBS IN <u>FOREIGN</u> <u>COMPANIES</u>	Unlisted companies	LDC Group companies : None Non LDC Group:companies : None		
	Listed companies	None		

Listed companies

COMPANIES

REPORT					
	Mr Phi	ippe GELIN - LDC SA Executive Board director			
OTHER DIRECTORSHIPS AND JOBS IN <u>FRENCH</u> COMPANIES	<u>Unlisted companies</u>	LDC Group companies: LDC SA CEO LDC INTERNATIONAL SAS chairman LDC SABLE SAS chairman GUILLET SAS chairman POULTRY FEED COMPANY SAS chairman LDC AQUITAINE SAS chairman LOSSE VOLAILLES DES LANDES SAS chairman SNV SAS chairman LUCHE TRADITION VOLAILLES SAS chairman SCADIS SAS chairman SCADIS SAS chairman LES VOLAILLES REMI RAMON SAS chairman AU CHAPON BRESSAN SAS chairman CORICO SAS chairman GUILLOT COBREDA SAS chairman LDC BOURGOGNE SAS chairman LES FERMIERS DE L'ARDECHE SAS chairman LES VOLAILLES DE BLANCARFORT SAS chairman LES VOLAILLES DE BLANCARFORT SAS chairman LES VOLAILLES DE BLANCARFORT SAS chairman LES TABLISSEMENTS MAIRET SAS chairman PALMID'OR BOURGOGNE SAS chairman PALMID'OR BOURGOGNE SAS chairman PALMID'OR BOURGOGNE SAS chairman RONSARD ILE DE FRANCE SAS chairman NOL TRAITEUR SAS chairman RONSARD ILE DE FRANCE SAS chairman			
	Listed companies	None			
OTHER DIRECTORSHIPS AND JOBS IN <u>FOREIGN</u> COMPANIES	IN <u>FOREIGN</u> companies - DROSED SOROWIEC EXECUTIVE BOARD VICE-CHAIRMAN - ROL DROSED SOROWIEC EXECUTIVE BOARD VICE-CHAIRMAN				
	Listed companies	None None			
	Mr Sté	phane SALLE Executive Board director LDC SA			
OTHER DIRECTORSHIPS AND JOBS IN <u>FRENCH</u> COMPANIES	Unlisted companies	LDC Group companies: - Chairman SAS LDC VOLAILLE - Chairman SAS LDC FOODS - Chairman SAS CELTYS - Chairman SAS CELVIA - Chairman SAS FARMOR - Chairman SAS LDC BRETAGNE - Chairman SAS LE PLENIER BOSCHER - Chairman SAS LES VOLAILLES DE KERANNA - Chairman SAS MICHEL ROBICHON - Chairman SAS ROHAN VIANDES ELABORATION (dormant company) - Chairman SAS RONSARD VOLAILLES - Chairman SAS RONSARD VOLAILLES - Chairman SAS SOCIETE BRETONNE DE VOLAILLES - Chairman SAS SOVIETE BRETONNE DE VOLAILLES - Chairman SAS SOVIETANCE - Chairman SAS ARRIVE - Chairman SAS ARRIVE - Chairman SAS ARRIVE - Chairman SAS FAVREAU COUTHOUIS - Chairman SAS SAM POIRAUD - CEO SAS MAITRE COQ SAILING - Management Committee member SAS SOCCAD INVESTISSEMENTS None None			
OTHER DIRECTORSHIPS	•	LDC Group companies :			
AND JOBS IN <u>FOREIGN</u>	<u>Unlisted companies</u>	Non LDC Group:companies :			

II. 2 - SUPERVISORY BOARD

II.2.1 - SUPERVISORY BOARD DIRECTORS AT 28 FEBRUARY 2023:

First name SURNAME	Independent director*	Date of birth	1 st appointed	Term expiry	Audit Committee	Appointments and Remuneration	Committee CSR	Experience and expertise
André DELION (Chairman)	Х	8/7/1951	22/8/2013	2023 AGM	X (Chairman)	X (Chairman)		Former CFO
Patrice CHANCEREUL (Vice-Chairman)		31/10/1961	31/8/2001	2023 AGM		X (director)		Doctor
Béatrice BASTIEN	Х	21/6/1964	24/8/2017	2024 AGM	X (director)			Chartered Accountant
CAFEL (Philippe PANCHER)		13/11/1963	24/8/2006	2024 AGM				Corporate executive
Jean-Paul SABET	Х	3/6/1954	30/8/1988	2024 AGM				Former bank executive
Laurent GUILLET		1/9/1969	16/5/2013	2024 AGM		X (director)		Corporate executive
S.C.REMY LAMBERT (Stéphanie LAURENT)		1/8/1972	25/4/1990	2024 AGM				Family holding company
MANCELLE HUTTEPAIN (Gilles HUTTEPAIN)		2/6/1955	19/8/2021	2024 AGM		X (director)		Upstream bus expert
Monique MENEUVRIER		8/8/1969	20/8/2015	2025 AGM				Management controlling
SOFIPROTÉOL (Violaine GRISON)	Х	4/1/1975	20/8/2015	2025 AGM	X (director)		X (Chairman)	Associate director - Expertise: M&A, strategy, agri-food industry
Cécile SANZ	Х	22/1/1972	24/8/2017	2022 AGM			X (director)	Corporate executive
Aurélie ROYER		17/3/1978	21/1/2018	21/1/2024			X (director)	Staff representative and LDC Group environment manager
LU-MINH loan		23/3/1988	21/1/2020	21/1/2024				Staff representative

*In view of Middlenext Code independence criteria

It is hereby stated that pursuant to Article 23 of the Articles of Association, Supervisory Board directors are appointed for a four-year term. By way of exception and so as to ensure a smooth turnover of Supervisory Board directors, the Ordinary General Meeting may appoint one or more directors for one, two or three-year terms of office.

On recommendation from the Appointments and Remuneration Committee, it is further stated that the 24 August 2023 General Meeting will include a draft resolution (resolution 6) to reappoint Mr Patrice CHANCEREUL as Supervisory Board director for a fouryear term of office expiring following the 2027 AGM called to approve the financial statements for the completed financial year.

On recommendation from the Appointments and Remuneration Committee, the 24 August 2023 General Meeting shall have the following draft resolutions (resolutions 7 to 10):

- The appointment of Mr Denis LAMBERT as Supervisory Board director (subject to him resigning as Executive Board chairman and director) for a four-year term expiring following the 2027 AGM, called to approve the financial statements of the completed financial year, replacing Mr André DELION whose term of office expires and who does not seek reappointment.
- The appointments of Mr Christophe LAMBERT, Mr Thierry CHANCEREUL and Ms Alexandra PELLETIER as Supervisory Board directors for a four-year term until following the 2027 AGM called to approve the financial statements of the completed financial year, adding to the current directors.

II.2.2 - 2022/23 CHANGES

	Date	Event description	Supervisory Board director
Supervisory Board	25/8/22 AGM	Supervisory Board director reappointment	Ms Cécile SANZ
	25/8/2022 SB	CSR committee formed – Appointed as CSR committee chairman	SOFIPROTEOL represented by Ms Violaine GRISON (Chairwoman)
CSR Committee	25/8/2022 SB	CSR committee formed – Appointed as CSR committee member	Ms Cécile SANZ
	25/8/2022 SB	CSR committee formed – Appointed as CSR committee member	Ms Aurélie ROYER

II.2.3 SUPERVISORY BOARD GENDER PARITY

The Board has five women among eleven directors (note: Aurélie ROYER and Loan LU-MINH as staff representatives are not included in the gender parity calculation). So the proportion of men and women directors does not fall below 40%, thereby assuring a balanced gender representation on the board.

Applicable rules regarding "balanced gender representation on supervisory boards and boards of directors" require that the proportion of each gender's directors my not fall under 40% (for boards with more than eight directors).

II.2.4 DIVERSITY POLICY

The Board strives to uphold diversity and complimentary backgrounds in terms of both expertise, experiences, gender balance and nationality.

The table below describes the Supervisory Board internal diversity policy including targets and achievement criteria, procedures and results during the year:

Criteria	Targets	Implementation and results during the year
Review h wheneve backgrou	Supervisory Board director gender parity	Women directors: The Board has 45.45% women directors (excl. staff representative directors).
	Review hiring strategies to assure gender parity whenever possible together with complimentary backgrounds	Expertise diversity: - Agri-food industry knowledge - Finance, controlling, capex - H&S - Risk avoidance - Management Current Board directors reflect the Company's determination to hire directors with varied skillsets matching the Group's business needs. International expertise: Board directors' international experience in line with the Company's M&A plans.
	Elect two staff representative directors (article 22 of the Articles of Association)	The 22 August 2019 General Meeting amended Article 22 of the Company Articles of Association so as to permit the election of a second staff representative board director. Ms Aurélie Royer and Ms Loan Lu-Minh were elected following the January 2020 staff poll
Board director independence	Middlenext R3 recommendation	The current proportion of independent directors stands at 45.45% (excl. staff representative directors). The Board considered that the current ratio is satisfactory insofar as the Middlenext Code recommends the Board should have at least two independent directors.
Board director age	Article 23 of the Company Articles of Association	The number of Supervisory Board directors aged 75 or above may not exceed one third of directors. If this limit is reached, the oldest director will automatically be deemed to have stepped down.

II.2.5- SUPERVISORY BOARD DIRECTOR TRAINING

During their 3 February 2022 meeting, Supervisory Board directors were asked to state their training needs about LDC Group businesses and markets so as to introduce a 3-year training plan. During their 18 May 2022 meeting, in view of directors' stated wishes, the Supervisory Board ratified a training plan addressing the following topics: CSR, Location visits, Being a director of a family business and Being an employee director.

Every year the Board reviews training plan progress pursuant to Recommendation R5 of the Middlenext Code. This resulted in developing and implementing a Board directors training schedule.

II.2.6 - SUPERVISORY BOARD DIRECTOR DIRECTORSHIPS AND JOBS

Ms Béatrice BASTIEN LDC SA Supervisory Board independent director - Term expires 2024 AGM Audit Committee member			
OTHER DIRECTORSHIPS AND JOBS IN <u>FRENCH</u> <u>COMPANIES</u>	Unlisted companies	LDC Group companies : None Non LDC Group:companies : - CIFRALEX chairwoman - ALLEGRO co-MD	
	Listed companies	None	
OTHER DIRECTORSHIPS AND JOBS IN FOREIGN COMPANIES Listed companies	LDC Group companies : None Non LDC Group:companies : None		
	Listed companies	None	

Mr Patrice CHANCEREUL LDC SA Supervisory Board Vice-Chairman Term expires 2023 AGM Appointments and Remuneration Committee member			
OTHER DIRECTORSHIPS AND JOBS IN <u>FRENCH</u> <u>COMPANIES</u>	Unlisted companies	LDC Group companies : None Non LDC Group:companies : - LE DOLMEN consortium co-MD - LE CLOS consortium co-MD - LES TILLEULS consortium co-MD - LA DEMI LUNE consortium co-MD	
	Listed companies	None	
OTHER DIRECTORSHIPS AND JOBS IN <u>FOREIGN</u> COMPANIES	Unlisted companies	LDC Group companies : None Non LDC Group:companies : None	
	Listed companies	None	

Mr André DELION LDC SA Supervisory Board non-exec chairman - term expires 2023 AGM Audit Committee chairman Appointments and Remuneration Committee chairman			
OTHER DIRECTORSHIPS AND JOBS IN <u>FRENCH</u> COMPANIES	Unlisted companies	LDC Group companies : None Non LDC Group:companies : LE CADRAN SOLAIRE MD GROUPEMENT FORESTIER DE LA PETITE FORÊT MD	
	Listed companies	None	
OTHER DIRECTORSHIPS AND JOBS IN FOREIGN COMPANIES	Unlisted companies	LDC Group companies: - AN AVICOLA MELIDA S.L. main board director (Term expired 22/12/22) - r AVES LDC ESPANA S.L.U. main board director Non LDC Group:companies: None	
	Listed companies	None	

	Mr Laurent GUILLET LDC SA Supervisory Board director – Term expires 2024 AGM Appointments and Remuneration Committee member since 3 February 2022			
OTHER DIRECTORSHIPS AND JOBS IN <u>French Companies</u>	Unlisted companies	LDC Group companies: None Non LDC Group:companies: - G2L SAS chairman - CAPAFFAIRES SAS chairman - CHAMPAGNE SARL MD - G2L Précigné SARL MD - G2L Le Mans SARL MD - G2L Roines La Bellangerais SARL MD - G2L Brest SARL MD - G2L Guidel SARL MD - G2L Connic SARL MD - G2L Pornic SARL MD - Le Petit Jardin property consortium MD - ARTP consortium MD - G2L Rennes La Mabilais SARL MD - G2L Saint Herblain SARL MD - G2L Pornichet SARL MD	- ZeeBox SARL MD - G2L Libourne SARL MD - G2L Langueux SARL MD - G2L Saint Egrève SARL MD - G2L Saint Egrève SARL MD - G2L Saint-Aubin-de-Médoc SARL MD - G2L Bretignolles-sur-Mer SARL MD - G2L Rennes Poterie SARL MD - G2L Saint Pol de Léon SARL MD - G2L Cambo les Bains SARL MD - G2L Brest Lambézellec SARL MD - G2L Sallanches SARL MD - G2L Meulan-en-Yvelines SARL MD - G2L La Roche Bernard SARL MD - G2L Biviers SARL MD	
	Listed companies	None		
OTHER DIRECTORSHIPS AND JOBS IN FOREIGN COMPANIES	Unlisted companies	LDC Group companies : None Non LDC Group:companies : None		
	Listed companies	None		

MANCELLE HUTTEPAIN, represented by Mr Gilles HUTTEPAIN LDC SA Supervisory Board director – Term expires 2024 AGM Appointments and Remuneration Committee member since 3 February 2022			
		MANCELLE HUTTEPAIN	
OTHER DIRECTORSHIPS AND JOBS IN <u>FRENCH</u> COMPANIES	Unlisted companies	LDC Group companies : None Non LDC Group:companies : None	
	Listed companies	None	
OTHER DIRECTORSHIPS AND JOBS IN <u>FOREIGN</u> COMPANIES	<u>Unlisted companies</u>	LDC Group companies : None Non LDC Group:companies : None	
	Listed companies	None	
		Mr Gilles HUTTEPAIN	
OTHER DIRECTORSHIPS AND JOBS IN <u>FRENCH</u> <u>COMPANIES</u>	Unlisted companies	LDC Group companies: GALINA VENDEE chairman LA SAPINIERE MD YER BREIZH SAS Strategic Committee Chairman Non LDC Group:companies: GILBRI consortium managing director ("MD") MANCELLE HUTTEPAIN SAS chairman FIA trade association director ANVOL Poultry trade association vice-chair	
	Listed companies	None	
OTHER DIRECTORSHIPS AND JOBS IN <u>FOREIGN</u> COMPANIES	Unlisted companies	LDC Group companies: DROSED HOLDING- DROSED SA- ROLDROB SA- SEDAR SA- DROSED-SUROWIEC- DROP SA Supervisory Board chairman AVES LDC ESPAÑA, S.L.U. main board director LDC TRANZIT HOLDING Supervisory Board chairman TRANZIT FOOD Supervisory Board chairman TRANZIT KER Supervisory Board chairman CAPESTONE ORGANIC POULTRY Ltd director Non LDC Group:companies: None	
	Listed companies	None	

Mr Jean-Paul SABET LDC SA Supervisory Board independent director – Term expires 2024 AGM			
OTHER DIRECTORSHIPS AND JOBS IN FRENCH COMPANIES	<u>Unlisted companies</u>	LDC Group companies : None Non LDC Group:companies : None	
	Listed companies	None	
OTHER DIRECTORSHIPS AND JOBS IN <u>FOREIGN COMPANIES</u>	Unlisted companies	LDC Group companies: None Non LDC Group:companies: Vice-Chairman: TEB A.S., Turkey (30/3/2010) BGZ BNP Paribas S.A., Poland (19/6/2015) Main board director TEB Holding, Turkey (27/3/2014) BNP Paribas Fortis Yatirimlar Holding, Turkey (2/2/2011) BMCI, Morocco (2/3/2018)	
	Listed companies	None	

Civil company Rémy Lambert represented by Rémy's spouse Stéphanie LAMBERT LDC SA Supervisory Board director – Term expires 2024 AGM			
Civil company Remy Lambert			
OTHER DIRECTORSHIPS AND JOBS IN <u>French Companies</u>	Unlisted companies	LDC Group companies : None Non LDC Group:companies : None	
	Listed companies	None	
OTHER DIRECTORSHIPS AND JOBS IN <u>Foreign companies</u>	Unlisted companies	LDC Group companies : None Non LDC Group:companies : None	
	Listed companies	None	
Ms Stéphanie LAMBERT Remy's spouse			
Unlisted JOBS IN FRENCH COMPANIES Unlisted Companies LDC Group companies: None Non LDC Group:companies: - PRE DE FRARACHE property consortium co-MD - REMY LAMBERT consortium co-MD - ARTA co-MD		None Non LDC Group:companies: - PRE DE FRARACHE property consortium co-MD	
	Listed companies	None	
OTHER DIRECTORSHIPS AND JOBS IN <u>FOREIGN COMPANIES</u>	Unlisted companies	LDC Group companies : None Non LDC Group:companies : None	
	Listed companies	None	

LDC SA Supervisory	Ms Cécile SANZ LDC SA Supervisory Board independent director – Term expires 2026 AGM – CSR Committee member since 25 August 2022		
OTHER DIRECTORSHIPS AND JOBS IN FRENCH COMPANIES	Unlisted companies	LDC Group companies: None Non LDC Group:companies: - CHAPITRE 3 managing director - FPEE chairwoman - MULTILAQUE chairwoman - NEGOMEN chairwoman - NORD CINTRES chairwoman - ART ET FENETRES SARL MD - SANZ FAMILY property consortium co-MD	
	Listed companies	None	
OTHER DIRECTORSHIPS AND JOBS IN <u>FOREIGN COMPANIES</u>	<u>Unlisted companies</u>	LDC Group companies : None Non LDC Group:companies : None	
	Listed companies	None	

COOP	ERATIVE AGRICOLE DES I	ERMIERS DE LOUÉ - CAFEL represented by Mr Philippe PANCHER rvisory Board director – Term expires 2024 AGM
		E AGRICOLE DES FERMIERS DE LOUE - (CAFEL)
OTHER DIRECTORSHIPS AND JOBS IN FRENCH COMPANIES	Unlisted companies	LDC Group companies : None Non LDC Group:companies : - SAS ALIFEL chairwoman - SAS SAFEL chairwoman - SAS EOLOUE chairwoman
	Listed companies	
OTHER DIRECTORSHIPS AND JOBS IN FOREIGN COMPANIES	Unlisted companies	LDC Group companies : None Non LDC Group:companies :
	Listed companies	
		Mr Philippe PANCHER
OTHER DIRECTORSHIPS AND JOBS IN FRENCH COMPANIES	Unlisted companies	LDC Group companies : None Non LDC Group:companies : - CAFEL chairman - SCEA PANCHER BLANCHE MD - EARL de la Jaunelière MD
	Listed companies	
OTHER DIRECTORSHIPS AND	Unlisted companies	LDC Group companies : Non LDC Group:companies :
JOBS IN <u>FOREIGN COMPANIES</u>	Listed companies	None

Ms Monique MENEUVRIER LDC SA Supervisory Board director – Term expires 2025 AGM			
OTHER DIRECTORSHIPS AND JOBS IN <u>FRENCH COMPANIES</u>	<u>Unlisted companies</u>	LDC Group companies: SAS SOCCAD INVESTISSEMENTS management committee member Non LDC Group:companies: None None	
	Listed companies	None	
OTHER DIRECTORSHIPS AND JOBS IN <u>FOREIGN COMPANIES</u>	Unlisted companies	LDC Group companies : None Non LDC Group:companies : None	
	Listed companies	None	

		Listed companie	s None				
		LDC SA Supe	SOFIPROTÉOL represented by Ms Violaine GRISOI ervisory Board independent director – Term expi Audit Committee member CSR Committee member since 25 August	res 2025 AGM			
1		SOFIPROTÉOL					
	OTHER DIRECTORSHIPS AND JOBS IN <u>FRENCH</u> COMPANIES	Unlisted companies	LDC Group companies: None Non LDC Group:companies: - AGDATAHUB - Director - AGRA - Supervisory Board director - AGRA INVESTISSEMENT - Director - AGREENTECH VALLEY - Director - AGRO INVEST- Supervisory Board director - API AGRO - Executive Committee member - BIOGAZ D'ARCIS - Executive Committee member - CAPAGRO - Membre Supervisory Board - EURALIS SEMENCE HOLDING - Director - EXTRUSEL - Director - LIDEA HOLDING (CAUSSADE SEMENCES GROUP) - Director	- LIMAGRAIN EUROPE - Director - NGPA - Director - OXYANE PARTICIPATION (DAUPHINOISE DEVELOPPEMENT) - Director - PIAE - Director - PIVERT - Director - PLURIAGRI - Director - SEMAGRI - Management Committee member - SOFIPROTEOL CAPITAL 1 - Chairman - UNIGRAINS - Director			
		Listed companies	None				
	OTHER DIRECTORSHIPS AND JOBS IN <u>FOREIGN</u> COMPANIES	Unlisted companies	<u>LDC Group companies</u> : None <u>Non LDC Group:companies</u> : None				
		Listed companies	None				

Ms Violaine GRISON				
OTHER DIRECTORSHIPS AND JOBS IN <u>FRENCH</u> COMPANIES	Unlisted companies	LDC Group companies: None Non LDC Group:companies: - ATELIER INOVE - Permanent representative Management Board director - CAPAGRO - Supervisory Board director and Experts Committee member - F.P.J. (MARTINET) - Permanent representative director	- FINANCIERE ESTRAN (SOPRAL) - Permanent representative director - LINCET FROMAGERIE - Permanent representative Strategic Committee member - SODIAAL UNION - Office representative - FINANCIERE JAHA SC - MD - FINANCIERE ADHALDI SC - MD	
	Listed companies	None		
OTHER DIRECTORSHIPS AND JOBS IN <u>FOREIGN</u> COMPANIES	Unlisted companies	<u>LDC Group companies</u> : None Non LDC Group:companies: VEGHGIMMO - Shareholders Committee member		
	Listed companies	None		

	Ms Aurélie ROYER LDC SA Supervisory Board staff representative director – Term expires January 2024 – CSR Committee member since 25 August 2022				
OTHER DIRECTORSHIPS AND JOBS IN <u>FRENCH</u> COMPANIES	Unlisted companies	LDC Group companies : None Non LDC Group:companies : None			
	Listed companies	None			
OTHER DIRECTORSHIPS AND JOBS IN FOREIGN COMPANIES	Unlisted companies	LDC Group companies : None Non LDC Group:companies : None			
	Listed companies	None			

	Ms Loan LU-MINH LDC SA Supervisory Board staff representative director s – Term expires January 2024				
OTHER DIRECTORSHIPS AND JOBS IN FRENCH COMPANIES	Unlisted companies	LDC Group companies : None Non LDC Group:companies : None			
	Listed companies	None			
OTHER DIRECTORSHIPS AND JOBS IN FOREIGN COMPANIES	<u>Unlisted companies</u>	LDC Group companies : None Non LDC Group:companies : None			
	Listed companies	None			

II.3 - POLICY STRIVING FOR GENDER PARITY

The Appointments and Remuneration Committee's underlying purpose is to ensure that the Supervisory Board embraces gender parity. The Board, on corporate management's recommendation, sets gender parity targets for Management Committee executives and senior managers in general (Article 6.3.2 of the Bylaws updated 4 February 2021).

So as to comply with new recommendation R15 of the Middlenext Code, during 2023/2024 Supervisory Board directors will be asked to amend the bylaws (Article 6.3.2 "Appointments and Remuneration Committee") as follows: "The Board shall ensure a policy seeking gender parity and equity be introduced. The Board, on corporate management's recommendation, sets gender parity targets for Management Committee executives and generally at all seniority levels throughout the Group bearing in mind the market environment".

This matter is addressed every year during a Board meeting.

3. MANAGEMENT AND CONTROL BODIES' PROCEDURES

III.1 - EXECUTIVE BOARD PROCEDURES

Articles 18 to 21 of LDC's Articles of Association , which can be viewed on LDC's website, serve to restate and explain applicable statutory and regulatory rules, which apply to Executive Board directors, their terms of office and age limit, the Executive Board chairman, Executive Board decision-making, powers and duties.

Below we report the Executive Board's activities throughout the year ended 28 February 2023.

Executive Board meetings included talks on the following:

- AGM and financial results:
 - Ouarterly revenue report;
 - Half-year earnings report;
 - Review and approval of the Company financial statements for the year ended 28 February 2022;
 - Review and approval of the consolidated financial statements for the year ended 28 February 2022;
 - · Company and Group management reports;
 - · Preparation for the 25 August 2022 Company AGM;
 - · Review of director agreements and terms of office;
 - · Approval of management forecasts.
- Other activities:
- Changed free share award plan (benefiting Company directors as defined under Article L.225-197-1 French Commercial Code - and employees of the Company and directly or indirectly related thereto companies or consortia as defined under Article L.225-197-2 French Commercial Code);
- M&A transactions update;
- · Share buyback programme introduction.

III.2 - SUPERVISORY BOARD PROCEDURES

The Supervisory Board's procedures are described under Articles 22 to 29 of the Company Articles of Association. Pursuant to the Articles of Association, on 29 January 2009 the Supervisory Board passed a bylaw designed to specify details how the Supervisory Board operates as well as its directors' rights and duties.

The bylaw upholds corporate governance best practices and fundamental principles and complies with Middlenext Code recommendations. IThe Supervisory Board may change it at any time.

The latest version of the Board's bylaws, as approved by the Supervisory Board on 4 February 2021, can be viewed online on the Company's website at http://www.ldc.fr.

III.2.1 - SUPERVISORY BOARD JOBS' PREPARATION AND ORGANISATION

Board director independence

The Supervisory Board comprises 13 directors, five of whom are independent and two are staff representatives.

During its 17 May 2023 meeting, the Board reviewed the independence of each of its directors and concluded that Béatrice BASTIEN, Cécile SANZ, André DELION, Jean-Paul SABET and Sofiproteol are independent directors under Middlenext Code recommendation R3.

According to said recommendation, board director independence criteria are as follows:

- · Not to have been employee or director of the Company or of another related Group company in the last five years;
- Not to have had significant business dealings, as customer, supplier, competitor, service provider, creditor, banker and so on, with the Company or its group in the last two years;
- Not to be a significant Company shareholder or voting right holder;
- · Not to have close relations or family ties with a director or significant shareholder;
- Not to have been Company external auditors over the last six years.

The schedule below details the independence status of all current Board directors under Middlenext Code criteria.

Independence criteria	Over the last five years, not to have been or be Company or related company executive director or employee	Not to have had significant business dealings, as customer, supplier, competitor, service provider, creditor, banker and so on, with the Company or its group in the last two years;	Not to be a significant Company shareholder or voting right holder;	Not to have close relations or family ties with a director or significant shareholder;	Not to have been Company external auditors over the last six years.	Independent/ Non-Independent
André DELION (Chairman)	Х	Х	Х	Х	Х	Independent
Patrice CHANCEREUL (Vice-Chairman)	Х	Х			Х	Non-independent
Béatrice BASTIEN	X	X	Х	Х	X	Independent
CAFEL Represented by Philippe PANCHER	Х				Х	Non-independent
Jean-Paul SABET	Х	X*	Χ	Х	X	Independent
Laurent GUILLET	Χ	X			Χ	Non-independent
S.C. REMY LAMBERT represented by Stéphanie LAURENT	X	X			X	Non-independent
MANCELLE HUTTEPAIN represented by Gilles HUTTEPAIN					Х	Non-Independent
Monique MENEUVRIER		X	Χ	X	X	Non-Independent
SOFIPROTEOL represented by Violaine GRISON	Х	Х	Х	Х	Х	Independent
Cécile SANZ	Х	X	Х	Х	Х	Independent
Aurélie ROYER		Х	Х	Х	Х	Non-Independent
LU-MINH loan		Х	Х	Х	X	Non-independent

^{*} Mr Jean-Paul SABET is a non-exec board director or supervisory board director of BNP Paribas (BNPP) subsidiaries in Poland, Morocco and Turkey.

The Board considered that dealings with Jean-Paul SABET were not material given that:

- While in Poland, BNPP accounts for some 60% of bank and funding transactions, the Group has no dealings at all with BNPP subsidiaries in Morocco and Turkey.
- In France, the Group's daily bank transactions bank transfers, cheques etc. with BNPP accounts for some 10% to 14% of the total, which is shared among eight banks;
- With regard to bank overdrafts and loans, BNPP's share is around 20% of a total that overall is rising.

So the recommendation to have at least two independent Supervisory Board directors is satisfied.

Supervisory Board duties

The Supervisory Board's duties are laid down in statute and the Articles of Association and are detailed in the Bylaws.

The Supervisory Board regularly reviews the quarterly Group financial report that it receives from the Executive Board. Such report gives it insights into trends by division encompassing revenues, earnings and cash flow. It thus properly manages the Group ensuring it stays on the right track and follows the strategy. It's actions are driven by the interests of shareholders.

The Supervisory Board exercises ongoing control over the Executive Board's management of the Company. At any time, it checks issues and questions matters as it deems fit and may request any documents it considers it needs to fulfil its duties.

The Supervisory Board appoints Executive Board directors.

With regard to M&A transactions, the Supervisory Board:

- · Approves Group strategy based on information it receives from the Executive Board Chairman,
- · Reviews potential targets accordingly and gives an opinion whether such targets should be pursued or not,
- Decides whether or not to conclude an M&A deal and empowers the Executive Board Chairman accordingly.

The same applies to any transaction that falls outside the stated strategy.

Pursuant to Article L. 823-17 French Commercial Code, the independent auditors are invited to Board meetings that review the half-year and full-year financial statements.

Furthermore, the Supervisory Board ensures directors fees are fairly allocated among Board directors based on terms and conditions set in general meeting. Such allocation is done based on directors' meeting attendance record and the time they spend on their respective tasks.

Under its duties, the Supervisory Board complies with transaction reporting and close period rules and refers to the Market Trading Code of Ethics published on the Company website at http://www.ldc.fr.

Moreover, all Supervisory Board directors are bound by a duty of confidentiality towards third parties that goes beyond a mere need to keep quiet, as required by statute, and formally commits directors to the stricter Board Bylaws, which they sign.

Board directors' conflicts of interest

Regarding conflict of interest prevention and management among Board directors, Article 4.4.1 Bylaws specifies:

"In a situation that appears or could appear to present a conflict between the Company's interests and the the direct or indirect personal interests of a director, Company shareholder or group of shareholders that said director represents, said director must:

- Notify the Board as soon as they become aware thereof, it being understood lack of notification is equivalent to considering no conflict of interests exists;
- Adjust their duties accordingly. Depending on circumstances therefore, said director must:
 - · Refrain from taking part in Board meeting deliberations and votes for the matter in question,
- · Not attend Board meetings during the period when they are in a conflict of interests,
- Resign as Board director.

Once a year, the Board reviews known conflicts of interest, when each Board director involved talks about where they stand regarding their conflict of interest.

Unless they comply with such rules of abstention or withdrawal, they may be held personally liable.

In addition, the Board Chairman is not bound to send directors, for whom he has serious grounds to suspect they have a conflict of interest as referred to here, any notification or documents in connection with participating in or concluding the agreement that gave rise to the conflict of interest, and shall inform the Supervisory Board of not having done so". ».

Every year Supervisory Board directors prepare a conflict of interests statement intended to identify situations where Board directors may have or serve private interests, which could influence their objectivity when performing their duties.

The Supervisory Board reviewed conflicts of interest during their 25 August 2022 meeting.

Supervisory Board procedures

The 2023 meeting timetable was given to all Board directors during their 25 August 2022 meeting. During 2022/23, the Supervisory Board met five times on the following dates:

	KEY MEETING AGENDA POINTS
31 March 2022	Executive Board directors' 2021/22 variable pay under their employment contract Executive Board directors' 2022/23 variable pay under their employment contract Executive Board directors' 2022/23 fixed fees in respect of their directorships Breakdown of total pay for Supervisory Board directors
18 May 2022	Approved previous Board meeting minutes Executive Board 2021/22 quarter 4 report Reviewed the Company and consolidated financial statements for the year ended 28 February 2022 Reviewed the 2022/23 LDC SA and Group budget Reviewed the Executive Board management report for the year ended 28 February 2022 Reviewed the Audit Committee report Reviewed the Appointments and Remuneration Committee report and approval of the directors' pay policy Reviewed the Executive Board's General Meeting draft resolutions and established 'Say on Pay' draft resolutions Established Supervisory Board observations to be made in General Meeting Presented Supervisory Board corporate governance draft report including 'Say on Pay' and Supervisory Board observations The Executive Board presented potential M&A targets Follow-up review of agreements approved in former financial years, execution of which continued during the last financial year Reviewed Supervisory Board directors' independence Learned about Middlenext Code 'points of vigilance' relevant for the Board Poultry Feed Company guarantees Miscellaneous questions
25 August 2022	Approved 18 May 2022 Board meeting minutes 2022/23 quarter 1 revenue report M&A transactions update Strategic Committee: objectives and activity report Approved International subsidiaries' guarantees CSR Committee appointments Board directors training programme Executive succession update Reviewed known conflicts of interest 2023 meeting timetable Miscellaneous questions
17 November 2022	Approved previous Board meeting minutes 2022/23 quarter 2 revenue report Reviewed half-year accounts Audit Committee and Appointments and Remuneration Committee reports M&A transactions update Miscellaneous questions
9 February 2023	Approved previous Board meeting minutes Noted an Executive Board director's resignation 2022/23 quarter 3 revenue report Audit Committee report CSR Committee report Strategic Committee report M&A transactions update Manufacturing strategy Analysed 2022 AGM minority votes against Company job and pay equality policy Supervisory Board work assessment Regulatory agreements approval

All these meetings took place at the corporate head office and were called by the Chairman. The average attendance rate was 94%. The Chairman together with the Executive Board Chairman set each meeting's agenda that was sent to directors at least eight days prior to every meeting date. Meeting invitations included the main documents to be presented alongside the draft minutes of the previous meeting for approval.

Supervisory Board directors are bound by a strict duty of confidentiality with regard to Board meeting discussions and talks covering any Board committees and information presented therein. Generally, Board directors apart from the Chairman are banned from communicating with third parties including the media.

SUPERVISORY BOARD — CORPORATE GOVERNANCE

Supervisory Board assessment

Middlenext Code Recommendation R13, to which the Company refers, recommends the Chairman should once a year invite Board directors to give their opinions on Board and Board committee preparation and meeting procedures. As such the Supervisory Board and its committees were informally assessed during the 9 February 2023 Board meeting. The Board found that Supervisory Board directors are broadly satisfied with how the Supervisory Board and committees work.

III.2.2 - COMMITTEE WORK PREPARATION AND ORGANISATION

Appointments and Remuneration Committee

The 24 May 2017 Supervisory Board meeting extended the duties of the Remuneration Committee that became the Appointments and Remuneration Committee.

Members

The following Supervisory Board directors are members:

Members	1 st appointment	Expiry	Skills
André DELION (Chairman – independent director)	24/8/2017 SB	8/2023 AGM	Former chartered accountant and CFO
Patrice CHANCEREUL	22/8/2019 SB	8/2023 AGM	Doctor and Supervisory Board Vice- Chairman
MANCELLE HUTTEPAIN SAS represented by Gilles HUTTEPAIN	3/2/2022 SB	8/2024 AGM	Upstream bus expert
Laurent GUILLET	3/2/2022 SB	8/2024 AGM	Corporate executive

Powers

-> Appointment

Committee duties include:

- Reviewing any Supervisory Board or Executive Board appointment proposal and giving opinions and/or recommendations thereon to the Supervisory Board, while upholding a complimentary Board directors' skills and background balance;
- · Ensuring that gender parity underlies the Supervisory Board's priorities. The Board, on corporate management's recommendation, sets gender parity objectives for top management like the Management Committee and senior executives in general;
- Suggesting to the Supervisory Board a future Executive Board director appointment procedure that ensures at least one woman and one man among potential applicants and that the applicant selection or new role appointment process also meets gender parity criteria;
- Debating Board independent director qualifications;
- Ensuring a succession plan exists for corporate management team members;
- Annually reviewing the Company work equality and gender parity policy.

-> Pay

Committee duties include:

- Giving the Supervisory Board any Company director and Executive Board director pay recommendations;
- · Issuing a consultative opinion on Executive Board request about Group top executive pay (basic salary including benefits in kind, variable pay, any severance pay, additional pension benefits, share purchase option, stock option or free share awards, that the Company, or a company under its control, grants);
- · Ensuring the various items making up total pay are well balanced and their award terms and conditions include appropriate performance criteria;
- · Assessing the total directors' pay put to shareholder vote in general meeting and how this is allocated between directors;
- · Reviewing and issuing an opinion on draft Company share subscription and/or purchase plans to be granted to employees and executives.

The Appointments and Remuneration Committee met twice during the year, on 31 March and 27 October 2022.

The Committee reported its work to the Board, which took note and followed all its recommendations.

The Appointments and Remuneration Committee attendance rate was 100%.

Special procedures

The Appointments and Remuneration Committee meets at least once a year to review Executive Board director pay and proposed new Executive Board and Supervisory Board appointments included on the upcoming AGM agenda.

It also meets prior to any stock option or free share awards to Company board directors, Group or Management Committee senior

It further meets whenever needed on Chairman request, on its own initiative or following a Supervisory Board chairman request.

Audit Committee

The 20 May 2010 Supervisory Board meeting decided to introduce an ad-hoc Audit Committee in principle and during its 19 August 2010 meeting nominated Audit Committee members and set its procedural rules.

Pursuant to statute, the Audit Committee may only comprise Supervisory Board directors including at least one, who has specialist financial, accounting or statutory audit skills and is independent, in view of paragraph III-2-1 criteria above. In accordance with such rules, the Supervisory Board has nominated Audit Committee members as follows:

Members	1 st appointment	Expiry	Skills
M. André DELION (Chairman – independent director)	22/8/2013 SB	8/2023 AGM	Former chartered accountant and CFO
SOFIPROTÉOL represented by Violaine GRISON (independent director)	22/8/2019 SB	8/2025 AGM	Associate Director M&A, strategy and agri-food industry expertise
Béatrice BASTIEN (independent director)	23/8/2018 SB	8/2024 AGM	Chartered Accountant

André DELION is an independent director and comes with special financial and accounting skills having for many years worked as chartered accountant and later chief financial officer. For such reasons, André DELION was appointed Audit Committee chairman.

Powers

Committee main duties:

- Review financial statements ensuring accounting policies are appropriate and consistently applied to prepare the Company and consolidated financial statements;
- Oversee:
 - Financial results reporting processes,
- The effectiveness of internal control and risk management systems,
- The statutory audit by external auditors,
- External auditors' independence. Under such duty:
 - The Committee has to issue a recommendation as to appointing and reappointing external auditors,
 - The Company and Group notifies the Committee of audit fees;
 - The Committee deals with the external auditors directly and regularly meets with them;
- The Committee and the external auditors jointly review risks threatening their independence.
- Approve non-statutory-audit services specified under Article L. 822-11-2 French Commercial Code.

Special procedures

The Audit Committee meets at least twice a year prior to Supervisory Board meetings, the agendas of which are attached to half-year and full-year financial statement reviews and/or proposed external auditor appointments.

The Executive Board Chairman and the CFO present half-year and full-year financial statements to the Audit Committee. When presenting such financial statements to the Supervisory Board, the Audit Committee Chairman may make observations.

When Audit Committee members are nominated, they receive Company and Group-specific accounting, financial and operating details and explanations

To fulfil its duties, the Audit Committee, without Company directors present, may interview the external auditors, senior executives and managers responsible for preparing the financial statements, cash management and internal control. The Committee reports on its work to the Supervisory Board at its next meeting.

During 2022/23, the Audit Committee met five times covering the following issues:

1 - 13 April 2022 meeting

Reviewed bids following the audit firm tender replacing KPMG

2 - 16 May 2022 meeting

- 2021/22 consolidated financial statements presentation,
- Auditors' presentation of their year-end audit summary findings
- · Audit firm applicants' presentations
- Miscellaneous questions

3 - 6 September 2022 meeting

- Internal audit, 2021/22 actual and 2022/23 audit plan
- Green Taxonomy
- SACC approval
- Risk chart trends
- Miscellaneous questions

4 - 15 November 2022 meeting

- 2022/23 half-year consolidated financial statements presentation,
- Auditors' presentation of their half-year review summary findings
- Miscellaneous questions

5 - 7 February 2023 meeting

- Insurance coverage
- Cybersecurity
- Audit firm selection
- SACC approval
- Miscellaneous questions

Since the balance sheet date, the Audit Committee met on 15 May 2023 with an agenda to review the Company and consolidated financial statements for the year ended 28 February 2023 and attend the external auditors' presentation of their summary audit findings.

All such meetings were recorded in minutes that Supervisory Board directors commented on.

All Audit Committee meetings were held at the corporate head office on invitation from the Chairman and the attendance rate was 100%.

CSR Committee

The 3 February 2022 Supervisory Board meeting decided to introduce a CSR Committee in principle and during its 25 August 2022 meeting nominated Audit Committee members and set its procedural rules.

Members

Pursuant to Recommendation 8 Middlenext Code, the CSR Committee should be chaired by an independent director in view of criteria stated under paragraph III-2-1 above.

The Supervisory Board appointed CSR Committee members as follows:

Members	1 st appointment	Expiry	Skills
SOFIPROTEOL represented by Violaine GRISON (independent director)	22/8/19	8/23 AGM	Associate director Expertise: M&A, strategy, agri-food industry
Cécile SANZ (independent director)	24/8/17	8/2026 AGM	Corporate executive
Aurélie ROYER (staff representative director)	21/1/20	21/1/24	Staff representative LDC Group environment manager

Powers

The CSR Committee is charged with assisting the Supervisory Board in dealing with CSR and ESG-related issues. The Board turns to this Committee for CSR strategy matters and rollout, whenever the Group is affected thereby, including production of the DPEF (Non-Financial Performance Statement).

The CSR Committee strives to ensure the Group anticipates challenges, opportunities and non-financial risks related to its business so as to be a long-term force for good.

Special procedures

The CSR Committee is chaired by an independent director and members are selected for their specific expertise. They may invite anyone they like to attend or speak at Committee meetings. Indeed some Group CSR staff regularly attend Committee meetings. The Committee meets whenever necessary to fuifil its duties.

The Audit and CSR committees hold joint meetings whenever needed. For example the Taxonomy meeting on 7 February 2023 was attended by members of both committees. Note that one member belongs to both committees so as to facilitate information exchange between them.

The CSR Committee reports on its work to the Supervisory Board at its next meeting.

During 2022/23, the CSR Committee met twice covering the following issues:

1- 28 November 2022 meeting

- Prresentation of the LDC roadmap's big challenges
- Comments about the Non-Financial Performance Statement
- Procedures: talks with the Supervisory Board and training
- Set the 2023 CSR Committee work programme

2-7 February 2023 meeting

- Carbon emissions and climate action plan
- Board director training
- 'CSRD directive'
- · Taxonomy (joint meeting with the Audit Committee).

Since the balance sheet date, the CSR Committee met on 11 May 2023 with an agenda to review the Non-Financial Performance Statement and PR around the current climate strategy and animal welfare.

All such meetings were recorded in minutes that Supervisory Board directors commented on.

All CSR Committee meetings were held at the corporate head office on invitation from the Chairman and the attendance rate was 83%.

IV. DIRECTOR PAY POLICY

(24 August 2023 AGM resolutions 11, 16 and 19)

On Appointments and Remuneration Committee recommendation and in keeping with Middlenext Code recommendations, the Supervisory Board established a pay policy for each Company director upholding the Company's interests, helping put it on a permanent footing and in line with the employees' annual pay rises. To do so, the Board aligned the Executive Board directors' pay policy with the same items and, for some of them, set free-share-award vesting criteria linked to performance objectives matching Company goals (see below).

No director pay of any kind may be decided, awarded or paid out by the Company, nor may the Company commit to do so, if not compliant with the approved pay policy or, if none, with existing Company pay practices.

The Supervisory Board determines, revises and implements a pay policy for all Executive Board directors based on their respective jobs and responsibilities and on the Appointments and Remuneration Committee's opinion and recommendation. It is hereby stated that Executive Board directors do not attend the Board meeting deciding these issues.

All Executive Board directors are Company employees for their day-to-day jobs separate from their parallel directorship duties. Most of their fixed pay comes from their employment contract. Variable and any special pay granted or paid to Executive Board directors is based on their employment contract but may also come from their directorships under terms and conditions stated below.

Should corporate governance change, the pay policy will be applied to new Company directors together with any amendments required pending general meeting approval of any major pay policy change.

However, in exceptional circumstances, the Supervisory Board may defer pay policy application for a temporary period if such deferral is in the Company's long-term viability interests.

Subject to compliance with the terms and conditions below, the Board may defer Executive Board director pay policy application for a temporary period pursuant to para 2 III Article L. 22-10-26 French Commercial Code specifying the only fixed and variable pay components. The Board checks if such deferral is indeed in the Company's long-term viability interests and makes a decision based on Appointments and Remuneration Committee recommendations. Such reasoning is communicated to shareholders in the next corporate governance report.

It is hereby stated that Company directors' terms of office are specified under paragraph II hereto.

IV.1- CHAIRMAN AND SUPERVISORY BOARD DIRECTOR PAY POLICY

The total pay components and benefits of any kind that may be granted to the Supervisory Board chairman on account of his office, and their respective importance are as follows:

- Fixed pay for his specific duties as Chairman.
- Fees granted for his duties as Board director (called directors' fees) based on the same allocation criteria as for other Board directors

Total Supervisory Board directors' fees are set in general meeting in advance.

Given more Supervisory Board directors and the new CSR Committee, at the 24 August 2023 AGM shareholders will be asked to vote on raising the total Supervisory Board directors' fees from €48,760 to €71,500.

AGM-approved total fixed fee allocation criteria for Board directors, as stated in the Board Bylaws, were set by the Supervisory Board on Appointments and Remuneration Committee proposal as follows: total fees are broken down based on directors' Supervisory Board and committee meeting attendance.

The Board may nevertheless decide to grant fees to one director, who rather than attending meetings, is regularly called upon outside meetings by the Board Chairman, or on his/her initiative, to give him his/her opinions or recommendations. Said director may also be granted special fees by the Supervisory Board for carrying out Board director duties.

It is hereby stated that the Supervisory Board comprises employee directors including staff representative directors, who receive pay for such duties. Supervisory Board directors' employment contract details are given in paragraph IV.3 below.

IV.2- EXECUTIVE BOARD CHAIRMAN'S AND EXECUTIVE BOARD DIRECTORS' PAY POLICY

The fixed, variable and special pay components and benefits of any kind that may be granted to the Executive Board chairman on account of his office, and their respective importance are as follows:

FIXED PAY

The Supervisory Board sets the Executive Board Chairman's and Executive Board directors' pay policy The Supervisory Board determines, revises and implements a pay policy for all Executive Board directors based on their respective jobs and responsibilities and on the Appointments and Remuneration Committee's opinion and recommendation.

ANNUAL VARIABLE PAY

No variable pay is paid to the Executive Board Chairman and directors in respect of their Board duities.

The Supervisory Board reserves the right to introduce annual variable pay if it so wishes, that will be based on quantified criteria linked to earnings, revenues and achieving specific non-financial objectives. For variable pay, the various criteria weightings are communicated to shareholders. In such a case, payment of variable pay granted in respect of the past financial year for an Executive Board director's Board duties shall be conditional on general meeting approval of his/her total pay in respect of said year.

MULTI-YEAR VARIABLE CASH PAY

The Executive Board chairman and directors receive no multi-year variable cash pay.

The Supervisory Board reserves the right to introduce multi-year variable cash pay if it so wishes, that will be based on quantified criteria linked to earnings and/or revenues and achieving specific non-financial objectives. For variable pay, the various criteria weightings are communicated to shareholders. In such a case, payment of variable pay granted in respect of the past financial year for an Executive Board director's Board duties shall be conditional on general meeting approval of his/her total pay in respect of said year.

STOCK OPTION AWARDS

N/A

FREE SHARE AWARDS

The Executive Board chairman and directors may be granted free share awards.

To determine how far planned performance criteria have been met for performance free share award purposes, the Board plans to measure performance achievement levels by reference to the consolidated financial statements as approved by the Executive Board. Acquisition and any share retention periods applicable after final vesting shall at least equal periods currently allowed.

Share-based pay furthers pay policy objectives since it takes account of both Company earnings and costs. It makes the Company HR policy more attractive while staying in line with its strategy, environment and markets.

Should free shares be awarded to an Executive Board director, he or she must retain 35% of registered free shares given until he/she is no longer an Executive Board director.

SPECIAL PAY

On Appointments and Remuneration Committee proposal, the Supervisory Board may decide to grant special pay to the Executive Board chairman and directors in view of exceptional circumstances. Payment of such pay must be justified by an event like achieving a major deal for the Company or the Group etc.

If so, payment of such pay in respect of the past financial year for an Executive Board director's Board duties shall be conditional on general meeting approval of his/her total pay in respect of said year.

COMMITMENTS

No severance pay or defined benefit pension rights commitments exist.

The Board nevertheless reserves the right to grant a severance pay commitment to an Executive Board director, payment of which would be conditional on the Board being satisfied that financial and any non-financial performance conditions set by the Board have been met and said pay may only be made in the event of dismissal.

Pursuant to the Middlenext Code recommendation, severance pay for director dismissal may not exceed two yours of actual fixed and variable pay.

CASUALTY AND JOB LOSS INSURANCE COVERAGE

Company executive directors are beneficiaries of a collective casualty insurance policy covering death, incapacity, invalidity and medical costs taken out for Company employees.

BENEFITS OF ANY KIND

Executive Board directors may be provided with a Company car.

ANY OTHER ITEM OF PAY GRANTED ON ACCOUNT OF DIRECTORSHIPS

N/A

IV.3 - COMPANY DIRECTOR TERMS OF OFFICE AND EMPLOYMENT AND/OR SERVICES CONTRACTS WITH THE COMPANY

The table below specifies the Company directors' terms of office and employment or services contracts with the Company, contractual notice periods and dismissal or cancellation conditions applying to them.

Company director	Corporate title	Term of office	Employment contract with the Company and term	Services contract with the Company	Notice period	Dismissal or cancellation conditions
Denis LAMBERT	Executive Board chairman	4 years Expiry : 2024 AGM	Yes – permanent employment contract	No	Common law conditions	Common law conditions
Christophe LAMBERT (term expired 29/12/2022)	Executive Board director	4 years Expiry : 2024 AGM	Yes - permanent employment contract	No	Common law conditions	Common law conditions
Thierry LAMBERT	Executive Board director	4 years Expiry : 2024 AGM	Yes - permanent employment contract	No	Common law conditions	Common law conditions
Philippe GELIN	Executive Board director	4 years Expiry : 2024 AGM	Yes - permanent employment contract	No	Common law conditions	Common law conditions
Stéphane SALLE	Executive Board director	4 years Expiry: 2024 AGM	Yes - permanent employment contract	No	Common law conditions	Common law conditions
Monique MENEUVRIER	Supervisory Board director	4 years Expiry : 2025 AGM	Yes - permanent employment contract	No	Common law conditions	Common law conditions
Aurélie ROYER	Supervisory Board staff representative director	4 years Expiry : January 2024	Staff representative Yes – permanent employment contract	No	Common law conditions	Common law conditions
LU-MINH loan	Supervisory Board staff representative director	4 years Expiry : January 2024	Staff representative Yes – permanent employment contract	No	Common law conditions	Common law conditions
Mancelle HUTTEPAIN	Supervisory Board director	4 years Expiry : 2024 AGM	No	Yes (see paragraphs V.1 and VI)	Common law and contractual conditions	Common law and contractual conditions

V. DISCLOSURES REQUIRED BY I, ARTICLE L. 22-10-9 FRENCH COMMERCIAL CODE FOR EACH COMPANY DIRECTOR ("INDIVIDUAL EX-POST VOTE") AND "OVERALL EX-POST VOTE"

(24 August 2023 AGM resolutions 12 and 15)

V.1- DISCLOSURES REQUIRED BY ARTICLE L. 22-10-9 FRENCH COMMERCIAL CODE FOR EACH COMPANY DIRECTOR

(24 August 2023 AGM resolution 15 "overall ex-post vote")

It is hereby stated that the total pay of each Company director complies with the pay policy approved by the 25 August 2022 General Meeting, resolutions 10 and 11.

Components of pay paid or granted during the year to Company directors are stated below, it being understood that such amounts are subject to shareholder vote under Article L.22-10-34 I French Commercial Code ("overall ex-post" say on pay):

		FY 20	21/22	FY 20	22/23
	Amount granted	Amount granted	Amount paid	Amount granted	Amount paid
	Employment contract fixed pay	€171,600	€171,600	€180,132	€180,132
	Employment contract variable pay	€210,000	€193,000	0	€210,000
Denis LAMBERT Executive	Executive Board director pay	€60,000	€48,000	€60,000	€60,000
Board Chairman*	Benefits in kind	€1,600	€1,600	€1,600	€1,600
	Pension and other benefits	€220	€220	€0	€0
	Total	€443,420	€414,420	€241,732	€451,732
	Employment contract fixed pay	€156,650	€156,650	€128,518	€128,518
	Employment contract variable pay	€63,100	€63,350	€37,000	€100,100
Christophe LAMBERT Executive Board director	Executive Board director pay	€30,000	€30,000	€27,500	€27,500
until 29 December 2022**	Benefits in kind	€480	€480	€400	€400
	Pension and other benefits	€220	€220	€49,278	€49,278
	Total	€250,450	€250,700	€242,695	€308,020
	Employment contract fixed pay	€127,400	€127,400	€145,695	€145,695
	Employment contract variable pay	€64,000	€62,550	€75,500	€64,000
Thierry LAMBERT	Executive Board director pay	€30,000	€30,000	€30,000	€30,000
Executive Board director	Benefits in kind	€0	€0	€499	€499
	Pension and other benefits	€220	€220	€0	€0
	Total	€221,620	€220,170	€251,694	€240,194
	Employment contract fixed pay	€183,300	€183,300	€211,920	€211,920
	Employment contract variable pay	€102,500	€93,250	€300,000	€102,500
	Executive Board director pay	€30,000	€30,000	€30,000	€30,000
Philippe GELIN Executive Board director	Value of performance shares granted during the year***	€624,120	N/A	N/A	N/A
	Benefits in kind	€480	€480	€480	€480
	Pension and other benefits	€660	€660	€0	€0
	Total	€941,060	€307,690	€542,400	€344,900
		Fiscal 2	2021/22	FY 20	22/23
	Amount granted	Amount granted	Amount paid	Amount granted	Amount paid

	Employment contract fixed pay	€183,300	€169,636	€198,675	€198,675
	Employment contract variable pay	€98,000	€99,750	€230,000	€98,000
Stéphane SALLE	Executive Board director pay	€22,500	€22,500	€30,000	€30,000
Executive Board director since 20 May 2021	Value of performance shares granted during the year***	€624,120	N/A	N/A	N/A
,	Benefits in kind	€0	€0	€0	€0
	Pension and other benefits	€670	€670	€0	€0
	Total	€928,590	€292,556	€458,675	€326,675

^{*} Denis LAMBERT's 2022/23 employment contract paid variable pay equalled his 2021/22 granted variable pay pursuant to the Supervisory Board's 31 March 2022 decision. He was granted no employment contract variable pay in respect of 2022/23 in view of the 1 March 2022 appointment of Philippe GELIN as CEO.

*** The 20 August 2020 Combined General Meeting authorised the Executive Board, pursuant to articles L.225-197-1 et seq. French Commercial Code, on one or more occasions, to grant free ordinary existing or future Company shares, capped at 80,000 shares overall, to Company directors as defined under Article L. 225-197-1 French Commercial Code, and all employees of the Company and its directly or indirectly related companies and business consortia as defined under Article L.225-197-2 French Commercial Code, who shall be named by the Executive Board. The Executive Board followed this up on 1 March 2021 deciding to grant up to 6,000 free shares to two Executive Board directors each, Philippe GELIN and Stéphane SALLE, should they fulfil all grant conditions, it being understood that said grant conditions were amended by the Executive Board's 20 December 2022 decision taken after a 17 November 2022 Appointments and Remuneration Committee opinion and a Supervisory Board decision. The value stated above equals 1 March 2021 (Executive Board grant date) book value under IFRS accounting principles..

Company non-executive directors' fees									
Company non-executive directors		Amount granted and paid during 2021/22	Amount granted and paid during 2022/23						
	Supervisory Board directors' fees granted	€3,751	€3,751						
André DELION	Supervisory Board chairman's fees granted	€45,780	€45,780						
Supervisory Board chairman	Supervisory Board Audit Committee chairman's fees granted	€1,000	€1,000						
	TOTAL	€50,531	€50,531						
Patrice CHANCEREUL	Supervisory Board directors' fees granted	€3,751	€3,001						
Supervisory Board Vice-Chairman	TOTAL	€3,751	€3,001						
	Supervisory Board directors' fees granted	€3,000	€3,001						
PLANCHER	TOTAL	€3,000	€3,001						
	Supervisory Board directors' fees granted	€3,751	€3,751						
Béatrice BASTIEN	Supervisory Board Audit Committee member fees granted	€1,000	€1,000						
	TOTAL	€4,751	€4,751						
Caroline HUTTEPAIN-PELTIER* Supervisory Board director until 30	Supervisory Board directors' fees granted until 19 August 2021	€750	-						
odne zezi	TOTAL	€750	-						
Laurent GUILLET	Supervisory Board directors' fees granted	€3,751	€3,751						
Laurent GOILLET	TOTAL	€3,751	€3,751						
	Supervisory Board directors' fees granted	€3,751	€3,001						
represented by Stéphanie LAURENT	TOTAL	€3,751	€3,001						
Monique MENEUVRIER*	Supervisory Board directors' fees granted	€3,000	€3,751						
• • • • • • • • • • • • • • • • • • • •	TOTAL	€3,000	€3,751						

^{**} Christophe LAMBERT's 2022/23 pay was prorated to his actual time as director during the year (resigned 29/12/2022) and includes his employment contract severance covering 2022/23 variable pay.

*** The 20 August 2020 Combined General Meeting authorised the Executive Board, pursuant to articles L.225-197-1 et seq. French Commercial Code, on

Company non-executive directors		Amount granted and paid during 2021/22	Amount granted and paid during 2022/23
,	Supervisory Board directors' fees granted	€3,751	€3,751
SOFIPROTEOL represented by Violaine GRISON	Supervisory Board Audit Committee member fees granted	€1,000	€1,000
	TOTAL	€4,751	€4,751
Jean-Paul SABET	Supervisory Board directors' fees granted	€3,000	€3,001
	TOTAL	€3,000	€3,001
Cécile SANZ	Supervisory Board directors' fees granted	€3,751	€3,751
	TOTAL	€3,751	€3,751
Aurélie ROYER*	Supervisory Board directors' fees granted	€3,751	€3,751
	TOTAL	€3,751	€3,751
Loan LU-MINH*	Supervisory Board directors' fees granted	€3,751	€3,751
	TOTAL	€3,751	€3,751
	Supervisory Board directors' fees granted	€2,251	€3,751
MANCELLE HUTTEPAIN represented by Gilles HUTTEPAIN	Specific pay granted for specific assignments**	€30,000	€30,000
	TOTAL	€32,251	€33,751

^{*}Such pay adds to that received by Caroline HUTTEPAIN-PELTIER, Monique MENEUVRIER, Aurélie ROYER and Loan LU-MINH under their employment contracts whose individual amounts are not reported due to privacy reasons.

The 20 August 2020 AGM set the total Board directors' fees at €48,760 until otherwise decided. The Supervisory Board 31 March 2023 meeting decided to allocate said total directors' fees based on pay policy criteria as approved by the 25 August 2022 AGM and stated in the Board Bylaws.

Other Executive Board directors' benefits and compensation

Executive directors	Employment contract		Additional pension scheme		Compensation or benefits due to job retirement or change		Non-compete clause compensation	
	YES	NO	YES	NO	YES	NO	YES	NO
Denis LAMBERT* Executive Board Chairman From 25/8/20 to 25/8/24	Х			Х		X		X
Christophe LAMBERT Executive Board director From 25/8/20 to 29/12/22 (resigned)	X			Х		X		X
Thierry LAMBERT Executive Board director From 25/8/20 to 25/8/24	X			Х		X		X
Philippe GELIN Executive Board director From 25/8/20 to 25/8/24	Х			Х		X		Х
Stéphane SALLE Executive Board director From 20/5/21 to 25/8/24	Х			Х		X		X

^{*}Denis LAMBERT's employment contract including related benefits.was extended due to long-term service since 16/9/80

Company executive directors' pay ratios compared to the mean and median employee pay and to the French statutory minimum wage ("SMIC")

Method

Pay ratios were computed pursuant to Article L. 22-10-9 I paras 6 and 7 French Commercial Code. Such ratios are based on Company executive directors' pay compared to the mean and median non-director employee pay and compared to SMIC (pursuant to Recommendation R16 Middlenext Code).

The ratio calculation was based on full-time equivalents. Free shares awarded during the year are not included in the mean and median non-director employee pay but were included in Philippe GELIN's and Stéphane SALLE's pay.

Supervisory Board chairman André DELION (from 22/8/19)	2018/19	2019/20	2020/21	2021/22	2022/23
Mean employee pay ratio	0.58	0.61	0.62	0.70	0.66
Median employee pay ratio	0.72	0.71	0.82	0.81	1.00
SMIC ratio	2.76	2.76	2.74	2.71	2.56

Executive Board Chairman Denis LAMBERT	2018/19	2019/20	2020/21	2021/22	2022/23
Mean employee pay ratio	4.42	4.80	5	5.76	5.93
Median employee pay ratio	5.51	5.55	6.61	6.65	8.91
SMIC ratio	21.18	21.63	22.03	22.22	22.88

Executive Board director Christophe LAMBERT (until 29/12/22)*	2018/19	2019/20	2020/21	2021/22	2022/23
Mean employee pay ratio	2.79	2.97	3.06	3.49	4.39
Median employee pay ratio	3.48	3.44	4.04	4.03	6.60
SMIC ratio	13.35	13.41	13.47	13.44	16.94

^{**} This was set by:

⁻ Two specific services contracts nos 1 and 2 authorised by the Supervisory Board on 3 February 2022 and submitted to shareholder vote on 25 August 2022 (AGM resolution 4).

⁻ Two specific services contracts nos 3 and 4 authorised by the Supervisory Board on 9 February 2023 and submitted to shareholder vote on 24 August 2023 (AGM resolution 4).

Executive Board director Thierry LAMBERT	2018/19	2019/20	2020/21	2021/22	2022/23
Mean employee pay ratio	2.45	2.64	2.70	3.06	3.15
Median employee pay ratio	3.06	3.06	3.56	3.54	4.73
SMIC ratio	11.74	11.92	11.88	11.80	12.13
Executive Board director Mr Philippe GELIN	2018/19	2019/20	2020/21	2021/22	2022/23
Mean employee pay ratio	3.52	3.69	3.81	12.96	4.53
Median employee pay ratio	4.39	4.28	5.03	14.96	6.80
SMIC ratio	16.85	16.65	16.79	49.95	17.47

Executive Board director Stéphane SALLE (from 20/5/21)*	2018/19	2019/20	2020/21	2021/22	2022/23
Mean employee pay ratio				12.82	4.29
Median employee pay ratio				14.80	6.44
SMIC ratio				49.42	16.54

^{*}Executive Board directors not serving for the entire financial year received full-year pay

The table below reveals trends in pay, Company earnings, average non-director FTE employee pay and pay ratios:

Supervisory Board chairman André DELION (from 22/8/19)	2018/19	2019/20	2020/21	2021/22	2022/23
Director pay trend	+0.55%	+1.66%	+0.22%	+0.00%	+0.00%
Consolidated underlying operating profit trend	+2.94%	+5.96%	-3.72%	+7.48%	+43.85%
Mean employee pay trend	-7.57%	-4.40%	-1.15%	-11.64%	+5.91%
Mean pay ratio trend	+8.79%	+6.35%	+1.38%	+13.17%	-5.58%
Median pay ratio trend	-6.17%	-1.27%	+15.67%	-1.08%	+22.8
Executive Board chairman Denis LAMBERT	2018/19	2019/20	2020/21	2021/22	2022/23
Director pay trend	+1.63%	+3.68%	+3.07%	+1.84%	+9.00%
Consolidated underlying operating profit trend	+2.94%	+5.96%	-3.72%	+7.48%	+43.85%
Mean employee pay trend	-7.57%	-4.40%	-7.92%	-11.64%	+5.91%
Mean pay ratio trend	+9.95%	+8.45%	+4.26%	+15.25%	+2.92%
Median pay ratio trend	-5.17%	+0.69%	+18.96%	+0.74%	+33.91 %
Executive Board director Mr Christophe LAMBERT (until 29 December 2022)	2018/19	2019/20	2020/21	2021/22	2022/23
Director pay trend	+1.10%	+1.98%	+1.70%	+0.73%	+33.43%
Consolidated underlying operating profit trend	+2.94%	+5.96%	-3.72%	+7.48%	+43.85%
Mean employee pay trend	-7.57%	-4.40%	-1.15%	-11.64%	+5.91%
Mean pay ratio trend	+9.38%	+6.68%	+2.88%	+13.99%	+25.98 %
Median pay ratio trend	-5.66%	-0.96%	+17.38%	-0.36%	+63.93 %
Executive Board director Mr Thierry LAMBERT	2018/19	2019/20	2020/21	2021/22	2022/23
Director pay trend	+2.50%	+3.08%	+0.87%	+0.28%	+8.83%
Consolidated underlying operating profit trend	+2.94%	+5.96%	-3.72%	+7.48%	+43.85%
Mean employee pay trend	-7.57%	-4.40%	-1.15%	-11.64%	+5.91%
Mean pay ratio trend	+10.89%	+7.83%	+2.04%	+13.49%	+2.76%
Median pay ratio trend	-4.36%	+0.11%	+16.43%	-0.80%	+33.70%

Executive Board director Mr Philippe GELIN	2018/19	2019/20	2020/21	2021/22	2022/23
Director pay trend	-61.77%	+0.32%	+1.99%	+200.50%	-62.99%
Consolidated underlying operating profit trend	+2.94%	+5.96%	-3.72%	+7.48%	+43.85%
Mean employee pay trend	-7.57%	-4.40%	-1.15%	-11.64%	+5.91%
Mean pay ratio trend	-58.64%	+4.94%	+2.88%	+240.07%	-65.05%
Median pay ratio trend	-64.33%	-0.96%	+17.72%	+197.24%	-54.53%
Executive Board director Stéphane SALLE (from 20/5/21)	2018/19	2019/20	2020/21	2021/22	2022/23
Director pay trend					-64.57%
Consolidated underlying operating profit trend				+7.48%	+43.85%
Mean employee pay trend				-11.64%	+5.91%
Mean pay ratio trend					-66.55%
Median pay ratio trend					-56.48%

V.2 - PAY AND BENEFITS OF ANY KIND PAID OR GRANTED DURING THE YEAR TO COMPANY EXECUTIVE DIRECTORS

(Resolutions 12 and 14, 24 August 2023 AGM individual ex-post vote)

Directors' fees in respect of the year paid to Company executive directors were as follows:

- Executive Board chairman Denis LAMBERT's directors' fees paid and granted during the year: €60,000 gross;
- Directors' fees paid and granted during the year to the other Executive Board directors: €30,000 gross per director (€27,500 gross for Christophe LAMBERT, Executive Board director until 29 December 2022);
- André DELION's fees paid or granted during the year:
 - In respect of his duties as Supervisory Board chairman: €45,780 gross;
 - In respect of his duties as Supervisory Board director: €3,751 gross;
 - In respect of his duties as Audit Committee chairman: €1,000

VI. AGREEMENTS BETWEEN ONE OF THE COMPANY DIRECTORS OR A SHAREHOLDER HOLDING MORE THAN 10% OF THE VOTING RIGHTS AND A CONTROLLED COMPANY AS DEFINED UNDER ARTICLEE L. 233-3 FRENCH COMMERCIAL CODE AND REGULATED AGREEMENTS

On 9 February 2023, the Supervisory Board authorised:

- A commercial lease covering a 250 square-metre office building in the Le Mans metropolitan area signed between LDC Services, a controlled company as defined under Article L. 233-3 French Commercial Code, and Mancelle Huttepains SAS, represented on the Supervisory Board,
- Two specific services contracts nos 3 and 4 to be signed with Mancelle Huttepains SAS, represented on the Supervisory Board, under the 3 February 2022 services framework contract.

With regard to the detailed terms and conditions of the above agreements, please refer to the information notification posted on the Company website and to the independent auditors' special reports.

Please note that agreements relating to ongoing operations at arm's length conditions are excluded from this paragraph.

VII. GENERAL MEETING NEW SHARE ISSUE POWERS GRANTED, STILL VALID AS OF 28 FEBRUARY 2023

	EGM date	Power expiry date	Authorised amount	Share issues / Powers used in prior years	Share issues at nominal value / Powers used during the year	Remaining balance
Share issue without pre-emptive rights power for Company saving scheme members	25 August 2022	24 October 2024	1% of share capital	None	None	1% of share capital
Existing or future free share award power	25 August 2022	24 October 2025	80,000 shares	None	None	80,000 shares
Power to grant share subscription and/or purchase options	25 August 2022	24 October 2025	120,000 shares	None	None	120,000 shares

Free share issues status at 28 February 2023*

AGM authorisation date	Executive Board preliminary award date	Number of awarded shares*	New or existing shares allotted	Actual allotment date	Share price**
18 August 2005	22 May 2008	9,500	Existing	20 May 2010	€67.60
13 August 2008	20 May 2010	8,000	Existing	Cancelled	1
13 August 2008	18 May 2011	2,500	Existing	18 May 2013	€73.00
25 August 2016	15 November 2017	6,000	Existing	14 May 2020	€84.38
20 August 2020	1 March 2021	34,000	Existing	1 June 2023	€104.02

^{*} Subject to meeting allotment conditions

VIII. SHAREHOLDER GENERAL MEETING ATTENDANCE

All LDC shareholders may attend Company general meetings irrespective of how many shares they hold. Shareholder attendance formalities are specified under articles 36 and 37 of the Company Articles of Association. Some formalities together with practical details feature in meeting invitations and notices that are published and/or sent to shareholders before each meeting.

Pursuant to Middlenext Code Recommendation R14, during its 9 February 2023 meeting the Supervisory Board reviewed how most small shareholders voted at the 25 August 2022 AGM paying particular attention to votes against our draft resolutions.

IX. PUBLICATION OF INFORMATION LIABLE TO IMPACT ANY PUBLIC TENDER OFFER

In accordance with articles L. 22-10-20 and L. 22-10-11 French Commercial Code, the following points are liable to impact any public tender offer:

1) COMPANY CAPITAL STRUCTURE

The capital structure as well as direct or indirect equity shareholders known to the Company and all related details thereto are given under paragraph X-4.1 "Capital Structure" of the Management Report.

2) ARTICLES OF ASSOCIATION RESTRICTIONS ON VOTING RIGHTS EXERCISE AND SHARE TRANSFERS OR AGREEMENT CLAUSES BROUGHT TO THE COMPANY'S ATTENTION PURSUANT TO ARTICLE L. 233-11 FRENCH COMMERCIAL CODE

There are no Articles of Association restrictions on voting rights exercise and share transfers apart from the Articles of Association suspension of voting rights that one or more shareholders holding at least 5% of share capital may request in the event of non-compliance with the Articles of Association duty to declare should any shareholder exceed the 2% shareholding threshold or any multiple thereof in respect of shares exceeding such shareholding percentage that should have been declared (Article 12–4 Articles of Association).

See agreement required by Article L. 233-11 French Commercial Code, the content of which is described under point 6) bellow. During the year, no Article L.233-7 French Commercial Code shareholding or voting right thresholds were reported as having been crossed.

3) KNOWN DIRECT OR INDIRECT HOLDINGS OF COMPANY SHARES - ARTICLES L. 233-7 AND L. 233-12 FRENCH COMMERCIAL CODE

The capital structure as well as direct or indirect equity shareholders known to the Company and all related details thereto are given under Paragraph X-4.1 "Capital Structure" of the Management Report.

Article L. 233-7 French Commercial Code requires that any private person or legal entity, acting alone or in concert, who comes to hold a number of shares representing more than 5%, 10%, 15%, 20%, 25%, 30%, 33.33%, 50%, 66.66%, 90% or 95% of Company share capital and voting rights, notifies the Company and French financial markets regulator AMF by letter stating the total number of shares and voting rights they hold, within five stock exchange trading days from exceeding one of the thresholds. AMF publishes reported threshold crossings. The same reporting requirements also apply to shareholders, who fall under said shareholding or voting right thresholds. Unless a properly prepared report is made, shares exceeding the threshold that should have been reported pursuant to aforementioned statutory duties are deprived of voting rights at any general meeting held for two years following the rectified notification date.

In the event of non-compliance with the Articles of Association threshold reporting requirements, sanctions under Article L. 233-14 French Commercial Code shall apply, should one or more shareholders holding at least 5% of share capital or voting rights make a request accordingly in the general meeting minutes.

4) LIST OF HOLDERS OF ANY SECURITY GIVING SPECIAL RIGHTS OF CONTROL AND DETAILS THEREOF

There are no securities giving special control rights. It is nevertheless hereby stated that there are double voting rights attached to fully paid-up shares, the holders of which have been registered for at least two years under the same shareholder's name (Article 39 Articles of Association).

5) CONTROL SCHEMES FOR ANY STAFF SHAREHOLDING PLANS WHEN SUCH STAFF DO NOT EXERCISE RIGHTS OF CONTROL

LDC Equity staff mutual fund:

Voting rights attached to LDC shares held by staff via the FCPE LDC ACTIONS are exercised by a representative mandated by the FCPE Supervisory Board for LDC general meeting voting purposes.

SOCCAD INVESTISSEMENTS:

Voting rights attached to LDC shares held by some executives via SOCCAD Investissements are exercised by the Company Chairman for LDC general meeting voting purposes.

SOCCAD 2:

Voting rights attached to LDC shares held by some executives via SOCCAD 2 are exercised by the Company Chairman for LDC general meeting voting purposes.

6) SHAREHOLDER PACTS KNOWN TO THE COMPANY THAT MAY ENTAIL SHARE TRANSFER AND VOTING RIGHT RESTRICTIONS

Family shareholder pact

A shareholder pact was signed in April 2018 between the Lambert, Chancereuil, Guillet and Huttepain main family groups (AMF Ruling no. 218C0779). Said family groups have reported they act in concert and together hold over two thirds of share capital and voting rights. Such shareholder pact supersedes the shareholder pact signed on 9 and 19 July 2004 (see 4 October 2004 D&I 204C1172).

The new shareholder pact includes the following clauses:

- Minimum equity interest or partial inalienability clause: The pact signatories undertake to hold sufficient Company equity at all times such that together they will never hold less than a 51% equity stake in general meeting.
- Reciprocal pre-emption right: Should one pact party transfer shares to a third party or another pact signatory not belonging to the transferor family group, the transferor shall grant a 'Family' pre-emption right to all shareholder family group members.

SOFIPROTÉOL shareholder pact

A shareholder pact was signed on 27 February 2015 between the Lambert, Chancereuil and Huttepain family groups and Sofiproteol (13 March 2015 AMF Ruling no. 215C0310).

Under said pact, the Lambert, Chancereuil and Huttepain family groups undertake to include on the next LDC general meeting agenda a resolution appointing the first Sofiproteol (Avril Group company) representative to the LDC Supervisory Board and to vote in favour of said resolution.

^{**} As of preliminary allotment date

Said pact provides for a Sofiproteol commitment to limit its interest in LDC equity to 5%.

Should Sofiproteol sell some or all its LDC shares on the market, Sofiproteol undertakes to do so gradually over time so as not to cause any major LDC share price fluctuations.

Lastly, should Sofiproteol plan to sell some or all its LDC shares, the Lambert, Chancereuil and Huttepain family groups shall be entitled to a pre-emption right over the planned share sale.

By way of amendment dated 10 October 2016, the Guillet family group joined the aforementioned shareholder pact. The Guillet family group is now bound by the same rights and duties as those of the Lambert, Chancereuil and Huttepain family groups (see 15 November 2016 AMF Ruling no. 216C2562).

Such commitments supersede those dated 28 November 2011.

Joint share retention commitments by the Lambert, Chancereuil and Huttepain family group shareholders in conjunction with favourable tax rules under the "Dutreil Act" (see X-4.1 Management Report)

On 9 May 2022, a joint LDC share retention commitment headed "Huttepain Family" was submitted under Article 787 B French General Tax Code and registered on 16 May 2022.

On 3 September 2022, a joint LDC share retention commitment headed "Lambert and Huttepain Families" was submitted under Article 787 B French General Tax Code and registered on 12 September 2022.

On 25 August 2022, a joint LDC share retention commitment headed "Lambert and Guillet Families" was submitted under Article 787 B French General Tax Code and registered on 29 September 2022.

On 29 September 2022, a joint LDC share retention commitment entitled "Lambert and Chancereuil Families" was submitted under Article 787 B French General Tax Code and registered on 9 December 2022.

7) RULES APPLYING TO EXECUTIVE BOARD DIRECTOR APPOINTMENT AND REPLACEMENT AND COMPANY ARTICLES OF ASSOCIATION CHANGES

- Executive Board director appointment and dismissal rules are based on statute and Articles 18 and 19 of the Articles of Association.
- · Company Articles of Association changes are undertaken pursuant to statutory and regulatory rules.

8) EXECUTIVE BOARD POWERS, SPECIFICALLY SHARE ISSUE AND BUYBACK

Current Executive Board powers and authorisations are described in the Share Buyback Programme under paragraph X-4.2 Management Report and in the summary powers table (paragraph VII above).

9) COMPANY SIGNED AGREEMENTS THAT CHANGE OR TERMINATE SHOULD THERE BE A CHANGE IN CONTROL OF THE COMPANY UNLESS DISCLOSURE THEREOF, EXCEPTING LEGAL DISCLOSURE DUTY, WOULD SERIOUSLY HARM THE COMPANY'S INTERESTS

N/A

10) AGREEMENTS PROVIDING FOR COMPENSATION FOR SUPERVISORY BOARD OR EXECUTIVE BOARD DIRECTORS OR EMPLOYEES, IF THEY RESIGN OR ARE DISMISSED FOR NO ACTUAL AND SERIOUS GROUNDS OR THEIR EMPLOYMENT IS TERMINATED DUE TO A PUBLIC TENDER OFFER.

N/A

X. DESCRIPTION OF THE COMPANY PROCEDURE PURSUANT TO PARAGRAPH 2 ARTICLE L.255-39 FRENCH COMMERCIAL CODE AND IMPLEMENTATION THEREOF

1) DESCRIPTION

Implementation of a procedure regarding the assessment of ongoing agreements based on arm's length conditions falls under Article L. 22-10-29 French Commercial Code rules.

Since ongoing agreements based on arm's length conditions are excluded from approval of regulated agreements, as stated in Article

L. 225-86 French Commercial Code, it is appropriate to regularly check that required conditions to retain such wording (based on arm's length conditions) are met taking due note of applicable case law and procedures instituted by the French Institute of Chartered Accountants (Compagnie Nationale des Commissaires aux comptes).

On the one hand such procedure aims to specify Company agreement criteria to identify and classify ongoing agreements based on arm's length conditions and, on the other hand, to lay down a procedure regularly checking that such agreements continue to meet relevant conditions.

The Group Legal Affairs and Finance Department reviews transactions that could fall under regulated agreements.

- If the Legal Affairs and Finance Department considers that the relevant agreement is a regulated agreement, it informs the Supervisory Board or its Chairman thereof to apply the statutory procedure. If so, people directly or indirectly involved in said agreement shall not take part in assessing it.
- If the Legal Affairs and Finance Department considers that the relevant agreement is an ongoing agreement based on arm's length conditions, the agreement is submitted to the Audit Committee, which is charged with deciding whether it should be immediately reported to the Supervisory Board.

The Supervisory Board may, in any circumstances, itself pronounce an agreement is based on arm's length conditions and if so, authorise in advance an agreement brought to its attention if it deems said agreement is a regulated agreement.

The Company Supervisory Board adopted this procedure on 20 May 2020.

2) IMPLEMENTATION

Over the last few financial years, this procedure was applied for the:

- 18 May 202 Audit Committee meeting;
- 7 February 2023. Audit Committee meeting

XI. OBSERVATIONS ABOUT THE EXECUTIVE BOARD REPORT AND THE FINANCIAL STATEMENTS FOR THE YEAR

Pursuant to Article L. 225-68 French Commercial Code, we hereby present you our observations about the Executive Board report and the financial statements for the year ended 28 February 2023.

These documents are online on the Company website and can be viewed at the corporate head office.

1) OBSERVATIONS ON THE COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023

The Company and consolidated financial statements for the year ended 28 February 2023, on which you are called to vote, were communicated to us by the Executive Board within statutory deadlines.

The Supervisory Board relied on the Audit Committee to fulfil its duties. Based on the Audit Committee's work, the Supervisory Board reviewed the financial statements submitted by the Executive Board and discussed them with the independent auditors.

The Supervisory Board has no observations about the Company and consolidated financial statements for the year ended 28 February 2023 nor about the attached reports and documents prepared by the Executive Board and as presented to you.

2) BOARD WORK PURPOSE

In accordance with statutory rules, and further to reviewing the Company financial statements and Executive Board report we have just commented on, the Supervisory Board periodically receives Executive Board reports on the Company's progress. It approves granting security, partial or total equity investment, asset and property sales as well as M&A transactions.

The Supervisory Board

SUBMITTED TO THE 24 AUGUST 2023 COMBINED GENERAL MEETING

1. APPROVAL OF THE COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023 - APPROVAL OF THE NON-TAX-DEDUCTIBLE EXPENSES AND CHARGES

(Resolutions 1 and 2)

We would be grateful if you would approve the Company financial statements for the year ended 28 February 2023 revealing a €42,722,371.59 net profit and the consolidated financial statements for the year ended 28 February 2023 as presented revealing a €224,707,894 net profit (Group share).

We would be grateful if you would approve the total value of expenses and charges specified under 4 Article 39 French General Tax Code amounting to €72,313.

2. EARNINGS APPROPRIATION AND DIVIDEND FOR THE YEAR

(Resolution 3)

Our Company earnings appropriation proposal complies with the law and our Articles of Association. We propose appropriating the net profit for the year of €42,722,371.59 as follows:

Source

Net profit for the year
 Transfer to "Other Reserves"
 €42,722,371.59
 €4,893,297.51

Appropriation

• Dividends €47,615,669.10

As such, the gross dividend per €0.40 nominal value share would be €2.70 and the "Other Reserves" account would reduce from €586,989,973.96 to €582,096,676.45.

When dividends are paid to private individuals tax resident in France, they are subject, either, to a fixed single gross dividend 12.8% withholding tax (Article 200 A French General Tax Code), or, on taxpayer's irrevocable and overall expressed option, to the income tax progressive scale after a 40% allowance (articles 200 A,2 and 158 French General Tax Code). Dividends are further subject to 17.2% social security charges.

Such dividends would fall due for payment on 30 August 2023 and the ex-dividend date would be 28 August 2023.

Should the number of shares entitling their holders to a dividend vary from the 17,635,433 shares making up share capital at 16 May 2023, the total dividend payout would be adjusted accordingly and the amount posted to 0ther Reserves would be based on actually paid dividends.

Pursuant to Article 243 bis French General Tax Code rules, dividend and other shareholder payouts in respect of the last three financial years were as follows:

	INCOME ELIGIE	INCOME NON-ELIGIBLE FOR	
IN RESPECT OF THE YEAR	DIVIDENDS	OTHER SHAREHOLDER PAYOUTS	TAX CREDITS
2019/20	€20,561,365.20* Or €1.20 per share	-	-
2020/21	€31,001,022.00* Or €1.80 per share	-	-
2022/23	€35,270,866.00* Or €2.00 per share	-	-

^{*}Including unpaid treasury share dividends posted to Other Reserves or Retained Earnings

3. APPROVAL OF REGULATED AGREEMENTS

(Ordinary resolution 4)

Pursuant to Article L. 225-86 et seq. French Commercial Code, kindly approve the new agreements below signed during the year that were previously approved by the Supervisory Board, stated in the independent auditors' special report and that the general meeting has not yet approved:

a) Specific services contracts nos 3 and 4 for which, pursuant to the framework contract taking effect on 1 September 2021 and approved by the 25 August 2022 AGM, the purpose is to represent LDC Group at the ANVOL and FIA trade associations (specific services contract 3) and to provide the Company expert advice about Upstream issues regarding planned foreign M&A transactions (specific services contract 4). Such contracts were concluded with Mancelle Huttepain SAS, represented on the Supervisory Board, and approved by the Supervisory Board on 9 February 2023.

The financial terms of said contracts are as follows:

- Services contract 3: €20,000,
- Services contract 4: €10,000

'b) A commercial lease covering a 250 square-metre office building in the Le Mans metropolitan area signed between LDC Services and Mancelle Huttepains SAS, represented on the Supervisory Board. The commercial lease was authorised by the Supervisory Board on 9 February 2023.

The financial terms of said lease are as follows: €1,000 per month from 1 September to 31 December 2022 then €2,400 per month from 1 January 2023 (after renovation work).

Such agreements are also included in the auditors' special report that will be presented to the Meeting and features on the Company website. All agreements are detailed on the Company website pursuant to regulations.

4. AUDITORS' TERM OF OFFICE

(ordinary resolution 5)

With regard to the proposed appointment as independent auditors of PricewaterhouseCoopers replacing KPMG, whose term of office expires following this general meeting, please refer to the Supervisory Board's report to the general meeting.

5. SUPERVISORY BOARD DIRECTORS' TERMS OF OFFICE

(ordinary resolutions 6 to 10)

5.1 Patrice CHANCEREUL REAPPOINTED AS SUPERVISORY BOARD DIRECTOR

(ordinary resolution 6)

Patrice CHANCEREUL's Supervisory Board term of office expires following the next AGM.

On Appointments and Remuneration Committee recommendation, we would be grateful if you would reappoint Patrice CHANCEREUL as Supervisory Board director for a four-year term until following the 2027 AGM called to approve the financial statements of the completed financial year..

independence:

The Supervisory Board, on Appointments and Remuneration Committee opinion, considers that Patrice CHANCEREUL should not be classified as independent director in view of Middlenext Code independence criteria the Company applies.

Expertise, experience and skills:

Patrice CHANCEREUL's expertise, experience and skills: are detailed in the 2022/23 corporate governance report (paragraphs II.2.1 and II.2.6).

5.2 DENIS LAMBERT'S APPOINTMENT AS SUPERVISORY BOARD DIRECTOR REPLACING ANDRÉ DELION

(ordinary resolution 7)

On Appointments and Remuneration Committee recommendation, you will be asked to appoint Denis LAMBERT as Supervisory Board director for a four-year term until following the 2027 AGM called to approve the financial statements of the completed financial year, replacing André DELION, whose term of office expires following this general meeting and who does not seek reappointment.

independence:

The Supervisory Board, on Appointments and Remuneration Committee opinion, considers that Denis LAMBERT should not be classified as independent director in view of Middlenext Code independence criteria applied by the Company for corporate governance purposes.

Expertise, experience and skills:

Holder of a "Corporate Management and Finance" degree and a Business Perfection Centre degree Jouy – H.E.C.), 1981 to 1984 Denis LAMBERT served as LDC Sablé logistics and production manager. In 1984, he was promoted to LDC Group sales and marketing director until 1997. Executive Board director since 1984, he became Chairman in 2001 until August 2023.

5.3 CHRISTOPHE LAMBERT'S APPOINTMENT AS SUPERVISORY BOARD DIRECTOR

(ordinary resolution 8)

On Appointments and Remuneration Committee recommendation, shareholders will be asked to appoint Christophe LAMBERT as Supervisory Board director in addition to currently serving directors, for a four-year term expiring following the 2027 AGM called to approve the financial statements of the completed financial year.

independenc

The Supervisory Board, on Appointments and Remuneration Committee opinion, considers that Christophe LAMBERT should not be classified as independent director in view of Middlenext Code independence criteria applied by the Company for corporate governance purposes.

O3 EXECUTIVE BOARD REPORT-DRAFT RESOLUTIONS

Expertise, experience and skills:

Holder of a "Tech-Sales" degree, 1981 à 1984 Christophe LAMBERT first worked for LDC Sablé as sales agent and export manager then as sales director responsible for customer group procurement. From 2001, he served as Group sales director then in 2012, sales and marketing director. He was further Company Executive Board director from August 1994 to year-end 2022.

5.4 THIERRY CHANCEREUL'S APPOINTMENT AS SUPERVISORY BOARD DIRECTOR

(ordinary resolution 9)

On Appointments and Remuneration Committee recommendation, shareholders will be asked to appoint Thierry CHANCEREUL as Supervisory Board director in addition to currently serving directors, for a four-year term expiring following the 2027 AGM called to approve the financial statements of the completed financial year.

independence

The Supervisory Board, on Appointments and Remuneration Committee opinion, considers that Thierry CHANCEREUL should not be classified as independent director in view of Middlenext Code independence criteria applied by the Company for corporate governance purposes.

Expertise, experience and skills:

Thierry CHANCEREUL began his career with LDC Group in 1984 working for Mathey, renamed LDC Bourgogne, in the procurement, logistics and sales departments. With effect from 1991, he became Bidou (renamed LDC Aquitaine) CEO. In 1997, he was promoted to LDC Group manufacturing director serving until year-end 2021. He was further Company Executive Board director from 2001 to year-end 2021.

5.5 ALEXANDRA PELLETIER'S APPOINTMENT AS SUPERVISORY BOARD DIRECTOR

(ordinary resolution 10)

On Appointments and Remuneration Committee recommendation, shareholders will be asked to appoint Alexandra PELLETIER as Supervisory Board director in addition to currently serving directors, for a four-year term expiring following the 2027 AGM called to approve the financial statements of the completed financial year.

independence:

The Supervisory Board, on Appointments and Remuneration Committee opinion, considers that Alexandra PELLETIER should be classified as independent director in view of Middlenext Code independence criteria applied by the Company for corporate governance purposes.

Please note that Alexandra PELLETIER has no material business dealings with the Group.

Expertise, experience and skills:

Holder of an ESSEC Business School degree, Ms Alexandra PELLETIER began her career in 2008 with Mondelez France's Biscuit Marketing division as product manager, then from January 2015, with Mondelez China's Shangaï office as senior product manager until September 2016 and lastly with Mondelez International as innovation category manager until 2018. Since then, she has served as partner and CEO of the firm Bazimee (Maison Drans) located in Sablé-sur-Sarthe, France. She notably oversees marketing, PR, sales and distribution matters.

Subject to:resolutions 6 to 10 hereto being approved by the General Meeting:

- The Board would comprise sixteen directors, five of whom would be 'independent' (as defined across all Middlenext Code criteria that the Company applies) as well as two staff representative directors. So the Company will continue to comply with Middlenext Code recommendations regarding the proportion of independent directors.
- The Board director turnover rate will be 42.90% (excluding staff representative directors) as required by the law.

6. BOARD DIRECTORS' TOTAL FIXED DIRECTORS FEES

(ordinary resolution 11)

Given the increase in Board directors, the number of Board committees and committee meetings, and as proposed by the Appointments and Countries Committee, you will be asked to approve raising the fixed annual directors fees from €48,760 to €71,500 payable to Supervisory Board directors in respect of the year and until otherwise decided.

7. SAY ON PAY

(ordinary resolutions 12 to 19)

Please refer to the Company Supervisory Board's Corporate Governance Report, paragraphs IV and V.

8. PROPOSED EXTENDED AUTHORISATION REGARDING SHARE BUYBACK PROGRAMME IMPLEMENTATION

(ordinary resolution 20)

Consistent with resolution 12, we recommend you grant the Executive Board sufficient powers for an eighteen-month term to purchase, on one or more occasions and at times the Board will decide, Company shares up to the maximum number of shares without exceeding 5% of share capital as of this general meeting's date and adjusted for any future new share issues, cancellations or bonus share issues that may occur during the programme.

Such power would supersede that granted to the Executive Board by the 25 August 2022 General Meeting, ordinary resolution 12. Shares may be bought to:

- Boost LDC share secondary market trading or liquidity through an investment services firm based on a liquidity contract compliant with regulatory practices, it being understood that in this context, the number of shares used to calculate the aforementioned limit shall equal the number bought less the number resold,
- Hold bought shares and subsequently reissue them in exchange or payment under any merger, de-merger or acquisition transactions,
- Ensure sufficient shareholdings for stock option plans and/or free share or similar award plans for Group employees and/or directors (including related business consortia or companies) as well as share awards under a Company or Group staff savings plan (or similar plan), Group profit sharing and/or any other form of share award to Group employees and/or directors,
- Ensure sufficient shareholdings so the Company can reissue shares pursuant to applicable regulations,
- · Cancel any bought shares pursuant to extraordinary general meeting powers granted.

Such share buybacks may be made by any means including in blocks of shares and at times the Executive Board deems appropriate. The Company does not intend to use stock options or derivatives.

Unless previously authorised hereto in general meeting, the Executive Board may not use this power during a third-party tender offer period targeting Company shares until the end of the offer period. We recommend you set the maximum share purchase price at €200 per €0.40-nominal-value share so that the maximum total share buyback amount may not exceed €176,354,200.

The Executive Board would therefore have the necessary powers to fulfil such objectives...

9. EXECUTIVE BOARD POWER TO CANCEL COMPANY- BOUGHT SHARES UNDER THE ARTICLE L. 22-10-62 FRENCH COMMERCIAL CODE SCHEME

(extraordinary resolution 21)

As a result of the Company share buyback programme's objective under Article L. 22-10-62 French Commercial Code, we request you authorise the Executive Board for an eighteen month term, on one or more occasions and at its sole discretion, to cancel up to 10% of the share capital calculated on the day of the decision to cancel, less any shares cancelled during the previous 24 months, shares that the Company holds or may hold following repurchases made under the share buyback programme and to reduce the Company share capital accordingly pursuant to current statutory and regulatory provisions.

10. GRANT OF EXECUTIVE BOARD POWER TO ISSUE ORDINARY SHARES WITHOUT PRE-EMPTIVE SUBSCRIPTION RIGHT TO AN EXISTING OR FUTURE COMPANY OWNED BY LDC GROUP MANAGERS

(extraordinary resolution 22)

We request that you grant a further power to an expressly nominated person so that the Company has the flexibility it requires to seize any funding opportunity. The Corporate Governance Report, paragraph VII, lists the status of outstanding powers granted in general meeting to the Executive Board.

Pursuant to articles L.225-129-2 and L.225-138 French Commercial Code, we ask the General Meeting to grant an 18-month-term power to the Executive Board to issue ordinary shares without pre-emptive subscription right to the named legal entity below. Under said power, issues would be made without shareholder pre-emptive subscription right to an existing company (specifically "Soccad Investissements":or "Soccad 2") or future company owned by LDC Group managers (hereinafter "LDC managers company").

Said power is requested so that the Executive Board, where appropriate, can decide to issue new shares to the LDC managers company. The reason for deleting the shareholder pre-emptive subscription right for the benefit of an existing or future LDC managers company is down to the need to introduce a legal vehicle for said managers to form a company together and so hold Company shares thereby incentivising them personally and financially.

The maximum total nominal value of shares that may be issued under this power may not exceed €200,000. To this cap would be added, where appropriate, the nominal value of new share issues required to preserve, as legally permitted, contractual provisions allowing other means of preserving Company shareholder rights or equity option rights.

Said cap would be separate from all caps stated in the other General Meeting resolutions.

Pursuant to Article L.225-138 French Commercial Code, the ordinary share issue price under this power would be set by the Executive Board and may not be less than the weighted average share price over the last 30 stock exchange trading sessions immediately prior to setting the issue price, less a maximum 20% discount.

Should subscriptions not take up all issued shares, the Executive Board may reduce the issue amount to total subscriptions pursuant to regulations

As such, the Executive Board would have the capacity to implement this power and would report to the next ordinary general meeting how it has used this power, in accordance with the law and regulations.

11. GRANT OF POWER TO ISSUE ORDINARY SHARES AND/OR EQUITY OPTIONS WITHOUT PRE-EMPTIVE SUBSCRIPTION RIGHT TO COMPANY SAVINGS PLAN MEMBERS

(extraordinary resolution 23)

We submit this power to your vote so as to comply with Article L. 225-129-6 French Commercial Code, which requires that an extraordinary general meeting called to vote on powers that may immediately or ultimately result in share issues for cash must also vote on powers for issues to company savings plan members.

Under this proposal, you are asked to transfer your authority to the Executive Board, if it deems appropriate in its sole capacity, to issue new Company ordinary shares or equity options on one or more occasions to one or more company or group saving plan members established by the Company and/or its related French or foreign companies under conditions specified by Article L. 225-180 French Commercial Code and Article L. 3344-1 French Employment Code.

In accordance with Article L. 3332-21 French Employment Code, the Executive Board may allot free existing or future Company shares or equity options in respect of (i) potential employer contributions pursuant to company or group savings plan rules, and/or (ii) any discount and, in the event of new share issues regarding the discount and/or the employer contribution, may decide to post reserves, retained earnings or Share Premium Account to share capital to pay in said shares.

Pursuant to statute, the General Meeting would delete the shareholder pre-emptive subscription right on shares and equity options that may be issued under this power.

The maximum nominal value of the share issue(s) that could be carried out under this power would be 1% of share capital as of the Executive Board's share issue decision date, given that said value is separate from any other share issue power limit. To this amount would be added, where appropriate, the nominal value of new share issues required to preserve, as legally permitted, contractual provisions allowing other means of preserving Company shareholder or equity option holder rights.

This power would have a 26-month term.

It is hereby stated that, pursuant to Article L. 3332-19 French Employment Code, the future share issue price may not be less than over 30%, or 40% should the plan's vesting period be at least 10 years as permitted by articles L. 3332-25 and L. 3332-26 French Employment Code, of the average quoted share prices over 20 stock exchange trading sessions leading up to the decision setting the subscription start date, nor be above said average.

The Executive Board may implement this power or not, take all necessary steps and accomplish all formalities.

As of the General Meeting date, this power would render ineffective any unused portion of any prior power granted for the same purpose.

12. POWERS FOR FORMALITIES

(ordinary resolution 24)

Lastly, please grant powers to the bearer of the original, a copy or extract of the minutes of the resolutions you will vote on for purposes of accomplishing all necessary formalities like submission, publicity and other tasks

The Executive Board would like to invite you to vote for the draft resolutions that it proposes

STATEMENT OF COMPREHENSIVE INCOME

CONSOLIDATED INCOME STATEMENT

(€'000)	Notes	2022/23	2021/22
Net revenues	21	5,846,130	5,068,957
Raw materials and supplies		(3,031,862)	(2,646,863)
GROSS PROFIT		2,814,268	2,422,094
Other purchases and external expenses		(1,090,138)	(917,215)
Miscellaneous taxes		(53,132)	(52,825)
Staff costs		(1,123,577)	(1,053,019)
Depreciation/amortisation	7 & 8	(229,426)	(197,020)
Impairment		(26,106)	(1,278)
Other underlying operating income		42,798	30,331
Other underlying operating expenses		(34,793)	(22,589)
UNDERLYING OPERATING PROFIT		299,894	208,479
Other operating income	24	0	4,748
Other operating expenses	24	0	0
OPERATING PROFIT		299,894	213,227
Income from cash and cash equivalents		6,013	2,735
Gross cost of debt		(5,348)	(1,890)
Net (cost)/income of debt	25	665	845
Other financial income and expenses	25	1,820	(105)
NET FINANCIAL ITEMS	25	2,485	740
PROFIT BEFORE TAX		302,379	213,967
Corporate tax	19.2	(70,465)	(46,147)
Share of profit/(loss) of associates	9.2	(1,929)	(1,464)
Impairment of investment in associates	9.2	(4,006)	0
CONSOLIDATED NET PROFIT		225,979	166,356
NET PROFIT GROUP SHARE		224,708	165,116
MINORITY INTERESTS		1,271	1,240
Basic earnings per share (€)	14.2	12.84	9.58
Diluted earnings per share (€)	14.2	12.84	9.58

COMPREHENSIVE STATEMENT OF INCOME

(€′000)	2022/23	2021/22
CONSOLIDATED NET PROFIT	225,979	166,356
Change in exchange differences	(13,839)	(2,927)
Fair value of financial instruments	38	(13)
Items to be posted to earnings	(13,801)	(2,940)
Actuarial differences on defined benefit schemes	9,183	5,407
Tax on actuarial differences	(2,348)	(1,380)
Items not to be posted to earnings	6,835	4,027
Total gains and losses booked directly under equity	(6,966)	1,087
NET GAINS AND LOSSES BOOKED UNDER EQUITY	219,013	167,443

CONSOLIDATED BALANCE SHEET

ASSETS

(€′000)		28/2/2023	28/2/2022
	Notes	Net	Net
Non-current assets			
Goodwill	6	265,680	277,195
Other intangible assets	7	46,937	47,417
Property, plant and equipment	8	1,106,895	1,067,764
Non-consolidated shareholdings	9.1	760	768
Equity-accounted investments	9.2	5,661	10,836
Other financial assets	9.3	23,333	26,315
Deferred tax		10,091	4,844
TOTAL NON-CURRENT ASSETS		1,459,357	1,435,139
Current assets			
Inventories	10	451,803	357,720
Biological assets		65,388	57,342
Trade receivables	11	691,036	642,225
Other current assets	11	125,842	104,203
Cash management current assets	12/13	527,574	369,003
Cash and cash equivalents	12/13	397,409	292,783
TOTAL CURRENT ASSETS		2,259,052	1,823,276
Assets held for sale		0	565
TOTAL ASSETS		3,718,409	3,258,980

CONSOLIDATED BALANCE SHEET

LIABILITIES & EQUITY

(€′000)	Notes	28/2/2023	28/2/2022
EQUITY			
Share capital	14.1	7,054	7,054
Share premium account		162,566	162,566
Treasury shares	14.3	(13,393)	(11,038)
Consolidated reserves		1,535,051	1,408,012
Group exchange differences	5	(37,807)	(23,967)
Net profit Group share		224,708	165,116
Equity Group share	14	1,878,179	1,707,743
Minority interests		1,271	1,240
Minority interests' reserves		5,387	4,836
TOTAL EQUITY		1,884,837	1,713,819
Non-current liabilities			
Employee benefit provisions	16	26,285	30,822
Deferred tax		43,218	35,499
Long-term debt	17	226,076	182,476
TOTAL NON-CURRENT LIABILITIES		295,579	248,797
Current liabilities			
Provisions	15	45,356	22,292
Short-term debt	17	228,119	202,349
Bank overdrafts	12	90,160	95,979
Trade payables		656,103	506,912
Other current liabilities	18	518,255	468,832
TOTAL CURRENT LIABILITIES		1,537,993	1,296,364
Liabilities held for sale		0	0
TOTAL LIABILITIES & EQUITY		3,718,409	3,258,980

STATEMENT OF CASH FLOWS

€'000	Notes	28/2/2023 (12 months)	28/2/2022 (12 months)
Consolidated net profit Non-operating and non-cash income and expenses added back		225,979	166,356
December 1	19	251,603	181,708
-Depreciation, amortisation and provisions -Change in deferred tax	19	(1,270)	(685)
-Gains/losses on asset sales	9.2	3,473	(1,785)
-Share of earnings of associates	3.2	5,936	1,464
Consolidated free cash flow	26	485,721	347,058
Change in operating working capital	20	24,200	(19,850)
Cash flow from operating activities		509,921	327,208
Cash flow from investing activities		000,021	027,200
Fixed asset purchases		(261,453)	(250,977)
Fixed asset sales		18,540	12,790
Cash flow from first-time consolidation		(27,168)	(24,059)
Cash flow from investing activities		(270,081)	(262,246)
Cash flow from financing activities			
Shareholder dividend payouts		(36,943)	(33,186)
Share issues		0	41,042
Debt issues		186,081	107,005
Debt repayments		(114,440)	(118,825)
Changes in equity and other		(2,355)	(5,565)
Change in cash management assets		(158,571)	(26,632)
Cash flow from financing activities		(126,228)	(36,161)
Change in cash and cash equivalents	12	113,612	28,801
Opening cash and cash equivalents		196,804	168,321
Exchange differences		(3,167)	(318)
Change in cash and cash equivalents	12	113,612	28,801
Closing cash and cash equivalents	12	307,249	196,804

STATEMENT OF CHANGE IN CONSOLIDATED EQUITY

€'000	Share capital	Share premium on issues	Consolidated reserves	Net profit for the year	Exchange differences	Treasury shares	Group share	Minority interests	TOTAL
28/2/2021 closing balance	6,854	121,723	1,291,755	140,685	(21,041)	(5,473)	1,534,503	7,191	1,541,694
Change in parent company share capital	200	40,843					41,043		41,043
Consolidated net profit for the year				165,116			165,116	1,240	166,356
Dividend payouts				(32,292)			(32,292)	(894)	(33,186)
Gains and losses taken to equity			4,014		(2,926)		1,088	(1)	1,087
Other			3,850			(5,565)	(1,715)	(1,460)	(3,175)
Prior year earnings appropriation			108,393	(108,393)			0		0
28/2/2022 closing balance	7,054	162,566	1,408,012	165,116	(23,967)	(11,038)	1,707,743	6,076	1,713,819
Consolidated net profit for the year				224,708			224,708	1,271	225,979
Dividend payouts				(36,166)			(36,166)	(777)	(36,943)
Gains and losses taken to equity			6,873		(13,840)		(6,967)	1	(6,966)
Other			(8,784)			(2,355)	(11 139)	87	(11,052)
Prior year earnings appropriation			128,950	(128,950)			0		0
28/2/2023 closing balance	7,054	162,566	1,535,051	224,708	(37,807)	(13,393)	1,878,179	6,658	1,884,837

The attached notes form an integral part of the consolidated financial statements. Amounts are in thousands of euros unless otherwise stated.

PREAMBLE

Pursuant to 19 July 2002 EU regulation 1606/2002, the 2022/23 consolidated financial statements of LDC S.A. and its subsidiaries ("LDC Group") have been prepared under current IFRS (International Financial Reporting Standards) as of 28 February 2023, as adopted by the European Union and available on the European Commission website. (http://ec.europa.eu/internal_market/accounting/ias_fr.htm)

On 16 May 2023, the Executive Board approved the LDC Group IFRS 2022/23 consolidated financial statements and authorised their publication. They will be submitted for shareholder approval at the 24 August 2023 General Meeting.

Accounting principles and methods were applied on a consistent basis over stated periods and throughout all Group companies.

NOTE 1 - HIGHLIGHTS

FY 2022/23 featured an avian flu epidemic that affected French county Vendée farms and south-western France during the first half-year and at the year-end. The Group mobilised by introducing a reciprocal inter-location aid plan that mitigated the impact of lower sales volumes.

To cope with soaring raw material and other cost prices, exacerbated by the war in Ukraine, the Group managed to push through sales price rises in France and abroad, which meant the Group could tackle the ramifications arising from this unprecedented situation that also shone a spotlight on Group customers, who stayed loyal to French farms and France-sourced poultry foodstuffs.

BUSINESS REVIEW

LDC Group 2022/23 consolidated revenues came in at €5,846.1m, up 15.3% year-on-year from €5,069m. Meanwhile sold tonnage dipped 5.6%. Group Underlying Operating Profit surged 43.8% to €299.9m, u[p from 2021/22's €208.5m.

Poulty revenues rose 12.2% to €4,206.2m despite 8.2% lower sold tonnage.. The whole distribution channel enjoyed higher monetary revenues, which came from favourable product mix variances, more balanced raw material sourcing and high inventory turnover in a market hit by supply shortages. Poulty underlying operating profit was €225.8m vs €141m, sales price rises making up for higher raw material and cost prices. The avian flu-caused lower volumes led the Group to streamline its product range and cut special sales offers.

International revenues leapt 42.4% to €812.7m. Volumes edged up 1.3% boosted by organic growth on domestic markets. Sharp sales price rises fuelled revenue growth. The September 2021 Capestone acquisition also contributed to 2022/23 revenue and earnings growth Against this backdrop, underlying operating profit leapt to €73.1m up from 2021/22's €29.3m.

Ready Meal 2022/23 revenues came in up 10.3% at €827.2m with sold volumes down 2.1%. While sales price rises fuelled higher revenues, they did not manage to make up for soaring raw material and other cost prices like energy, packaging, labour, freight and more. As a result, underlying operating profit tumbled from €38.3m in 2021/22 to €0.9m in 2022/23.

NOTE 2 - ACCOUNTING POLICIES

Group accounting policies and methods applied in the 2022/23 consolidated financial statements are identical to those of 2021/22 with the exception of new compulsory accounting standards, amendments and interpretations applicable as from 1 March 2022.

Standards and interpretations applicable from 1 March 2022:

The new compulsory accounting standards involving changes to previous standards had no impact on the financial statements for the year ended 28 February 2023:

- IFRS 3 Business Combinations, amendment;
- IAS 16 Property, Plant and Equipment, amendment: Proceeds from selling items before asset is available for use;
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets, amendment: Accounting for expected contract losses and gains Applying these new standards does not affect the Group.

The Group did not apply new accounting standards, amendments and interpretations early in the 2022/23 consolidated financial statements and considers they do not have a material impact on its earnings or balance sheet.

2.1. Presentation and preparation of the consolidated financial statements

Assets used in ongoing operations and those held for sale in the 12 months following the balance sheet date, plus cash, are 'current

Liabilities for ongoing operations that fall due for payment in less than one year are 'current liabilities'..

All other assets and liabilities are considered to be non-current.

The income statement is presented by nature of expense, and Includes underlying operating profit that corresponds to Group profit excluding material non-recurring items.

Preparing the consolidated financial statements involves Group management making judgements, estimates and assumptions that impact amounts given in the consolidated financial statements and notes thereto. This largely relates to estimating goodwill value in use and contingency, sales and pension provisions. Assumptions, on which key estimates were based, were the same as those for the prior year financial statements.

Underlying assumptions and estimates are constantly reviewed and updated from actual experience and other factors deemed reasonable in the circumstances. Future actual values may differ from estimates made.

Underlying estimates and assumptions are reviewed on an ongoing basis. The impact of accounting estimate changes is amortised over the year when the change occurs or, if affecting subsequent years as well, over the full period in question.

2.2. CONSOLIDATION METHOD

Companies that the Group exclusively controls, be that legally - direct or indirect voting right majority - contractually or de facto - actual long-term control over financial and operational policies - are fully consolidated. All asset, liability and income statement accounts are consolidated, line by line, while retaining minority interest rights.

Associate companies, over which the Group has significant influence or jointly controls, are consolidated under the equity method.

Equity investments in companies that, while meeting the above criteria, are not consolidated and appear as equity investments in the balance sheet. Consolidating such companies would not materially affect the financial statements.

2.3. BUSINESS COMBINATIONS AND GOODWILL

If the cost of a business acquisition differs from the fair value of the acquired net assets less identifiable contingent liabilities, said difference is analysed and posted to appropriate accounts within up to 12 months following the acquisition. The acquisition cost is the price payable or paid by the Group for the acquisition.

If said difference is positive, it is capitalised as Goodwill on the consolidated balance sheet. If said difference is negative (badwill) it is written off immediately in full under earnings for the year.

Customer relations intangible assets are booked under Goodwill.

Goodwill is recorded in the operating currency of the acquiror and is converted into euros at the closing exchange rate.

Goodwill is not amortised and undergoes an impairment test as of every year-end based on the future cash flows of cash generating units (CGU), to which acquisitions are allocated (see note 2.4 Asset Impairment).

2.4. ASSET IMPAIRMENT

Impairment tests are carried out on intangible assets and PP&E as soon as there is an indication of diminution in value and at least once a year for intangible assets with an unlimited useful life like goodwill.

Should the recoverable value of such assets fall under net book value, impairment is booked in respect of the difference. Any impairment booked against goodwill may not be subsequently written back.

The recoverable value of an asset is the higher of its fair value less costs of disposal and its value in use:

The fair value of an asset is its potential sales price on an arm's length basis and is determined by reference to the agreed price in an irrevocable sale or if none, based on actual recent market transactions...

The value in use of an asset is based its future cash flows. Cash flows underlying the valuation of such assets come from senior management approved business plans covering the next few year and extrapolated further into the future.

Any adverse trend in expected earnings from businesses, to which goodwill has been allocated, may materially impair recoverable

Goodwill amounts are allocated to cash generating units (CGU) that underlie impairment calculations.

CGUs or CGU groups are subsidiaries or groups of subsidiaries belonging to the same business division and generating cash independently. LDC Group has two French CGUs, namely Poultry and Ready Meal. There is one CGU per country for subsidiaries in Poland, Hungary, Belgium, Wales and Spain.

2.5. CURRENCY CONVERSION

Monetary assets and liabilities denominated in foreign currencies are converted into euros at the closing rate.

Foreign company income statements are converted at the average rate for the year based on official daily rates.

Exchange differences arising from using different exchange rates are posted to consolidated equity.

2.6. INTANGIBLE ASSETS

Intangible assets are carried at cost less accumulated amortisation and impairment. Intangible assets comprise software, brands and customer relations. SaaS IT systems are expensed under earnings.

Software is amortised on a straight-line basis over four years, customer relations straight-line over twelve years. Brands are not amortised but undergo an annual impairment test.

They are deemed to have an unlimited useful life. Such impairment tests involve measuring brand value under la "market participant" method by totalling the present value of future cash flows that the Group could reasonably expect to receive from holding the brands. Said cash flows assume brand revenue growth during a 5-year forecast. The "Relief from Royalty" method is then carried out on forecast revenues applying a royalties rate taking account of relevant brand maintenance fees. Cash flows are then discounted to present value at a rate including a risk premium specific to the business.

2.7. R&D COSTS

Research costs are expensed when incurred. Development costs prior to product marketing are only capitalised if all IAS 38 recognition criteria are met

2.8. PROPERTY, PLANT AND EQUIPMENT

PP&E are initially measured at cost. Pursuant to IAS 23 revised, the Group posts debt interest to PP&E cost when relevant criteria

Should an item of PP&E be broken down into material components with different useful lives, the components are accounted for separately.

PP&E items undergo impairment tests whenever a diminution in value is likely to have occurred.

Depreciation is booked over estimated useful lives. Key estimated useful lives are as follows:

Buildings 20 to 30 years Plant and machinery 4 to 10 years ·Facilities, fixtures & fittings 5 to 12 years Vehicles 4 to 5 years Office and IT hardware 3 to 5 years Office furniture 10 years

2.9. LEASES (IFRS 16)

Under FRS 16, lessees have to book their leased items as assets representing a right of use and a liability amounting to the present value of future lease instalments.

Leased assets under IFRS 16 are depreciated over their useful lives.

LDC adopts IFRS 16 simplified options and does not adjust low-value leases, for which the reasonably certain duration is less than 12

2.10. UNCONSOLIDATED SHAREHOLDINGS AND OTHER FINANCIAL ASSETS

Unconsolidated shareholdings are deemed to be held for sale and the underlying companies are unlisted. They have to be measured at fair value while changes thereto have to be posted to equity. In the absence of an active market, fair value is assumed to be cost. Other financial assets include security deposit payments, receivables held to expiry measured at outstanding balance and liquid financial assets stated at fair value.

2.11. INVENTORIES

Inventories of fresh finished and semi-finished produce, raw materials and other supplies are measured at "weighted average unit

Inventories of finished produce are carried at the lower of weighted average unit cost and realisable value.

An impairment provision is booked against finished produce where market price falls below cost, or if frozen items are near their "best before" dates.

Manufactured and in-progress produce is measured at production cost including direct and indirect production costs and relevant equipment depreciation.

Inventories are carried at the lower of cost and realisable value.

Packaging and spare parts inventories are written down if they are not used for a given period.

2.12. BIOLOGICAL ASSETS

Biological assets are farm live poultry. They are measured at fair value that does not materially differ from production cost including direct and indirect production expenses. As of the balance sheet biological assets' cost was €76,127k and €10,739k impairment, or a €65,388k net book As of the prior year balance sheet date, biological assets' cost was €68,920k and €11,578k impairment, or a €57,342k net book value.

2.13. RECEIVABLES

Accounts receivable are carried at the lower of face value and realisable value. Realisable value is determined on a specific basis after analysing the collection prospects involved in each case.

Receivables are written down whenever the probable realisable value falls under the book value

2.14. TREASURY SHARES

The purchase cost of treasury shares is deducted from consolidated equity. Unrealised gains and losses and related tax are accounted for in equity.

2.15. CASH MANAGEMENT CURRENT ASSETS

Cash management current assets are monetary futures that do not meet the standard to be classified as cash and cash equivalents. Such assets are fixed-term deposits maturing in 3 to 12 months.

2.16. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash at bank and in hand and short-term investments in monetary instruments. Investments maturing in less than three months from investment date are realisable at all times at face value and the risk of loss is negligible.

2.17. INVESTMENT GRANTS

Investment grants are included in the 'Other current liabilities' balance sheet line. The liabilities are released to earnings over the same period as the assets the grants funded.

2.18. Provisions

Provisions are booked whenever the Group has a legal or implied payment obligation to a third party arising from past events, the amount of which is uncertain and will probably lead to a net outflow of resources. Provisions are updated based on management's best estimate of developments during the year until the balance sheet date and are measured on a case-by-case basis.

2.19. EMPLOYEE BENEFITS

RETIREMENT COMPENSATION

Such compensation is paid to employees when they retire.. Employees decide when they want to retire. The Group accrues for such commitments under the IAS 19 revised projected unit credit method. Based on actuarial assumptions, this method takes account of employees' likely future time in service with the Group until retirement, their future pay and life expectancy, and staff turnover. The liability is stated at present value using an appropriate discount rate. Actuarial differences are booked under equity.

ADDITIONAL PENSION SCHEMES

Such schemes come on top of standard legal old-age pensions and are for employees, whose companies pay charges to social security organisations. The Group has no liability other than paying charges to external organisations. The expense booked to Group earnings for the year equals charges paid since the Group has no further pension liability.

LONG-SERVICE AWARDS

Long-service awards are calculated based on company staff agreements in all Group French companies under the projected unit credit method. The provision takes account of the payable award to those who qualify as long-service employees. Provisions are adjusted over time whenever employees request advances on their awards. Provision amounts are also based on actuarial assumptions like length of service and discount rate...

2.20. FINANCIAL INSTRUMENTS

IFRS 9 introduced a novel logical classification method for all financial assets, either stated at amortised cost or at fair value, including derivatives. If the business objective is just to hold financial assets to receive contractual income, they are stated at amortised cost. If the business objective is both to hold them to receive contractual income and to trade in them, they are carried at fair value and gains and losses under Other Comprehensive Income.

2.21. RISK MANAGEMENT

Credit risk This primarily concerns unpaid trade receivables that could lead to a Group bad debt expense. The Group has introduced inhouse customer credit management and receivables debt collection procedures. The Group has further taken out a credit insurance policy that minimises bad debt risk on some trade receivables.

Liquidity risk The Group adopts a prudent approach such that it holds sufficient cash and negotiable liquid financial assets to meet its liabilities as they fall due. At 28 February 2023, net cash at bank stood at €321,318k plus cash management current assets amounting to €513,505k.

Interest rate risk The Group holds material amounts of interest-bearing assets, which are classified as:

"Cash management current assets" amounting to €513,505k. All such assets come with a principal guarantee if held until maturity. Debt is booked as of inception date at the fair value of consideration corresponding to net cash received after relevant issue costs. Thereafter, if there is no hedging, debt is carried at outstanding balance under the effective interest rate method.

Exchange risk The Group is little exposed to exchange risk given that its supplies and sales are largely denominated in euros. However, so as to mitigate remaining risks it has introduced currency futures on its most frequently used currencies for foreign trade.

Raw materials risk Under its raw material procurement risk management, the Group forward purchases and sells raw materials with farmers and customers

All such forward trading falls under the Group's ongoing operations. This raw material hedging complies with IFRS 9 hedging valuation criteria

2.22. DEFERRED TAX

Deferred tax is accounted for to take account of all asset and liability timing differences between taxable income and accounting profit at the balance sheet date.

Under the liability method, deferred tax is based on the last tax rate in force at the balance sheet date.

Deferred tax assets are recognised for all applicable timing differences such as tax loss carryforwards and unused tax credits, insofar as it is probable they can be offset against future income.

2.23. INCOME FROM ORDINARY ACTIVITIES OR REVENUES

Consolidated revenues are recognised when goods are shipped to customers pursuant to general terms and conditions of sale.

Revenue-reducing items are as follows:

- Produce returns leading to revenue-reducing credit notes.
- · Sales alliances with supermarket or other retail chains that promote our produce in-store.
- New promotional instruments like immediate savings vouchers or retailer loyalty cards.
- Advertising fees (fixed budgets granted to customers for promotional campaigns on our produce).

Given our business, revenues earned from farmers under our "semi-integration" programme are eliminated on consolidation.

Semi-integration means a contract whereby our farm organising companies sell farmers chicks and their feed until they are moved on. Our production organising companies next buy these chicks back from farmers and sell them on to Group abattoir companies. So as to eliminate these intercompany transactions:

Revenues earned from semi-integration farmers offset live poultry purchases and cancel each-other out.

And revenues earned by production organising companies on sales to abattoir companies are eliminated so that only third-party revenues remain.

2.24. SEGMENT REPORTING

The three disclosed operating segments, in line with Group in-house reporting used by operational top executives, are Poultry, Ready Meal and International. The Upstream division forms part of the Poultry segment.

The Upstream division covers live poultry farming, poultry feed manufacture for consumer egg production and trading in cereals required for feed manufacture. All Upstream division live poultry is sold to the Poultry division. Group operational top executives consider the poultry business to be a fully-fledged segment itself including the upstream:business.

Key factors that enabled top management to ensure operating segments are consistent and compliant, are as follows:

- Identical business structure among segment entities
- · Identical foodstuffs and services
- Identical manufacturing processes
- Intertwined segment entities' operations
- Same produce retail outlets, logistics and sales practices
- Location of segment entities

The various segment operations are as follows:

- Poultry segment Feed manufacturing, poultry farming, egg production (upstream:business), abattoirs, poultry-based foodstuff processing and marketing.
- Ready Meal segment Manufacture of cooked meals, pizzas, sandwiches, pancakes and crepes, ethnic food, rolled pastry, quiches, cakes and pies.
- International segment Poultry farming, abattoirs, poultry-based foodstuff processing and marketing. Entities located in Poland, Hungary, Belgium, Wales and Spain. Produce made for domestic or export.markets

Ordinary activity produce breaks down by region based on subsidiary location. The Group owns subsidiaries in France and abroad (Poland, Hungary, Belgium, Wales and Spain).

The Group accounts for inter-segment sales as if they were third-party sales at normal market prices.

2.25. EARNINGS PER SHARE

The Group discloses basic and diluted earnings per share. Earnings per share is based on the weighted average number of issued shares during the year less treasury shares that are deducted from equity. Given there are no diluting financial instruments, diluted earnings per share equals basic earnings per share.

2.26. SHARE-BASED PAY

Allotment of free shares meets the definition of share-based pay and gives rise to a staff cost measured based on the share fair value as of allotment date. The total staff cost is accounted for as work performed by the recipients under equity.

2.27. OTHER NON-CURRENT OPERATING INCOME AND EXPENSE

Other non-current operating income and expense comprises material items that, given their exceptional nature, cannot be considered to form part of the Group's ongoing operations.

2.28. ASSETS AND LIABILITIES HELD FOR SALE AND CLOSED, SOLD OR BEING SOLD BUSINESSES

Held for sale assets are assets that are highly likely to be sold in the coming 12 months rather than based on their use. Held for sale assets and liabilities are disclosed in specific consolidated balance sheet accounts They are carried at the lower of net book value and fair value less costs of disposal.

NOTE 3 - CONSOLIDATION SCOPE AND METHODS

LDC GROUP SCOPE

List of consolidated companies	Registered office	Siren no.	Equity interest	Method	Balance sheet date
LDC	ZI Saint Laurent 72300 Sablé/Sarthe	576850697	100%	FC	28 Feb
LDC VOLAILLE(1)	ZI Saint Laurent 72300 Sablé/Sarthe	433220399	100%	FC	28 Feb
LDC TRAITEUR ⁽²⁾	ZI Saint Laurent 72300 Sablé/Sarthe	379042260	100%	FC	28 Feb
HUTTEPAIN ALIMENTS(3)	ZI Nord - 24, rue Ettoré Bugatti 72650 La Chapelle St Aubin	576250062	100%	FC	31 Dec
LDC INTERNATIONAL(4)	ZI Saint Laurent 72300 Sablé/Sarthe	838894517	100%	FC	31 Dec

(1) LDC Volaille is the Poultry division lead company

(2) LDC Traiteur is the Ready Meal division lead company

(3) Huttepain Aliments is the Upstream division lead company

(4) LDC International is the International division lead company

LDC Group breaks down into business divisions and some do not have the same financial year-ends as the parent company. As stated in the internal control report, the Internal Audit department's duties include a review of half-year and full-year financial statements of all Group subsidiaries, in all divisions. This job - key for preparing the annual financial statements that underlie our consolidated financial statements - has to be carried out as thoroughly and effectively as possible. Internal Audit staff perform practically all internal controls.

Our current divisional organisation with different year-ends means we can optimise work allocation among our staff.

Given this situation, however, we are particularly on the lookout to pinpoint, measure and account for material events that occur between company year-ends.

SCOPE BY SEGMENT

POULTRY SEGMENT

POULTRY DIVISION

List of consolidated companies	Registered office	Siren no.	Equity interest	Method	Year-end
L.D.C.	Z.I. ST LAURENT 72300 SABLÉ/SARTHE	576850697	100%	FC	28 Feb
CORICO	92 ROUTE DE LA MATREILLE MONSOLS 69860 DEUX- GROSNES	388039612	100%	FC	28 Feb
ETABLISSEMENTS MAIRET	Aux Bons Amis 71330 SIMARD	311473342	100%	FC	28 Feb
CAILLE ROBIN	16 BD DES CAPUCINES 85190 MACHE	316673987	100%	FC	28 Feb
LDC FOODS	75 RUE ETIENNE LENOIR 53000 LAVAL	453164436	100%	FC	28 Feb
VOLFRANCE	Près le Bourg 29600 LA VICOMTE SUR RANCE	310470828	100%	FC	28 Feb
CELVIA	Z.I. St Jean Brevelay 56660 SAINT JEAN BREVELAY	950608406	100%	FC	28 Feb
PROCANAR	La Haye - Lauzach 56190 LAUZACH	333953842	100%	FC	28 Feb
CELTYS	Z.I. De Restavy 56240 PLOUAY	431569946	100%	FC	28 Feb
AU CHAPON BRESSAN	Lieu-Dit l'Huppe 01340 MONTREVEL-EN-BRESSE	311403554	100%	FC	28 Feb
LDC VOLAILLE	Z.I. St Laurent 72300 SABLE SUR SARTHE	433220399	100%	FC	28 Feb
LDC SERVICES	Z.I. St Laurent 72300 SABLE SUR SARTHE	799492897	100%	FC	28 Feb
LDC SABLE	Z.I. St Laurent 72300 SABLE SUR SARTHE	444502025	100%	FC	28 Feb
LDC BOURGOGNE	Z.I. de Branges 71500 BRANGES	310391503	100%	FC	28 Feb
LDC BRETAGNE	La Lande de la Forge 22800 LANFAINS	302049168	100%	FC	28 Feb
GUILLET SAS	Z.A le Grand Clos Daumeray 49640 MORANNES SUR SARTHE-DAUMERAY	666980156	100%	FC	28 Feb
LDC AQUITAINE	Les Abattoirs 33430 BAZAS	303527501	100%	FC	28 Feb
PALMI D'OR BOURGOGNE	230 Route la Tramblyronne 71520 TRAMBLY	327529178	100%	FC	28 Feb
SNV	Z.A. Les Fournis La Chapelle d'Audaine 61140 RIVES D'ANDAINE	404432775	100%	FC	28 Feb
LES FERMIERS DE L'ARDECHE	Z.A. Le Flacher 07340 FELINES	305120107	100%	FC	28 Feb
GUILLOT COBREDA	Lieu-dit la Croix Bouilloud 71290 CUISERY	381354000	100%	FC	28 Feb
S.T.A.M POIRAUD	4 rue du Grenouillet ZI du Grenouillet Mouilleron en Pareds 85390 MOUILLERON ST GERMAIN	547350017	100%	FC	28 Feb
ARRIVE	Rue du stade 85250 SAINT FULGENT	546650367	100%	FC	28 Feb
ARRIVE AUVERGNE	Rue du stade 85250 SAINT FULGENT	432908614	100%	FC	28 Feb
SOCIETE BRETONNE DE VOLAILLE	Zone Industrielle 56660 SAINT JEAN BREVELAY	808448757	100%	FC	28 Feb
FARMOR	Z.I. de Bellevue 22200 SAINT-AGATHON	433122645	100%	FC	28 Feb
MICHEL ROBICHON	12 rue Joseph Quilliou 56300 SAINT- THURIAU	400447520	100%	FC	28 Feb
ROHAN VIANDES ELABORATION	Les Cinq Chemins 56580 CREDIN	383273257	50%	FC	31 Dec
LES VOLAILLES DE KERANNA	Keranna 56560 GUISCRIFF	433138302	100%	FC	28 Feb
SOCIETE LE PLENIER BOSCHER	Zone artisanale de Guergadic Mur -de-Bretagne 22530 GUERLEDAN	379313083	100%	FC	28 Feb
LES VOLAILLES DE BLANCAFORT	Petite route d'Argent 18410 BLANCAFORT	753711985	100%	FC	28 Feb
GPA DISTRIBUTION PARIS	32 Avenue Charles de Gaulle 93240 STAINS	499160075	100%	FC	28 Feb
SOCIETE CAENNAISE DE DISTRIBUTION	Rue de Caen 14440 PLUMETOT	309396240	100%	FC	28 Feb
STC TRANSPORTS	Zone artisanale Le Tertre 53420 CHAILLAND	343931374	100%	FC	28 Feb
LIONOR	Quartier de la gare 59189 STEENBECQUE	305507303	100%	FC	28 Feb

List of consolidated companies	Registered office	Siren no.	Equity interest	Method	Year-end
DISTRINOR	Quartier de la gare 59189 STEENBECQUE	523596799	100%	FC	28 Feb
FAVREAU COUTHOIS	27 route de la Gare 85300 SOULLANS	351669767	100%	FC	28 Feb
SBV CHATEAULIN	Zone Industrielle 56660 SAINT-JEAN-BREVELAY	839763950	100%	FC	28 Feb
LES VOLAILLES REMI RAMON	38 rue du Docteur Cumin 53250 JAVRON-LES- CHAPELLES	737250126	100%	FC	28 Feb
VOLAILLERS DE NOS REGIONS	Z.I. de Branges 71500 BRANGES	913535498	100%	FC	28 Feb
LUCHE TRADITION VOLAILLES	Zone Industrielle le Breil 72800 LUCHE PRINGE	348961426	100%	FC	28 Feb
LOSSE VOLAILLE DES LANDES	4 Route de Allons 40240 LOSSE	892449513	100%	FC	28 Feb
RONSARD ILE DE FRANCE	7 rue de Bercheres 28300 JOUY	440266286	100%	FC	28 Feb
RONSARD VOLAILLES	Zone Industrielle 56660 SAINT-JEAN-BREVALAY	899707848	85%	FC	28 Feb
MAITRE COQ SAILING	Centre d'Affaires Nautiques 2-Lot 6 Rue Viriginie Hériot 17000 LA ROCHELLE	900764937	65%	FC	28 Feb
POULTRY FEED COMPANY	Parc 'Activités Coëvrons Ouest 53480 VAIGHG	837947761	40%	Equity accounted	28 Feb

UPSTREAM DIVISION

List of consolidated companies	Registered office	Siren no.	Equity interest	Method	Year- end
BETINA	Z.A. de Lamboux 56250 ELVEN	411332703	100%	FC	31 Dec
VERRON	Rue du huit May 72160 THORIGNE SUR DUE	391652419	100%	FC	31 Dec
CABRI PRODUCTION	230 Route la Tramblyronne 71520 TRAMBLY	444642920	100%	FC	31 Dec
ARDEVOL	Z.I. Le Flacher 07340 FÉLINES	412115958	100%	FC	31 Dec
JEUSSELIN	Le Bourg 72260 MONCÉ EN SAOSNOIS	696850098	100%	FC	31 Dec
NOURI'VRAI	Moulin Barbier 72310 BESSE SUR BRAYE	323505255	100%	FC	31 Dec
LOEUF	Route départementale 148 A 52 Avenue du Mans 72650 LA BAZOGE	344652565	71.96%	FC	31 Dec
BELLAVOL	Rue des Platanes 79250 NUEIL-LES-AUBIERS	434080404	89.41%	FC	31 Dec
HUTTEPAIN ALIMENTS	Z.I.N, 24 rue Ettoré Bugatti 72650 LA CHAPELLE-SAINT- AUBIN	576250062	100%	FC	31 Dec
HUTTEPAIN SUD EST	1 rue de Guidon 71500 LOUHANS	792645426	100%	FC	31 Dec
ALIMAB	Rue de la Petite Vitesse 72300 SABLE-SUR-SARTHE	576650865	100%	FC	31 Dec
SOVOPA	Rue Ettore Bugatti 72650 LA CHAPELLE-SAINT-AUBIN	318187556	100%	FC	31 Dec
VOLAILLES DE BRETAGNE	Espace Keraia 18 rue Sabot 22440 PLOUFRAGAN	793117136	100%	FC	31 Dec
VANAL	3 rue de Saint-Venant 59189 STEENBECQUE	327005153	100%	FC	31 Dec
GALINA PERROT	Lestivoan Porthmerit-Jaudy 22450 LA ROCHE-JAUDY	347517252	100%	FC	31 Dec
ANATEO	Z.I l'Abbaye 44160 PONTCHATEAU	839798584	100%	FC	31 Dec
LES FERMES DU MORBIHAN	Z.A. de Lamboux 56250 ELVEN	839475803	100%	FC	31 Dec
GALINA VENDEE	3 Place Eugène Fort l'Oie 85140 ESSARTS EN BOCAGE	879875730	100%	FC	31 Dec
LA SAPINIERE	3 Place Eugène Fort l'Oie 85140 ESSARTS EN BOCAGE	341709368	100%	FC	31 Dec
ETABLISSEMENT GOUBAUD	6 Rue des Pâtis 41360 SAVIGY-SUR-BRAYE	582106472	100%	FC	31 Dec
YER BREIZH	Z.I. de Lospars 29150 CHATEAULIN	839473378	40.5%	Equity accounted	31 Dec
GOASDUFF SUD-EST	Croas Prenn 29860 PLABENNEC	835119256	35%	Equity accounted	31 Dec

READY MEAL DIVISION

List of consolidated companies	Registered office	Siren no.	Equity interest	Method	Year- end
AGIS	802 Rue Sainte-Genevière Zone industrielle de Courtine 84000 AVIGNON	387744493	100%	FC	28 Feb
MARIE	22-24 Rue Saarinen 94150 RUNGIS	327280368	100%	FC	28 Feb
MARIE SURGELE	8 rue de l'industrie 86110 MIREBEAU	525361465	100%	FC	28 Feb
REGALETTE	Z.A. de Kerboulard 56250 SAINT NOLFF	397455189	100%	FC	28 Feb
LDC TRAITEUR	Z.I. St Laurent 72300 SABLE SUR SARTHE	379042260	100%	FC	28 Feb
LA TOQUE ANGEVINE	Z.I. d'Etriché 49500 SEGRE EN ANJOU BLEU	323438028	100%	FC	28 Feb
ESPRI RESTAURATION	Z.I. Beaufeu - BP 18 72210 ROEZE SUR SARTHE	343397782	100%	FC	28 Feb
ASIA GENERAL FOOD	42 Avenue Jean Jaures 94200 IVRY-SUR-SEINE	383338142	79.87%	FC	28 Feb

INTERNATIONAL DIVISION

List of consolidated companies	Registered office	Siren no.	Equity interest	Method	Year- end
DROSED	UL. Sokolowska 154 08110 SIEDLCE - POLAND	Foreign	100%	FC	31 Dec
ROLDROB	UL. Warszawska, n°168/17297200 TOMASZÓW MAZOWIECKI - POLAND	Foreign	100%	FC	31 Dec
SEDAR	UL. Radzýnska, n°321560 MIEDZYREC PODLASKI- POLAND	Foreign	100%	FC	31 Dec
DROSED SUROWIEC	UL. Wysoka n° 397200 TOMASZÓW MAZOWIECKI - POLAND	Foreign	100%	FC	31 Dec
DROP	UL. Wojska Polskiego, n°163500 OSTRZESZÓW - POLAND	Foreign	100%	FC	31 Dec
NATURAGRA PASZE	UL. Karowa 408110 SIEDLCE - POLAND	Foreign	100%	FC	31 Dec
DROSED HOLDING	UL. Warszawska, n°168/17297200 TOMASZÓW MAZOWIECKI - POLAND	Foreign	100%	FC	31 Dec
DROSED ZAKLADY WYLEGOWE	UL. Warszawska, n°168/17297200 TOMASZÓW MAZOWIECKI - POLAND	Foreign	100%	FC	31 Dec
NATURAGRA DROB SZLACHETNY	UL. Warszawska, n°168/17297200 TOMASZÓW MAZOWIECKI - POLAND	Foreign	100%	FC	31 Dec
AVES LDC ESPANA (1)	Paseo Sarasate 5, 1º drcha31002 - PAMPLONA - SPAIN	Foreign	100%	FC	31 Dec
LDC INTERNATIONAL	Z.I. St Laurent 72300 SABLE SUR SARTHE	838894517	100%	FC	31 Dec
LDC TRANZIT HOLDING	Simonyi ùt 234028 DEBRECEN - HUNGARY	Foreign	100%	FC	31 Dec
TRANZIT KER	Simonyi ùt 234028 DEBRECEN - HUNGARY	Foreign	100%	FC	31 Dec
TRANZIT FOOD	Simonyi ùt 234028 DEBRECEN - HUNGARY	Foreign	100%	FC	31 Dec
MARNEVALL	Dioszegi ùt 74030 DEBRECEN - HUNGARY	Foreign	100%	FC	31 Dec
KIPLAMA	Les Quatre Chemins 42 7608 WIERS - BELGIUM	Foreign	100%	FC	31 Dec
CAPESTONE ORGANIC POULTRY LIMITED	Capeston Farm - Walwyns Castle SA62 3DY - HAVERFORDWEST - PEMBROKESHIRE - UK	Foreign	100%	FC	31 Dec
AN MELIDA	Polígono Industrial Bajo Aragón 31382-NAVARRA - SPAIN	Foreign	24.59%	Equity accounted	30 June

⁽¹⁾ This company was fully consolidated, AN Melida (24.59% equity interest) was consolidated under the equity method.

NOTE 4 - CONSOLIDATION SCOPE CHANGE

CHANGE IN SCOPE AND COMPARABILITY

POULTRY SEGMENT

On 7 April 2022, the Group, via its subsidiary Huttepain Aliments, bought all Établissement Goubaud shares. This acquisition had no material impact on the Group consolidated financial statements.

On 16 May 2022, Volaillers De nos Régions (VDR) was formed to hold Group poultry subsidiaries in south-eastern France.

On 1 July 2022, the Group, via its subsidiary LDC Sablé, bought all Société Logistique du Bailleul shares. Following this transaction, LDC Sablé became a wholly-owned Société Logistique du Bailleul subsidiary. This takeover came with a change in method from equity to full consolidation.

On 4 October 2022, the Group, via its subsidiary Loeuf, bought the Matines brand.

INTERNATIONAL SEGMENT

On 4 February 2022, the Group, via its subsidiary Drosed Holding, bought 0.23% of Sedar shares, following which Sedar is now a wholly-owned Group subsidiary.

On 1 June 2022, An Avicola Melida issued €3.5m of new shares. Given that the Group did not subscribe to this issue, its equity interest in this company reduced from 29.07% to 24.59%.

LEGAL REORGANISATION

In an effort to streamline the Group's legal structure, on 31 January 2023, LDC Sablé took over Société Logistique du Bailleul with effect from 1 March 2022. This transaction had no impact on the Group consolidated financial statements.

NOTE 5 - FOREIGN COMPANY FINANCIAL STATEMENTS CURRENCY CONVERSION

An exchange difference arises between historical and closing exchange rates as follows:

	28/2/2023	28/2/2022
Drosed (Poland)	(9,079)	(7,346)
Tranzit (Hungary)	(28,627)	(16,674)
Capestone (Wales)	(101)	53
TOTAL	(37,807)	(23,967)

NOTE 6 – GOODWILL

Goodwill is allocated to cash generating units (CGU) that generate cash clearly independently from one-another and serve as the basis for impairment charges.

Cash flow forecasts are prepared based on results forecasts

and on the following assumptions:

Discount rate: 7.6%

No growth to infinity to determine the final value

3-year cash flow forecast except for the Ready Meal division, which has 5 years.

POULTRY, READY MEAL, HUNGARY, KIPLAMA, WALES, SPAIN AND POLAND CGU:

As of 28 February 2023, sensitivity analysis was carried out on the Poultry, Ready Meal, Hungary, Belgium and Poland CGUs, which produced values far exceeding their book values. Since it was acquired, there has been no change in business results or outlook that might point to Capestone's diminution in value. Management believe that no reasonably possible change in key assumptions used to measure recoverable value could result in such CGUs' book values substantially exceeding their recoverable values. The avian flu outbreak and the raw material price hikes (war in Ukraine) have had no impact on goodwill.

0011		GOODWILL			NET		
CGU	28/2/2022	Change	28/2/2023	28/2/2022	Change	28/2/2023	28/2/2023
POULTRY	127,841	375	128,216	2,159		2,159	126,057
READY MEAL	56,185		56,185	565		565	55,620
POLAND	11,794	(31)	11,763	2,379		2,379	9,384
SPAIN	2,589		2,589	2,589		2,589	0
HUNGARY (1)	63,212	(3,184)	60,028	0		0	60,028
BELGIUM	54		54	0		0	54
WALES(2)	23,212	(8,675)	14,537	0		0	14,537
TOTAL	284,887	(11,515)	273,372	7,692		7,692	265,680

(1) The acquisition of a controlling interest in Tranzit Hungary came with a put option granted to minority interests and a call option granted to LDC Group, which can be immediately exercised. As of 28 February 2023, the put option liability to minority interests was carried at the present value of the option exercise price based on the company's enterprise value. Such liability of €47.3m is included under "Other current liabilities". The liability's adjustment to fair value has been posted to equity reducing by €10.5m equity at 28 Feb 2023. (2) Capestone's goodwill is now firm and final. As of acquisition date, the company's net assets stood at €1.9m. The acquisition of a controlling interest came with a put option granted to minority interests and a call option granted to LDC Group, which can be exercised at a future date. As of 28 February 2023, the put option liability to minority interests was carried at the present value of the option exercise price. Said liability stands at €4.9m down €8.7m vs the 28 February 2022 estimate and has been posted to "Other current liabilities".

NOTE 7 - INTANGIBLE ASSETS

	28/2/2022	M&A transactions	Exchange differences	Additions	Disposals	Reclassification	28/2/2023
Cost							
Software	44,994		(101)	1,762	272	551	46,934
Brands(1)	45,846						45,846
Other	5,138			0			5,138
In progress	404			89		(404)	89
TOTAL	96,382		(101)	1,851	272	147	98,007
Amort/provisions							
Software	38,609		(62)	2,407	272		40,682
Brands	5,230						5,230
Other	5,126			32			5,158
In progress	0						0
TOTAL	48,965		(62)	2,439	272	0	51,070
NET BOOK VALUE	47,417		(163)	(588)	0	147	46,937

^{1. :} Including €13,602k Poultry CGU and €32,244k Ready Meal CGU

NOTE 8 - PROPERTY, PLANT AND EQUIPMENT

	28/2/2022	M&A transactions	Exchange differences	Additions	Disposals	Reclassification	28/2/2023
Cost							
Land	77,775	700	(620)	4,063	512	821	82,227
Buildings	1,092,105	31,907	(6,635)	42,717	5,501	21,757	1,176,350
Plant and machinery	1,521,890	4,205	(5,766)	87,603	28,884	43,573	1,622,621
Other PP&E	152,458	1,327	(645)	21,098	15,713	717	159,242
In progress	62,899	4,002	(859)	66,026	0	(54,487)	77,581
Payments on account	12,430	385	(197)	19,830	0	(12,562)	19,886
TOTAL	2,919,557	42,526	(14,722)	241,337	50,610	(181)	3,137,907
Amort/provisions							
Land	27,580	13	(18)	2,958	114	0	30,419
Buildings	628,407	7,254	(1,960)	67,911	8,327	0	693,285
Plant and machinery	1,083,823	992	(3,217)	136,007	29,465	(424)	1,187,716
Other PP&E	111,493	1,094	(337)	20,348	14,928	406	118,076
In progress	490	0	(16)	1,195	153	0	1,516
TOTAL	1,851,793	9,353	(5,548)	228,419	52,987	(18)	2,031,012
NET BOOK VALUE	1,067,764	33,173	(9,174)	12,918	(2,377)	(163)	1,106,895

Given that Corico's and LDC Bretagne's assets did not generate sufficient cash to justify their values in use, we wrote down their book values accordingly resulting in a €16.6m impairment charge.

Since avian flu, the Couthouis (Société Favreau-Couthouis) manafacturing plant has not generated any cash-flow. So we have written down these PP&E accordingly resulting in a €3.8m impairment charge Including PP&E under IFRS 16 finance leases:

	28/2/2022	M&A transactions	Exchange differences	Additions	Disposals	Reclassification	28/2/2023
Cost							
Land	9,912	207	(382)	1			9,738
Buildings	86,921	7,443	(142)	528	145		94,605
Plant & equipment	18,129	0		2,989	3,075		18,043
Other PP&E	26,900	0	(267)	7,627	6,467	(61)	27,732
TOTAL	141,862	7,650	(791)	11,145	9,687	(61)	150,118
Amort/provisions							
Land	97	0	(16)	310	0	0	391
Buildings	72,378	6,140	(67)	3,207	2,835	0	78,823
Plant & equipment	13,288	0	0	2,866	2,991	0	13,163
Other PP&E	16,325	1	(128)	6,854	6,082	399	17,369
TOTAL	102,088	6,141	(211)	13,237	11,908	399	109,746
NET BOOK VALUE	39,774	1,509	(580)	(2,092)	(2,221)	(460)	40,372

NOTE 9 - FINANCIAL INVESTMENTS

9.1. Non-consolidated shareholdings

	Equity interest	28/2/2023	28/2/2022
La Hutière	49.02%	159	159
La Cornais	49%	242	242
Miscellaneous	Less than €100k	359	367
TOTAL		760	768

The Group has no significant influence over these companies or considers they are not material in relation to the Group.

9.2. EQUITY-ACCOUNTED INVESTMENTS

	28/2/2022	M&A transactions	Additions	Disposals	28/2/2023
Goodwill	157				157
Share of equity	10,679	(2,009)	2,863	6,029	5,504
TOTAL	10,836	(2,009)	2,863	6,029	5,661

Associate company abridged financial disclosures are as follows:

	Equity interest	Revenues	Consolidated net profit/loss	Consolidated net assets	Share of equity
AN Melida (1)	24.6%	307,198	(4,979)	0	0
SLB(2)	0				0
Poultry Feed Company	40.0%	41,811	(1,298)	5,676	2,270
Yer Breizh	40.5%	135,596	155	6,817	2,761
Goasduff Sud-Est	35.0%	10,040	187	1,350	630

(1) The investment in An Melida has been fully written off The €5m net loss includes €4m investment impairment.

(2) LDC Sablé (fully consolidated) has taken over An Melida's operations.

9.3. OTHER FINANCIAL ASSETS

	28/2/2022	M&A	Exchange differences	Additions	Disposals	Other movements	28/2/2023
Cost							
Loans	16,435		(2)	6,024	5,420		17,037
Financial investments							0
Other	12,645	4	(1)	4,558	10,694		6,512
TOTAL	29,080	4	(3)	10,582	16,114	0	23,549
Impairment							
Loans	178			23	5		196
Other	2,587				2,567		20
TOTAL	2,765	0	0	23	2,572	0	216
NET BOOK VALUE	26,315	4	(3)	10,559	13,542	0	23,333

NOTE 10 - INVENTORY

	28/2/2023	28/2/2022
Cost		
Raw materials	200,622	124,233
Parts	40,102	34,756
Semi-finished and fresh	227,173	210,558
Traded goods	17,353	15,300
Work in progress	9,996	10,834
TOTAL	495,246	395,681
Impairment		
Raw materials	7,080	1,927
Parts	8,065	7,262
Semi-finished and fresh	27,733	28,420
Traded goods	546	217
Work in progress	19	135
TOTAL	43,443	37,961
NET BOOK VALUE	451,803	357,720

NOTE 11 - RECEIVABLES

All trade receivables are under one-year old. Other current asset receivables are under one-year old and are carried at face value.

RECEIVABLES BAD DEBT PROVISIONS

	28/2/2022	M&A	Exchange differences	Increase	Write-back	Reclassification	28/2/2023
Trade receivables	5,214		(23)	3,993	1,498		7,686
Other current assets	36			55			91
TOTAL	5,250	0	(23)	4,048	1,498	0	7,777

NOTE 12 - CASH, CASH EQUIVALENTS AND CASH MANAGEMENT CURRENT ASSETS

Cash and cash equivalents comprise cash at bank and in hand, and investment securities, broken down as follows:

	28/2/2023	28/2/2022
Cash management current assets	513,505	369,003
Investment securities	246,581	117,233
Cash	164,897	175,550
Cash management current assets and cash	924,983	661,786
Bank overdrafts	90,160	95,979
Net cash and cash equivalents	834,823	565,807

NOTE 13 - FINANCIAL INSTRUMENTS

	Financial assets at fair value, changes via earnings	Investments held to maturity	Loans and receivables	Other financial assets	Fair value	TOTAL
Non-consolidated shareholdings				760		760
Other financial assets			23,333			23,333
Trade receivables			691,036			691,036
Other current assets			125,842			125,842
Cash management current assets				513,661	(156)	513,505
Cash and equivalents	411,478				293	411,478
TOTAL	411,478	0	840,211	514,421	137	1,765,954

NOTE 14 - EQUITY

14.1. SHARE CAPITAL

Share capital comprises 17,635,433 shares, each of €0.40 nominal value.

	28/2/2022	Share issues	Bonus issue	28/2/2023
Number of shares	17,635,433			17,635,433
Issued share capital	7,054			7,054

Distributed dividends per ordinary share during the year totalled €2. There are no preference shares.

14.2. EARNINGS PER SHARE

	2022/23	2021/22
Net profit Group share	224,708	165,116
Number of issued shares		
Balance b/fwd	17,635,433	17,134,471
Changes during the year		500,962
Balance c/fwd	17,635,433	17,635,433
Treasury shares	139,021	111,281
Number of diluted shares	17,496,412	17,524,152
Basic earnings per share	12.84	9.58
Diluted earnings per share	12.84	9.58

14.3. TREASURY SHARES

The 15 August 2022 Ordinary General Meeting authorised the Executive Board to trade in Company shares on the open market under terms and conditions specified in Articles L-225-209 et seq. French Commercial Code.

Treasury shares (1)	Number of shares	% share capital	Amount
28/2/2022	111,281	0.63%	11,038
Share buyback programme purchases	27,740	0.16%	2,355
Sales			
28/2/2023	139,021	0.79%	13,393

(1) Excluding liquidity contracts

NOTE 15 - PROVISIONS

	28/2/2022	First-time consolidation	Exchange differences	Increase	Write back Used	Write back Not used	Reclass	28/2/2023
CURRENT LIABILITIES								
Sales risks	9,935		(47)	20,906	2,313	4,554		23,927
Staff risks	4,654			2,715	1,978	736	851	5,506
Miscellaneous taxes	2,370			1,608	395	645		2,938
Other risks	5,333		(45)	10,848	1,887	179	(1,085)	12,985
TOTAL	22,292	-	(92)	36,077	6,573	6,114	(234)	45,356

The change in 28 February 2023 provisions is down to:

- · Increases from launched legal actions and inherent risks in the normal course of business,
- · Write-backs from provisions used equal payments made,
- · Write-backs from provisions not used come from some risks being lowered or reappraised.

NOTE 16 - EMPLOYEE BENEFITS

	28/2/2022	M&A	Exchange differences	Actuarial differences	Increase	Write back Used	Reclass	28/2/2023
NON-CURRENT LIABILITIES								
Employee benefits	30,822	14	(26)	(9,183)	6,515	1,871	14	26,285
TOTAL	30,822	14	(26)	(9,183)	6,515	1,871	14	26,285

Actuarial differences relate to Retirement compensation and are accounted for under consolidated reserves.

	28/2/2023	28/2/2022
Retirement compensation	23,274	27,366
Long-service awards	3,011	3,456
TOTAL	26,285	30,822

The key actuarial assumptions applied to calculate one-time retirement compensation and long-service awards are as follows:

Discount rate 3.80%
Average annual pay rise 3.00%
Retirement age:
Non managers 62 years
Managers 65 years

The discount rate is based on the yield on AA-graded corporate bonds with the same duration as the liabilities (12 years).

The 28 February 2023 discount rate sensitivity of the retirement compensation provision was as follows: a one basis point increase would have reduced Group provisions by €4.7 million.

16.1. RETIREMENT COMPENSATION

The items below cover the whole Group apart from its Spanish, Belgian, Welsh and Hungarian subsidiaries, which have no legal one-off retirement liabilities.

	28/2/2023	28/2/2022
Opening provision	30,822	33,266
Cost of services		
Interest cost	5,600	5,883
Transfers	944	456
Reduction / liquidation paid compensation	(1,901)	(5,237)
Charge for the year	4,643	1,102
Exchange differences	(25)	(12)
Scope change	28	1,873
Change in calculation method		0
Actuarial gains and losses taken to reserves	(9,183)	(5,407)
Closing provision	26,285	30,822

16.2. Performance shares

On 1 March 2021, the Executive Board authorised 15,000 to 34,000 free shares to be allotted based on specific performance and presence conditions. On 16 May 2023, the Executive Board allotted 34,000 free shares, which at 28 February 2023 represents a €4.2m liability.

NOTE 17 - BORROWINGS

In June and July 2018, the Group contracted bank loans amounting to $\ensuremath{\mathfrak{C}}$ 355m to fund growth.

In August and October 2022, the Group contracted bank loans amounting to €155m to fund growth.

Such loans came with some Group management and financial covenants, non-compliance with which may entail the banks involved immediately calling in the loans.

As of 28 February 2023, the Group was in compliance with all such loan covenants and the total outstanding principal balance was €222.2m.

17.1. Breakdown by category

	28/2/2023	28/2/2022
Bond and loan debt owing to credit institutions	303,246	211,328
Finance lease payables	34,209	34,821
Other borrowings (1)	116,740	138,676
TOTAL	454,195	384,825

(1) Other borrowings largely consist of short-term commercial notes (e.g. "Neu CP"), bank overdrafts and employee profit sharing payables.

17.2. Breakdown by maturity

	28/2/2023	28/2/2022
Less than 1 year	228,119	202,349
1 to 5 years	190,156	143,383
More than 5 years	35,920	39,093
TOTAL	454,195	384,825

NOTE 18 - OTHER CURRENT LIABILITIES

	28/2/2023	28/2/2022
Advances and payments on account	59,540	53,711
Tax and social security payables	322,217	277,433
Fixed asset payables	96,344	100,315
Other payables	3,096	2,803
Deferred income	37,058	34,570
TOTAL	518,255	468,832

NOTE 19 - CORPORATE TAX

A tax group:agreement exists between some Poultry division and Ready Meal division companies.

Tax group corporate tax savings to date amount to €1.1m.

Given that the 2019 French Finance Act introduced in advance a 25.83% corporation tax rate to take effect from 1 March 2022, in 2021/22 the Group booked a corporation tax charge of €2.3m taking account of this forthcoming lower tax rate.

19.1. EFFECTIVE TAX RATE

Profit before tax 302,		213,967
CT dua		
CT due 71,	735	46,831
Deferred tax (1,2	270)	(685)
TOTAL 70,	465	46,146
Average rate 23.3	0%	21.57%
Parent company statutory tax rate 25.8	3%	28.41%

LDC has formed a tax group: that means, under certain limits and conditions, it can offset taxable income against losses earned by some directly or indirectly 95+%-owned French subsidiaries.

19.2. TAX RECONCILIATION

	2022/23	2021/22
Profit before tax	302,379	213,967
Parent company tax charge at statutory rate	78,089	60,783
Tax on unrecognised tax losses for the year	3,864	419
Parent company and subsidiaries - tax rate differences	(9,055)	(5,926)
Def tax liability method impact	99	(272)
Sundry expenses added back and permanent differences	3,920	244
Prior year uncapitalised tax losses capitalised	0	172
Tax credits	(5,884)	(6,787)
Miscellaneous	(568)	(2,487)
Tax charge	70,465	46,146

19.3. Breakdown of deferred tax assets / liabilities

The difference between balance sheet deferred tax assets and liabilities is €33,127k, broken down as follows:

DEFERRED TAX ASSETS

	28/2/2023	28/2/2022
Paid holidays	2,781	2,497
Employee profit share	6,638	4,918
Employee benefits	5,625	6,592
Tax loss carryforwards	2,234	4,463
Non tax-deductible provisions	5,079	1,722
Energy-saving certificates	3,392	5,335
Property lease buyout	4,685	4,661
Asset transfer received	952	2,748
Other timing differences	7,516	5,124
TOTAL A	38,902	38,060

DEFERRED TAX LIABILITIES

	28/2/2023	28/2/2022
Accelerated depreciation	57,411	53,312
Fixed asset fair value adjustments	13,603	14,495
Other	1,015	932
Total B	72,029	68,739

Net deferred tax A-B (1)	(33,127)	(30,679)
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(1) Deferred tax assets and liabilities are netted for the same tax entity.

Deferred tax assets disclosed as non-current assets €10,091k

Deferred tax liabilities disclosed as non-current liabilities

€43,218k

19.4. DEFERRED TAX CHANGE / DEFERRED TAX CHARGE RECONCILIATION

	28/2/2023	28/2/2022
Net deferred tax balance b/fwd	(30,679)	(30,018)
Deferred tax posted to equity	(2,361)	(1,379)
Deferred tax on first-time consolidation	(1,562)	42
Deferred tax on exchange differences	181	(13)
Other	24	4
Deferred tax income / (expense)	1,270	685
Net deferred tax balance c/fwd	(33,127)	(30,679)

19.5. UNRECOGNISED DEFERRED TAX ASSETS

In view of the balance sheet date and the inherent asset realisability uncertainty, deferred tax assets were not recognised (totalling €9,172k) on some tax losses.

NOTE 20 - COMMITMENTS GIVEN AND RECEIVED

COMMITMENTS GIVEN	AMOUNT
Guarantees given (1)	1,942
Other commitments (2)	33,616
TOTAL	35,558

- (1) O/w loan and overdraft guarantees €1,942k
- (2) O/w supplier commitments €12,787k

Guarantees are primarily given by the parent company on behalf of subsidiaries that have commitments to Group third parties.

Other commitments are given by subsidiaries to third parties.

The parent company guarantees some subsidiaries' loans.

COMMITMENTS RECEIVED	D AMOUNT
Documentary credits	1,094
Miscellaneous	10,046
TOTAL	11,140

NOTE 21 - SEGMENT REPORTING

21.1. REVENUES BY CUSTOMER CATEGORY

REVENUES BY CUSTOMER CATEGORY	SUPERMARKETS (Grande et Moyenne surface)	CATERING OUTLETS / FOOD MANUFACTURERS / OTHER	EXPORT	UPSTREAM	TOTAL
2022/23	2,886,030	1,717,600	810,000	432,500	5,846,130
2021/22	2,541,657	1,487,400	671,500	368,400	5,068,957

21.2. Business segments

	POULTRY		READY MEAL		INTERNATIONAL		ÉLIMINATION		TOTAL	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
External sales	4,206,226	3,748,486	827,207	749,820	812,697	570,651			5,846,130	5,068,957
Sales to other intragroup segments	66,232	5, 784	5,251	4,816	16,479	13,315	(87,962)	(76,915)	0	0
Segment sales	4,272,458	3,807,270	832,458	754,636	829,176	583,966	(87,962)	(76,915)	5,846,130	5,068,957
Underlying operating profit	225,849	140,951	963	38,254	73,082	29,274			299,894	208,479
Tax (charge) or income	(60,857)	(34,719)	2,499	(7,719)	(12,106)	(3,708)			(70,464)	(46,146)
Segment assets	2,915,741	2,320,030	351,605	440,622	451,063	498,328			3,718,409	3,258,980
Segment liabilities	1,034,571	804,870	367,010	354,149	430,574	386,142			1,832,155	1,545,161
Depreciation, amortisation and provision charges	191,716	148,203	28,060	27,612	35,756	22,483			255,532	198,298
Capex	168,091	171,187	34,052	37,188	41,045	35,368			243,188	243,743
Headcount	15,903	16,200	3,481	3,312	4,003	3,977			23,387	23,489

CONSOLIDATED FINANCIAL STATEMENTS AND NOTES THERETO - YEAR ENDED 28 FEB 2023

21.3. REGIONAL SEGMENTS

		Location o	f assets		T 0.7	
	FRAN	FRANCE		TIONAL	TOTA	AL.
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
External sales	5,033,433	4,498,306	812,697	570,651	5,846,130	5,068,957
Segment assets	3,267,346	2,760,652	451,063	498,328	3,718,409	3,258,980
Capex	202,143	208,375	41,045	35,368	243,188	243,743
Headcount	19,384	19,512	4,003	3,977	23,387	23,489

NOTE 22 - HEADCOUNT

	2022/23	2021/22
Workers	17,532	17,916
Employees	2,356	2,263
Supervisors	2,437	2,294
Managers	1,062	1,016
Average headcount (1) (2)	23,387	23,489

(1) Fully consolidated company permanent and temporary employees.

(2) Of which foreign-based headcount 4,003

NOTE 23 - TRANSACTIONS WITH RELATED PARTIES

Related parties are Executive Board and Supervisory Board directors. The value of total Group directors' pay and benefits of any kind was €1,763k.

Directors' pay comprises:

- Short-term benefits:
- Paid fixed and variable pay: €1,671k
- Supervisory Board directors' (including its chairman's) fees paid €92k
- Share-based pay None

The Company has not made any severance pay or change-of-duties-compensation commitments to its directors. No loan or advance has been granted to Company directors pursuant to Article L.225-43 French Commercial Code.

NOTE 24 - OTHER OPERATING INCOME AND EXPENSE

	2022/23	2021/22
Other operating income		
Other operating expenses		
Badwill (1)		4,748
Other operating income and expense	0	4,748

(1) 2022/23 operating profit is stated after a €4.7m.badwill expense incurred on the Ronsard Group business acquisition.

NOTE 25 - NET FINANCIAL ITEMS

	2022/23	2021/22
Net debt expense or income		
Income from marketable securities	7,459	2,551
Exchange differences	(1,446)	184
Financial expense including interest	(5,348)	(1,890)
	665	845
Other financial income and expenses		
Net financial impairment (charges)/write-backs	47	(357)
Other financial income	2,432	673
Other financial expenses	(659)	(421)
	1,820	(105)
Net financial items	2,485	740

NOTE 26 - CHANGE IN WORKING CAPITAL

	28/2/2022	First-time consolidation	Exchange difference	Change in working capital	Other movements	28/2/2023
Change in in inventories including biological assets	415,062	495	(3,066)	104,701	0	517,192
Change in receivables	746,428	933	(3,142)	72,659	0	816,878
Change in payables	(886,226)	(4,058)	3,332	(201,764)	(235)	(1,088,951)
TOTAL				(24,404)		

NOTE 27 - POST BALANCE SHEET EVENTS

Ovoteam acquisition

Having announced the launch of exclusive negotiations with *Groupe Avril* to buy Ovoteam in October 2022, the French anti-trust authority gave the acquisition a green light. The final purchase contract was signed on 7 April 2023.

Ovoteam manufactures and sells 'ovoproduce' to agri-food firms, catering outlets, pastry and bakery businesses. The firm has some 250 employees working at 4 production plants and posted 2022 revenues of close to €110m and operating earnings at break even. This transaction will enable us to expand our ovoproduce range offering certified free-range, land and organic chicken farming, which is very important for our catering, hospitality and manufacturing customers. This deal is expected to broaden our French farmers' sales outlets.

The acquisition's completion will come with a major €7m-plus capex plan over the next three years.

Ovoteam will be consolidated under the Upstream division as from 1 April 2023.

Galina Maine acquisitio

A Volnay chicken breeder in French county Sarthe joined the Upstream division under its new name Galina Maine as from 1 May 2023. The takeover follows Orvia's stated wish to sell its chicken business to refocus on picking and distributing ducks and insects.

On top of this source of production, we will soon resume hatchery production of eggs in two farming regions (Sarthe and Vendée). As of the takeover, the business represented 400,000 long-reared chicks per week, all certified Bio, ECC etc. In the medium term we plan to double weekly output capacity by expanding the range.

We will retain all Galina Maine's 34 employees.

This takeover will give the Galina division the wherewithal to raise its output capacity, have a new facility location, perfect its chick breeding know-how backed by four hatcheries, thereby cementing its market share.

Savic-Freslon acquisition

CIAB, Arrivé's longstanding cooperative and partner, wanted to sell its Savic subsidiary and team up with LDC Group. Savic was hit hard by avian flu following hard on the heels of covid.

Savic has around €30 million revenues and 80,000 poultry of which 55,000 *Challans* hens per week and 15,000 organic poultry per week. The company employs 110 people and will be consolidated from 1 May 2023.

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CONSOLIDATED FINANCIAL STATEMENTS AND NOTES THERETO - YEAR ENDED 28 FEB 2023

NOTE 28 - INDEPENDENT AUDIT FEES

	KPMG AUDIT			ERNST & YOUNG et Autres				
	Net fee		%		Net fee		%	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
Audit								
Statutory audit and sign-off of individual company and consolidated financial statements								
Parent company	106	99	28%	26%	103	99	25%	32%
Fully consolidated subsidiaries	266	258	70%	69%	199	156	48%	50%
Services other than statutory audit								
Parent company	0		0%	0%	13	1		
Fully consolidated subsidiaries	10	18	3%	5%		15	0%	5%
Sub-total	382	375	100%	100%	315	271	77 %	88%
Other services provided to consolidated subsidiaries								
Legal, tax, HR								
Other					96	38	23%	12%
Sub-total	0	0	0%	0%	96	38	23%	12%
TOTAL	382	375	100%	100%	411	309	100%	100%

O3 INDEPENDENT AUDITOR'S REPORT- ANNUAL — FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023

Year ended 28 February 2023

To the shareholders of LDC S.A.,

OPINION

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of LDC SA for the year ended 28 February 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 28 February 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report for the Audit Committee.

BASIS FOR OPINION

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis

for our opinion

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with independence requirements of the

French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors for the period from 1 March 2022 to the date of our report.

Specifically, we did not provide any prohibited non-audit services referred to in Article 5(1) of

Regulation (EU) No 537/2014.

JUSTIFICATION OF ASSESSMENTS - KEY AUDIT MATTERS

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgement, were of most significance in our audit of the

consolidated financial statements of the financial year, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon. Accordingly, we do not provide a separate opinion on specific items of the consolidated financial statements.

VALUATION OF GOODWILL

RISK IDENTIFIED

As the Group grew, it carried out business acquisitions involving recognition of goodwill, which represents the excess of the price paid over the fair value of identifiable assets, liabilities and contingent liabilities acquired, as described under notes 2.3, 2.4 and 6 of the notes to the consolidated financial statements.

As of 28 February 2023, the net book value of goodwill amounted to €265.7m after deduction of €7.7m impairment, in relation to €3.718m total assets..

Impairment tests on goodwill are carried out as soon as an indication of a potential diminution in value arises, and at least once a year. Should the recoverable value of such assets fall under net book value, impairment is booked in respect of the difference. The Group performs these impairment tests based on procedures specified under notes 2.4 and 6 of the notes to the consolidated financial statements. As note 2.4 of the notes to the consolidated financial statements states, recoverable value is defined as being the higher of the price that could be obtained by selling an asset on an arm's length basis and its value in use based on the present value of the future cash flows expected to arise from using the asset, consistent with management's approved business plans and involving the same key business assumptions as those of the business plans.

Any adverse trends in expected returns from businesses, to which such goodwill relates, are liable to materially impact recoverable value. When performing goodwill impairment tests, therefore, it is necessary to assess whether all applied assumptions are reasonable and the goodwill calculations are consistent and accurate.

Since determining goodwill recoverable value is based on management's applied assumptions, we considered goodwill valuation to be a key audit matter.

OUR AUDIT RESPONSE

Our procedures mainly consisted of

- · Assessing whether the Group's accounting policies complied with generally accepted accounting principles;
- Familiarising ourselves by interviews with management, with the key business assumptions underlying Group management-approved business plans and with the markets, on which the Group operates;
- Analysing variances between actual business results for the year ended 28 February 2023 and budgets included in past business plans;
- Analysing the applied discount rate and the various items underlying the weighted average cost of capital of each CGU
 checking they were consistent with the cost of capital of comparable companies;
- Reviewing recoverable value sensitivity analysis performed by management.

PROVISION VALUATION

Risk identified

As Note 2.18 of the notes to the consolidated financial statements indicates, provisions are updated based on management's best estimate of developments during the year until the balance sheet date and are measured on a case-by-case basis.

Accrued provisions are disclosed under Note 15 of the notes to the consolidated financial statements "Provisions and Contingent Liabilities".

Provision valuation is a key audit matter because this involves considerable estimates and judgements by management.

Our audit response

Our procedures mainly consisted of:

- · Familiarising ourselves with the provision valuation process;
- Talking to staff from the legal affairs, finance and sales departments to gather documents and learn about new litigation, developments in ongoing litigation cases and listening to the staff's appraisal of them;
- Analysing opinions and information about ongoing litigation proceedings and their probable financial outcomes, which lawyers who deal with litigation communicated to us in response to our requests for written confirmation;
- Reviewing litigious party and Group defence documentation;
- Taking note of any court rulings.

SPECIFIC TESTING

In accordance with audit standards applicable in France, we also performed specific testing required by laws and regulations of the Group's information given in the Executive Board's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated

financial statements.

We hereby certify that the consolidated non-financial performance statement required by Article L.225-102-1 French Commercial Code is included in the Group management report, it being understood that, pursuant to Article L.823-10 of said code, we did not perform any completeness, accuracy or consistency with the consolidated financial statements testing on the disclosures contained in such statement that an independent third party has to report on.

The Article 8 EU Taxonomy Regulation 2020/852 disclosures in the consolidated non-financial performance statement cause us to state the following emphasis of matter: LDC discloses a 0% capex alignment rate in respect of eligible Group activities, provided that DNSH criteria analysis "does not cause any major harm to other environmental objectives" and meets basic human rights, corruption, tax and competition safeguards that were still in force as of said statement's publication date.

OTHER TESTING OR DISCLOSURES REQUIRED BY LAW OR REGULATIONS

ANNUAL FINANCIAL REPORT - CONSOLIDATED FINANCIAL STATEMENTS PRESENTATION FORMAT

In accordance with audit duties covering the presentation of annual consolidated financial statements under the European Single Electronic Format (ESEF), we also tested said financial statements' compliance with this format ratified by EU Regulation 2019/815 dated 17 December 2018 on presentation of consolidated financial statements included in the annual financial report as specified under I Article L. 451-1-2 French Monetary and Financial Code, which were approved by the Executive Board Chairman. With regard to consolidated financial statements, our procedures include checking that said statements are properly tagged as per the aforementioned regulation's format.

Based on our testing, in our opinion the presentation of the consolidated financial statements included in the annual financial report, complies in all material respects with the ESEF.

INDEPENDENT AUDITOR'S REPORT- ANNUAL — FINANCIAL STATEMENTS FOR THE YEAR ENDED

In view of inherent technical weaknesses in block tagging consolidated financial statements under the ESEF, it is possible that some tagged financial statement note content has not been consistently stated in the consolidated financial statements attached hereto. Furthermore, it is not our responsibility to check that the consolidated financial statements included in the annual financial report that the Company submits to the AMF are the same as those we tested.

APPOINTMENT OF STATUTORY AUDITORS

We were appointed independent auditors of LDC SA by the 1 March 1995 general meeting (KPMG SA) and the 13 August 2008 general meeting (ERNST & YOUNG et Autres).

For the year ended 28 February 2023, KPMG SA and ERNST & YOUNG et Autres were in their 29th and 15th continuous years respectively of their terms of office

Prior to ERNST & YOUNG et Autres (formerly Barbier Frinault et Autres), Barbier Frinault et Autres were appointed in 1996.

CONSOLIDATED FINANCIAL STATEMENTS RESPONSIBILITIES OF DIRECTORS AND SENIOR EXECUTIVES

The directors are responsible for preparing consolidated financial statements that give a true and fair view in accordance with IFRS as adopted in the European Union, and for introducing internal controls they deem necessary to ensure said statements are free of material misstatements, whether from fraud or error.

When preparing consolidated financial statements, the directors are responsible for assessing the company's capacity to operate as a going concern, disclosing in the financial statements any going concern-related information and applying the going concern principle therein unless they plan to liquidate the company or cease trading.

The Audit Committee is responsible for monitoring the financial reporting preparation process and the effectiveness of the internal control and risk management systems, and that of any internal audit department, with regard to accounting and financial information processing and preparation procedures.

The Executive Board has approved the consolidated financial statements.

INDEPENDENT AUDITORS' RESPONSIBILITIES IN RESPECT OF CONSOLIDATED FINANCIAL STATEMENTS AUDITS

AUDIT OBJECTIVE AND APPROACH

We are responsible for reporting to you on the consolidated financial statements. Our objective is to obtain reasonable assurance that the consolidated financial statements as a whole do not contain any material misstatements. Reasonable assurance is a high level of assurance, but does not quarantee that an audit conducted in accordance with auditing standards will always detect a material misstatement. Misstatements may arise from fraud or error and are deemed material if individually or together, they can be reasonably considered to influence economic decisions of users taken on the basis of the financial statements.

As stated under Article L.823-10-1 of the French Commercial Code, our financial statements opinion does not involve guaranteeing the viability or commenting on the management of the Company.

Under audits conducted pursuant to French audit standards, independent auditors exercise their professional judgement throughout their engagement. Furthermore:

- · They identify and assess risks that the consolidated financial statements contain material misstatements whether from fraud or error, determine and carry out audit procedures on such risks, and obtain evidence they consider sufficient and appropriate to express an opinion. The risk of not detecting a material misstatement from fraud is higher than that for a material misstatement from error because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls;
- · They familiarise themselves with audit-relevant internal controls in order to determine appropriate audit procedures rather than to express an opinion on the effectiveness of the internal controls;
- They assess whether the applied accounting policies are appropriate, management's' accounting estimates are reasonable and whether disclosures thereon are fairly stated in the consolidated financial statements;
- · They assess whether the directors' application of the going concern accounting principle is appropriate and, based on evidence obtained, whether a material uncertainty exists about events or circumstances that may cast doubt on the Company's ability to continue trading. Such assessment is based on evidence obtained until the audit report date, it being understood that future events or circumstances may cast doubt on the Company continuing as a going concern. If they conclude there is a material uncertainty, in their report they draw readers' attention to disclosures in the consolidated financial statements thereon or, should such disclosures be missing or not relevant, they qualify their opinion or express no opinion:
- They assess the overall consolidated financial statements presentation and whether the consolidated financial statements properly reflect the underlying transactions and events so as to give a true and fair view;
- Regarding financial disclosures about consolidated entities, they obtain evidence they deem sufficient and appropriate to express an opinion on the consolidated financial statements. They are responsible for management, supervision and execution of the consolidated financial statements audit and for giving an opinion on said statements.

AUDIT COMMITTEE REPORT

We submit to the Audit Committee a report including the audit scope and programme we performed as well as our conclusions thereon. We further bring to management's attention any significant internal control weaknesses that we found in accounting and financial information preparation procedures.

The Audit Committee report includes material misstatement risks that we believe were very important for our consolidated financial statements audit and as such, are key audit matters that we shall describe herein.

We also submit to the Audit Committee a statement required under Article 6 EU Regulation 537-2014 confirming our independence, pursuant to rules applicable in France as stated in Articles L.822-10 to L.822-14 French Commercial Code and the Auditors Code of Ethics. Whenever necessary, we meet with the Audit Committee to discuss any independence risks affecting our audit and corrective measures we take.

Nantes, 3 July 2023

Rennes, 3 July 2023

KPMG S.A.

ERNST & YOUNG et Autres

Audrey Cour

Guillaume Ronco

Partner

Partner

03 COMPANY FINANCIAL STATEMENTS

ASSETS

	-	28 Feb 2023			Exercice
(€′000)	notes -	Cost Amort. & Prov. Net		Net	28 Feb 2022
INTANGIBLE ASSETS	(1)(2)	346	346		2
PROPERTY, PLANT & EQUIPMENT	(1)(2)	2,057	935	1,122	1,368
FINANCIAL ASSETS	(3)(7)(14)	852,331		852,331	855,030
FIXED ASSETS		854,734	1,281	853,453	856,400
Other receivables	(4)	22,562		22,562	6,739
Investment securities	(5)	630,819	667	630,152	407,101
Cash		305		305	1,636
CURRENT ASSETS		653,686	667	653,019	415,476
GRAND TOTAL		1,508,420	1,948	1,506,472	1,271,876

LIABILITIES & EQUITY

(€′000)	notes	28 Feb 2023	Exercice 28 Feb 2022
Share capital		7,054	7,054
Share premium account		162,566	162,566
Other reserves and retained earnings b/fwd		587,695	580,431
Net profit for the year		42,722	42,245
Regulatory provisions		1,709	1,634
EQUITY	(6)	801,746	793,930
Provisions for risks and charges		4,781	1,347
PROVISIONS FOR RISKS & CHARGES	(7)	4,781	1,347
Borrowings and debt		673,887	468,783
Trade payables		5,906	4,159
Tax and social security payables		20,126	3,642
Fixed asset payables		3	3
Other payables		23	12
PAYABLES AND ACCRUALS	(4)	699,945	476 599
GRAND TOTAL		1,506,472	1,271,876

INCOME STATEMENT

(€′000)	Notes	FY 2022/23	FY 2021/22
Production sold (goods)			
Production sold (services)		17,212	16,671
Other income		11,395	7,576
OPERATING REVENUES	(8)	28,607	24,247
Other purchases and external expenses		17,487	14,968
Miscellaneous taxes and levies		180	183
Wages & salaries	(9)	7,363	5,492
Social security charges		2,108	2,032
Depreciation and provisions	(2)(7)	3,677	1,212
Other expenses		49	54
OPERATING EXPENSES		30,864	23,941
OPERATING PROFIT/(LOSS)		(2,257)	306
NET FINANCIAL INCOME		45,315	41,838
UNDERLYING PROFIT BEFORE TAX		43,058	42,144
NET EXCEPTIONAL ITEMS	(11)	(77)	201
EMPLOYEE PROFIT SHARING		187	105
CORPORATE INCOME TAX	(12)	72	(5)
TOTAL INCOME		77,541	68,723
TOTAL EXPENSE		34,819	26,478
NET PROFIT		42,722	42,245

LDC SA NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 28 FEB 2023

NOTES TO THE LDC SA FINANCIAL STATEMENTS - YEAR ENDED 28 FEB 2023

ACCOUNTING POLICIES AND METHODS

Th notes and disclosures below form and integral part of the annual financial statements and include the notes to the balance sheet before earnings appropriation for the year ended 28 February 2023, as at 1 March 2022 and 28 February 2023.

French GAAP including the prudence principle is applied in accordance with the following underlying assumptions:

- Going concern,
- Accrual accounting
- True and fair view, comparable numbers
- Accuracy
- Prudence

Pursuant to General Plan of Accounts standards approved by 8 September 2014 ministerial decree and Articles L.123-12 to L.123-28 and R. 123-172 to R. 123-208 French Commercial Code.

The valuation basis adopted for the underlying accounts is the historical cost method.

NOTE 1 - INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

Intangible assets and property, plant and equipment are carried at purchase or production cost.

(€′000)

Movements	Opening balance	Additions	Disposals	Closing balance
Cost				
Concessions, patents & similar rights	346			346
Fixtures and fittings	8			8
Plant & equipment	4			4
Vehicles	1,715		40	1675
Office equipment, hardware and furniture	352	17		369
TOTAL	2,425	17	40	2402
<u>Depreciation/amortisation</u>				
Concessions, patents & similar rights	345	1		346
Fixtures and fittings	2	2		4
Plant & equipment	4			4
Vehicles	377	228	21	584
Office equipment, hardware and furniture	328	15		343
TOTAL	1,056	246	21	1,281
NET BOOK VALUE	1,369			1,121

NOTE 2 - PP&E DEPRECIATION AND INTANGIBLE ASSET AMORTISATION

Depreciation and amortisation are computed based on a straight-line basis and on estimated useful lives. Residual value is deemed to be zero.

Accelerated depreciation is computed for tax purposes pursuant to local tax rules...

The excess of accelerated depreciation over straight-line depreciation is disclosed as accelerated depreciation under regulatory

<u>Useful life</u> Software 4 years Vehicles 4 or 10 years Office and IT hardware 3 to 5 years Furniture 10 years

NOTE 3 - FINANCIAL ASSETS AND RECEIVABLES

EQUITY INVESTMENTS

Cost covers purchase cost and expenses. Value at cost is depreciated over five years under accelerated depreciation. Book value is the lower of value in use and market value. Value in use is based on the earnings and revenues outlook of the company or industry and the strategic value the Group places on the company. Should cost exceed book value, impairment is booked for the excess.

OTHER INVESTMENT SECURITIES

Cost covers purchase cost excluding related expenses.

(€′000)

Movements of the year	Cost b/fwd	Additions	Disposals	Cost c/fwd
Equity investments	632,068			632,068
Related receivables	215,682	50,011	55,079	210,614
Other I/term investments	0			0
Treasury shares	7,502	2,148		9,650
TOTAL	855,252	52,159	55,079	852,332
<u>Depreciation and provisions</u>				
Treasury shares	222		222	0
	0			0
TOTAL	222	0	222	0
NET BOOK VALUE	855,030			852,332

LDC SA NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 28 FEB 2023

NOTE 4 - RECEIVABLES AND PAYABLES

Current asset receivables fall due in less than one year and are carried at face value. Receivables are written down whenever realisable value is lower than book value.

ACCRUED INCOME

(€′000)	Total
Accrued int on eq inv. receivables	265
France trade receivables	2,005
Export trade receivables	122
Accrued supplier cr notes	86
Bond accrued interest	1,096
Other accrued interest	3
TOTAL	3,577

The above amounts exclusively relate to ordinary operations.

PAYABLE MATURITY

(€′000)

	Total	Maturity			
	amount	Up to 1 year	1 to 5 years	More than 5 years	
Borrowings	673,887	536,450	137,437		
Trade payables	5,932	5,932			
Tax and social security payables	20,126	19,939		187	
Other payables					
TOTAL	699,945	562,321	137,437	187	

ACCRUED EXPENSES

(€′000)	Total
Accrued supplier invoices	4,305
Loan interest	47
Paid holidays	468
Equity investments	187
Staff accruals	1,363
Social sec charges	638
Misc. accruals	55
Accrued payroll taxes	38
TOTAL	7,101

The above amounts exclusively relate to ordinary operations.

NOTE 5 - INVESTMENT SECURITIES

Investment securities comprise:

- Fixed-term deposits or futures.
- Mutual funds with market value close to book value. Such investments are recorded at purchase cost. Should market price fall under book value, an impairment provision is booked for the difference.
- EMTN that are recorded at purchase cost. Such investments are guaranteed on maturity.
- Treasury shares allocated to free share plans On 1 March 2021 the Executive Board authorised allotment of 15,000 to 34,000 free shares subject to performance and presence criteria. A €4.2m expense provision on all investment securities was booked in view of achieved objectives at 28 February 2023.

NOTE 6 - EQUITY

Share capital amounts to €7,054,173 comprising 17,635,433 ordinary shares of €0.40 nominal value.

CHANGE TO EQUITY

(€′000)

(555)	
At 28/2/2022	793,930
Dividend payouts	(34,981)
Regulatory provision change	76
Net profit for the year	42,722
At 28/2/2023	801,747

(1) Issue of 500,962 new shares. / (2) £ 339 k opening balance adjustment from changed accounting for retirement compensation

3 LDC SA NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 28 FEB 2023

NOTE 7 - PROVISIONS

(€′000)

Provision type	Balance b/fwd	Increases	Write-backs used	Write-backs not used	Balance c/fwd
Regulatory provisions					
Accelerated depreciation	1,634	80	5		1,709
TOTAL	1,634	80	5		1,709
Provisions for risks and charges					
Litigation provisions					
Pension and similar provisions	496	127	1		622
Tax provisions					
Other provisions for risks and charges	851	3,308			4,159
Provisions for big maintenance					
TOTAL	1,347	3,435	1		4,781
Impairment provisions					
On financial assets	222		222		0
On investment securities	956	6	294		667
TOTAL	1,178	6	516		667
GRAND TOTAL	4,158	3,521	522		7,157
24	- Operations	3,431	1		
0/w increases and write-backs	- Financial	6	516		
	- Exceptional	84	5		

EMPLOYEE BENEFIT PROVISIONS

28/2/2023 applied actuarial assumptions were as follows:

- Discount rate 3.80%
- Average staff pay rises 4.00%
- Long-term inflation 2.00%

The retirement compensation increase relating to actuarial differences was posted to exceptional items.

Provisions are booked whenever the Company has a legal or implied payment obligation to a third party arising from past events, the amount of which is uncertain and will probably lead to a net outflow of resources. Other provisions for risks and charges:

A €4.2m expense provision relating to a free share allotment plan was booked.

NOTE 8 - COMPANY ACTIVITIES

As parent company, LDC SA, has several activities as follows:

- An investment activity buying and managing equity investments,
 A brand and patent management activity on behalf of the Group,
- A Group-wide management activity.

Various services to subsidiaries were billed in 2022/23 as follows:

 Revenues 	Management fees	€9,869k
	Media services	€7,321k
	Other services	€21k
 Sundry income 	Brand royalties	€2,726k
 Financial income 	Dividends received	€40,521k

NOTE 9 - STAFF

A) BREAKDOWN BY STAFF CATEGORY (AVGE HEADCOUNT)

Managers	34
Supervisors	9
Employees	4
TOTAL	47

B) DIRECTORS' FEES

Executive Board and Supervisory Board directors' fees:

- Executive Board: €178k
- Supervisory Board: €92k
- Audit Committee: €3k

NOTE 10 - NET INVESTMENT INCOME AFTER DEBT INTEREST

(€′000)

	2022/23	2021/22
Dividends received	40,521	39,897
Investment income	3,659	1,000
Other	1,135	941
TOTAL	45,315	41,838

NOTE 11 - EXCEPTIONAL ITEMS

(€′000)

(6000)		
	Expense	Income
Sold assets' NBV	18	
Exceptional retirement comp	4	
Accelerated depreciation	80	5
Asset sale proceeds		20
TOTAL	102	25

NOTE 12 - CORPORATE TAX

A) BREAKDOWN OF TOTAL COMPANY CORPORATE INCOME TAX

 Underlying profit €1,179k Exceptional items -€1,044k Tax credit <u>-€63k</u> €72k

B) INCREASE ANDREDUCTION IN FUTURE COMPANY TAX CHARGES

- Increase in future Company tax charges €427k
- Reduction in future Company tax charges €200k

LDC SA NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 28 FEB 2023

c) COMPANY TAX GROUP DETAILS (ART. 223 A TO U CGI REGIME)

LDC SA is the parent company of a tax group made up of Poultry and Ready Meal subsidiaries with 28/2/23 year-ends. Option duration

The option took effect from 1 March 2003.

Tax group members are allocated tax in proportion to each one's taxable income.

Loss reallocation method

LDC SA immediately credits subsidiaries for the tax amount they have saved the tax group by using some or all their tax losses given that they deal with their own tax returns in later years.

NOTE 13 - COMMITMENTS GIVEN AND DEBT GUARANTEES

- Commitments and guarantees given	€17,412k
o/w suppliers	
• loans	€17,412k
o/w:	
• subsidiaries	€17,412k

NOTE 14 - FINANCIAL INSTRUMENTS

The Company has arranged a currency exchange facility with a bank. Share capital still owing as of 28 February 2023 stood at €6.8

NOTE 15 - LIST OF SUBSIDIARIES AND EQUITY INVESTMENTS

(€′000)

Name	Share capital	Share premium account and retained earnings b/fwd	Equity % Dividends	Inv't Cost	Inv't NBV	Loans rec. Advances	Guarantees	Revenues	Net profit	Year- end
FULLY-CONSOLID	ATED SUBS	SIDIARIES (over 50°	%)							
LDC VOLAILLE	155,849	302,074	100% 40 521	366,559	366,559	61,292		3,270	60,016	28 Feb
LDC TRAITEUR	63,000	37,880	100%	105,554	105,554	16,831		1,666	16,970	28 Feb
HUTTEPAIN ALIMENTS	3,340	48,067	100 %	38,788	38788			349,741	7,832	31 Dec
LDC INTERNATIONAL	86,712	28,574	100 %	121,166	121,166	35,600		2,210	(7,740)	31 Dec

INDEPENDENT AUDITOR'S REPORT - ANNUAL — FINANCIAL STATEMENTS FOR THE YEAR ENDED

Year ended 28 February 2023

To the LDC SA shareholders S.A.

OPINION

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying annual financial statements of LDC SA for the year ended 28 February 2023.

In our opinion, the annual financial statements give a true and fair view, in accordance with French generally accepted accounting principles, of the state of the Company's asset, liabilities and financial situation as at 28 February 2023 and of the profit for the year

The audit opinion expressed above is consistent with our report for the Audit Committee.

BASIS FOR OPINION

AUDIT FRAMEWORK

audit accordance with audit standards that the audit evidence we have obtained is sufficient and appropriate to provide a

for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Annual Financial Statements section of this report.

INDEPENDENCE

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors for the period from 1 March 2022 to the date of our report. Specifically, we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

JUSTIFICATION OF ASSESSMENTS - KEY AUDIT MATTERS

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our opinion, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgement, were of most significance in our audit of the

financial statements of the financial year, as well as how we addressed those risks.

Our above opinion only covers the annual financial statements as a whole. We do not give any opinion on individual items therein.

EQUITY INVESTMENTS VALUATION

RISK IDENTIFIED

At 28 February 2023, equity investments amounted to €632.1 million book value and at cost.

As of each financial year-end, management ensures that the equity investments' book value is less then their market value. Such value is measured by reference to items given in Note 3 - Financial Assets and Receivables of the notes to the annual financial statements including consideration of the earnings and revenues outlook of each company or industry and the strategic value the Group places on each company.

We considered that equity investment valuation was a key audit matter because this is a material balance sheet item and involves indepth knowledge and estimates by management.

OUR AUDIT RESPONSE

Our procedures mainly consisted of:

- · Familiarising ourselves with the Company's valuation process, applied methods and assumptions underlying valuation;
- · Checking applied operational assumptions underlying forecast earnings by comparison with actual earnings and market
- Matching estimated market value with applied recoverable value;
- · Verifying the Company's market value arithmetic calculations were accurate.

We further considered whether Note 3 - Financial Assets and Receivables provides proper disclosures.

Specific testing

In accordance with French audit standards, we also conducted specific testing required under French law and regulations.

DISCLOSURES CONTAINED IN THE MANAGEMENT REPORT AND OTHER DOCUMENTS ABOUT THE FINANCIAL

SITUATION AND ANNUAL FINANCIAL STATEMENTS ADDRESSED TO SHAREHOLDERS

We have nothing to report as to the fairness and consistency with the financial statements of disclosures about the financial position and annual financial statements as stated in the Management Report and in other documents sent to shareholders.

We certify that the Article D.441-6 French Commercial Code payment term disclosure are fairly stated and consistent with the annual financial statements.

CORPORATE GOVERNANCE REPORT

We certify that the Supervisory Board corporate governance report contains disclosures required by Articles L.225-37-4, L.22-10-10 and L.22-10-9 French Commercial Code.

With regard to disclosures pursuant to Article L.22-10-9 French Commercial Code rules about paid or granted Company directors' pay and commitments, we verified they were consistent with the financial statements or their underlying accounts and, where necessary, with evidence obtained by the Company from its controlled companies included in the consolidation. Based on such verifications, in our opinion said disclosures are fairly and accurately stated.

With regard to disclosures about items the Company considers could have a potential impact on public tender or exchange offers as required under Article L.22-10-11 French Commercial Code rules, we matched them to supporting documentation provided to us Based on such testing, we have nothing to report about such disclosures.

Other information

Pursuant to the law, we ensured that the various disclosures regarding share and voting right holders and their identities have been communicated to you in the Management Report.

OTHER TESTING OR DISCLOSURES REQUIRED BY LAW OR REGULATIONS

Annual financial report - annual financial statements presentation format

In accordance with audit duties covering the presentation of annual consolidated financial statements under the European Single Electronic Format (ESEF), we also tested said financial statements' compliance with this format, as ratified by EU Regulation 2019/815 dated 17 December 2018 regarding presentation of annual financial statements included in the annual financial report, as specified under I Article L. 451-1-2 French Monetary and Financial Code, which were approved by the Executive Board.

Based on our testing, in our opinion the presentation of the annual financial statements included in the annual financial report, complies in all material respects with the ESEF.

Appointment of statutory auditors

We were appointed independent auditors of LDC SA by the March 1995 general meeting (KPMG SA) and the 13 August 2008 general meeting (ERNST & YOUNG et Autres).

For the year ended 28 February 2023, KPMG SA and ERNST & YOUNG et Autres were in their 29th and 15th continuous years respectively of their terms of office.

Prior to ERNST & YOUNG et Autres (formerly Barbier Frinault et Autres), Barbier Frinault et Autres were appointed in 1996.

ANNUAL FINANCIAL STATEMENTS RESPONSIBILITIES OF DIRECTORS AND SENIOR EXECUTIVES

The directors are responsible for preparing annual financial statements that give a true and fair view in accordance with French generally accepted accounting principles, and for introducing internal controls they deem necessary to ensure the financial statements are free of material misstatements, whether from fraud or error.

When preparing annual financial statements, the directors are responsible for assessing the company's capacity to operate as a going concern, disclosing in the financial statements any going concern-related information and applying the going concern principle therein unless they plan to liquidate the company or cease trading.

The Audit Committee is responsible for monitoring the financial reporting preparation process and the effectiveness of the internal control and risk management systems, and that of any internal audit department, with regard to accounting and financial information processing and preparation procedures.

The Executive Board has approved the annual financial statements.

INDEPENDENT AUDITORS' RESPONSIBILITIES IN RESPECT OF ANNUAL FINANCIAL STATEMENTS AUDITS

AUDIT OBJECTIVE AND APPROACH

We are responsible for reporting to you on the annual financial statements. Our objective is to obtain reasonable assurance that the annual financial statements as a whole do not contain any material misstatements. Reasonable assurance is a high level of assurance, but does not quarantee that an audit conducted in accordance with auditing standards will always detect a material misstatement. Misstatements may arise from fraud or error and are deemed material if individually or together, they can be reasonably considered to influence economic decisions of users taken on the basis of the financial statements.

As stated under Article L.823-10-1 of the French Commercial Code, our financial statements opinion does not involve guaranteeing the viability or commenting on the management of the company.

INDEPENDENT AUDITOR'S REPORT - ANNUAL — FINANCIAL STATEMENTS FOR THE YEAR ENDED

Under audits conducted pursuant to French audit standards, independent auditors exercise their professional judgement throughout their engagement. Furthermore:

- · They identify and assess risks that the annual financial statements contain material misstatements whether from fraud or error, determine and carry out audit procedures on such risks, and obtain evidence they consider sufficient and appropriate to express an opinion. The risk of not detecting a material misstatement from fraud is higher than that for a material misstatement from error because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls;
- · They familiarise themselves with audit-relevant internal controls in order to determine appropriate audit procedures rather than to express an opinion on the effectiveness of the internal controls;
- They assess whether the applied accounting policies are appropriate, management's accounting estimates are reasonable and whether disclosures thereon are fairly stated in the annual financial statements;
- They assess whether the directors' application of the going concern accounting principle is appropriate and, based on evidence obtained, whether a material uncertainty exists about events or circumstances that may cast doubt on the Company's ability to continue trading. Such assessment is based on evidence obtained until the audit report date, it being understood that future events or circumstances may cast doubt on the Company continuing as a going concern. If they conclude there is a material uncertainty, in their report they draw readers' attention to disclosures in the annual financial statements thereon or, should such disclosures be missing or not relevant, they qualify their opinion or express no opinion;
- · They assess the overall financial statements presentation and whether the financial statements properly reflect the underlying transactions and events so as to give a true and fair view.

AUDIT COMMITTEE REPORT

We submit to the Audit Committee a report including the audit scope and programme we performed as well as our conclusions thereon. We further bring to management's attention any significant internal control weaknesses that we found in accounting and financial information preparation procedures.

The Audit Committee report includes material misstatement risks that we believe were very important for our annual financial statements audit and as such, are key audit matters that we shall describe herein.

We also submit to the Audit Committee a statement required under Article 6 EU Regulation 537-2014 confirming our independence, pursuant to rules applicable in France as stated in Articles L.822-10 to L.822-14 French Commercial Code and the Auditors Code of Ethics. Whenever necessary, we meet with the Audit Committee to discuss any independence risks affecting our audit and corrective measures we take.

The independent auditors

Nantes, 3 July 2023

Rennes, 3 July 2023

KPMG S.A. **Audrey Cour** Partner

ERNST & YOUNG et Autres Guillaume Ronco Partner

SPECIAL AUDITOR'S REPORT - REGULATED

To the LDC SA shareholders

In our capacity as independent auditors of the Company, we hereby submit to you our regulated agreements report. It is our responsibility to report to you, based on evidence we have obtained, the underlying terms, conditions and grounds confirming the Company's interest in concluding agreements, which were communicated to us or we found during our engagement, without having to state an opinion as to their benefit or justification or search for other agreements. It is your responsibility under Article R. 225-58 French Commercial Code, to asses whether such agreements are beneficial for the Company with a view to approving them.

It is further our responsibility to report to you any Article R. 225-58 French Commercial Code disclosures about the execution during the year of agreements previously approved in general meeting.

We applied procedures we believed were necessary in the light of French assurance engagement standards to this engagement. Said procedures consisted of checking that disclosures submitted to us were consistent with their underlying supporting documents.

AGREEMENTSSUBMITTED FOR APPROVAL TO THE GENERAL MEETING

Pursuant to Article L. 225-88 French Commercial Code, we were advised of the following agreements signed during the year that had previously been approved by the Supervisory Board.

WITH MANCELLE HUTTEPAIN SAS

Person concerned

Mr Gilles Huttepain, Company Supervisory Board director and Mancelle Huttepain SAS director.

1) COMPANY SUPPORT ON UPSTREAM MATTERS IN CONJUNCTION WITH THREE ACQUISITION TARGETS ABROAD

Nature and purpose

Agreement covering an expertise services contract on upstream matters in conjunction with three acquisition targets abroad.

Terms and conditions

Such contract, approved by the Supervisory Board on 9 February 2023, has a 12-month term from 1 September 2022 and total fixed consideration of €10,000 before VAT (50% due 28 February 2023 and 50% due 31 August 2023).

Grounds justifying the agreement's benefit for the Company

The Board justified the agreement as follows:

The service provider has to carry out in-depth analysis of the upstream poultry markets' structure in the countries where the relevant targets operate and how the targets specifically organise their poultry operations, against an avian flu backdrop.

2) ATTENDING ANVOL AND FIA TRADE ASSOCIATION MEETINGS

Nature and purpose

Agreement covering Mancelle Huttepain SAS's attendance at ANVOL and FIA trade association meetings.

Terms and conditions

Such contract, approved by the Supervisory Board on 9 February 2023, has a 12-month term from 1 September 2022 and total fixed consideration of € 20,000 before VAT (50% due 28 February 2023 and 50% due 31 August 2023).

Grounds justifying the agreement's benefit for the Company

The Board justified the agreement as follows:

It is important for the Group to have the service provider defend its interests related to upstream food safety matters during an avian flu outbreak while also defending its sales interests given that customers also attend trade association meetings.

3) COMMERCIAL LEASE BETWEEN LDC SERVICES AND MANCELLE HUTTEPAIN SAS

Nature and purpose

Agreement covering a commercial lease of a 250-square-metre surface area office building in Le Mans (French county Sarthe).

Terms and conditions

This contract that the Supervisory Board approved on 20 May 2020 has a nine-year term from 1 September 2022 and €1,000 consideration from 1 September to 31 December 2022 and €2,400 from 1 January 2023 (after renovation work completion).

Grounds justifying the agreement's benefit for the Company

The Board justified the agreement as follows:

- · Possibility to benefit from renovated premises including a meeting room for some LDC Services employees and potentially for other Group employees working close to the Huttepain Aliments head office in Le Mans, from where they can take a high-speed train to Paris in under an hour.
- The lease is based on arm's length terms and conditions.

AGREEMENTS PREVIOUSLY APPROVED IN GENERAL MEETING

We hereby inform you that we were not advised of any agreements previously approved in general meeting, which continued in operation during the financial year.

> Nantes and Rennes, 28 June 2023 The independent auditors

KPMG S.A. **ERNST & YOUNG et Autres**

Audrey Cour Guillaume Ronco

24 AUGUST 2023 ORDINARY AND EXTRAORDINARY GENERAL MEETING

AGENDA AND DRAFT RESOLUTIONS

ORDINARY BUSINESS

- 1. Approval of the annual financial statements for the year ended 28 February 2023 Approval of the non-tax—deductible expenses and charges,
- 2. Approval of the consolidated financial statements for the year ended 28 February 2023,
- 3. Earnings appropriation and dividend for the year
- 4. Auditors' special regulated agreements report approval of new regulated agreements specified under Article L. 225-86 French Commercial Code,
- Appointment of PricewaterhouseCoopers replacing KPMG as primary independent auditors,
- 6. Reappointment of Mr Patrice CHANCEREUL as Supervisory Board director,
- 7. Appointment of Mr Denis LAMBERT replacing Mr André DELION as Supervisory Board director,
- 8. Appointment of Mr Christophe LAMBERT as Supervisory Board director,
- 9. Appointment of Mr Thierry CHANCEREUL as Supervisory Board director,
- 10. Appointment of Ms Alexandra PELLETIER as Supervisory Board director,
- 11. Annual fixed directors' fees to grant to Supervisory Board directors,
- 12. Approval of the fixed, variable and exceptional components of the total pay and benefits of any kind paid or granted during the financial year to Mr André DELION, Supervisory Board chairman,
- 13. Approval of the fixed, variable and exceptional components of the total pay and benefits of any kind paid or granted during the financial year to Mr Denis LAMBERT, Executive Board chairman,
- 14. Approval of the fixed, variable and exceptional components of the total pay and benefits of any kind paid or granted during the financial year to the other Executive Board directors,
- 15. Approval of disclosures specified under I Article L. 22-10-9 French Commercial Code,
- 16. Approval of the Executive Board chairman pay policy,
- 17. Approval of the Executive Board directors pay policy,
- 18. Approval of the Supervisory Board chairman pay policy,
- 19. Approval of the Supervisory Board directors pay policy,
- 20. Grant of Executive Board power to have the Company buy back its shares pursuant to the Article L. 22-10-62 French Commercial Code scheme, duration of power, purpose, terms and conditions and limits.

EXTRAORDINARY BUSINESS

- 21. Grant of Executive Board power to cancel Company- bought shares under the Article L. 22-10-62 French Commercial Code scheme
- 22. Grant of Executive Board power to issue ordinary shares without pre-emptive subscription right to an existing or future company owned by LDC Group managers, duration of the power, maximum share issue limit, issue price, subscription volume limit procedure,
- 23. Grant of Executive Board power to issue ordinary shares and/or equity options without pre-emptive subscription right to members of a company savings plan In accordance with articles L. 3332-18 et seq. French Employment Code, duration of the power, maximum share issue limit, issue price, option to allot free shares pursuant to Article L. 3332-21 French Employment Code.
- 24. Powers for formalities.

DRAFT RESOLUTIONS

ORDINARY BUSINESS

First resolution - Approval of the annual financial statements for the year ended 28 February 2023 - Approval of tax-non-deductible expenses and charges

The General Meeting, having taken note of the Executive Board, Supervisory Board and Audit reports on the financial statements for the year ended 28 February 2023, approves said statements as presented, showing a €42,722,371.59 net profit.

The General Meeting specifically approves the €72,313 total expenses and charges specified under 4 Article 39 French General Tax Code, plus related tax.

Second resolution - Approval of the consolidated financial statements for the year ended 28 February 2023

The General Meeting, having taken note of the Executive Board and Audit reports on the consolidated financial statements for the year ended 28 February 2023, approves said statements as presented revealing a €224,707,894 net profit (Group share).

Third resolution - Earnings appropriation and dividend for the year

The General Meeting, as proposed by the Executive Board, decides to appropriate earnings for the year ended 28 February 2023 as follows:

Source

Net profit for the year

€42,722,371.59

Transfer to the "Other Reserves" account

€4,893,297.51

Appropriation

Dividends

€47,615,669.10

The General Meeting notes that the gross dividend per €0.40-nominal-value share is set at €2.70.

Accordingly, the "Other Reserves" account account would reduce from €586,989,973.96 to €582,096,676.45.

When dividends are paid to private individuals tax resident in France, they are subject, either to a flat-rate single gross dividend 12.8% withholding tax (Article 200 A French General Tax Code), or, on taxpayer's irrevocable and overall expressed option, to the income tax progressive scale after a 40% allowance (articles 200 A,2 and 158 French General Tax Code). Dividends are further subject to 17.2% social security charges.

This dividend would be payable on 30 August 2023 and the ex-dividend date would be 28 August 2023.

Le paiement des dividendes sera effectué le 30 août 2023.

Should the number of shares entitling their holders to a dividend vary from the 17,635,433 shares making up share capital at 16 May 2023, the total dividend payout would be adjusted accordingly and the amount posted to 0ther Reserves would be based on actually paid dividends.

In accordance with the provisions of Article 243 bis of the French General Tax Code, we would like to inform you that the following dividends and income have been distributed in respect of the last three financial years:

IN RESPECT OF THE	DISTRIBUTIO	DISTRIBUTION WITH ALLOWANCE				
FINANCIAL YEAR	DIVIDENDS	OTHER SHAREHOLDER PAYOUTS	ALLOWANCE			
2019/20	€20,561,365,20. or €1.20 per share	-	-			
2020/21	€31,001,022.00* Or €1.80 per share	-	-			
2021/22	€35,270,866.00* Or €2.00 per share					

^{*}Including unpaid treasury share dividends posted to Other Reserves or Retained Earnings

Fourth resolution - Auditors' special regulated agreements report – approval of new regulated agreements specified under Article L. 225-86 French Commercial Code

Ruling on the Auditors' special report on regulated agreements subject to Articles L.225-86 et seq. French Commercial Code as presented, the General Meeting approves new regulated agreements stated therein.

$Fifth \, resolution \, \hbox{--} \, Appointment \, of \, Price waterhouse Coopers \, replacing \, KPMG \, as \, primary \, independent \, auditors \, Price waterhouse Coopers \, replacing \, FPMG \, as \, primary \, independent \, auditors \, Price waterhouse Coopers \, replacing \, FPMG \, as \, primary \, independent \, auditors \, Price waterhouse Coopers \, replacing \, FPMG \, as \, primary \, independent \, auditors \, Price waterhouse Coopers \, replacing \, FPMG \, as \, primary \, independent \, auditors \, Price waterhouse Coopers \, replacing \, PPMG \, as \, primary \, independent \, auditors \, PPMG \, and \, PPMG \, and$

On Supervisory Board proposal, the General Meeting appoints Pricewaterhouse Coopers replacing KPMG, whose term of office expires following this AGM, as primary independent auditors for a term expiring following the AGM called in 2029 to rule on the financial statements for the year ending 28 February 2029.

PricewaterhouseCoopers has stated it accepts this engagement.

Sixth resolution - Reappointment of Mr Patrice CHANCEREUL as Supervisory Board director

The General Meeting decides to reappoint Mr Patrice CHANCEREUL as Supervisory Board director for a four-year term expiring following the 2027 AGM called to approve the financial statements for the year ending 28 February 2027.

Seventh resolution - Appointment of Mr Denis LAMBERT replacing Mr André DELION as Supervisory Board director

The General Meeting takes note that Mr André DELION's term of office as Supervisory Board director expires and he will step down following this AGM. The General Meeting decides to appoint Mr Denis LAMBERT as Supervisory Board director for a four-year term expiring following the 2027 AGM called to approve the financial statements for the year ending 28 February 2027.

Eighth resolution - Appointment of Mr Christophe LAMBERT as Supervisory Board director,

The General Meeting decides to appoint Mr Patrice CHANCEREUL as Supervisory Board director, in addition to the current directors, for a four-year term expiring following the 2027 AGM called to approve the financial statements for the year ending 28 February 2027.

Ninth resolution - Appointment of Mr Thierry CHANCEREUL as Supervisory Board director

The General Meeting decides to appoint Mr Thierry CHANCEREUL as Supervisory Board director, in addition to the current directors, for a four-year term expiring following the 2027 AGM called to approve the financial statements for the year ending 28 February 2027. **Tenth resolution - Appointment of Ms Alexandra PELLETIER as Supervisory Board director**

The General Meeting decides to appoint Ms Alexandra PELLETIER as Supervisory Board director, in addition to the current directors, for a four-year term expiring following the 2027 AGM called to approve the financial statements for the year ending 28 February 2027.

Eleventh resolution - Supervisory Board fixed directors' fees

The General Meeting decides to raise the Supervisory Board's fixed annual directors' fees from €48,760 to €71,500. This decision, which takes effect for the current financial year, will be maintained until otherwise decided.

Twelfth resolution - Approval of the fixed, variable and exceptional components of the total pay and benefits of any kind paid or granted during the financial year to Mr André DELION, Supervisory Board chairman,

In accordance with Article L. 22-10-34 II French Commercial Code, the General Meeting hereby approves the fixed, variable and exceptional components of the total pay and benefits of any kind paid or granted during the past year to Mr André DELION, Supervisory Board chairman, as disclosed in the Corporate Governance Report, paragraph V.2 2022/23 Annual Financial Report.

24 AUGUST 2023 ORDINARY AND EXTRAORDINARY GENERAL MEETING

Thirteenth resolution - Approval of the fixed, variable and exceptional components of the total pay and benefits of any kind paid or granted during the financial year to Mr Denis LAMBERT, Executive Board chairman

In accordance with Article L. 22-10-34 II French Commercial Code, the General Meeting hereby approves the fixed, variable and exceptional components of the total pay and benefits of any kind paid or granted during the past year to Mr Denis LAMBERT, Executive Board chairman, as disclosed in the Corporate Governance Report, paragraph V.2 2022/23 Annual Financial Report.

Fourteenth resolution - Approval of the fixed, variable and exceptional components of the total pay and benefits of any kind paid or granted during the financial year to the other Executive Board directors

In accordance with Article L. 22-10-34 II French Commercial Code, the General Meeting hereby approves the fixed, variable and exceptional components of the total pay and benefits of any kind paid or granted during the past year to the other Executive Board directors, as disclosed in the Corporate Governance Report, paragraph V.2 2022/23 Annual Financial Report.

Fifteenth resolution - Approval of disclosures specified under I Article L.22-10-9 French Commercial Code

In accordance with Article L. 22-10-34 I French Commercial Code, the General Meeting hereby approves disclosures specified under I Article L.22-10-9 French Commercial Code as stated in the Corporate Governance Report, paragraph V.1 2022/23 Annual Financial Report.

Sixteenth resolution - Approval of the Executive Board chairman's pay policy

In accordance with Article L. 22-10-26 I French Commercial Code, the General Meeting hereby approves the Executive Board chairman's pay policy as stated in the Corporate Governance Report, paragraph IV and notably paragraph IV.2, 2022/23 Annual Financial Report.

Seventeenth resolution - Approval of the Executive Board directors' pay policy,

In accordance with Article L. 22-10-26 French Commercial Code, the General Meeting hereby approves the Executive Board directors' pay policy as stated in the Corporate Governance Report, paragraph IV and notably paragraph IV.2, 2022/23 Annual Financial Report.

Eighteenth resolution - Approval of the Supervisory Board chairman's pay policy,

In accordance with Article L. 22-10-26 I French Commercial Code, the General Meeting hereby approves the Supervisory Board chairman's pay policy as stated in the Corporate Governance Report, paragraph IV and notably paragraph IV.1, 2022/23 Annual Financial Report.

Nineteenth resolution - Approval of the Supervisory Board directors' pay policy,

In accordance with Article L. 22-10-26 French Commercial Code, the General Meeting hereby approves the Supervisory Board directors' pay policy as stated in the Corporate Governance Report, paragraph IV and notably paragraph IV.1, 2022/23 Annual Financial Report.

Twentieth resolution - Grant of Executive Board power to have the Company buy back its shares pursuant to the Article L. 22-10-62 French Commercial Code scheme

Having taken note of the Executive Board report and pursuant to Articles L. 22-10-62 et seq. and L. 225-210 et seq. French Commercial Code, the General Meeting hereby authorises said Board for an eighteen-month term to purchase, on one or more occasions and at times the Board will decide, Company shares up to the maximum number of shares without exceeding 5% of share capital as of this general meeting's date and adjusted for any future new share issues, cancellations or bonus share issues that may occur during the programme

Such power will supersede that granted to the Executive Board by the 25 August 2022 General Meeting, ordinary resolution 12.

Shares may be bought to:

- Boost LDC share secondary market trading or liquidity through an investment services firm based on a liquidity contract compliant with regulatory practices, it being understood that in this context, the number of shares used to calculate the aforementioned limit shall equal the number bought less the number resold,
- Hold bought shares and subsequently reissue them in exchange or payment under any merger, de-merger or acquisition transactions
- Ensure sufficient shareholdings for stock option plans and/or free share or similar award plans for Group employees and/or directors (including related business consortia or companies) as well as share awards under a company or group staff savings plan (or similar plan), Group profit sharing and/or any other form of share award to Group employees and/or directors,
- Ensure sufficient shareholdings so the Company can reissue shares pursuant to applicable regulations,
- Cancel any bought shares pursuant to extraordinary general meeting powers granted.

Such share buybacks may be made by any means including in blocks of shares and at times the Executive Board deems appropriate. The Company does not intend to use stock options or derivatives.

Unless previously authorised hereto in general meeting, the Executive Board may not use this power during a third-party tender offer period targeting Company shares until the end of the offer period. The maximum purchase price shall be set at €200 per €0.40-nominal-value share. En cas d'opération sur le capital, notamment de division ou de regroupement des actions ou d'attribution gratuite d'actions aux actionnaires, le montant sus-indiqué sera ajusté dans les mêmes proportions (coefficient multiplicateur égal au rapport entre le nombre d'actions composant le capital avant l'opération et le nombre d'actions après l'opération).

The maximum amount that may be spent under the share buyback programme shall be €176,354,200.

The General Meeting confers all powers to the Executive Board to execute such transactions, approve related terms and conditions, sign any necessary business agreements and carry out formalities thereto.

EXTRAORDINARY BUSINESS:

Twenty-first resolution - Executive Board power to cancel Company- bought shares under the Article L. 22-10-62 French Commercial Code scheme

Pursuant to Article L.22-10-62 French Commercial Code and having taken due note of the Executive Board and audit reports, the General Meeting:

- 1. Authorises the Executive Board, on one or more occasions and at its sole discretion, to cancel shares representing up to 10% of share capital calculated on the day of the decision to cancel, having deducted any shares cancelled during the previous 24 months, which the Company holds or may hold following purchases complying with Article L.22-10-62 French Commercial Code, and to reduce the Company share capital by the same amount pursuant to current statutory and regulatory rules.
- 2. Sets the valid term of this power at twenty-four months with effect from this General Meeting,
- 3. Grants all powers to the Executive Board to carry out all such share cancellations and share capital reductions accordingly as necessary, to amend the Company Articles of Association accordingly and accomplish all required formalities.

Twenty-second resolution – Grant of Executive Board power to issue ordinary shares without pre-emptive subscription right to an existing or future company owned by LDC Group managers, duration of the power, maximum share issue limit, issue price, subscription volume limit procedure,

Having taken note of the Executive Board report and the special report of the auditors and in accordance with the provisions of articles L.225-129-2 and L.225-13 French Commercial Code, the General Meeting:

- 1. Empowers the Executive Board to issue ordinary shares, on one or more occasions, in the proportions and at times it shall determine, both in France and abroad, without pre-emptive subscription right, to the person named below.
- 2. Sets the valid term of this power at eighteen months from the date of this General Meeting.
- 3. The maximum total nominal value of shares that may be issued under this power may not exceed €200,000. To this limit would be added, where appropriate, the nominal value of new share issues required to preserve, as legally permitted, contractual provisions allowing other means of preserving Company shareholder rights or equity option rights. Said limit is separate from all limits stated in the other General Meeting resolutions.
- 4. Pursuant to Article L.225-138 French Commercial Code, decides that the ordinary share issue price under this power would be set by the Executive Board and may not be less than the weighted average share price over the last 30 stock exchange trading sessions immediately prior to setting the issue price, less a maximum 20% discount.
- 5. Decides to delete the shareholder pre-emptive subscription right on ordinary shares and issue to an existing (SOCCAD INVESTISSEMENTS and SOCCAD 2) or future company owned by LDC Group managers.
- 6. Decides that should subscriptions not take up all issued shares under 1) above, the Executive Board may reduce the issue amount to total subscriptions pursuant to regulations.
- 7. Decides that the Executive Board shall be wholly empowered to implement this authority including to:
 - a) Determine terms and conditions of issue;
 - b) Establish the issue value and price per share including any premium on issue;
 - c) Set issue dates, procedures, time periods, effective shareholder right dates and any other terms and conditions to carry out the issue;
 - d) Determine the method of paying in the shares to be issued;
 - E) Net share issue costs against the related share premium arising on the related share issue on its sole initiative, and also transfer from said share premium to the statutory reserve such that the reserve equals one tenth of new share capital after each share issue:
 - f) Increase share capital and amend the Articles of Association accordingly;
 - g) Generally, sign any agreement, take any step or formality that benefits the issue and helps the finance department's task therein under this power and more widely, do anything that is necessary for this purpose.
- 8) Notes that the Executive Board shall report to shareholders in ordinary general meeting pursuant to the law and regulations, about its use of the power granted by this resolution.

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24 AUGUST 2023 ORDINARY AND EXTRAORDINARY GENERAL MEETING

Twenty-third resolution - Grant of Executive Board power to issue ordinary shares and/or equity options without pre-emptive subscription right to members of a company savings plan In accordance with articles L. 3332-18 et seq. French Employment Code Having taken note of the Executive Board report and the special report of the auditors and in accordance with the provisions of articles L. 225-129-6, L. 225-138-1 and L. 228-92 French Commercial Code, the General Meeting:

- Grants authority to the Executive Board, if it deems appropriate in its sole capacity, to issue new Company ordinary shares or equity options on one or more occasions to one or more company or group saving plan members established by the Company and/or its related French or foreign companies under conditions specified by Article L. 225-180 French Commercial Code and Article L. 3344-1 French Employment Code.
- 2. Transfers to such members the shareholder pre-emptive subscription right on shares and equity options that may be issued under this power.
- 3. Sets the valid term of this power at twenty-six months with effect from this General Meeting,
- 4. The maximum nominal value of the share issue(s) that could be carried out under this power would be 1% of share capital as of the Executive Board's share issue decision date, given that said value is separate from any other share issue power limit. To this amount would be added, where appropriate, the nominal value of new share issues required to preserve, as legally permitted, contractual provisions allowing other means of preserving Company shareholder or equity option holder rights.
- 5. Decides that the future share issue price under 1/ above may not be less than over 30%, or 40% should the plan's vesting period be at least 10 years as permitted by articles L. 3332-25 and L. 3332-26 French Employment Code, of the average quoted share prices over 20 stock exchange trading sessions leading up to the decision setting the subscription start date, nor be above said average.
- 6. In accordance with Article L. 3332-21 French Employment Code, decides that the Executive Board may allot free existing or future Company shares or equity options to the persons stated under 1. above in respect of (i) potential employer contributions pursuant to company or group savings plan rules, and/or (ii) any discount and, in the event of new share issues regarding the discount and/or the employer contribution, may decide to post reserves, retained earnings or Share Premium Account to share capital to pay in said shares.
- 7. Takes note as of this General Meeting date, this power supersedes any unused portion of any prior power granted for the same purpose.

The Executive Board may implement this power or not, take all necessary steps and accomplish all formalities to put it into effect.

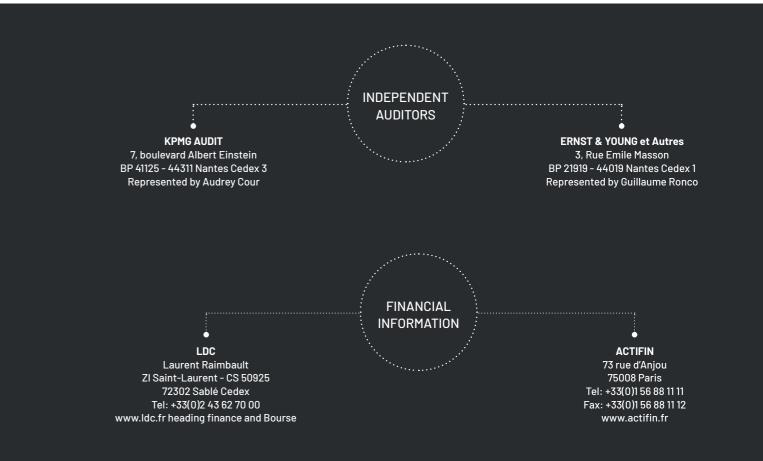
Twenty-fourth resolution (Powers for formalities)

The General Meeting gives all powers to the bearer of an original, a copy or an extract of this report for purposes of accomplishing legal publicity requirements.

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NOTES





Acting with our regions













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